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DEPARTMENT OF DEFENSE  
APPROPRIATIONS FOR 1969

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HEARINGS  
BEFORE A  
SUBCOMMITTEE OF THE  
COMMITTEE ON APPROPRIATIONS  
HOUSE OF REPRESENTATIVES  
NINETIETH CONGRESS  
SECOND SESSION

SUBCOMMITTEE ON DEPARTMENT OF DEFENSE  
GEORGE H. MAHON, Texas, *Chairman*

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JAMIE L. WHITTEN, Mississippi  
GEORGE W. ANDREWS, Alabama  
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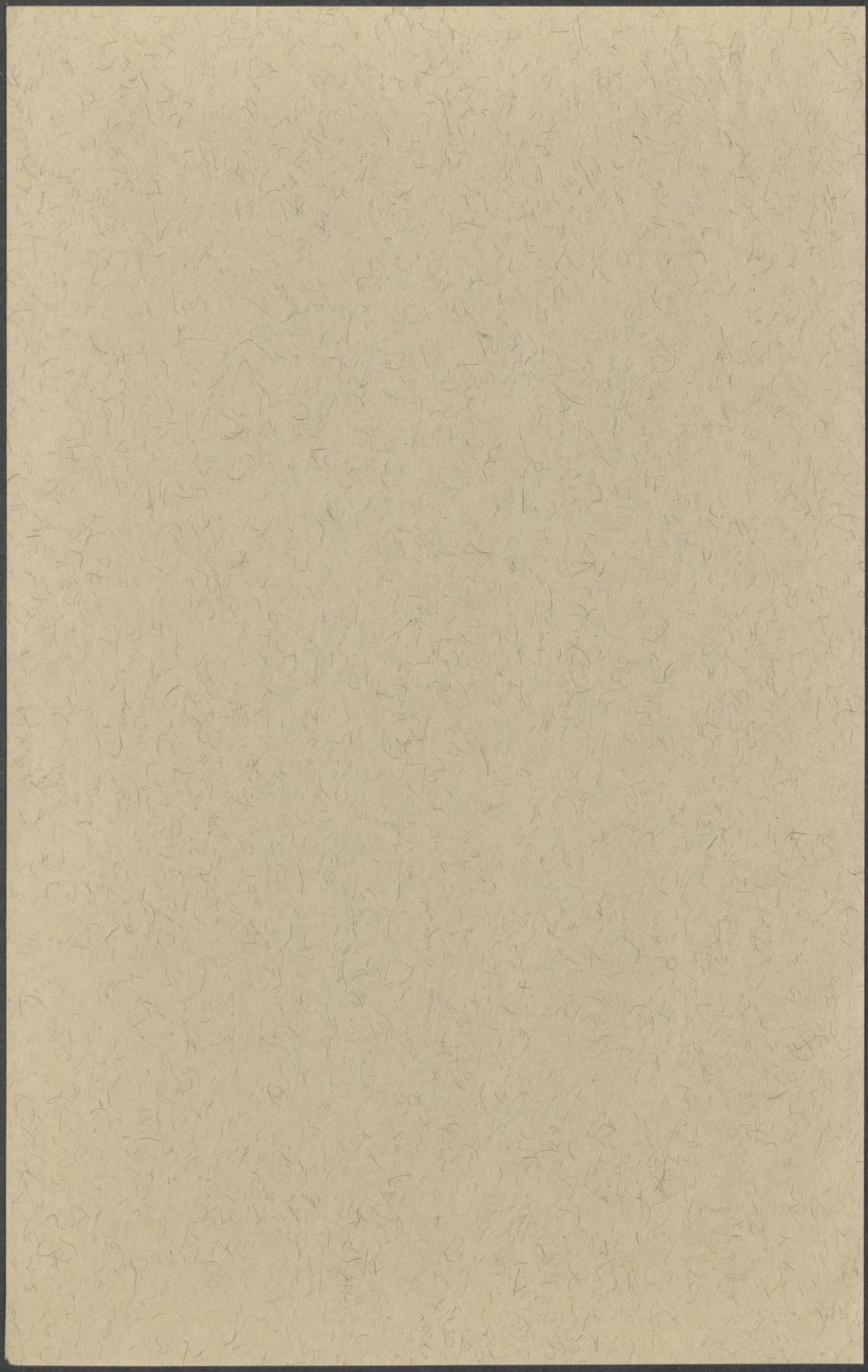
R. L. MICHAELS, FRANK SANDERS, RALPH PRESTON, JOHN GARRITY, PETER J. MURPHY,  
*Staff Assistants*

PART 5  
MILITARY PERSONNEL

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# DEPARTMENT OF DEFENSE APPROPRIATIONS FOR 1969

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## HEARINGS BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES NINETIETH CONGRESS SECOND SESSION

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SUBCOMMITTEE ON DEPARTMENT OF DEFENSE

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*Staff Assistants*

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### PART 5

### MILITARY PERSONNEL

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Printed for the use of the Committee on Appropriations



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WASHINGTON : 1968

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*Staff Assistants*

DEPARTMENT OF DEFENSE APPROPRIATIONS  
FOR FISCAL YEAR 1969

MONDAY, MAY 6, 1968.

MILITARY PERSONNEL, ARMY

WITNESSES

MAJ. GEN. J. E. KELLY, ACTING DEPUTY CHIEF OF STAFF FOR PERSONNEL  
LT. GEN. L. D. HEATON, SURGEON GENERAL  
MAJ. GEN. W. E. BRINKER, DIRECTOR OF PLANS, PROGRAMS, AND BUDGET, OFFICE, DEPUTY CHIEF OF STAFF FOR PERSONNEL  
BRIG. GEN. K. L. JOHNSON, DIRECTOR, ENLISTED PERSONNEL DIRECTORATE, OFFICE OF PERSONNEL OPERATIONS  
BRIG. GEN. L. E. MANESS, ASSISTANT DIRECTOR OF ARMY BUDGET (OPERATIONS), OFFICE, COMPTROLLER OF THE ARMY  
COL. E. SAMUSSON, JR., DEPUTY DIRECTOR OF PROCUREMENT AND DISTRIBUTION, OFFICE, DEPUTY CHIEF OF STAFF FOR PERSONNEL  
LT. COL. J. F. BELLOCHI, SCHOOLS DIVISION, OFFICE, DEPUTY CHIEF OF STAFF FOR PERSONNEL  
B. M. HUTCHISON, CHIEF, MILITARY PERSONNEL ARMY BRANCH, BUDGET DIVISION, OFFICE, DEPUTY CHIEF OF STAFF FOR PERSONNEL  
G. B. NUTT, CHIEF, CLOTHING AND SUBSISTENCE SECTION, BUDGET DIVISION, OFFICE, DEPUTY CHIEF OF STAFF FOR PERSONNEL  
CAPT. O. N. HIBLER, JR., DIRECTOR, OFFICE OF PLANS AND COORDINATION, LEGISLATIVE AFFAIRS, OSD

Mr. MAHON. This morning we will begin consideration of the various requests for funds for military personnel of the Department of Defense for fiscal year 1969.

The total funds appropriated to the Defense Department in fiscal year 1968 for this purpose was \$21,781,500,000. A revision proposing a decrease in funds available in fiscal year 1968 in the amount of \$182.5 million is pending in the so-called net zero budget adjustments. This, as I understand it, will be superseded or withdrawn.

A supplemental request is expected which would provide an additional \$600 million. We find ourselves going in two directions.

If approved this would make available a total of \$22,199 million for fiscal year 1968.

The budget estimates for fiscal 1969 for military personnel in the Department of Defense are \$23,014 million, an increase of \$815 million over the amounts proposed to be available for fiscal year 1968.

## MILITARY PERSONNEL ON SPECIAL ASSIGNMENTS

Before we begin our detailed review of estimates for the military departments, I would like to take a moment to discuss military personnel on special assignments. I refer to those military personnel assigned to defense agencies, to OSD, to Joint Staffs, to MAAG's, missions and attaché staffs, to unified and specified commands, and to other Government agencies.

As the military personnel budget is presented each year, it is not possible for the committee to obtain an appreciation of the number of military personnel assigned to duty in these special categories.

Captain Hibler, perhaps you could coordinate with the military departments and have inserted in the record at this point the total number of military personnel, officer and enlisted, by service, who are assigned to the headquarters and field activities of defense agencies.

The tabulation should include, of course, those military personnel assigned to defense agencies but who are in direct support of unified and specified commanders.

You should also provide the committee with the total number of military personnel by service who are assigned to unified and specified commands, as well as those assigned in support of such commands.

We would also like to have separate tabulations of military personnel assigned to OSD, to the Office of the Joint Chiefs of Staff, to MAAG's, and missions to attaché staffs, and to other Government agencies.

Captain HIBLER. I will be glad to provide the information you requested, Mr. Chairman.

(The information requested follows:)



## MILITARY PERSONNEL PROCUREMENT PROGRAMS

Mr. MAHON. I would now like to turn to another general subject.

The military departments all have varying programs, both for officer candidates and enlisted, available to high school and college students. Requirements and terms of service for these programs differ.

Captain Hibler, would you also have the military departments provide for the record a brief description of the various programs, the requirements for each program, selection processes, and terms of service, including further obligation owed the military departments by participants in these programs where active duty is a requirement. Of course, this listing should encompass those programs providing college education assistance and ROTC-type programs.

I believe it would be desirable, also, to include the annual cost of operating each program.

If you will, Captain Hibler, gather this information together and we shall insert it in the record at this point.

(The information requested follows:)

The following are descriptions of military personnel procurement programs of all services—Regular, Reserve, officer and enlisted. These have been extracted from the current edition of "It's Your Choice" which is now being prepared for publication. This Department of Defense brochure is widely distributed to young men of military service age to inform them of the military obligation and the wide variety of military service programs through which it can be fulfilled.

Separate data are available and furnished on the annual costs of the following principal programs:

Regular enlistment programs—table 1.

Reserve officer candidate programs—table 2.

Service academy programs—table 3.

*The law.*—Under existing law every physically and mentally qualified man between the ages of 18½ and 26 faces an obligation to perform at least 6 years of military service, which may be fulfilled by various combinations of active and reserve duty.

*The draft.*—At age 18½ and until age 26, you are subject to call by your local Selective Service Board unless you previously volunteer for service. As a draftee, you must report whenever called and serve 2 years of active duty. The remainder of your 6-year obligation must be served in the Reserves. You will have little, if any, choice as to your branch of service or the training you will receive.

*Period of service.*—Active duty is full-time military service. Under the various programs offered by the different Armed Forces, there is a wide variance in the length of active duty for which you may volunteer; however, the total obligation of 6 years of military service remains the same. Some programs provide for 2 years of active duty; some provide for 3 or more years. Other programs consist exclusively of Reserve service, involving in some cases only active duty for training.

*Ready Reserve.*—You will undoubtedly spend part of your Reserve duty in the Ready Reserve where you can expect to participate in part-time training duty. As a Ready reservist you will normally participate in 48 scheduled drills or training periods and not less than 14 days (exclusive of travel time) of active training each year. Reserve units meet in most sizable communities in every State. The Ready Reserve is subject to active duty in time of national emergency proclaimed by the President, as well as in time of war or national emergency declared by Congress.

*Standby Reserve.*—Membership in the Standby Reserve does not require active participation in Reserve training. You become eligible for this category on the basis of total active duty and Ready Reserve training. The Standby Reserve can be ordered involuntarily to active duty only as the result of congressional action.

*The advantage of volunteering.*—The various ways in which an eligible man may choose to serve his country are designed to encourage volunteering. As a volunteer you may select your branch of service, and often the time of reporting and length of active service that will best fit your civilian plans. In many cases, you can also indicate the field of training you desire.

*Eligibility.*—Volunteers for the various service choices must meet prescribed mental and physical requirements. In some cases you must have special qualifications, such as a college education.

*Medically remedial enlistment program.*—A new Defense Department program now allows all of the Armed Forces to enlist men with physical conditions correctible in 6 weeks, such as overweight and hernia, provided they agree to treatment at Government expense.

Your Armed Forces recruiter has full details about eligibility. It can only be done on a voluntary basis.

*Make your plans now.*—To take advantage of the special programs listed in this booklet, it is important that you begin to plan immediately. Read this material, seek further information and counsel if you want it, make your decision—then volunteer while you are still eligible. Once your induction notice has been issued, you may no longer volunteer.

*Military service programs.*—On the following pages are described the various programs of the military services available to volunteers. Whether you are interested only in fulfilling the basic military obligation or in making a career in military service, you will find appropriate choices to consider.

*If your choice is the draft.*—You may already have chosen the draft as best fitted to your plans for the future. In your own best interests, because the contents of this booklet are designed to give you a picture of the total choices, you are urged to read on. You may find, after reading the information offered, that one of the other choices is better suited to your particular situation. Keep an open mind, consider all the programs, weigh each program against the others, before you make a final decision.

## ARMY

### REGULAR ARMY ENLISTMENT

AGE LIMITS: 17 TO 35

You may enlist in the Army for 2, 3, 4, 5, or 6 years.

*Graduate specialist program.*—Only high school graduates are eligible. If you pass qualification exams, and enlist for a minimum of 3 years, you can choose before enlistment from more than 100 valuable classroom courses.

*Choose career group option.*—Qualify via aptitude and physical exams—then choose before enlistment from a variety of vocational training: Missile, electronics, radar, many others. Airborne may be combined with an occupational area that lends itself to assignment in an airborne unit.

*Choose-it-yourself program.*—Choose infantry, armor, or artillery.

### ARMY ENLISTED RESERVE

AGE LIMITS: 17 TO 26

If you are qualified and have not been ordered to report for induction you may enlist in the Reserve for 6 years, subject to the requirement that during the early part of that period you will perform 2 years of active service.

#### ARMY RESERVE WITH A 4 OR MORE MONTHS SPECIFIED PERIOD OF ACTIVE DUTY FOR TRAINING

1. *Ages 17 to 26.*—You may enlist in an Army Reserve unit for a 6-year period, take the number of months of active duty training (not less than 4) which is required to qualify you for the specialty for which you enlisted and serve the remainder of the enlistment participating in Ready Reserve unit training.

2. *Ages 26 to 35.*—You may enlist in the Army Reserve for a 3-year period, take the number of months of active duty for training (not less than 4) which is required to qualify you for the specialty for which you enlisted and you will be expected to serve the remainder of the enlistment participating in Ready Reserve unit training.

### ARMY NATIONAL GUARD

1. *Age Limits: 17 to 35.*—Army National Guard units are organized in all 50 States, Puerto Rico, and the District of Columbia; and when not in active Federal service, they are under the control of the respective State Governors. When you enlist in a federally recognized unit of the Army National Guard of a State you

also enlist as a reserve of the Army (Army National Guard of the United States.) You may apply to the Army National Guard unit in your community or to the Adjutant General of your State to enlist in the Army National Guard. If you are qualified and are enlisted, you will be in Ready Reserve component of the Army and may be deferred from induction as long as you remain a member and participate satisfactorily until you have completed your military service obligation. You must agree, as a condition of enlistment, to take not less than 4 months of active duty for training (in Federal status) with the Active Army.

2. *Ages 17 to 26.*—You may enlist in the Army National Guard for a 6-year period, take the number of months of active duty for training (not less than 4) which is required to qualify you for the specialty for which you enlisted, and serve the remainder of the enlistment participating in training in a Ready Reserve status.

3. *Ages 26 to 35.*—You may enlist in the Army National Guard for a 6-year period, take the number of months of active duty for training (not less than 4) which is required to qualify you for the specialty for which you enlisted, and serve the remainder of the enlistment participating in training in a Ready Reserve status.

4. If you have had some active duty and have a remaining Ready Reserve service obligation, you may enlist in the Army National Guard to complete that obligation.

5. As a guardsman, your chances for advancement are unlimited, provided you meet the requirements and pass various aptitude tests. For example, direct commissions are available in the Army National Guard for professional-type individuals, such as doctors, dentists, lawyers, etc. Additionally, Army guardsmen, if they qualify, are eligible for entry into the warrant officer flight training program, as well as the Active Army officer candidates school program. But of prime significance to the Army guardsman is the State officer candidate program available in all States (to include the District of Columbia and the Commonwealth of Puerto Rico) except Alaska. Those who qualify for this program leading to a commission of second lieutenant train on weekends for 1 year and attend two annual field training tours. After successful completion of the second AFT tour, they are commissioned. This program is unique in that it does not interfere with the candidate's civilian job or, if a student, his schooling.

#### ARMY RESERVE OFFICERS TRAINING CORPS (ROTC)

*Age limits: 18 to 27.*—Under this program, you receive part-time military training in one of the colleges or universities having ROTC units. Upon graduation some are selected and offered Regular Army commissions; all others are commissioned as Reserve Army second lieutenants and are required to perform 2 years' active duty within a 6-year obligation, or 6 months active duty for training with an 8-year obligation, dependent upon the needs of the Army. Graduates cannot receive a commission prior to age 18 or after reaching 28. Scholarships are available in Army ROTC which pay students \$50 per month plus tuition, textbooks, and laboratory fees. Scholarship students are required to accept either a Regular or Reserve commission, whichever is offered, as a second lieutenant and to serve at least 4 years on active duty.

#### ARMY OFFICER CANDIDATE SCHOOL (OCS)

*Age limits: 18 to 32½.*—To qualify for this program you must become a warrant officer or enlisted man in the Active Army, Army Reserve, or National Guard, and you must possess a high school diploma or equivalent education. You may also qualify for direct enlistment for Officer Candidate School if you are a college graduate and meet other standards such as physical fitness, mental aptitude, etc. On successful completion of a 23-week training course, you will be commissioned as a second lieutenant in the Army Reserve, and will be required to serve in a commissioned status as follows: If you were selected for OCS training while in an extended active duty status, you will be required to serve a minimum of 2 years' active duty after commissioning. If you are selected for Officer Candidate School direct from civilian life, you must serve no less than 24 months of active duty as a commissioned officer. If you attend OCS in an "active duty for training" status, you will be returned to your original station for assignment to a troop program unit of the Army Reserve.

## DIRECT APPOINTMENT

*Age limits: 21 to 27 (Regular Army), 18 to 39 (Reserve).*—A limited number of direct commissions in the Regular Army and Army Reserve are offered to individuals possessing certain professional and technical specialties. To qualify for a direct appoint you must possess a master's or doctor's degree or a bachelor's degree with practical experience.

## WARRANT OFFICER FLIGHT TRAINING

*Age limits: 18 to 30.*—Enlisted and warrant officer personnel in the Active Army, Reserve, and National Guard may make application for this program through command channels. Qualified civilian personnel may enlist in the Regular Army for the specific purpose of entering the warrant officer aviation program, but must complete basic combat training prior to entry into flight training. Those candidates who successfully complete a 36-week course of flight instruction will receive the wings and rating of a warrant officer aviator. Active Army and enlistment option candidates must serve on active duty for a period of at least 3 years after completing the course. Reserve and National Guard candidates incur no active duty obligation.

## NAVY

## REGULAR NAVY ENLISTMENT

*Age limits: 17 through 30.*—You may enlist in the Regular Navy for 4 or 6 years of active duty with the exception that when 17-year-old enlistments are authorized, 17-year-olds may enlist for a minority enlistment only (enlistment expires on the day prior to the individuals' 21st birthday). If you are a graduate of high school, vocational school, or junior college and in all other respects qualified, you may be eligible to enlist in special Navy training programs that include over 60 fields.

All enlistees, of course, are afforded training opportunities during their enlistment based on their capabilities and performance. Promotions in the Navy are based on Navy-wide competition and promotions are not dependent on "openings" at your duty station.

## NAVAL RESERVE ENLISTMENTS

*Age limits: 17 through 26.*—You may enlist in the Naval Reserve for 6 years, 2 of which must be spent on active duty and 4 years in the Inactive Reserve, usually affiliated with an organized reserve unit. The Naval Air Reserve has a limited program which requires only 6 months' active duty and 5½ years' inactive duty. Enlistees in both programs can acquire specialized training by applying for class A school assignments.

## PROGRAMS FOR NAVY OFFICER CANDIDATES

## U.S. NAVAL ACADEMY (ANNAPOLIS)

*Age limits: 17 to 22.*—The U.S. Naval Academy offers you a 4-year college/naval course. Graduates are commissioned as Regular Navy ensigns or Regular Marine Corps second lieutenants. If physically qualified you are immediately eligible for aviation training. Entrance is largely by congressional nomination and examination. Enlisted personnel of the Regular and Reserve components may compete for nomination for a limited number of Executive appointments. Physical and mental requirements are rigid. Applicants should be interested in making the service a career.

## NAVAL RESERVE OFFICERS TRAINING CORPS (NROTC) REGULAR

*Age limits: 17 to 21.*—If you are selected for this competitive program you receive 4 years of Navy-subsidized education, including part time at sea naval training, in one of the colleges or universities having NROTC units. Upon graduation you will be commissioned as a Regular Navy ensign or a Regular Marine Corps second lieutenant according to your choice of training. If physically qualified you are immediately eligible for aviation training. You will be required to perform at least 4 years' minimum service. Only those sincerely interested in a career in the Navy or Marine Corps should apply.

## NAVY ENLISTED SCIENTIFIC EDUCATION (NESEP) PROGRAM

*Age limits: 21 to 25.*—This competitive program is open only to enlisted men and women who are petty officers on active duty in the Navy. It provides 4 years' college education in systems engineering and general scientific and engineering fields at 22 well-known colleges. Selected candidates remain on active duty while in college and may be married or unmarried. Will be commissioned ensign in Regular Navy upon graduation and must serve on active duty as an officer for a minimum of 4 years.

## NAVY OFFICER CANDIDATE SCHOOL (OCS)

*Age limits: 19 through 27½ (varies for some specialties).*—This is a program open only to college graduates. However, application for OCS may be initiated upon completion of the junior year of college. Upon successful completion of 4 months' concentrated training at the U.S. Naval Officer Candidate School, Newport, R.I., you will be commissioned an officer in the Naval Reserve and perform 3 years' active duty. Initial assignments as an officer include duties aboard ship. For those who are qualified for technical or specialized duties, assignments are made to other fields, such as engineering, communications, meteorology, etc. Staff corps assignments are also available in the Supply Corps, Civil Engineer Corps, or the Medical Service Corps. For those who can meet the stringent physical standards and are properly motivated, assignment may be obtained for training in submarine or aviation.

## NAVAL RESERVE OFFICERS TRAINING CORPS (NROTC) CONTRACT

*Age limits: 17 to 21.*—Under this program you receive part-time naval training in one of the colleges or universities having NROTC units. Upon graduation you will be commissioned as a Naval Reserve ensign or a Reserve Marine Corps second lieutenant according to your choice of training. If physically qualified you are immediately eligible for submarine training or aviation training. You will be required to perform 3 years' active duty.

## NAVAL RESERVE OFFICER CANDIDATE (ROC)

*Age limits: 17 when applying and no more than 27½ upon receipt of commission.*—To qualify for this program you must be a member of the Naval Reserve, or if a civilian and selected for the program, you will be enlisted in the Naval Reserve. You must be in your third year at an accredited college or university. You will take two 8-week Navy training courses during two separate summers. Upon graduation you will be commissioned as a Naval Reserve ensign. You will be required to perform 3 years' active duty.

## NAVAL AVIATION RESERVE OFFICER CANDIDATE (AVROC)

*Age limits: 17 when applying and no more than 26½ when commissioned for pilot training applicants, or 27½ when commissioned for naval flight officer (NFO) training applicants.*—To qualify for this program you must be in either your second or third year of college. During two separate summers you will attend a 6-week naval aviation training course. Following college graduation you will be commissioned as a Naval Reserve ensign, and ordered to pilot or NFO training. You will be required to serve 3½ years' active duty after completion of training.

## AVIATION OFFICER CANDIDATE (AOC)

*Age limits: 19 to 26.*—This is a program for young men who desire to become naval aviators. To apply for the AOC pilot training program you must be a college senior or recent graduate of an accredited college or university. Candidates receive orders to Aviation Officer Candidate School at Pensacola, Fla. After successful completion of 11 weeks of indoctrination training, you will be commissioned as an ensign in the Naval Reserve. As a commissioned officer, you will undergo approximately 16 months of basic and advanced flight training, and will be designated a naval aviator upon completion of advanced training. You will then be required to serve on active duty for 3½ years as a naval aviator. For further information write to: Chief of Naval Air Reserve Training, Naval Air Station, Glenview, Ill. 60026.

## NAVAL AVIATION OFFICER CANDIDATE (NAOC)

*Age limits: 19 to 27½.*—This is a program for young men who desire to become officer aircrew members and serve as naval flight officers (NFO). The NFO is responsible for operating the complex weapon system of the Navy's modern aircraft. To apply for NFO training you must be a college senior or recent graduate of an accredited college or university. Candidates receive orders to Aviation Officer Candidate School at Pensacola, Fla. After successful completion of 11 weeks of indoctrination training, you will be commissioned an ensign in the Naval Reserve. As a commissioned officer, you undergo approximately 6 to 8 months of basic and advanced training, and will be designated a naval flight officer upon completion of advanced training. During advanced training you will be given an opportunity to specialize in one of the following categories; airborne radar intercept operator, bombardier-navigator, airborne early warning systems operator, air antisubmarine warfare tactical coordinator, airborne electronics countermeasure systems operator, airborne tactical data systems operator. Naval flight officers are required to serve on active duty for 3½ years after completion of advanced training. For further information write to: Chief of Naval Air Reserve Training, Naval Air Station, Glenview, Ill. 60026.

## AIR FORCE

## REGULAR AIR FORCE ENLISTMENT

*Age limits: 17 but not yet 28.*—The enlistment term is 4 years. Each applicant must attain an aptitude score which qualifies him for training in one of four broad areas (electronics, general, administrative, and mechanical). Your duty assignment will depend upon your aptitude, education, and the needs of the Air Force.

## AIR FORCE RESERVE NONPRIOR SERVICE

*Age limits: 17 but not yet 26.*—You may enlist for a 6-year period, serve a minimum of 4 months and such additional active duty for training as may be required to qualify you for the specialty for which enlisted and serve the remainder of the enlistment participating in Ready Reserve training.

## AIR NATIONAL GUARD NONPRIOR SERVICE

*Age limits: 17 but not yet 36.*—The Air National Guard units are organized within the States and territories and, when not in the service of the United States, are subject to the control of Governors.

You may enlist for a period of 6 years, serve a minimum of 4 consecutive months and such additional active duty for training as is required to qualify you for the specialty in which enlisted, and serve the remainder of the enlistment participating in Ready Reserve training.

Additionally, qualified individuals are eligible for Officer Training School or the Air Guard's pilot/navigator training program. For OTS, those selected must possess a college degree and be able to pass various aptitude tests. Those who elect to choose the pilot/navigator training program must have a minimum of 2 years of creditable college work and be able to pass various aptitude tests. Age limits for OTS are 20½ to 29½. However, maximum age for the pilot/navigator training program is 26½ at time of application and 27½ at time of entry into the program. Those who are commissioned through either of the two programs incur a 5-year obligation to their unit of assignment, and they must serve the remainder of their obligation in that State from which they entered the program.

## PROGRAMS FOR AIR FORCE OFFICER CANDIDATES

## U.S. AIR FORCE ACADEMY

*Age limits: 17 to 22.*—The U.S. Air Force Academy offers you a 4-year college course consisting of academic instruction, military training and physical education. Graduates are awarded bachelor of science degrees, commissioned as Regular Air Force second lieutenants and must serve a minimum of 5 years in the Regular Air Force upon commissioning. Appointments are governed by title 10, United States Code. Entrance is largely through congressional appointment and examination. Enlisted personnel of the Regular and Reserve components may

compete for nominations under this law. Presidential appointments are reserved for sons of Regular and Reserve career members of the Armed Forces and are administered by the Air Force. Physical and academic requirements are rigid. Applicants should be interested in the Air Force as a career.

#### AIR FORCE RESERVE OFFICER TRAINING CORPS (AIR FORCE ROTC)

The Air Force ROTC program is conducted at colleges and universities having Air Force ROTC units. The program is composed of 2 years' basic (general military course) and 2 years' advanced study (professional officer course). Selection of applicants to enter the professional officer course (junior and senior years) is competitive, and students who are enrolled receive \$50 subsistence per month. Upon graduation, you will be commissioned as a Reserve of the Air Force second lieutenant and will be required to perform 4 years' active duty if in the nonflying program, or 5 years' active duty after award of an aeronautical rating if in the flying program. You cannot qualify for a commission prior to age 18 or after 26 years and 6 months if programmed for flying training, and age 30 is programmed for other than flying training. Scholarships are available in Air Force ROTC which pay students \$50 per month plus tuitions, textbooks, and laboratory fees. (Scholarship students must be under 25 years of age on June 30 of the calendar year in which eligible for appointment as a second lieutenant.)

#### AIR FORCE OFFICER TRAINING SCHOOL (OTS)

*Age limits: At least 20½ but not yet 29½.*—To qualify for this program, open to both men and women, you must be a graduate of an accredited college or university. College seniors may apply as early as 150 calendar days before graduation. After successful completion of 3 months' training, you will be commissioned as a second lieutenant, Reserve of the Air Force. Graduates are either assigned directly to duty or pursue additional training in pilot, navigator, or technical training. Graduates are required to perform 4 years' active duty if in the nonflying program or 5 years' active duty if in the flying program.\* Applicants desiring flying training must not be more than 26½ years of age at time of application.

#### AIRMAN EDUCATION AND COMMISSIONING PROGRAM (AECP)

*Age Limits: Minimum for entry, 18. Maximum for completion of all requirements and commissioning, 30.*—This program has been established to provide undergraduate college education, followed by officer training and commissioning for a limited number of highly screened, career-minded airmen. Selected airmen will attend civilian institutions.

### MARINE CORPS

#### REGULAR MARINE CORPS ENLISTMENT

*Age limits: 17 to 28 inclusive.*—Qualified applicants may enlist for 2, 3, 4, or 6 years. Enlistments are for general duty with a small percentage of highly qualified individuals enlisted for guaranteed assignment to aviation school. On completion of recent training, assignments are in accordance with the needs of the Marine Corps based on education, skills, prior training, physical capabilities, and personal preferences.

#### MARINE CORPS ENLISTED RESERVE

There are organized Marine Corps Reserve units in 46 of the 50 States. Both aviation and ground units are formed to match similar units in the regular Marine Corps. Veterans may join organized Reserve units until they reach 32 years of age providing they meet other qualifications.

#### MARINE CORPS 6-MONTH TRAINING PROGRAMS

*Age limits: 17 to 26.*—You may enlist in the Marine Corps for a 6-year period. You serve 6 months on active duty and the remaining 5½ years in the Ready Re-

\*Officers entering flying training after Jan. 1, 1970, will be required to serve on active duty for a period of 5 years after they have been awarded an aeronautical rating.

serve. During your 5½ years of Ready Reserve affiliation, you must attend drills with a Reserve unit.

#### PROGRAMS FOR MARINE CORPS OFFICER CANDIDATES

##### MARINE CORPS OFFICER CANDIDATE COURSE

*Age limits: 20 to 27 officer candidate; 20 to 27 Marine flight officer; 20 to 26 aviation officer candidate.*—To qualify for the officer candidate, Marine flight officer or aviation officer candidate programs you must be a college graduate of an accredited college or university. Upon successful completion of a 10-week training and screening course you will be commissioned a second lieutenant in the U.S. Marine Corps Reserve. Officer candidate graduates receive 21 weeks of basic officer training and are required to serve on active duty for 3 years from date of commissioning. Marine flight officers receive 8 months of electronic training prior to assignment as radar intercept operators, bombardier/navigator, or electronic countermeasures operator. Marine flight officers serve 3 years active duty after completion of aviation training. Aviation officer candidate graduates are assigned to pilot training of approximately 14 to 16 months' duration. Marine aviators are required to serve 3½ years active duty after completion of flight training.

##### MARINE CORPS PLATOON LEADERS CLASS

*Age limits: 17 to 27 (ground or law); 17 to 26 (Aviation).*—To qualify for the platoon leaders class, ground, law, or aviation program you must be in either your first, second, or third year of college. All candidates are required to successfully complete two 6-week summer training courses or one 10-week summer training course while in attendance at an accredited college or university. Upon graduation you will be commissioned as either a Reserve or Regular Marine Corps second lieutenant. Ground officers are assigned to 21 weeks of basic officer training and serve on active duty for 3 years. Aviation officers are assigned to pilot training of approximately 14 to 16 months' duration. Marine aviators are required to serve 3½ years active duty after completion of flight training.

##### MARINE ENLISTED COMMISSIONING PROGRAM

*Age Limit: 20 to 27.*—This highly competitive program is open to exceptionally qualified enlisted personnel on active duty with the U.S. Marine Corps. Qualified applicants, selected by the Commandant of the Marine Corps, are assigned to a 10-week training and screening course. Successful candidates are commissioned second lieutenants in the U.S. Marine Corps Reserve and assigned to 21 weeks of basic officer training. Officers commissioned through the enlisted commissioning program are required to serve on active duty for 3 years after date of commissioning. While undergoing basic officer training qualified applicants are eligible for assignment to flight training as Marine flight officers or Marine aviators.

##### ORGANIZED MARINE CORPS RESERVE COMMISSIONING PROGRAM

*Age Limit: 20 to 27.*—A limited number of qualified applicants are appointed to commissioned grade under this program. College seniors or recent graduates of an accredited college or university, assigned to an Organized Marine Corps Reserve unit, are eligible to apply for this program. Candidates who successfully complete a 10-week training and screening course are commissioned and assigned to 21 weeks of basic officer training. Upon completion of basic officers training you will be assigned to a reserve unit to complete the remainder of your 6 year military obligation. Officers commissioned through this program may request further extended active duty in a military specialty commensurate with the needs of the assigned Reserve unit.

#### WOMEN MAY MAKE MILITARY SERVICE THEIR CHOICE TOO

##### ENLISTED PROGRAMS

The Army (WAC), Navy (WAVES), Air Force (WAF) and women marines have a continuing need for high-caliber young women. Quality rather than quantity, is stressed, and a high school education is needed. Those who are accepted are trained for a career field for which they seem suited and in which

there is a need. The services endeavor to develop each person's abilities to the greatest possible extent. In addition, opportunities are offered for highly capable enlisted women to receive officer training. The Coast Guard also offers a limited enlistment program (SPAR) for qualified young women for subsequent assignment to Organized Reserve training units where they are required to attend weekly drills and a 2-week training period each year. It is strictly a reserve program and enlistments are not effected for full-time active duty.

#### OFFICER PROGRAMS

The Armed Forces seek young women who understand the importance of maintaining the freedom of our country and who appreciate the responsibilities as well as the distinction of being an officer. The qualified woman who is selected by one of our military services can satisfy her ideals and lead an eventful life. Women college graduates are eligible to apply for an officer's commission in one of the branches of the Armed Forces, Army, Navy, Air Force, or Marine Corps. A graduate who successfully meets all requirements and is accepted for one of the programs will be given officer training. This training may come prior to or after commissioning, depending upon the program selected.

#### JUNIOR PROGRAMS

The Army, Navy, and Marine Corps offer programs in the summer following the junior year of college. A small salary is paid and uniforms, transportation, quarters, and meals are provided.

#### NURSES AND MEDICAL SPECIALISTS

Registered nurses, dietitians, occupational therapists, and physical therapists are eligible to apply for officer status in the Army, Navy, and Air Force. The ranks granted will be based on the applicant's experience, education, and age. Service will be performed in modern, well-equipped hospitals in the United States or overseas. There are some educational opportunities for young women who wish to become nurses, dietitians, physical therapists or occupational therapists.

For further information visit your local recruiting stations, write one of the military services listed in the back of this pamphlet, or write to: Defense Advisory Committee on Women in the Services, The Pentagon, Washington, D.C. 20301.

TABLE 1  
Estimated Recruiting Costs For Regular  
Enlistment Programs <sup>a/</sup><sub>b/</sub>

Service	FY 1968 (000's)	FY 1969 (000's)
Total DOD	\$95,392	\$101,299
Army	38,582	35,616
Navy	23,370	26,875
Air Force	18,832	24,192
Marine Corps	14,608	14,616

<sup>a/</sup> Enlisted recruiting costs include: military pay and allowances and civilian pay of recruiting staff, field and headquarters; advertising and printing; recruiter vehicles and travel; rent, utilities, equipment and supplies for recruiting offices; and costs of recruit travel, lodging and subsistence and examination and processing at Armed Forces Examining and Entrance Stations.

<sup>b/</sup> Based upon special DOD recruiting cost report for first half of FY 1968, projected through FY 1968 and FY 1969.

TABLE 2  
Costs of Reserve Officer Candidate Programs <sup>a/</sup>

(millions of dollars)

	FY 1968			FY 1969		
	Total	O & M	Mil. Pers.	Total	O & M	Mil. Pers.
Army	48.8	13.9	34.9	50.5	16.1	34.4
Navy	16.0 <sup>b/</sup>	7.4 <sup>b/</sup>	8.6	17.2 <sup>b/</sup>	8.5 <sup>b/</sup>	8.7
Marine Corps	n.a.	n.a.	2.3	n.a.	n.a.	1.9
Air Force	16.4	5.1	11.3	18.5	6.6	11.9

<sup>a/</sup> *Reserve officer candidates.*—The Reserve Officers' Training Corps program provides training for reserve and regular officer candidates who have enrolled in the course while attending a collegiate institution at which an ROTC unit has been established. The curriculum includes instruction in military and academic subjects together with one or more summer active duty training periods with the Active Forces. College graduates who satisfactorily complete the advanced course of the program are commissioned and are ordinarily ordered to active duty for a minimum period of 2 years.

The Reserve Officers' Training Corps Vitalization Act of 1964 authorizes a limited number of scholarships for 4-year ROTC students on a competitive basis. Successful candidates for the scholarships are required to serve a minimum period of 4 years on active duty upon graduation and appointment as a commissioned officer. The Army and Air Force each awarded about 3,000 scholarships in 1968 and about 4,000 will be awarded by each of these services in 1969. Approximately 5,600 members of the Navy program will receive scholarships in 1969.

The ROTC Vitalization Act also authorized a 2-year ROTC program as well as the traditional 4-year program. A student may qualify for the 2-year program by attending a 6-week summer camp in lieu of completing the first 2 years of the traditional 4-year program.

The Navy and Marine Corps also provide for an officer candidate program wherein students attending any ac-

credited college or university may enroll, attend prescribed summer military training programs, and receive a commission after graduation.

The Army, Navy, Marine Corps and Air Force provide training for students who elect to enroll in ROTC training at the secondary level of education. The Army's high school level ROTC program is expected to increase to 600 schools by the end of 1969. The Navy, Marine Corps, and Air Force initiated Junior ROTC programs in 1967 and are programmed to have 71, 15, and 120 schools, respectively, in operation in 1969.

The numbers of candidates commissioned from these programs are summarized below:

	ROTC			
	1966 actual	1967 actual	1968 estimate	1969 estimate
Army.....	10,014	10,727	17,225	16,655
Navy.....	1,489	1,273	1,543	1,542
Air Force.....	4,621	5,896	5,700	4,500
Total.....	16,124	17,896	24,468	22,647

	RESERVE OFFICER CANDIDATES			
	1966 actual	1967 actual	1968 estimate	1969 estimate
Navy.....	243	178	435	435
Marine Corps.....	595	737	916	812
Total.....	838	915	1,351	1,247

<sup>b/</sup> Includes Marine Corps O & M costs.

TABLE 3

Costs of Service Academy Programs

<u>Army Military Academy</u>	<u>FY 1967</u>	<u>FY 1968</u>	<u>FY 1969</u>
Operation and Maintenance, Army	\$19,511	\$20,285	\$21,229
Military Pay, Army	14,334	15,143	15,988
Pay and Allowances of Cadets	<u>7,641</u>	<u>8,439</u>	<u>9,568</u>
TOTAL	\$41,486	\$43,867	\$46,785
Average number of cadets	3,110	3,236	3,407
Average cost per cadet	\$13,340	\$13,556	\$13,732
<u>Naval Academy</u>			
Operation and Maintenance, Navy	\$17,355	\$17,366	\$19,698
Military Pay, Navy	9,832	10,040	9,992
Pay and Allowances of Midshipmen	<u>9,894</u>	<u>10,149</u>	<u>10,162</u>
TOTAL	\$37,081	\$37,555	\$39,852
Average number of Midshipmen	4,107	4,138	4,138
Average cost per Midshipmen	\$ 9,029	\$ 9,076	\$ 9,631
<u>Air Force Academy</u>			
Operation and Maintenance, Air Force	\$18,855	\$20,321	\$22,250
Military Pay, Air Force	15,347	17,077	18,498
Pay and Allowances of cadets	<u>7,378</u>	<u>8,194</u>	<u>8,800</u>
TOTAL	\$41,580	\$45,592	\$49,548
Average number of cadets	3,050	3,200	3,414
Average cost per cadet	\$13,633	\$14,248	\$14,513

NOTE: Operation and Maintenance, Military Pay and Pay and Allowances of Cadets (or Midshipmen) and Totals of these categories are in thousands of dollars.

Mr. MAHON. We will now begin our detailed review of estimates for the separate military departments with a presentation by the Department of the Army.

With respect to the Army, in fiscal year 1968 the Army received an appropriation of \$7,760,300,000 for military personnel. Proposed revisions would decrease this amount by \$90.5 million, but an expected supplemental request would increase the amount available in fiscal year 1968 to a proposed total of \$7,875,715,000. The budget estimate for fiscal year 1969 is \$8,136 million, an increase of \$260,285,000 over the total amount proposed to be available for fiscal year 1968.

We shall insert appropriate pages from the justification book in the record at this point.

(Pages referred to follow:)

"For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere); **[\$7,760,300,000]** \$8,136,000,000."

DEPARTMENT OF DEFENSE - MILITARY  
MILITARY PERSONNEL  
MILITARY PERSONNEL, ARMY

Program and Financing (in thousands of dollars)

Identification Code 07-05-2010-0-1-051

Program by activities:

Direct program:

	1967 actual	1968 estimate	1969 estimate
1. Pay and allowances of officers . . . . .	1,298,410	1,565,284	1,721,951
2. Pay and allowances of enlisted . . . . .	4,011,910	4,737,151	4,831,765
3. Pay and allowances of cadets . . . . .	7,641	8,439	9,568
4. Subsistence of enlisted personnel . . . . .	728,372	736,405	713,877
5. Permanent change of station travel . . . . .	642,148	757,736	784,212
6. Other military personnel costs . . . . .	44,726	70,700	74,627
Total direct program . . . . .	6,733,207	7,875,715	8,136,000

Reimbursable program:

1. Pay and allowances of officers . . . . .	6,609	7,392	7,472
2. Pay and allowances of enlisted . . . . .	51,914	3,051	3,061
4. Subsistence of enlisted personnel . . . . .	126,981	102,845	104,650
5. Permanent change of station travel . . . . .	417	417	417
6. Other military personnel costs . . . . .	350	400	400
Total reimbursable program . . . . .	186,271	114,105	116,000
Total obligations . . . . .	6,919,478	7,989,820	8,252,000

DEPARTMENT OF DEFENSE - MILITARY  
MILITARY PERSONNEL  
MILITARY PERSONNEL, ARMY  
Program and Financing (in thousands of dollars)

Identification Code 07-05-2010-0-1-051	1967 actual	1968 estimate	1969 estimate
<u>Financing:</u>			
Receipts and reimbursements from:			
11 Federal funds . . . . .	- 137,257	- 57,455	- 58,610
14 Non-Federal sources <u>I/</u> . . . . .	- 49,014	- 56,650	- 57,390
25 Unobligated balance lapsing . . . . .	87,857	.....	.....
<u>New obligational authority</u> . . . . .	6,821,064	7,875,715	8,136,000
<u>New obligational authority:</u>			
40 Appropriation . . . . .	6,893,400	7,760,300	8,136,000
41 Transferred to other accounts . . . . .	- 76,500	....	....
Proposed transfer to other accounts . . . . .	....	- 90,500	....
42 Transfer from other accounts . . . . .	+ 4,164	....	....
43 Appropriation (adjusted) . . . . .	6,821,064	7,669,800	8,136,000
44 Proposed supplemental for military pay act increases . . . . .	....	205,915	....

DEPARTMENT OF DEFENSE - MILITARY  
MILITARY PERSONNEL  
MILITARY PERSONNEL, ARMY

Program and Financing (in thousands of dollars)

Identification Code 07-05-2010-0-1-051	1967 actual	1968 estimate	1969 estimate
Relation of obligations to expenditures:			
10 Total obligations . . . . .	6,919,478	7,989,820	8,252,000
70 Receipts and other offsets (items 11-17) . . . . .	- 186,271	- 114,105	- 116,000
71 Obligations affecting expenditures . . . . .	6,733,207	7,875,715	8,136,000
72 Obligated balance, start of year . . . . .	294,785	332,957	438,672
74 Obligated balance, end of year . . . . .	- 332,957	- 438,672	- 514,672
77 Adjustments in expired accounts . . . . .	1,337	....	....
90 Expenditures excluding pay increase supplemental . .	6,696,371	7,564,085	8,060,000
91 Expenditures from military pay act supplemental. . .	....	205,915	....
Expenditures are distributed as follows:			
01 Out of current authorization. . . . .	6,432,378	7,474,000	7,685,000
02 Out of prior authorizations . . . . .	263,993	296,000	375,000
1/ Reimbursements from non-Federal sources are derived from sale of meals and clothing to service members (10 U.S.C. 4621).			

DEPARTMENT OF DEFENSE - MILITARY  
MILITARY PERSONNEL  
MILITARY PERSONNEL, ARMY

Object Classification (in thousands of dollars)

Identification Code 07-05-2010-0-1-051	1967 actual	1968 estimate	1969 estimate
Direct obligations:			
11.7 Personnel compensation: Military .....	4,277,847	5,007,120	5,217,987
12.1 Personnel benefits, Military.....	1,084,469	1,316,359	1,349,469
21.0 Travel and transportation of persons.....	394,808	449,129	450,492
22.0 Transportation of things.....	207,953	249,020	273,231
25.1 Other services.....	49,347	65,608	59,149
26.0 Supplies and materials.....	703,521	762,379	746,742
41.0 Grants, subsidies, and contributions.....	312	334	329
42.0 Insurance claims and indemnities.....	14,000	23,154	25,301
43.0 Interest and dividends.....	950	2,612	13,300
Total direct obligations.....	6,733,207	7,875,715	8,136,000
Reimbursable obligations:			
11.7 Personnel compensation: Military .....	5,905	6,610	6,700
12.1 Personnel benefits, Military.....	50,684	1,682	1,682
21.0 Travel and transportation of persons.....	559	601	601
22.0 Transportation of things.....	152	152	152
25.1 Other services.....	512	500	500

DEPARTMENT OF DEFENSE - MILITARY  
 MILITARY PERSONNEL  
 MILITARY PERSONNEL, ARMY

Object Classification (in thousands of dollars)		19 67 actual	19 68 estimate	19 69 estimate
Identification Code 07-05-2010-0-1-051				
26.0	Supplies and materials.....	128,403	104,496	106,301
41.0	Grants, subsidies, and contributions.....	56	64	64
	Total reimbursable obligations.....	186,271	114,105	116,000
99.0	Total obligations.....	6,919,478	7,989,820	8,252,000

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATES Continuation Sheet for Justification		FY 1969	
APPROPRIATION	BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT	BUDGET	
Military Personnel, Army	Military Personnel Strength Summary		
		FY 1967 Actual	FY 1968 Planned
		Average	Average
		End Strength	End Strength
		30 June 1967	30 June 1968
		Number	Number
			FY 1969 Planned
			Average
			End Strength
			30 June 1969
			Number
<u>DIRECT PROGRAM</u>			
Officers .....	127,600	142,964	163,500
Enlisted .....	1,240,454	1,296,472	1,368,204
Academy Cadets .....	3,063	2,378	3,096
Subtotal .....	1,371,117	1,441,814	1,534,800
<u>REIMBURSABLE PROGRAM 1/</u>			
Officers .....	431	461	636
Enlisted .....	140	147	190
Subtotal .....	571	608	826
<u>TOTAL PROGRAM</u>			
Officers .....	128,031	143,425	164,136
Enlisted .....	1,240,594	1,296,619	1,368,394
Academy Cadets .....	3,063	2,378	3,096
TOTAL	1,371,688	1,442,422	1,535,626
			1,501,397
			1,508,394

1/ Military personnel assigned to agencies outside of Department of Defense on a reimbursable basis under the provisions of 10 USC 3230.

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATES Continuation Sheet for Justification		FY 1969	
APPROPRIATION		BUDGET	
MILITARY PERSONNEL, ARMY			
BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT			
Military Personnel Strength Summary			
Average Strength (Man-Years) by Type of Personnel (Direct Only)			
	Actual FY 1967	Estimate FY 1968	
		Estimate FY 1969	
Officer (Male).....	108,654	133,339	139,331
Officers (Women's Army Corps - WAC)...	813	853	1,000
Nurses.....	4,303	4,815	4,833
Army Medical Specialist Corps.....	480	510	525
Total - Commissioned Officers....	114,250	139,517	145,689
Warrant Officers (Male).....	13,322	18,046	21,427
Warrant Officers (WAC).....	28	37	40
Total - Warrant Officers.....	13,350	18,083	21,467
Total - Officer Personnel.....	127,600	157,600	167,156
Enlisted (Male).....	1,231,089	1,305,809	1,317,904
Enlisted (WAC).....	9,365	10,170	12,000
Total - Enlisted Personnel.....	1,240,454	1,315,979	1,329,904
Sub-Total.....	1,368,054	1,473,579	1,497,060
Cadets, United States Military Academy	3,063	3,221	3,612
GRAND TOTAL.....	1,371,117	1,476,800	1,500,672

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATES Continuation Sheet for Justification		FY 1969 BUDGET				
APPROPRIATION	BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT					
Military Personnel, Army	Military Personnel Strength Summary					
Strength, Gains, and Losses, by Identity (Direct Only)						
	Male & WAC Officers	NAWS	Warrant Officers	Enlisted Personnel	Cadets USMA	Total
<b>A. Actual FY 1967</b>						
Begin.....	101,700	4,200	11,300	1,079,500	2,300	1,199,000
Gains.....	36,300	1,500	6,300	596,600	1,000	641,700
Losses.....	16,100	700	1,500	379,700	900	398,900
End.....	121,900	5,000	16,100	1,296,400	2,400	1,441,800
Average.....	109,500	4,800	13,300	1,240,400	3,100	1,371,100
<b>B. Estimate FY 1968</b>						
Begin.....	121,900	5,000	16,100	1,296,400	2,400	1,441,800
Gains.....	37,600	1,500	5,600	640,400	1,000	686,100
Losses.....	21,500	1,100	1,600	568,600	300	593,100
End.....	138,000	5,400	20,100	1,368,200	3,100	1,534,800
Average.....	134,200	5,300	18,100	1,316,000	3,200	1,476,800
<b>C. Estimate FY 1969</b>						
Begin.....	138,000	5,400	20,100	1,368,200	3,100	1,534,800
Gains.....	36,000	1,400	4,900	515,100	1,000	558,400
Losses.....	32,200	1,400	1,700	549,600	700	585,600
End.....	141,800	5,400	23,300	1,333,700	3,400	1,507,600
Average.....	140,300	5,400	21,500	1,329,900	3,600	1,500,700

DEPARTMENT OF THE ARMY GENERAL INVESTIGATIVE UNIT		FY 1969			
Continuation Sheet for Justification		BUDGET			
BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT		BUDGET			
Military Personnel Strength Summary		BUDGET			
Military Personnel, Army		BUDGET			
Grade Structure, Beginning, End and Man-Year Strengths by Identity (Direct Only)		BUDGET			
	30 June 1967	30 June 1968	30 June 1969	Man-Years FY 1968	Man-Years FY 1969
<b>Commissioned Officers</b>					
General of the Army.....	1	1	1	1	1
General.....	14	15	15	14	15
Lt. General.....	40	41	41	41	41
Major General.....	196	191	191	193	191
Brig. General.....	247	249	249	248	249
Colonel.....	5,582	5,939	6,019	5,767	5,979
Lt. Colonel.....	14,674	16,147	16,451	15,394	16,299
Major.....	20,386	22,505	22,963	21,432	22,734
Captain.....	34,117	34,900	37,330	34,041	35,824
1st Lieutenant.....	18,633	32,007	31,398	24,316	33,811
2nd Lieutenant.....	32,962	31,405	32,542	38,070	30,545
Sub-total.....	126,852	143,400	147,200	139,517	145,689
<b>Warrant Officers</b>					
CWO W-4.....	1,715	1,720	1,840	1,725	1,780
CWO W-3.....	3,012	3,000	3,210	3,002	3,105
CWO W-2.....	4,017	10,108	13,829	5,939	12,066
WO W-1.....	7,368	5,272	4,456	7,417	4,516
Sub-total.....	16,112	20,100	23,335	18,083	21,467
Total Officer Personnel..	142,964	163,500	170,535	157,600	167,156

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATES Continuation Sheet for Justification		FY 1969			
APPROPRIATION	BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT	BUDGET			
Military Personnel, Army		Military Personnel Strength Summary			
Grade Structure, Beginning, End, and Man-Year Strengths by Identity (Direct Only)					
	30 June 1967	30 June 1968	30 June 1969	Man-Years FY 1968	Man-Years FY 1969
Total Officer Personnel..	142,964	163,500	170,535	157,600	167,156
<u>Enlisted Personnel</u>					
E-9.....	5,352	5,382	5,550	5,369	5,466
E-8.....	17,351	17,261	18,000	17,295	17,628
E-7.....	53,711	54,449	56,687	54,401	55,565
E-6.....	102,155	107,633	107,633	105,917	107,633
E-5.....	177,148	215,145	215,145	188,585	215,145
E-4.....	339,648	364,452	361,307	358,810	362,879
E-3.....	299,954	270,708	220,061	256,226	221,048
E-2.....	161,204	141,700	151,400	143,746	144,329
E-1.....	139,949	191,474	197,900	185,330	200,211
Total Enlisted Personnel..	1,296,472	1,368,204	1,333,683	1,315,979	1,329,904
TOTAL.....	1,439,436	1,531,704	1,504,218	1,473,579	1,497,060
Cadets, United States					
Military Academy.....	2,378	3,096	3,350	3,221	3,612
GRAND TOTAL.....	1,441,814	1,534,800	1,507,568	1,476,800	1,500,672

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATES BUDGET PROGRAM SUMMARY -		DIRECT OBLIGATIONS (DIRECT OBLIGATIONS OR DIRECT BUDGET PLAN)		FY 1969
APPROPRIATION Military Personnel, Army		BUDGET PROGRAM (Number and Title)		BUDGET
BUDGET PROJECT ACCOUNT		1 Pay and Allowances of Officers (In Thousands of Dollars)		
TITLE		ACTUAL FISCAL YEAR 1967	ESTIMATE FISCAL YEAR 1968	ESTIMATE FISCAL YEAR 1969
1-A	Basic Pay.....	\$ 943,357	\$ 1,150,877	\$ 1,251,107
1-B	Incentive Pay.....	32,334	39,754	49,516
1-C	Special Pay.....	39,643	45,877	49,991
1-D	Basic Allowance for Quarters.....	115,272	134,451	143,074
1-E	Basic Allowance for Subsistence.....	73,284	90,551	96,041
1-F	Station Allowance Overseas.....	20,874	16,593	18,108
1-G	Uniform Allowances.....	10,339	10,694	10,746
1-H	Family Separation Allowances.....	10,937	12,197	14,004
1-I	Separation Payments.....	19,791	23,335	43,224
1-J	Social Security Tax - Employer's Contribution..	32,579	40,955	46,140
	Total direct obligations.....	1,298,410	1,565,284	1,721,951

FY 1969  
BUDGET

DEPARTMENT OF THE ARMY  
ANNUAL BUDGET ESTIMATES  
Continuation Sheet for Justification  
BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT

APPROPRIATION: Military Personnel, Army Pay and Allowances of Officers

Section 2 - JUSTIFICATION OF FUNDS REQUESTED

A	Estimate FY 1968			Estimate FY 1969		
	Average Number	Rate	Amount	Average Number	Rate	Amount
Basic Pay						
General of the Army..	1	\$13,780.00	\$13,780	1	\$13,930.00	\$13,930
C/JCS.....	1	27,616.00	27,616	1	27,986.00	27,986
Chief of Staff.....	1	27,616.00	27,616	1	27,986.00	27,986
General.....	12	25,029.00	300,348	13	303.00	329,758
Lt. General.....	41	21,955.00	900,155	41	22,381.00	917,621
Major General.....	193	19,907.00	3,842,051	191	21,178.00	3,853,998
Brig. General.....	248	17,297.00	4,289,656	249	17,546.00	4,368,954
Colonel.....	5,767	14,674.00	84,636,958*	5,979	14,722.00	88,928,688*
Lt. Colonel.....	15,394	11,999.00	184,712,606	16,299	11,151.00	198,049,149
Major.....	21,432	9,516.00	203,946,912	22,734	9,629.00	218,905,686
Captain.....	34,041	7,588.00	258,303,108	35,824	7,577.00	275,020,848
1st Lieutenant.....	24,316	5,622.00	136,704,552	33,611	5,577.00	191,945,047
2nd Lieutenant.....	38,070	4,188.00	159,437,160	30,345	5,354.00	129,938,430
Sub-total.....	139,517	1,037,142,518	145,689	1,112,328,081		
W-4.....	1,725	9,061.00	15,630,225	1,780	9,138.00	16,354,640
W-3.....	3,002	7,410.00	22,244,820	3,105	7,505.00	23,303,025
W-2.....	5,939	6,098.00	36,216,022	12,066	6,171.00	74,459,286
W-1.....	7,417	5,345.00	39,643,865	4,516	5,461.00	24,661,876
Sub-total.....	18,083	113,734,932	21,467	138,778,827		
GRAND TOTAL.....	157,600	1,150,877,450	167,156	1,251,106,908		

\* Amounts include \$12,000 for additional pay for four (4) USMA professors with over 36 years service in FY 1968, and \$9,000 for three (3) in FY 1969, as authorized in P.L. 88-132, effective 1 October 1963.

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATES		FY 1969	
Continuation Sheet for Justification			
APPROPRIATION		BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT	
Military Personnel, Army		1 Pay and Allowances of Officers	
		BUDGET	
		Estimate FY 1968	
		Estimate FY 1969	
		Average Number	Amount
		Rate	Amount
		Average Number	Rate
		Average Number	Rate
B Incentive Pay			
(1) Flying duty			
(a) Crew			
Lt. General....	2	\$1,980.00	\$3,960
Major General..	7	1,980.00	13,860
Brig. General..	10	1,920.00	19,200
Colonel.....	174	2,940.00	511,560
Lt. Colonel....	900	2,930.00	2,637,000
Major.....	2,800	2,690.00	7,532,000
Captain.....	2,925	2,215.00	6,478,875
1st Lieutenant.	2,000	1,650.00	3,300,000
2nd Lieutenant.	782	1,294.00	1,011,908
Sub-total...	9,600	21,508.363	27,539,410
W-4.....	120	1,980.00	237,600
W-3.....	900	1,668.00	1,501,200
W-2.....	2,000	1,475.00	2,950,000
W-1.....	3,980	1,325.00	5,273,500
Sub-total...	7,000	9,962.300	9,500
Grand Total.	16,600	31,470.663	22,000
(b) Non-crew.....	700	1,320.00	924,000
(4) Parachute jumping...	5,400	1,320.00	7,128,000
			1,320.00
			957,000
			7,128,000
			15,628,000
			41,167,410
			346,500
			1,876,500
			5,310,000
			6,095,000





APPROPRIATION		ESTIMATE FY 1968		ESTIMATE FY 1969	
MILITARY PERSONNEL, ARMY		Average Number	Rate	Average Number	Rate
1 Pay and Allowances of Officers		Amount		Amount	
		BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT			
D	Basic Allowance for Quarters (cont'd)				
(1)	With Dependents (cont'd)				
	W-4.....	1,028	\$1,740.60	1,056	\$1,740.60
	W-3.....	1,618	1,560.50	1,666	1,560.60
	W-2.....	3,085	1,440.00	6,235	1,440.00
	W-1.....	4,160	1,321.20	2,519	1,321.20
	Sub-total.....	9,891	14,252,980	11,476	16,744,537
	Grand Total.....	74,671	117,901,804	78,743	125,005,604
(2)	Without dependents...	14,126	1,154.55	15,253	1,168.99
(3)	Substandard family housing.....	405	593.76	401	593.76
	Total BAQ.....	89,202	134,451,450	94,397	143,074,306
E	Basic Allowance for Subsistence.....	157,600	574.56	167,156	574.56
F	Station Allowances, Overseas				
(1)	Cost of living.....		13,267,000		14,778,000
(2)	Housing.....		2,000,000		2,000,000
(3)	Temporary lodging...		1,326,000		1,330,000
	Total Station Allowances, Overseas.....		16,593,000		18,108,000

DEPARTMENT OF DEFENSE ANNUAL BUDGET ESTIMATES		FY 1969		
Continuation Sheet for Justification				
APPROPRIATION		BUDGET		
BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT				
1 Pay and Allowances of Officers				
Military Personnel, Army				
	Estimate FY 1968		Estimate FY 1969	
	Average Number	Rate	Average Number	Rate
G Uniform Allowances		Amount		Amount
(1) Initial.....	43,963	\$200.00	41,504	\$200.00
(2) Additional.....	19,013	100.00	24,450	100.00
Total Uniform Allowances	62,976	10,693,900	65,954	10,745,800
H Family Separation Allowances				
(1) On PCS Dep not Auth., Govt. Qtrs not Available...	378	1,306.88	400	1,307.50
(2) On PCS Dep not Auth..	30,620	360.00	35,547	360.00
(3) On Board Ship for more than 30 days.....	30	360.00	30	360.00
(4) On TDY for more than 30 days w/Dep not re- siding near TDY Station.	1,859	360.00	1,870	360.00
Total Family Separation Allowances.....	32,887	12,197,241	37,847	14,003,920
I Separation Payments				
(1) Lump sum terminal leave payments.....	22,748	970.00	33,182	940.00
(2) Lump sum readjustment payments.....	10	13,546.00	791	13,728.00
		22,065,560		31,191,080
		135,460		10,858,848

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATE		FY 1969	
Continuation Sheet for Justification			
APPROPRIATION		BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT	
Military Personnel, Army		1 Pay and Allowances of Officers	
		Estimate FY 1968	Estimate FY 1969
		Average Number	Average Number
		Rate	Rate
		Amount	Amount
I	Separation Payments (cont'd)		
	(4) Severance pay - failure of promotion.....	69 \$14,075.00	69 \$14,264.00
	(5) Severance pay - dis- ability.....	26 6,252.00	30 6,336.00
	Total Separation Payments.....		23,334,747
J	Social Security Tax - Employer's Contribution....		40,955,484
			43,224,224
			46,139,729

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATES - 1968-1969		DIRECT OBLIGATIONS		FY 1969
BUDGET PROGRAM SUMMARY		(DIRECT OBLIGATIONS OR DIRECT BUDGET PLAN)		BUDGET
APPROPRIATION	BUDGET PROGRAM (Number and title)	ESTIMATE		
	2 Pay and Allowances of Enlisted Personnel	ACTUAL FISCAL YEAR 1967	FISCAL YEAR 1968	FISCAL YEAR 1969
BUDGET PROJECT ACCOUNT	TITLE	(In Thousands of Dollars)		
2-A	Basic Pay.....	\$ 2,765,148	\$ 3,139,028	\$ 3,239,487
2-B	Incentive Pay.....	43,556	43,272	43,948
2-C	Special Pay.....	224,323	317,827	335,486
2-D	Proficiency Pay.....	52,332	54,727	56,392
2-E	Reenlistment Bonus.....	55,091	76,203	81,397
2-F	Basic Allowance for Quarters.....	434,883	467,582	474,254
2-G	Station Allowances Overseas.....	44,613	51,424	57,099
2-H	Clothing Allowances.....	201,631	276,862	237,124
2-I	Family Separation Allowances.....	24,917	37,595	40,256
2-J	Separation Payments.....	94,147	134,707	116,399
2-K	Social Security Tax - Employer's Contribution..	71,269	137,924	149,923
	Total direct obligations.....	4,011,910	4,737,151	4,831,765





DEPARTMENT OF THE ARMY GENERAL BUDGET ACCOUNTS		Fiscal Year 1969				
Continuation Sheet for Justification		BUDGET				
APPROPRIATION		BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT				
Military Personnel, Army		2 Pay and Allowances of Enlisted Personnel				
		Estimate FY 1968		Estimate FY 1969		
		Average Number	Rate	Average Number	Rate	Amount
D	Proficiency Pay					
	P-3.....	1,746	\$1,200.00	1,874	\$1,200.00	\$2,248,800
	P-2.....	18,020	900.00	17,977	900.00	16,179,300
	P-1.....	33,095	600.00	34,200	600.00	20,520,000
	SP.....	45,990	360.00	48,456	360.00	17,444,160
	Total Proficiency Pay	98,851		102,507		56,392,260
E	Reenlistment Bonus...	58,095	672.84	56,242	684.87	38,518,459
	Variable Reenl Bonus.	45,842	809.61	56,510	758.78	42,878,658
F	Basic Allowance for Quarters					
	(1) With dependents					
	E-9.....	3,140	1,440.00	3,197	1,440.00	4,603,680
	E-8.....	10,571	1,440.00	10,774	1,440.00	15,514,560
	E-7.....	33,587	1,378.80	34,306	1,378.80	47,301,113
	E-6.....	61,993	1,321.20	62,998	1,321.20	83,232,958
	E-5.....	80,494	1,260.00	83,864	1,260.00	105,668,640
	E-4.....	104,699	1,088.74	105,886	1,108.47	117,371,454
	E-3.....	68,133	775.09	58,135	790.14	45,934,789
	E-2.....	27,455	780.61	27,567	795.44	21,927,894
	E-1.....	23,522	779.84	24,025	794.33	19,083,778
	Total With Dependents	413,594		410,752		460,638,866

DEPARTMENT OF JUSTICE ANNUAL BUDGET FISCAL YEAR 1969		FY 1969				
Continuation Sheet for Justification		BUDGET				
APPROPRIATION		BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT				
Military Personnel, Army		2 Pay and Allowances of Enlisted Personnel				
		Estimate FY 1968		Estimate FY 1969		
		Average Number	Rate	Average Number	Rate	Amount
<b>F Basic Allowance for Quarters (cont'd)</b>						
(2) Without dependents.....		12,954	\$802.59	15,171	\$817.26	\$12,398,651
Substandard family housing.....		2,531	485.76	2,504	485.76	1,216,343
Total BAQ.....		429,079	467,581.638	428,427		474,253,860
<b>G Station Allowances, Overseas</b>						
(1) Cost of living.....						51,295,000
(2) Housing.....						2,819,000
(3) Temporary lodging.....						2,985,000
Total Station Allowances, Overseas.....						57,099,000
<b>H Clothing Allowances</b>						
(1) Initial						
(a) Military						
1 Civ. life, men (Jul-Dec 67)		242,432	283.65			68,765,837
(Jan-Jun 68)		512,351	266.77			83,325,876
(Jul 68-Jun 69)						
2 Civ. life, women (Jul-Dec 67)		3,234	325.13			1,051,470
(Jan-Jun 68)		2,716	324.97			882,619
(Jul 68-Jun 69)						
3 Army Res. w/partial Cloth. Allow. (Jul-Dec 67)		67	197.16			13,210
(Jan-Jun 68)		....	186.45			....
				431,050	266.77	114,991,209
				7,000	324.97	2,274,790

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATE Continuation Sheet for Justification		FY 1969 BUDGET				
APPROPRIATION		BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT				
Military Personnel, Army		2 Pay and Allowances of Enlisted Personnel				
		Estimate FY 1968		Estimate FY 1969		
		Average Number	Rate	Average Number	Rate	Amount
H	Clothing Allowances (cont'd)					
	(1) Initial (cont'd)					
	(a) Military (cont'd)					
	4 Nat'l Guard w/Partial Clo. Allowance..(Jul-Dec 67)	....	\$186.46			
	(Jan-Jun 68)	....	176.73			
	(Jul 68-Jun 69)			....	\$176.73	
	2 Less Applied Returns Credit by Army Stock Fund.....					\$-4,100,000
	6 Purchases less than Standard.....					-4,100,000
	7 Withheld Items.....					-9,171,000
	Sub-total.....					99,894,999
	(b) Civilian					
	1 Winter and Summer.....	1,026	300.00	793	300.00	237,900
	2 Winter or Summer.....	168	200.00	178	200.00	35,600
	3 Temporary Duty.....	209	100.00	198	100.00	19,800
	Sub-total.....		362,300			293,300
	(2) Basic Maintenance Personnel with 7 to 36 months' service					
	(a) Enlisted men.....	466,451	59.40	449,414	57.60	25,886,246
	Enlisted women.....	4,240	68.40	5,571	68.40	381,056
	Sub-total.....		27,997,205			26,267,302

DEPARTMENT OF THE ARMY ANNUAL BUDGET FISCAL YEAR Continuation Sheet for Justification		FY 1969				
APPROPRIATION		BUDGET				
BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT						
Military Personnel, Army		2 Pay and Allowances of Enlisted Personnel				
	Estimate FY 1968	Estimate FY 1969				
		Average Number	Rate	Average Number	Rate	Amount
H Clothing Allowances (cont'd)						
(3) Standard Maintenance Personnel with more than 36 months' service						
(a) Enlisted men.....	254,803	\$90.00	\$22,932,270	217,931	\$86.40	\$18,829,238
(b) Enlisted women.....	2,756	104.40	287,726	2,579	104.40	269,248
Sub-total.....			23,219,996			19,098,486
(4) Civilian Clothing Maintenance Allowance.....	2,172	90.00	195,480	2,081	86.40	179,798
Sub-total.....			195,480			179,798
(5) Clothing Issue						
(a) Korea - Issue-in-Kind.....			4,150,797			4,093,518
Reentitlement.....			3,768,919			1,118,487
Issue-in-Kind - KATUSA			686,776			649,498
(b) Vietnam - Issue-in-Kind...			13,403,286			14,037,014
(c) Reentitlements.....			50,579,971			58,560,960
(d) Inventory Levels.....			826,131			63,394
Sub-total.....			73,415,880			78,522,871
(6) Supplementary						
(a) Replacement during first 6 months.....			3,064,073			2,360,107
(b) Issue of winter undergarments			5,864,011			4,797,042
(c) Issue of insignia.....			3,326,871			3,346,032
(d) Other clothing issue.....			2,748,625			2,364,820
Sub-total.....			15,003,580			12,868,001
Total Clothing Allowances.....			276,862,453			237,124,757

		FY 1969			BUDGET		
APPROPRIATION		BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT					
Military Personnel, Army		2 Pay and Allowances of Enlisted Personnel					
I Family Separation Allowances	Estimate FY 1968			Estimate FY 1969			
	Average Number	Rate	Amount	Average Number	Rate	Amount	
(1) On PCS w/Depts not auth., Gov't Qtrs not available..	638	\$876.18	\$559,003	645	\$875.00	\$567,000	
(2) On PCS Depts not auth.....	101,225	360.00	36,441,000	108,588	360.00	39,091,680	
(3) On board ship for more than 30 days.....	350	360.00	126,000	350	360.00	126,000	
(4) On TDY for more than 30 days w/deps not residing near TDY station.....	1,303	360.00	469,080	1,310	360.00	471,600	
Total Family Separation Allowances.....	103,516		37,595,083	110,896		40,256,280	
J Separation Payments							
(1) Lump sum terminal leave payments.....	426,450	314.00	133,905,300	377,575	306.00	115,537,950	
(2) Severance pay - disability.....	380	2,032.00	772,160	400	2,059.00	823,600	
(3) Authorized donations.....	1,200	25.00	30,000	1,500	25.00	37,500	
Total Separation Payments.....			134,707,460			116,399,050	
K Social Security Tax - Employer's Contribution.....			137,924,320			149,923,376	

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATES		DIRECT OBLIGATIONS		FY 1969	
BUDGET PROGRAM SUMMARY -		(DIRECT OBLIGATIONS OR DIRECT BUDGET PLAN)		BUDGET	
APPROPRIATION		BUDGET PROGRAM (Number and Title)			
Military Personnel, Army		3 Pay and Allowances of Cadets			
BUDGET PROJECT ACCOUNT	TITLE	(In Thousands of Dollars)			
		ACTUAL FISCAL YEAR 19 67	ESTIMATE		
			FISCAL YEAR-19 68	FISCAL YEAR 19 69	
3-B	Academy Cadets.....	\$ 7,641	\$ 8,439	\$ 9,568	

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATES JUSTIFICATION		FY 1969	
BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT		BUDGET	
Military Personnel, Army			
(In Thousands of Dollars)			
ACTUAL		ESTIMATE	
FISCAL YEAR 1967		FISCAL YEAR 1968	
\$ 7,641	\$ 8,439	\$ 9,568	

**3 Pay and Allowances of Cadets**  
DIRECT OBLIGATIONS OR DIRECT BUDGET PLAN  
**DIRECT OBLIGATIONS**

**Section 2 - JUSTIFICATION OF FUNDS REQUESTED**

	Estimate FY 1968		Estimate FY 1969	
	Average Number	Rate	Average Number	Rate
<b>B Academy Cadets</b>				
(1) Basic Pay.....	3,235 *	\$1,900.35	3,626 *	\$1,926.00
(2) Subsistence - commuted ration.....		\$6,147,632		\$6,983,676
(3) Social security tax - Employer's contribution		549.00		547.50
(4) Clothing and equipment advance (P.L. 122-82nd Congress).....		1,776,015		1,985,235
		269,325		323,487
		245,989		276,011
<b>Total.....</b>		<b>8,438,961</b>		<b>9,568,409</b>

\* Includes 14 man-years non-reimbursable Foreign National Students.

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATE, 1968		DIRECT OBLIGATIONS		FY 1968
BUDGET PROGRAM SUMMARY		BUDGET PROGRAM (Number and title)		BUDGET
APPROPRIATION		4 Subsistence of Enlisted Personnel		
Military Personnel, Army		(In Thousands of Dollars)		
BUDGET PROJECT ACCOUNT	TITLE	ACTUAL FISCAL YEAR 1967	ESTIMATE FISCAL YEAR 1968	FISCAL YEAR 1969
4-A	Basic Allowance for Subsistence.....	\$ 175,895	\$ 186,346	\$ 183,196
4-B	Subsistence in Kind.....	552,477	550,059	530,681
	Total.....	728,372	736,405	713,877
	<b>95-397</b>	<b>59</b>		

DEPARTMENT OF THE ARMY ANNUAL BUDGET JUSTIFICATION		ACT: 5N		FY 1969	
BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT		Military Personnel, Army		BUDGET	
		(In Thousands of Dollars)		ESTIMATE	
		ACTUAL	FISCAL YEAR 19 67	FISCAL YEAR 19 68	FISCAL YEAR 19 69
4 Subistence of Enlisted Personnel					
DIRECT OBLIGATIONS OR DIRECT BUDGET PLAN					
DIRECT OBLIGATIONS		\$ 728,372	\$ 736,405		\$ 713,877
Section 2 - JUSTIFICATION OF FUNDS REQUESTED					
		Estimate FY 1968		Estimate FY 1969	
A	Basic Allowance for Subsistence				
	(1) When authorized to mess separately.....	\$116,111,738			\$116,634,144
	(2) Leave rations.....	37,658,094			37,827,564
	(3) When rations in kind not available.....	31,981,080			28,141,500
	(4) When assigned under emergency conditions.....	-			-
	(5) Augmentation of commuted ration allowance for meals taken separately.....	594,750			593,125
	Sub-total.....	186,345,662			183,196,333
B	Subsistence in Kind				
	(1) Subsistence in messes.....	385,644,559			390,838,741
	(2) Special rations.....	5,894,560			5,879,891
	(3) Operational rations.....	58,794,401			68,347,109
	(4) Augmentation rations.....	1,689,405			1,700,206
	(5) Common supply in Southeast Asia.....	53,278,556			48,759,479
	(6) Subsistence losses in RVN.....	17,653,210			13,624,559
	(7) Support of RVNAF commissaries.....	25,560,000			-
	(8) Officer consumption of operational rations in RVN.....	879,279			1,158,465
	(9) Other Programs.....	665,368			372,217
	Sub-total.....	550,059,338			530,680,667
	TOTAL.....	736,405,000			713,877,000

DEPARTMENT OF THE ARMY APPROPRIATION ESTIMATES Continuation Sheet for Justification		BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT		FY 1969 BUDGET			
APPROPRIATION		Quantity	Rate	Amount	Quantity	Rate	Amount
Military Personnel, Army	4 Subsistence of Enlisted Personnel						
DETAILED ANALYSIS							
A Basic Allowance for Subsistence							
(1) When authorized to mess separately		242,182	\$479.44	\$116,111,738	242,080	\$481.80	\$116,634,144
(2) Leave rations		78,546	479.44	37,658,094	78,513	481.80	37,827,564
(3) When rations in kind not available		34,000	940.62	31,981,080	30,000	938.05	28,141,500
(4) When assigned under emergency conditions		-	-	-	-	-	-
(5) Augmentation of commuted rations allowance for meals taken separately		(2,500)	237.90	594,750	(2,500)	237.25	593,125
Sub-total		354,728		186,345,662	350,593		183,196,333

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATES Continuation Sheet for Justification		FY 1969
APPROPRIATION	BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT	BUDGET
Military Personnel, Army	4 Subsistence of Enlisted Personnel	
DETAILED ANALYSIS		
B Subsistence in Kind		
Personnel Statistics	<u>Estimate FY 1968</u>	<u>Estimate FY 1969</u>
A. Average Enlisted Strength	Total	Total
	1,315,979	1,329,904
B. Less number provided for elsewhere		
(1) On Monetary Allowance	354,728	350,593
(2) Operational Rations	51,369	61,151
(3) Movements	16,604	14,937
Total	422,701	426,681
C Balance entitled to be subsisted in messes	893,278	903,223
D Distribution of "C"		
	<u>Estimate FY 1968</u>	<u>Estimate FY 1969</u>
	<u>Gross No. % Absent Net No.</u>	<u>Gross No. % Absent Net No.</u>
Number to be subsisted in Messes	893,278 9.04 807,157	903,223 9.07 819,469

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATES Continuation Sheet for Justification		FY 1969 BUDGET	
APPROPRIATION	BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT		
Military Personnel, Army	4 Subsistence of Enlisted Personnel		
DETAILED ANALYSIS			
		FY 1966	FY 1969
		Average Number	Average Number
		Rate Yearly	Rate Yearly
		Amount	Amount
B Subsistence in Kind (Cont'd)			
(1) Subsistence in messes		807,157	\$477.19 \$385,164,559 819,469 \$476.94 \$390,838,741
(2) Special Rations			
(a) Rations - Korean Augmentation to U. S. Army			5,368,697
(b) Kits - Korean Augmentation to U. S. Army			525,863
Sub-total			5,894,560

DEPARTMENT OF THE ARMY ANNUAL BUDGET ESTIMATES		FY 1969	
Continuation Sheet for Justification		BUDGET	
APPROPRIATION		BUDGET PROGRAM OR BUDGET PROJECT ACCOUNT	
Military Personnel, Army		4 Subsistence of Enlisted Personnel	
DETAILED ANALYSIS			
B Subsistence in Kind (Cont'd)			
	Estimate FY 1968	Estimate FY 1969	
	Quantity	Rate	Amount
	Quantity	Rate	Amount
(3) Operational Rations			
(a) Meal, Combat, Individual.	17,059,193	\$2.133	\$36,387,259
(b) Packet, Subsistence,			
Long Range Patrol.....	1,741,957	4.485	7,812,677
(c) Food Packet, Survival....	5,000	.94	4,700
(d) Ration, Supplement,			
Sundries Pack.....	322,972	31.092	10,041,845
(e) Ration, Supplement, Aid			
Station.....	1,000	11.92	11,920
(f) Ration, Supplement,			
Beverage Base.....	75,600,000	.06	4,536,000
Sub-total.....			58,794,401
(4) Augmentation Rations.....			1,689,405
(5) Common Supply in Southeast Asia.....			53,278,556
(6) Subsistence Losses in RVN.....			17,653,210
(7) Support of RVNAF Commissaries..			25,560,000
			68,347,109
			1,700,206
			48,759,479
			13,624,559
			-0-



DEPARTMENT OF THE ARMY BUDGET ESTIMATES		DIRECT OBLIGATIONS (DIRECT OBLIGATIONS OR DIRECT BUDGET PLAN)		FY 1969 BUDGET	
BUDGET PROGRAM SUMMARY - Military Personnel, Army		BUDGET PROGRAM (Number and title) 5 Permanent Change of Station Travel (In Thousands of Dollars)			
BUDGET PROJECT ACCOUNT	TITLE	ACTUAL FISCAL YEAR 19 67	ESTIMATE FISCAL YEAR 19 68	ESTIMATE FISCAL YEAR 19 68	ESTIMATE FISCAL YEAR 19 69
5-A	Accession Travel.....	\$ 65,229	71,873	\$ 59,226	
5-B	Training Travel.....	12,082	9,326	10,300	
5-C	Operational Travel, Between Stations (within CONUS and within Overseas).....	34,675	33,857	34,944	
5-D	Rotational Travel To and From Overseas.....	415,088	523,310	594,690	
5-E	Separation Travel.....	41,401	68,608	72,438	
5-F	Travel of Organized Units.....	73,673	50,762	12,614	
	Total Direct Obligations.....	642,148	757,736	784,212	

DEPARTMENT OF THE ARMY BUDGET ESTIMATES		DIRECT OBLIGATIONS (DIRECT OBLIGATIONS OR DIRECT BUDGET PLAN)		FY 1969 BUDGET	
BUDGET PROGRAM SUMMARY - Military Personnel, Army		BUDGET PROGRAM (Number and title) 6 Other Military Personnel Cost (In Thousands of Dollars)			
BUDGET PROJECT ACCOUNT	TITLE	ACTUAL FISCAL YEAR 19 67	ESTIMATE FISCAL YEAR 19 68	ESTIMATE FISCAL YEAR 19 68	ESTIMATE FISCAL YEAR 19 69
6-A	Apprehension of military deserters, absentees and escaped military prisoners.....	\$ 1,950	2,092	\$ 2,115	
6-B	Interest on uniformed services savings deposits.....	950	2,612	13,300	
6-C	Death gratuities.....	14,000	21,342	24,731	
6-D	Servicemen's Group Life Insurance.....	27,826	44,654	34,481	
	Total direct obligations.....	44,726	70,700	74,627	

Mr. MAHON. General Kelly, as acting Deputy Chief of Staff for Personnel I believe this is the first time you have had an opportunity to testify before the committee, certainly in that capacity.

General KELLY. That is right.

Mr. MAHON. Have you ever been before the committee as a supporting witness?

General KELLY. No, sir.

#### BIOGRAPHICAL SKETCH

Mr. MAHON. We are pleased to have you with us and, since this is your first appearance, we shall insert your biographical sketch in the record at this time.

(Biographical sketch follows:)

#### BIOGRAPHY OF MAJ. GEN. JOHN E. KELLY

Maj. Gen. John E. Kelly was born July 10, 1911, in Washington, D.C. He was reared in and around New York City and suburbs in New Jersey. After completing high school at the Theodore Roosevelt Night High School in New York City in 1929, he attended night college at the College of the City of New York while working in New York City during the daytime.

In 1932, he was appointed to the U.S. Military Academy by the late Fiorello H. LaGuardia, a former mayor of New York City, when the latter was a Congressman from New York. He was graduated in 1936 from the Military Academy and was ordered to the 29th Infantry at Fort Benning, Ga. In 1938, General Kelly attended the regular course at the infantry school, and in 1939, he attended the tank course also at the infantry school.

In July 1940, he was ordered to the U.S. Military Academy to instruct in foreign languages and was sent to the University of Laval in Quebec, Canada, to study French. In August 1941, he received his master's degree from the university and returned to West Point as a language instructor.

Departing West Point in August 1943, he was assigned to the 378th Infantry of the 95th Division and commanded a battalion during World War II in Europe. He participated in four campaigns: Northern France, Rhineland, Ardennes-Alsace and Central Europe. In August 1945, General Kelly became G4 of the 95th Infantry Division.

In October 1945, he was selected for attendance at the Command and General Staff College, Fort Leavenworth, Kans. Upon completion, he returned to the Military Academy to instruct French and Spanish from February 1946 to August 1948. In August 1948, he attended the Armed Forces Staff College and from there, in March 1949, he was assigned to Headquarters European Command where he served as chief of the control branch, operations plans organization and training division, 7890th Headquarters Group, EUCOM. In July 1949, General Kelly became special assistant to the director of the division. In July of 1950, he became the executive officer of the operations plans organizations and training division, Headquarters EUCOM. From May 1951 to July 1952, he was assistant to the Deputy Chief of Staff for Operations, Headquarters EUCOM.

In August 1952, General Kelly was promoted to colonel and returned to CONUS and attended the Army War College in Pennsylvania. Upon completion of this course, he was sent to Fort Monroe, Va., as operations officer in combat developments.

In January 1954, General Kelly was sent to Korea where he commanded the 160th Infantry Regiment. This assignment terminated in June 1954 when he was recalled to Washington to serve as executive officer to Gen. J. Lawton Collins, then the U.S. representative to NATO. General Kelly served in this capacity from June 1954 to December 1955. His duties with General Collins took him to Vietnam from November 1954 to May 1955.

General Kelly became Chief of Staff, U.S. Element, Standing Group, NATO in December 1955 and served in this capacity until June 1957. At that time, he was transferred to Hawaii where he became Deputy Chief of Staff of U.S. Army Hawaii. In February 1958, General Kelly assumed command of the now famous "Wolfhounds," the 1st Battle Group, 27th Infantry, 25th Infantry Division.

In April 1959, he relinquished command of the "Wolfhounds" and served for several months as Deputy Chief of Staff, Administration, prior to becoming Deputy Chief of Staff for Plans and Operations of the U.S. Army Hawaii in July 1959.

Returning to CONUS in July 1960, he was sent to 4th U.S. Army Headquarters, Fort Sam Houston, Tex., as Assistant Chief of Staff, G-3. In February 1961, while at Fort Sam Houston, he became Deputy Chief of Staff for Operations. In April of the same year, he was promoted to brigadier general and was assigned to Fort Benning, Ga., as the deputy commanding general.

In November 1962, he departed Fort Benning to establish the U.S. Military Supply Mission, India. While there he was promoted to major general, returned to the United States in December 1964. In January of 1965, he assumed command of the IV U.S. Army Corps, Birmingham, Ala.

In July 1965, he took command of the 2d Armored Division ("Hell on Wheels") at Fort Hood, Tex. In July 1967, he was selected by the Chief of Staff to be Assistant Deputy Chief of Staff for Personnel, Department of the Army, at the Pentagon, Washington, D.C.

Mr. MAHON. I believe at this time, General, you should proceed with your prepared statement.

#### REASON FOR INCREASE IN FISCAL YEAR 1968 BUDGET

Mr. LIPSCOMB. Before we continue, Mr. Chairman, may we have for the record how we developed the figures up to the present request for fiscal year 1968 before the committee?

The Chairman already has set forth that the Army received an appropriation of \$7,760,300,000 for military personnel in fiscal year 1968.

Would you explain how you built that up to where the total request for fiscal year 1968 is now \$7,875,715,000?

Mr. HUTCHISON. Sir, it is correct that \$7,760,300,000 was appropriated.

When we started to prepare the 1969 budget request certain actions were taken to review the total OSD budget. At that point in time it was decided that this appropriation could transfer \$90.5 million to other appropriations.

Subsequently the pay raise for military personnel was passed in December. Then the supplemental request to finance the pay raise was developed for \$205.9 million. Therefore, you see in the request before you in the 1968 column an estimate of \$7,875,715,000.

Mr. LIPSCOMB. Would you set forth in the record a detail summary of this?

Mr. HUTCHISON. I shall be happy to.

#### SOURCE OF \$90.5 MILLION SAVINGS IN FISCAL YEAR 1968

Mr. LIPSCOMB. And also a complete explanation of the transfer of \$90.5 million?

Mr. HUTCHINSON. Right, sir.

Mr. LIPSCOMB. Will you just for the moment tell us what that \$90.5 million was for?

Mr. HUTCHINSON. It was appropriated, sir, for the pay and allowances of enlisted personnel, but due to the fact that we did not reach our beginning strength in fiscal year 1968, as was originally estimated in the fiscal year 1968 appropriation, as well as a short fall in reenlistments which saved us reenlistment bonuses, and we didn't reach the authorized grade structure in our top six enlisted grades, we had a

savings of \$90.5 million from that which was appropriated for the pay and allowances of enlisted personnel.

Mr. LIPSCOMB. If you will kindly spell that all out in a summary for the record.

Mr. HUTCHINSON. All right, sir.  
(Information requested follows:)

HISTORY OF FISCAL YEAR 1968 COLUMN OF THE FISCAL YEAR 1969 BUDGET ESTIMATE

[In millions of dollars]

	Enacted	Intra-appropriation transfers	Proposed transfer	Oct. 1, 1967, pay raise	Fiscal year 1968 column of fiscal year 1969 budget
Pay and allowances, officers.....	1,478.9	+35.0		51.4	1,565.3
Pay and allowances, enlisted.....	4,765.5	-90.5	-90.5	152.6	4,737.2
Pay and allowances, cadets.....	8.4	-.3		.3	8.4
Subsistence.....	684.9	+51.5			736.4
Permanent change of station.....	739.6	+17.4		.8	757.7
Other military personnel.....	83.0	-13.1		.8	70.7
Total.....	7,760.3	0	-90.5	205.9	7,875.7

INTRA-APPROPRIATION TRANSFERS

*Pay and allowances of officers.*—Due to increase in officer strengths partially offset by a decrease in longevity resulting from early promotions and the increased number of promotions due to increase strength.

*Pay and allowances of enlisted.*—Due to increase in average number, decrease in longevity in lower grades due to early promotion, decrease in reenlistments, and decrease in the number receiving basic allowance for quarters. Decreases are offset by increased number receiving hostile fire pay.

*Pay and allowances of cadets.*—Due to decrease in average number.

*Subsistence of enlisted.*—Due to increase in ration rates because of higher food costs, inventory levels in RVN to support higher troop strengths, support given FWMAF and RVNAF troops, subsistence losses in RVN, and support given to RVNAF commissaries.

*Permanent change of station travel.*—Due to return of certain U.S. forces from Europe (Reforger) and increased overseas deployments.

*Other military personnel costs.*—Due to reduced cost of interest on savings deposits resulting from recomputation of requirements. This is offset by an increase in the fund requirements for higher hazard duty costs of servicemen's group life insurance and an increase in per capita cost of apprehension of deserters.

PROPOSED TRANSFER

Due to longevity decrease and slippage in the attainment of the enlisted grade structure, decrease in basic allowance for quarters to reflect lower numbers of enlisted personnel, decrease in reenlistments, and lower costing factors.

Mr. LIPSCOMB. Thank you, Mr. Chairman.

GENERAL STATEMENT

General KELLY. General Connor, the Deputy Chief of Staff for Personnel is recovering from a heart attack so I am substituting for him.

Mr. Chairman and members of the committee, it is a privilege to appear before you to present our requirements for the military personnel, Army appropriation. As Deputy Chief of Staff for Personnel and, as a soldier dedicated to my country and my profession, it is an honor to represent the men and women of the Army serving our Nation at home and abroad.

The budget estimate before you will provide the funds necessary to support our Army men and women in the numbers indicated in our manpower program, trained and deployed as planned when the fiscal year 1969 budget was prepared. First I will review the changes that have taken place in our fiscal year 1968 manpower program since General Woolnough presented it at this time last year, then I will comment on the fiscal year 1969 program as we have projected it, and finally I will highlight in general terms the significant changes in dollar requirements we foresee in fiscal year 1969, the details of which you and your staff have been provided for further study.

#### ADJUSTMENTS IN MANPOWER PROGRAM

Although the fiscal year 1968 manpower program presented to you last February had about the same end strength we now project—this is important because this becomes the fiscal year 1969 begin position—there were significant adjustments made between February and December 1967 and during the preparation of the revised fiscal year 1968 projection in the fiscal year 1969 budget.

The first significant variation occurred before the beginning of fiscal year 1968. The total strength at end fiscal year 1967 was 12,386 below our projection. This resulted from lower first term enlistments than projected and a drop in the career reenlistment rate from 83.4 percent in 1966 to 74.2 percent in 1967. The reduced career reenlistment rate not only aggravated our total strength shortage, but it also reduced our enlisted mid-level leadership and skill base. Our fiscal year 1967 top six end strength of 695,365 reflects our drop in reenlistments. Our plan was to begin fiscal year 1968 with 764,322, but this depended heavily on reenlistments.

Our fiscal year 1968 officer end strength was initially programed at 154,900. The requirements continue to increase and we are now programming an officer strength of 163,500 by end fiscal year 1968. We will be able to meet this increased officer strength primarily through our flexible OCS program. This program (OCS) has produced about 38,000 officers in the last 24 months which compares to about 2,500 officers from OCS during a normal 24-month period (fiscal year 1957-66). Our expanded ROTC program will provide the Active Army with approximately 16,700 officers during fiscal year 1969.

During the OSD/BOB review of our budget request, OSD authorized an increase in our fiscal year 1968 end strength to recognize more fully the large number of transients (resulting from our increased deployments to Southeast Asia). While this will add to our fiscal year 1968 end and fiscal year 1969 begin positions, the fiscal year 1968 man-year impact is small.

In addition to adjustments in deployment strengths and phasing (Reforger from Europe and speedups to Vietnam), we have had the usual rate changes—some up, some down—for rations, clothing items, air and sea tariffs, and so forth.

The Army is requesting a supplemental appropriation of \$205.9 million to finance the military pay raise enacted by the Congress, which became effective October 1, 1967. This table gives you our fiscal year 1969 manpower program.

## FISCAL YEAR 1969 MANPOWER PROGRAM

	Authorized end strength	Average strength
Officer.....	170,535	167,156
Enlisted.....	1,333,683	1,329,904
Cadets.....	3,350	3,612
Total.....	1,507,568	1,500,672

## PROPOSED TRAINED STRENGTH

Our personnel objective is to have the right number of properly trained soldiers in their units when they are needed. If temporary shortages prevent us from fully achieving that objective we try to fill units with men who have substitutable skills similar to those that the units are authorized. The statistics that reflect most accurately our capability to meet this objective are those pertaining to our total trained strength of ———. Our trained strength excludes trainees in the training base. By early fall, for the first time since the Vietnam buildup started, the Army will have reached and stabilized its requirement for trained strength—provided the requirement remains fixed.

Achievement of our authorized trained strength means we can reduce that proportion of our total strength which is in a trainee status. In fact, the projected fiscal year 1969 end strength is 27,232 less than the projected fiscal year 1968 end strength and yet our trained strength will increase by 24,400.

Although the projected fiscal year 1969 end strength is lower, the average strength for fiscal year 1969 is projected at 1,500,672 or 23.872 above the fiscal year 1968 average strength. Throughout fiscal year 1968 we were in progressive stages of buildup. During the first half of fiscal year 1968, total actual Army strength stayed in the 1,400,000 to 1,470,000 range.

On the officer side of the picture, we will realize our first benefits from the expanded ROTC program during fiscal year 1969. This year we will get 10,978 new officers from ROTC and 19,340 from OCS. In fiscal year 1969 we expect to get 16,700 from ROTC and 12,100 from OCS. The Army's fiscal year 1969 authorization for officers is 170,500, an increase of 7,000 over fiscal year 1968. This figure includes 3,200 warrant officers of whom 2,600 are aviators.

## ARMY STRENGTH IN SOUTHEAST ASIA

As of February 1, 1968, Army strength in South Vietnam totaled 328,000. In comparison, the strength last year was 252,000 and 2 years ago was 123,000. Since the approved Vietnam tour is 1 year, we must furnish approximately 348,000 replacements during this calendar year. ———. Thus we will move something over ——— soldiers to Vietnam this year and we will return about ——— from that area. The forces in Vietnam represent about ——— percent of our average total Army strength during fiscal year 1969.

By June 1968 Vietnam, Thailand, and Korea combined will total approximately 30 percent of the Army's trained strength. Meeting the skilled replacement requirements for these areas imposes a harsh bur-

den of repetitive short tours on the career soldiers, particularly those who have acquired the technical or leadership skills that these areas require. To reduce the severity of this problem and to augment our midlevel enlisted skill and leadership group the Army has established the "Skill Development Base."

#### ADVANCED SKILL AND LEADERSHIP TRAINING

In the skill development base high potential advanced individual training graduates are selected for further accelerated advanced skill and leadership training. This additional training qualifies these men to perform duties in grade E-5 and above.

The training includes formal schooling in an MOS and practical on-the-job experience at an Army training center. Graduates are then assigned to meet E-5 and higher grade individual replacement requirements in short tour oversea areas. The present goal is to produce over 30,000 leaders and skilled technicians in fiscal year 1969. The SDB is designed to train a new AIT graduate to a skill level that will enable him to fill a highly responsible position in a short tour oversea area with only 1 year's service behind him. The cost to the Army is, extra training time and effort before the man will take his place in an oversea unit. Many of these individuals are 2-year men but we hope a significant number will stay in the Army. Even if they decline additional service, we will have reduced the demand for repetitive tours on those who do stay with us.

#### EXTENSION OF TOURS IN SOUTH VIETNAM

In assigning individuals to Vietnam we are still continuing to support the same special policies in effect at this time last year.

In 1966, the Congress enacted legislation authorizing a 30-day leave for personnel voluntarily extending their tour of duty in a combat area by a minimum of 6 months. This leave is in addition to travel time and is not chargeable against ordinary leave. As of December 31, 1967, 897 officers and 27,736 enlisted men of the Army had taken advantage of this provision and extended their tours in Vietnam.

#### AVIATOR REQUIREMENTS

The growth of our aviation requirements has been dramatic. By June 30, 1968, the Army will have \_\_\_\_\_ of its aviator population of 16,333 either in Vietnam, \_\_\_\_\_. Despite a growing aviator output, the interval between short tours for aviators now averages 19 months, with some key individuals returning after 12 months; 1,300 aviators in fiscal year 1968 and 2,400 aviators in fiscal year 1969 are projected for second short tours in Vietnam with less than 25 months in the rotation base. Aviator rotation will continue at a faster than desirable rate until August 1968 when we reach our programmed pilot output of 610 a month. If requirements continue to grow, however, we will still be short of our goal of 25 months in the base. Retention rates for aviators eligible for release after their initial tour are declining—for fiscal year 1967 our experience was 17 percent for commissioned officers and 32.3 percent for warrant officers. This compares with 24.3 percent and 65.9 percent respectively for fiscal year 1966.

Mr. MAHON. How do you explain that, General? That is a rather dramatic change in the case of aviator retention rates.

General KELLY. Many of the officers are men who have just recently come into the service. They are 2-year officers. They are not the career type of officers who were transferring in the past to become aviators. They are not officers who want to make a career of the service, such as we had before the recent buildup. I believe this is one reason.

The second reason is the fact they are going back for these repetitive tours in Vietnam, and this is not very conducive to the type of life that most young men desire, so obviously this is not conducive to encouraging aviators to stay on active duty.

Those, I believe, are the two principal reasons.

Shall I continue, sir?

Mr. MAHON. Yes.

#### MEDICAL SERVICES IN SOUTH VIETNAM

General KELLY. The welfare and health of our men in Vietnam present a constant challenge. The advances in medical evacuation, combat medicine, and medical techniques have served as a very effective morale booster for our soldiers. The increased use of the helicopter to evacuate the wounded continues to contribute to the lowest overall mortality rate of casualties ever experienced. The expanded capability to provide rapid evacuation directly from the battle area has resulted in more of our severely wounded reaching hospitals quickly—men who in previous conflicts would have died on the battlefield. Even with a higher proportion of these severely wounded being treated in medical facilities, the case fatality has been lower than in the Korean conflict and in World War II. The lives of 97.7 percent of the wounded reaching a medical facility are saved. This represents an increase over the figure presented last year of 97.6 percent. The percentile is insignificant but we are talking about 55 lives that might have been lost. This is not insignificant.

#### QUALITY OF FOOD IN SOUTH VIETNAM

The Army is continuing efforts to improve the quality of the food served to our soldiers in Vietnam. Hot rations are being served daily to troops whenever possible—even under combat conditions. Ice cream is served on alternate days. Plants for recombining milk are either in operation or under construction. These will eventually provide in excess of 50,000 gallons per day of recombined milk, both white and chocolate. In addition, the Army is presently shipping flavored beverage base to Vietnam for use by the troops to mask the off-flavor imparted by water purification chemicals. According to reports, our efforts in the food area are very well received in Vietnam.

#### RELOCATION OF FORCES FROM GERMANY

To reduce gold flow expenditures, the Army will shortly relocate some of its forces from Germany. During the period April 1, 1968, through ———, we will redeploy to selected CONUS stations two brigades of the 24th Division, an armored cavalry regiment, and other selected units totaling 28,003 military spaces. These units will be maintained in CONUS at a high degree of readiness. Their equipment will

be positioned in Germany to reduce the time required for their re-deployment to Germany. The three brigades of the 24th Division will rotate on temporary duty in Germany every —— with one brigade there at all times. Each year the two other brigades will return to Germany to participate in training exercises.

#### RETENTION RATE FOR OFFICERS

The retention rate of Reserve officers beyond their 2-year tour obligation continues to drop; 2,307 or 22 percent stayed on active duty compared with 24.4 percent in the preceding 3 years. An increased retention rate during the Vietnam crisis is doubtful. We feel that we now need about 4,500 extensions a year, at least for an interim period, to compensate for the increased number of those who extended in previous years but who are now leaving the service, and to recognize the need to retain additional officers from the 3 and 4 year obligors (doctors, lawyers, pilots).

We have recently initiated one action that may interest you. We have reduced, by phases, the time in grade for first lieutenants from 18 to 12 months. On or after May 2, 1968, an officer could have 12 months as a second lieutenant, 12 months as a first lieutenant, and then be selected for promotion to captain after 24 months' service. One condition for this promotion is that the officer must agree to serve an additional 12 months. Hopefully, the added prestige, responsibility, and pay will induce more young officers to extend their service. The results on retention from this new promotion policy will not be fully measurable before late summer.

Officer retention normally is a complex problem. The threat of more frequent assignments, particularly to areas that force family separations, is not easily overcome. One of the bright aspects of our present situation is that there have been great challenges available to a young man. He is afforded and urged to take on responsibilities that can earn him early promotion. A good number have accepted the challenge. We need more.

Mr. MAHON. What is the answer to the officer retention problem?

General KELLY. Similar to the other. Basically the question of retention as far as an officer is concerned has to do with his turbulence in the family, movement overseas and coming back and then looking forward to another short tour area assignment. The young officer does not always get the sort of quarters he would like to have as a bachelor or for family life, either on post or off post. He feels he is not being paid as well as he could be paid in civilian life. He hears about his contemporaries outside making a lot more than he is making in the service.

I believe these contribute to the fact he feels he could do better outside than he would staying on.

Mr. MAHON. Proceed.

#### DOCTORS AND NURSES

General KELLY. Due to continued availability of the draft we have not had to face serious problems in procuring sufficient medical officers to meet our minimum needs. By the end of fiscal year 1968, we will

have obtained through Selective Service action approximately 1,400 doctors and about 1,100 will be required in fiscal year 1969.

Increased attention given to procurement of nurses has been paying off. We ended fiscal year 1967 with 4,545 nurses, exceeding our authorization by 1 percent. We expect to meet our fiscal year 1968 goal of 4,875. No increases are projected for fiscal year 1969.

During fiscal year 1969 we hope to see improvement in retention for key medical specialists as a result of some key programs approved by the Congress during your last session. These programs include continuation pay and increased promotion opportunities. We also feel that Public Law 90-130 which removed restrictions on the careers of female officers will encourage more nurses to remain in service.

#### PROJECT 100,000

I know that this committee is familiar with Project One Hundred Thousand. During the period October 1, 1966, to February 9, 1968, the Army has taken 61,355 men under this program designed to raise the opportunity level for many of our youth. Our experience shows that all but a small number are trainable in apprentice skills and currently about 60 percent are being or have been trained in skills readily adaptable to later civilian employment.

These men take basic training with other men and we avoid the stigma of singling them out. However, their capabilities limit their use in some skill areas for which they cannot be economically trained. This is due largely to their difficulties in reading and comprehending written material. We are now engaged in a limited program of reading and general education training which we hope to expand.

The Army is willingly supporting this project since it not only enlarges our Nation's usable military manpower pool but raises the potential and future prospects for the individuals concerned. We are closely watching these men's performance to identify the extent to which the Army can assimilate and use them effectively, without impairment of our enlisted leadership potential, and the operational capabilities of units.

#### CATEGORY IV PERSONNEL

Last year General Woolnough promised to report on the impact of increased category IV's on our discipline. Although some of our crime and misconduct indicators have gone up a little this past year, the rise has been small and we are unable to attribute it directly to these men.

We are in the process of correlating our disciplinary cases with induction and enlistment acceptance standards. We do not feel that our results are conclusive at this time. They do show that the lower categories III and IV mental groups contribute disproportionately to our stockade population and that category IV's are worse than category III's. Our study does show a distinct correlation between the high school dropout and the stockade prisoner, even when the dropout has high mental test scores. A mental group I high school dropout seems to have about the same proclivity for disciplinary problems as the category IV. We do have more dropouts among the category IV group, as you would surmise. We are continuing to study relationships between our disciplinary cases and entrance standards or other predictive data.

## PROJECT TRANSITION

As an adjunct to our training for military service, we began a program called "Project Transition" in January this year. This program provides training in academic and civilian skills, on a volunteer basis, for personnel in the weeks immediately preceding their return to civilian life.

Project Transition is to be conducted at 42 Army installations in the United States. We estimate that up to 100,000 service personnel will participate during fiscal year 1969.

This training aims to develop a saleable civilian skill for those individuals who have not previously acquired a civilian-related skill during their military service. It should raise the threshold of those who choose to participate and the morale of those who recognize its worth. The extra costs of this training are small, primarily for civilian instructors, and are borne by the Operation and Maintenance program.

## BUDGET INCREASES

Turning now to the dollars required to accomplish our manpower program, there are major reasons for the increase of \$260.3 million over fiscal year 1968:

Fiscal year 1969 will reflect a total year of the military pay raise.

With increased deployments to Southeast Asia, more funds are required for such items as family separation allowances, subsistence, hostile fire pay, and rotational travel.

Even though the fiscal year 1969 end strength is less than in fiscal year 1968, there are 23,872 more man-years.

In summary, the requirements for the "Military personnel, Army" appropriation in fiscal year 1969 are \$8,136 million. The requirements comprise 6 major budget programs:

	<i>Million</i>
Pay and allowances of officers.....	\$1, 721. 9
Pay and allowances of enlisted personnel.....	4, 831. 8
Pay and allowances of cadets.....	9. 6
Subsistence of enlisted personnel.....	713. 9
Permanent change of station travel.....	784. 2
Other military personnel costs.....	74. 6

These funds will support a beginning strength of 1,534,800 and an end strength of 1,507,568 with an average strength of 1,500,672.

## CALENDAR YEAR 1967 ACCOMPLISHMENTS

In closing I would like to enumerate some of our accomplishments during the calendar year 1967 since we appeared before this committee.

We have brought 463,000 new officer and enlisted men into the Army and we have trained 562,000 soldiers of the Active Army and Reserve Components (406,000 Active Army, 156,000 Reserve enlisted personnel) in basic and advanced individual training at our Army training centers. An additional 356,000, including Reserve enlisted personnel, have been trained in formal courses at Army service schools. We have moved 335,000 soldiers to Vietnam and Korea and we have brought 255,000 home in that time. We have sent 135,000 trained men to

Europe, Alaska, and Panama. We have brought 138,000 home. We have treated and restored to duty 131,000 people who have been wounded or sick as a result of Vietnam action. Over 700,000 promotions have been made in the top six grades. We have brought on duty 50,000 individuals classified as Project 100,000 men of whom 47,000 remain as useful soldiers. We have served approximately 1 billion meals. And finally, we have returned 435,000 individuals to civilian life.

This is what last year's budget has paid for in part. The figures for next year will be even more impressive.

I would also like to state that, as in every year, we appear before you with only pride in the job our men and women have done in meeting the needs of their country in the current situation. It is still a monumental task, and one that can be accomplished only by skill and hard work at all levels.

The amount requested to continue this gigantic and successful operation in fiscal year 1969 is necessary to support the military manpower program I have discussed, including the essential military personnel requirements for Southeast Asia.

Sir, this concludes my opening statement.

Thank you, Mr. Chairman.

#### VIETNAM CASUALTIES

Mr. MAHON. On page 15 of your statement, General, you say:

We have moved 335,000 soldiers to Vietnam and Korea and we have brought 255,000 home in that time.

What have been our combat losses? I would like to have in the record at this point a statement of casualties in the Army worldwide during the period of which you speak, including a separate tabulation of Vietnam casualties.

General KELLY. We shall supply that for you, Mr. Chairman. (Information requested follows:)

#### DEATHS OF U.S. ARMY PERSONNEL

	Calendar year 1966			Calendar year 1967			Calendar year 1968 <sup>1</sup>		
	Host	Non-host	Total	Host	Non-host	Total	Host	Non-host	Total
Republic of Vietnam.....	3,052	667	3,719	5,441	1,002	6,443	4,294	383	4,677
Korea.....	6		6	16		16	5		5
Worldwide.....		1,373	1,373		2,184	2,184		708	708
Aggregate.....	3,058	2,040	5,098	5,457	3,186	8,643	4,299	1,091	5,390

<sup>1</sup> Through 2400 hours, May 7, 1968.

#### Vietnam casualties (Jan. 1, 1961 to May 7, 1968)

Hostile deaths.....	13,886
Nonhostile deaths.....	2,280
Hostile wounded <sup>1</sup> .....	<sup>2</sup> 43,100
	<sup>3</sup> 39,544
Nonhostile wounded.....	1,092
Current hostile missing.....	176
Current nonhostile missing.....	57
Current captured/interned.....	22

<sup>1</sup> Wounded data as of May 4, 1968.

<sup>2</sup> Hospital care required.

<sup>3</sup> Hospital care not required.

## CHANGES SINCE BUDGET PREPARATION

Mr. LIPSCOMB. General, your statement is as of what date? On what date was your statement prepared?

General KELLY. February 27—the first projected meeting of the committee by General Connor. Since then, things have happened.

Mr. LIPSCOMB. The facts and figures in your statement are up to what date?

General KELLY. Facts and figures are related to this budget, sir, that is all; just to this budget.

Mr. LIPSCOMB. When you say—

General KELLY. There are exceptions; for instance, the Project 100,000 figures in my statement were as of February 27. I will update them for you because I have a chart on that.

Mr. LIPSCOMB. When you say you have moved 335,000 soldiers to Vietnam and Korea and you have brought home 255,000 in that time, as of what date is this?

General KELLY. Calendar year 1967, sir.

Mr. LIPSCOMB. That is up through December 31?

General KELLY. That is right.

Mr. MAHON. I think at the point where these statements are made you should make clear as to what period of time you are talking about.

General KELLY. We shall do that, sir.

Mr. LIPSCOMB. What about the rest of your statement? Is it through calendar 1967 or fiscal year?

General KELLY. Basically most of my statements are based on the fiscal year because they are related to the budget.

There are some figures in this statement where I shall give you an updating. Again I refer to Project 100,000, as an example.

Mr. LIPSCOMB. How about the retention rates? As of what date are those? Was it July 1, 1967?

You spoke of retention percentages. As of what period are you talking?

General KELLY. I think I stated there that they are related to the fiscal year, sir, fiscal year retention rates.

Mr. LIPSCOMB. You are in the fiscal year 1968 now.

General KELLY. That is right, and those figures which relate to 1968 relate only to the first portion of 1968.

Mr. LIPSCOMB. What portion are you talking about?

General KELLY. The first half.

Mr. LIPSCOMB. From July 1, 1967, through December 31, 1967?

General KELLY. That is right.

Mr. LIPSCOMB. So any time we want up-to-date information we will have to ask for it?

General KELLY. Yes, sir, and I believe that again I have some charts prepared in anticipation that you would want some updating of this statement because things have moved forward since the statement was prepared for the committee in February. We can give you more up-to-date information.

Mr. MAHON. It seems to me that, whether or not we ask, you should supply for the record the latest information that you have available.

General KELLY. We shall do that, sir.

Mr. LIPSCOMB. Would you say that the statement you have just read to the committee is rather outdated?

General KELLY. No. I would say the statement I have just read supports the budget which was prepared for submission and to which we are addressing ourselves here, sir.

Mr. MAHON. I do think you will have to agree with Mr. Lipscomb that this statement, as it applies to fiscal 1968 and 1969, is outdated. It needs to be modified and changed.

General KELLY. I recognize we have had things like the Reserve callup which are not considered in this. This is purely addressed to the budget which was submitted, sir.

Mr. LIPSCOMB. The thing that concerns us about your statement, General, are words such as this:

"The budget estimate before you will provide the funds necessary to support our Army men and women in the numbers indicated in our manpower program, trained and deployed as now planned."

General KELLY. Sir, I believe this is one of the corrections that I have made. I tried to get this corrected in my statement for this hearing because at the time General Connor prepared his statement this was a true statement. Since the statement had already been submitted to the committee, it was too late to make the change. I wanted to change it to read "trained and deployed as planned when the fiscal year 1969 budget was prepared." That is not now, sir, but as of when it was prepared.

Mr. LIPSCOMB. For clarification, then, as of what date are you talking about when you last altered the statement? Is it December 31, 1967, or prior?

General KELLY. The very last part of December when this budget was finalized, sir, December 29.

Mr. LIPSCOMB. So you are speaking at all times to December 29?

General KELLY. To this budget. At all times, sir, except in certain areas. When I speak of certain things that are going today and I bring information in that is updated, as I can if you would like to see some of the charts I have prepared for this purpose, I have information that is newer.

However, when I refer to the budget I am addressing this to the budget as of the 29th of December.

Mr. MAHON. I would say that your formal statement which has been presented is impressive in that it calls to mind the tremendous activities of the Army personnelwise during the time frame which you discuss. A lot of people have entered and left the Army, and hundreds of thousands have been transported from one place to another. There is every indication that the Army has been rather busy during the period of which you speak. This, of course, is a time of great uncertainty and, while your statement is to some considerable extent out of date, it is very sobering in that it refers to the tremendous efforts which the Army has made and is making.

#### EFFECT OF VIETNAM PEACE TALKS ON FISCAL YEAR 1969 BUDGET

What do you visualize the talks scheduled in Paris with the North Vietnamese may mean in terms of Army personnel and the movement of Army personnel?

General KELLY. Mr. Chairman, I feel that this is beyond the purview of my office. I would rather defer—

Mr. MAHON. While it is really beyond the purview of your office, you would have to concede that the developments at the conference in Paris may drastically modify some of the plans and programs which the Army is contemplating. Is that correct?

General KELLY. It is possible, sir.

Mr. MAHON. I believe most Americans are of the opinion that nothing dramatic will happen with respect to the war by way of a solution within the next few months. I assume that under the circumstances, unless there is a cease-fire, there will be a continuation of the war about as it is now.

General KELLY. I would assume so, sir. We can still have the requirements for the personnel we have in the budget as modified by more recent developments.

#### REASONS FOR INCREASED DRAFT IN FISCAL YEAR 1968

Mr. MAHON. General, there has been a recent statement in the press which indicates that the Army will draft 346,900 men in fiscal year 1968, an increase of 61,900 over the 285,000 originally planned. In April of 1968 you had a Reserve and National Guard callup of over 20,000 men.

Does this mean that voluntary enlistments fell below your predictions for fiscal year 1968 and, if so, how significant was the decline?

General KELLY. Yes. Colonel Samusson has the answer to this, sir.

Colonel SAMUSSON. Sir, I believe the article to which you refer indicated that we will draft more men than originally planned.

The actual draft calls placed in fiscal year 1968 were higher than the original fiscal year 1968 budget plan for the following reasons: We entered fiscal year 1968 with an Army strength deficit of 12,400; the Army authorized end strength for end fiscal year 1968 was increased; and there were less planned enlistments and higher enlisted losses.

We are receiving the enlistments which were anticipated.

#### NEED FOR FEWER MEN IN FISCAL YEAR 1969

Mr. MAHON. In the press statement to which I made reference, a Pentagon source was quoted as saying that the need for men during fiscal year 1969 will be less than for 1968.

Is there any validity to that?

General KELLY. There will be a need for fewer men. Our end strength will be lower at the end of the year than it was at the beginning and our accessions will be lower during the year.

#### OFFICER AND ENLISTED PERSONNEL PROCUREMENT

Mr. MAHON. Would you provide data indicating your predictions for fiscal year 1969 in the area of officer and enlisted procurement, by source, and how this compares with current fiscal 1968 predictions?

(Information requested follows:)

Our latest predictions for officer and enlisted procurement by source are as follows:

## OFFICER PROCUREMENT BY SOURCE, FISCAL YEARS 1968 AND 1969

	Fiscal year 1968	Fiscal year 1969 <sup>1</sup>
USMA.....	677	725
ROTC.....	10,978	16,700
OCS.....	18,490	12,113
Voluntary active duty <sup>2</sup> .....	1,595	1,500
JAG, CHAP, WAC, MSC <sup>3</sup> .....	1,221	2,113
MC, DC, VC.....	3,582	2,794
RA appointments (from civil life).....	30	30
Miscellaneous <sup>4</sup> .....	50	50
<b>Total male and WAC.....</b>	<b>36,623</b>	<b>36,025</b>
Nurses and medical specialists.....	1,303	1,343
Warrant officers.....	5,610	4,941
<b>Total.....</b>	<b>43,536</b>	<b>42,309</b>
Involuntary active duty (Reserve).....	1,300	-----
<b>Grand total.....</b>	<b>44,836</b>	-----

<sup>1</sup> Does not include Reserve callup. This program is currently under revision.

<sup>2</sup> Includes interservice transfer and direct appointment with concurrent active duty except for professional branches.

<sup>3</sup> Includes both voluntary active duty and direct appointments with concurrent active duty.

<sup>4</sup> Includes administrative gains, such as recall from retired lists, order to AD for 90 days or less, and order to AD of Reserves and ARNGUS officers for duty with Army Staff and NGB.

## ENLISTED PROCUREMENT BY SOURCE, FISCAL YEARS 1968 AND 1969

[In thousands]

Source	Fiscal year 1968	Fiscal year 1969 <sup>1</sup>
Draftees.....	345.4	240.5
Reserve and National Guard.....	21.2	1.0
Regular Army first enlistees.....	195.6	171.5
Reenlistments within 90 days.....	79.5	75.9
Reenlistments after 90 days.....	3.8	3.6
Other enlisted gains.....	24.2	22.6
<b>Total.....</b>	<b>669.7</b>	<b>515.1</b>

<sup>1</sup> Does not include Reserve callup. This program is currently under review.

## EFFECT OF FISCAL YEAR 1968 RESERVE CALLUP ON BUDGET

Mr. MAHON. How will the April 1968 Reserve callup be financed if it is not in the fiscal year 1969 budget request?

General MANESS. For fiscal year 1968 we have made our requirements known to the Office of the Secretary of Defense to cover the financial support of the Reserve callup.

To date we have not received any specific data as to how much of our request will be approved. They could request deficiency authority or they could place this in a supplemental appropriation request.

However, we have not been told as of this moment specifically how this would be handled.

Mr. MAHON. We are anticipating a supplemental of some kind in the near future. We have been anticipating that for some time.

Mr. LIPSCOMB. He answered that with regard to fiscal 1968 but not fiscal 1969.

General MANESS. With regard to 1969, Mr. Lipscomb, we are working on this. However, we do not know specifically as of now what the end strength will be in the Army in fiscal year 1969 due to the callup. The situation is so indefinite we are not able to give a precise costing at this time.

Mr. LIPSCOMB. Are you saying that the end strength to which we are talking now in the fiscal year 1969 budget will be changed?

General MANESS. As I understand it, the end strength is associated with the callup. We were not able to put that in the budget request being discussed before this committee today.

Mr. LIPSCOMB. But when General Kelly said a few moments ago that the end strength for fiscal 1969 will be less than in fiscal year 1968, you were not speaking to anything specific?

General KELLY. Addressing to this budget, sir.

General BRINKER. If I may add something, sir—that assumed the Reserves would not be in the Army's end strength at the end of fiscal 1969. The date when the Reserves, recently called up, are released will affect both the average strength and the 1969 end strength. I don't know that anyone has determined when the Army Reserves who have recently been called up will be released.

If they stay on 1 day after July 1, 1968, it affects the average strength, but if they are released on June 29, 1969, then they will not be included in the end strength.

We simply do not know now when we will release the Reserves who will report for active duty later this month.

General KELLY. If I may elaborate for a moment, Mr. Lipscomb.

My comment was addressed to this budget. There may be many changes besides the change that recently resulted from the callup of the Reserves into the total numbers required before the end of fiscal year 1969.

I am addressing myself to this budget.

#### ADEQUACY OF FISCAL YEAR 1969 BUDGET ESTIMATES

Mr. LIPSCOMB. I cannot help but feel that when we are talking here on May 6 that we should talk to the situation as we know it today. We are working on a fiscal year 1969 budget.

It just seems to me that we should speak on an up-to-date basis.

Although on the committee we may understand what you are saying, to a reader of the record and to a Member of Congress who has to vote it is very difficult to determine just exactly what we are talking about here.

I think everyone is aware that since December 31, 1967, there have been many, many changes in the budget in fiscal 1968, many of which also affect fiscal 1969.

Is the Army concerned in any way with financing of fiscal year 1969?

General KELLY. Of course it is, sir.

However, right now my—

Mr. LIPSCOMB. Do you feel as of now that the fiscal year 1969 budget is of sufficient size to permit the Army to fulfill the missions which fall on the Army as of this moment?

General KELLY. No, I do not believe that they are at the moment. However, that is because we have additional forces which have been brought aboard.

I can address myself, Mr. Lipscomb, only to this budget. No decisions have been made with regard to a new budget for fiscal year 1969 that I am aware of.

Mr. LIPSCOMB. You have many, many budget personnel working on figures all the time. In fact some may already have been firmed up and transmitted to the Office, Secretary of Defense. Is that right?

General KELLY. They may have, sir. General Maness, do you have anything more on that?

General MANESS. Mr. Lipscomb, the budgets not only for military personnel but for the other appropriations as well were started back before October of last year and submitted to the Office, Secretary of Defense. These budgets then were gone over by the personnel in the Office of the Secretary of Defense. We submitted budgets through the Bureau of the Budget for inclusion in the President's budget which came to the Congress some time in January.

We had to put the dollars in these budgets to support the programs which we were aware of and which had been approved as of that date.

There are many changes which affect the dollars we request because of the time factors involved. We have no approved dollar amounts at this time for fiscal year 1969 other than those that appear in the budget, we are discussing today.

There are factors and there are situations which would have an impact on this budget but it is too early for us to get a firm fix on the total requirements for fiscal year 1969 as of this point and time.

Mr. MAHON. The point is that you know you need a given amount of money. That amount has not been determined. You are presenting here testimony in support of the budget which is now out of date. It is a little difficult for us, and of course difficult for you.

Off the record.

(Discussion held off the record.)

#### COST OF RECRUITING PROGRAM

Mr. MAHON. How much money is being expended annually for your recruiting program in terms of personnel, advertising, and related expenses?

(Information requested follows:)

Our recruiting program costs \$25.4 million annually. These costs are in two Army appropriations as follows:

[In millions]

	MPA	OMA	Total
Personnel.....	\$16.2	\$3.0	\$19.2
Advertising.....		2.9	2.9
Related expenses.....		3.3	3.3
Total.....	16.2	9.2	25.4

#### WARRANT OFFICER INCREASE

Mr. MAHON. General Kelly, in the justification book, page 10, you show a decline in warrant officer gains and an increase in warrant officer losses each year since fiscal year 1967. As a matter of fact, you had over 1,000 less warrant officers on June 30, 1967, than you had predicted at this time last year.

Nevertheless, this year you estimate that by June 30, 1968, you will have 4,000 more warrant officers than you had on June 30, 1967.

What is the basis for your optimism?

Colonel SAMUSSON. I will have to supply that information, sir.  
(The information requested follows:)

In fiscal year 1967 we procured 6,300 warrant officers resulting in a warrant officer end strength of 16,100. Our original estimate was a warrant officer procurement objective of 7,200 to meet an end strength of 17,200. We were unable to meet this warrant officer strength in fiscal year 1967 primarily due to the lack of qualified applicants in some of the technician skills such as ordnance, engineer, and transportation.

However, this fiscal year we have received sufficient applications for appointment as warrant officers from qualified individuals and are encountering no particular difficulty in procuring 5,600 warrant officers to meet the 20,100 authorized warrant officer end strength which is 4,000 more than the fiscal year 1967 warrant officer end strength. Since the procurement projection is for 4,900 warrant officers in fiscal year 1969 (1,400 less than fiscal year 1967 and 700 less than fiscal year 1968), we anticipate meeting the requirement in full.

#### INCREASE IN CAPTAINS

Mr. MAHON. Last year we discussed the problem associated with the shortage of captains. This year you estimate a significant increase in this rank. How do you hope to accomplish the increase?

General KELLY. We have liberalized our promotion system for captains bringing it down from 30 months to 24 months. In this way we expect there will be obviously a number of lieutenants that will be promoted to captain and they will be retained for 1 extra year.

Mr. MAHON. You may amplify your statement for the record.  
(Information requested follows:)

The increase in the number of captains is expected to result from a change in policy made in September 1967 regarding promotion of first lieutenants serving on extended active duty. Time in grade eligibility was gradually reduced, beginning in November 1967, so that on May 2, 1968, first lieutenants began attaining eligibility for promotion to captain upon completion of 12 months' time in grade, computed from their date of rank.

Additionally, those first lieutenants who accept promotion under this policy will be continued on active duty to complete a service obligation of 36 months' active Federal commissioned service (AFCS) computed from date of entry on active duty as a second lieutenant, or 12 months' active service in the grade of captain, whichever occurs first.

For the first time the 2-year obligated volunteer officer is afforded the opportunity of promotion to captain, provided he accepts the promotion with the attendant additional service obligation. It is estimated that the number of OBV officers who normally volunteer for further service will increase by approximately 10 percent as a result of this earlier promotion opportunity.

#### SHORTAGE OF E-5 GRADE PERSONNEL

Mr. MAHON. I understand that out of your top six grades of non-commissioned officers there is a serious shortage of E-5's. Is that the problem which you discussed in your statement to some extent?

General KELLY. Yes, sir.

Mr. MAHON. I wish you would state for the record just how critical this situation is.

(Information requested follows:)

The Army's E-5 grade authorization for fiscal year 1968 of 215,145 is identical to that authorized for fiscal year 1967. The June 30, 1967, E-5 strength was 177,148 and represented a substantial shortfall of 37,997 from the E-5 authorization. However, due to the large input of personnel into the Army during 1966 and because of certain changes in promotion and training policies made this year,

we now have the capability of reaching our authorized E-5 strength. As of April 30, 1968, we had 212,916 E-5's and it is anticipated the additional 2,229 needed to reach the fiscal year 1968 programed strength will be achieved by promotions during May and June. In September and December 1967 the Chief of Staff of the Army approved policies providing for accelerated promotion opportunity not constrained by time in service and time in grade requirements. This policy provides for promoting enlisted personnel to grades commensurate with the skill level attained upon graduation from Army service schools and from courses comprising the skill development base mentioned in the opening statement. Also authority was granted to promote outstanding individuals in units who have demonstrated exceptional leadership ability and potential without regard to time in grade and time in service. Since approximately 70 percent of the Army's total enlisted strength consists of individuals with less than 2 years of service, this change in policy was necessary to provide the young outstanding soldier an opportunity to have the rank and receive the pay for the job he is required to do.

#### RATIO OF OFFICER TO ENLISTED PERSONNEL

Mr. MAHON. We have been told that the general rule of thumb officer to enlisted personnel ratio is about 11 percent officer to 89 percent enlisted. What is the ratio in fiscal years 1968 and 1969, according to your current estimates?

General KELLY. We have that here, sir. The ratio of enlisted for each officer in fiscal year 1968 is 8.4 to 1. This equates to an officer content of 10.65 percent of total strength.

General BRINKER. Mr. Chairman, if I may elaborate on that, we used to have an officer authorization of 11.5 percent of total end strength. In 1965, OSD started authorizing a specific number of officers. These come out, figuring the specific number authorized against the strength computed after the fact, in 1968 at 10.65 percent; and in 1969, 11.3 percent.

Mr. MAHON. Provide for the record the officer ratio to total strength by fiscal year, similar to that furnished by the Navy on page 146 of last year's hearings.

(The information follows:)

#### *Officer ratio to total strengths (authorized officer ratio)*

Fiscal year:	Percent
1969 -----	11.30
1968 -----	10.65
1967 -----	9.82
1966 -----	10.02
1965 -----	11.47
1964 -----	11.50
1963 -----	11.50
1962 -----	11.50
1961 -----	11.50
1960 -----	11.50
1959 -----	11.50

#### PROGRAMED ARMY STRENGTH

Mr. MAHON. General Kelly, would you update for the record the table on pages 52 and 53 of last year's hearings, dealing with the distribution of Army strength by primary mission, and the actual strengths of officers by grade since 1962.

(The information follows:)

The tabulations requested follow. The programed distribution of Army strengths for fiscal years 1968 and 1969 are displayed in the new Department of Defense force accounting system structure.

DISTRIBUTION OF ARMY STRENGTH BY PRIMARY MISSION

[Actual]

	Fiscal year 1964	Percent	Fiscal year 1965	Percent	Fiscal year 1966	Percent	Fiscal year 1967	Percent
Operating Forces.....	620,123	63.7	603,192	62.3	648,969	54.1	793,893	55.1
Combat.....	(402,552)	(40.4)	(386,479)	(40.0)	(407,131)	(33.9)	(481,374)	(33.4)
Combat support.....	(217,571)	(23.3)	(216,713)	(22.3)	(241,838)	(20.2)	(312,519)	(21.7)
Supporting Forces.....	89,666	9.2	88,415	9.1	104,468	8.7	124,951	8.7
Special activities.....	61,008	6.3	62,093	6.4	65,777	5.5	66,760	4.6
Training Forces.....	181,423	18.7	189,027	19.5	338,271	28.2	317,012	22.0
Transients and patients..	20,225	2.1	25,586	2.7	41,561	3.5	<sup>1</sup> 139,198	9.6
Total Army.....	972,445	100.0	968,313	100.0	1,199,046	100.0	1,441,814	100.0

<sup>1</sup> Change in accounting procedures.

(Editor's note: Similar data for fiscal years 1968 and 1969 was provided to the committee but it is classified.)

## OFFICERS BY GRADE SINCE 1961—ACTUAL STRENGTHS

	June 30, 1961	June 30, 1962 <sup>1</sup>	June 30, 1963	June 30, 1964	June 30, 1965	June 30, 1966	June 30, 1967	June 30, 1968 <sup>2</sup>	June 30, 1969 <sup>2</sup>
General.....	458	493	483	484	484	486	498	497	497
Colonel.....	4,724	5,094	5,000	5,022	5,053	5,264	5,582	5,939	6,019
Lieutenant colonel.....	11,209	12,642	12,235	12,243	12,285	13,329	14,674	16,147	16,451
Major.....	15,389	17,775	17,035	17,026	17,105	18,430	20,386	22,505	22,963
Captain.....	29,345	31,061	29,432	30,013	29,964	32,258	34,117	34,900	37,330
Lieutenants.....	28,469	37,673	33,907	35,262	36,346	36,125	51,595	63,412	63,940
Warrant officer.....	9,851	10,820	9,677	10,226	10,304	11,313	16,112	20,100	23,335
Total.....	99,465	115,578	107,769	110,276	111,541	117,205	142,964	163,500	170,535

<sup>1</sup> Includes reserve component units involuntarily recalled to active duty.

<sup>2</sup> Program strengths.

## RATIO OF ENLISTED PERSONNEL FOR EACH OFFICER, FISCAL YEARS 1957-69

Date	Actual strength, total Army	Ratio of enlisted for each officer
June 30, 1957	997.1	8.0
June 30, 1958	898.2	7.6
June 30, 1959	861.3	7.5
June 30, 1960	872.4	7.6
June 30, 1961	857.9	7.6
June 30, 1962	1,065.7	8.2
June 30, 1963	975.2	8.0
June 30, 1964	972.4	7.8
June 30, 1965	968.3	7.7
June 30, 1966	1,199.0	9.2
June 30, 1967	1,441.8	9.1
June 30, 1968 <sup>1</sup>	1,534.8	8.4
June 30, 1969 <sup>1</sup>	1,507.6	7.8

<sup>1</sup> Program strengths.

## OFFICER AND ENLISTED LOSSES

Mr. MAHON. In your prepared statement you indicate total strength at the end of fiscal year 1967 was 12,386 below predictions, retention rates for aviators is declining, and the retention rate for Reserve officers continues to drop. The projected fiscal year 1969 end strength is 27,232 less than the projected fiscal year 1968 end strength.

You feel you now need about 4,500 Reserve officer extensions a year, but that an increased retention rate during the Vietnam crisis is doubtful.

If this trend continues, looking ahead to fiscal year 1970 and beyond, how will you compensate for these losses?

General KELLY. Additional officers coming in from OCS would be the best way to do it.

## RETENTION RATE FOR AVIATORS

Mr. MAHON. You state the retention rate for aviators had declined to 17 percent for commissioned officers and 32.3 percent for warrant officers in fiscal 1967, compared to 24.3 percent and 65.9 percent, respectively, for fiscal year 1966.

In view of this, how are you able to justify an increase of 5,400 officers in flying duty status in fiscal 1969 at an increase of \$10 million in flying duty incentive pay over the fiscal year 1968 estimate?

General KELLY. I will ask Colonel Bellochi to respond to that.

Colonel BELLOCHI. Sir, I can address the training rate. As you know, in August of this year we are reaching our 610 training rate. This is what the Army has been striving for. There will be approximately half officers and half warrant officers in the total inventory. This is what we are shooting for.

In order to replace the losses that the general mentioned in his statement, we have to keep training at this rate in order to take care of this attrition, and also to supply large RVN needs. We cannot at this point in time level off or decrease the training rate due to the requirements for RVN and also the attrition rate.

## EXPANDED AVIATOR TRAINING

Mr. MAHON. Last year you estimated that the cost of 16,600 officers receiving flying duty incentive pay for fiscal year 1968 would be \$31,747,828, but now this figure is shown as \$31,470,663 for fiscal year 1968. Does this mean that you do not hope to reach the 16,600 level during fiscal year 1968?

Colonel BELLOCHI. No, sir. The total money is the question of the grade structure, sir. We are producing more new aviators who get less flight pay. I think basically this is the reason for it.

Mr. MAHON. How has your program for expanded training of aviators progressed? How many are you graduating a month?

Colonel BELLOCHI. We are at 510 at the present time. We will be at 610 in August of this year.

Mr. MAHON. Will that meet the requirements?

Colonel BELLOCHI. Yes, sir. It will do a nice job of meeting the requirements as we know them right now.

## COMBAT LOSSES OF AVIATORS

Mr. MAHON. What has been your combat-related loss rate for aviators in fiscal year 1968 compared with fiscal year 1967?

Colonel BELLOCHI. In 1967, we had 63 hostile deaths, 97 nonhostile, for a total of 160. In 1968 we had 448 wounded, and in 1968 the projection is all I have. We have projected 158 hostile deaths and 151 non-hostile deaths. These are calendar years I am giving you, sir.

## PLANNED AVIATOR PRODUCTION

Mr. MAHON. General, would you provide for the record the planned aviator production, fixed wing and rotary, active Army aviators, officers and warrant officers, for fiscal year 1967 through 1969, similar to the chart on page 63 of last year's hearings?

(The information follows:)

Planned aviator production, fiscal year 1967-69, fixed wing and rotary wing (Active Army aviators, officers, and warrant officers):

	Fiscal year 1967 <sup>1</sup>	Fiscal year 1968 <sup>2</sup>	Fiscal year 1969 <sup>2</sup>
Fixed wing.....	337	600	600
Rotary wing.....	3,453	4,745	6,720
Total.....	3,790	5,345	7,320

<sup>1</sup> Actual.

<sup>2</sup> Planned.

## USE OF WARRANT OFFICERS AS AVIATORS

Mr. MAHON. The Army utilizes both commissioned officers and warrant officers as aviators. Have you experienced any morale problems resulting from this practice?

General KELLY. None at all, sir.

## INCREASED RETENTION OF NURSES

Mr. MAHON. At the end of fiscal year 1967, you exceeded your authorization for nurses. You expect to meet your fiscal 1968 goal of 4,875, an increase of 330 over fiscal year 1967. How have you been able to accomplish this success?

General HEATON. Mr. Chairman, we have been able to achieve it through several programs that we have going for us at the moment. No. 1 is the Walter Reed Institute of Nursing in which there are enrolled 441 students. The next program is the Army student nurse program, comprising two different divisions. The first division is the 3-year course of a registered nurse, a diploma nurse, in which there are enrolled 636 nurses. The next is the degree program in which there are enrolled 626 nurses.

Then there are the direct appointments, of which we average around 300 to 400 a year.

(Off the record.)

## RETENTION RATE FOR DOCTORS

Mr. MAHON. With respect to doctors and dentists, is your retention rate for doctors still critical, or have you instituted any new programs to increase your retention rate for doctors?

General HEATON. I cannot say at the moment that we have improved our standing as regards the retention of our doctors. We have brought into the program since the Korean war 9,700 physicians, and we have retained only 60 of those. That is the 2-year individual.

Of our own people that we train in our general hospitals like Walter Reed, Letterman, and those areas, we are retaining around 42 percent of those after their time that they pay back.

We have in being, as you know, two developments recently that should have a very favorable impact upon our retention. I refer, No. 1, to the continuation pay that you very kindly passed for us and, No. 2, better promotion to the grade of colonel. We did not know the impact these would have, but I am very optimistic that they will help us considerably.

## MEDICAL AND DENTAL CORPS STRENGTHS

Mr. MAHON. Will you provide for the record a statement as to how many doctors you had in fiscal year 1967 and the total at present, and supply the same type of information as to dentists.

(The information follows:)

	Fiscal year 1967			Strength as of
	Beginning strength	End strength	Average strength	Mar. 31, 1968
Medical Corps.....	5,546	6,274	6,316	6,731
Dental Corps.....	2,617	2,655	2,703	2,847

Note: Includes Medical Corps and Dental Corps interns.

## LOSSES IN TOP-SIX ENLISTED GRADES

Mr. LIPSCOMB. General, it seems in the top six grades that you talk of on page 2, there is a sharp loss. In fact, if you take the figures from last year's justification and compare it with this year's justifications for fiscal year 1968, it shows that you are now planning about 69,000 fewer of those men than you had planned. That is, if you add up the top six grades as planned a year ago for fiscal year 1968 and what you now show in these justification sheets, there are 69,000 less.

Mr. HUTCHISON. I can speak to that, sir. At the end of fiscal year 1967 we were 69,000 less than we had planned, but at the end of fiscal year 1968, we will be at the 764,322.

Mr. LIPSCOMB. On page 22 of the justification sheet—

Mr. HUTCHISON. That is average strengths, sir; I am sure.

Mr. LIPSCOMB. There are 69,000 fewer than what you told us a year ago, and what is now in these justification sheets. Is that right?

Mr. HUTCHISON. These are average strengths in fiscal year 1968, but at the end of 1968 we will be at the strength we had in the budget previously, 764,322.

The problem is that we came into this year with 69,000 less top six enlisted men than we had planned, but we will reach our authorized strength by the end of fiscal year 1968.

Mr. LIPSCOMB. Just so we can read this properly, on page 10 of last year's hearings and in the justification sheets of last year, you showed 764,322 in the top six grades.

Mr. HUTCHISON. Right, sir.

Mr. LIPSCOMB. In this year's justification sheet, page 22, you show 730,377 for the same basic figure, estimated, fiscal year 1968.

Mr. HUTCHISON. Right, sir.

Mr. LIPSCOMB. Why is there a change?

Mr. HUTCHINSON. It is really a 33,945 smaller average strength, sir. If you go to page 12 of our current justifications, there we have a June 30, 1967 end strength. Last year in our justifications we said at June 30 of last year we would be at 764,322. We would keep this strength all year in 1968. But we did not reach that strength by June 30, 1967. We only reached 695,365. When you go to page 22 of the justifications, since we did not come into the year at the 764,322, we are building from 695,365 to 764,322. Therefore, you get the 730,377 average strength.

Mr. LIPSCOMB. All right, how do you account for all this? What is happening?

General KELLY. The reenlistments is the main problem. We have not been able to reenlist as many as we have wanted to. The reenlistment rate is going down.

Also a part is caused by the need to be sure that we have qualified men to fill all of these noncommissioned officer billets. We do not want just to fill them up without being sure that the individual meets the criteria necessary to do so.

Mr. LIPSCOMB. You are losing your most highly qualified men?

General KELLY. We are losing a lot of them, sir; yes, sir.

Mr. LIPSCOMB. Would you say these top six grades are your most highly qualified?

General KELLY. Yes, sir. We are losing a great many of them.

And of course the top six grades are the more highly qualified group that we have in the service, the noncommissioned officers and the specialists.

#### ARMY TOP SIX GRADE STRENGTH

Mr. MAHON. What is the actual strength in the top six grades, by months, for fiscal year 1967 and fiscal year 1968 to date?

(The information follows:)

#### *Army top six grades*

(Actual strength by month)

Fiscal year 1967:		Fiscal year 1968 (to date):	
July -----	517, 413	July -----	692, 830
August -----	540, 486	August -----	703, 514
September -----	548, 201	September -----	710, 806
October -----	565, 907	October -----	723, 597
November -----	597, 953	November -----	723, 191
December -----	613, 509	December -----	727, 443
January -----	631, 903	January -----	731, 335
February -----	648, 292	February -----	733, 820
March -----	661, 622	March -----	750, 312
April -----	673, 028	April -----	757, 502
May -----	682, 855		
June -----	695, 365		

#### OFFICER RETENTION RATE

Mr. LIPSCOMB. The same thing is happening in officers and warrant officers, as you pointed out.

General KELLY. The officers are not staying on to the degree that we would like. However, I would like to point out that in view of the new captain promotion liberalization that we have instituted, which does not change the criteria as far as quality and capability are concerned but does change the criteria for time in service, this will, we believe, encourage a lot of young officers who would ordinarily get out after 2 years, to stay on.

We are anticipating that this declining retention rate will probably start to bottom out and go up. We hope that we are on the upswing, in other words, sir.

Mr. LIPSCOMB. You hope?

General KELLY. Yes, sir.

#### SHORTAGE IN TRAINED STRENGTH

Mr. LIPSCOMB. Have you had an opportunity to look at the Senate Investigating Committee report which has been issued in the past 10 days?

General KELLY. I have not seen the report, no, sir.

Mr. LIPSCOMB. The most recent one was put out yesterday, and I have read it only as reported in the press. Here is what is said:

According to the subcommittee report, trained personnel are so short in the 2d Armored Division that M-60 tanks, M-13 personnel carriers and other items are set aside in administrative storage, in what the Senate source called substantial numbers.

It also goes on to say:

In addition to equipment shortages, both armored divisions lack experienced officers, especially captains and majors. In January, the Army lowered its official strength from 14,000 to 13,000 men, but neither unit has reached the reduced figure.

Another item in the report says:

When the 82d Airborne returned its third brigade overseas in February, the report noted, "The brigade deployed with second lieutenants commanding \* \* \* companies, a position normally held by the captain."

The same problem was reported existing in the National Guard, also.

Have you any comment on those kinds of charges?

General KELLY. All I can say is that we are short in those grades and in those units.

Mr. LIPSCOMB. The Army has a shortfall of man-years and men. The retention rate is poor and the Army is lacking in experienced and trained officers and men. You are having trouble and it is understandable, the retention rate is hard to maintain. But then how can you say this in your statement:

By early fall for the first time since the Vietnam buildup started, the Army will have reached and stabilized its requirement for trained strength.

How do you set a time like early fall?

General KELLY. We believed that by early fall, unless the structure changes significantly, we will have brought in enough personnel to build up to the trained strength that we require to meet the structure that was established as a basis for this budget. We can forecast how many personnel we are bringing on board and the rate at which we expect they will be trained. It does not mean, however, Mr. Lipscomb, that we will have the necessary skills in the grade of captain and major throughout the Army that we need, nor will we have all of the skills that we would like to have in the middle grade enlisted grades. But, numberswise, we will have brought the Army up to the trained strength that we need by that time.

Mr. LIPSCOMB. That is more realistic than the prepared statement. You say in your statement—

Our personnel objective is to have the right number of properly trained soldiers in their units when they are needed.

That is the way this paragraph starts. Then it goes on to what I read:

By early fall for the first time since the Vietnam buildup started the Army will have reached and stabilized its requirements for trained strength.

I think you must be realistic and give us the facts so we do not become complacent and overoptimistic.

General KELLY. Sir, if the structure does not change—

Mr. LIPSCOMB. What does that mean? The structure has already changed. This budget is out of date.

General KELLY. I mean that we do not have a requirement to build up new divisions that are not contemplated in this budget, new units that are not contemplated in this budget. Based upon the program we had to bring personnel in and train them when this budget was prepared, we would reach our trained strength objective by the fall of this year.

Mr. LIPSCOMB. By the fall. In other words, by October?

General KELLY. Yes.

Mr. LIPSCOMB. All this would have changed by October?

General KELLY. Based upon this budget, sir; and the structure that this budget was based upon. Now, what may happen between now and October, I cannot forecast, of course.

#### OFFICER AND ENLISTED RETENTION RATES

Mr. LIPSCOMB. Am I misinterpreting? Do you say the retention rates will improve and the training will improve from July 1, 1968, to November 1968, to the point that it would offset—

General KELLY. No, Mr. Lipscomb, all we are saying is that we will have enough enlisted men who have completed advanced individual training to man all of our enlisted requirements. We will not have enough of them trained to fill all high-skill requirements, and we are not saying that our retention rate problems will end, although we expect the faster promotion to captain to improve officer retention.

Mr. LIPSCOMB. Is that your experience today?

General KELLY. That is our anticipation, sir.

Mr. LIPSCOMB. But is that your experience as of today?

General KELLY. As of today, it is just about the same as it was. In other words, it is around 22 percent, if I recall correctly.

I have a chart that might be helpful to you on retention rates, if you would like to see it, sir.

Mr. LIPSCOMB. I think we ought to look at it.

General KELLY. (Slide.) There are the retention rates. This shows the 1965 retention rate for other than Regular Army officers in 1966 and in 1967, and we expect now as a result of what we have learned from analysis of the advantages that the young officers feel they will gain by staying on after being promoted to captain after 2 years, it has bottomed out and we will go up in our retention rate in 1968. This is our best judgment at this moment as far as retention is concerned.

(Slide.) Of course, these are the reasons. Perhaps I do not need to go into the reasons for the problem of retention.

Mr. LIPSCOMB. What about your enlisted personnel?

Generally KELLY. We have a chart on reenlistment, also.

Mr. LIPSCOMB. Your statement goes to officers, enlisted, and cadets.

General KELLY. (Slide.) Here you see the career reenlistment category, 84.2 percent retention in 1965; in the first-term RA, 25.7; and the AUS, at 8.4.

In 1966, it stayed about the same for the careerist, the first-term RA's actually went up a little bit, and the AUS went up a little bit.

In 1967, we started losing a fair share of our careerists. It went down to 74 percent. The first-termers went down somewhat, and I would like to point out the AUS figure goes up, but there was a difference in accounting at that time. At this period of time we authorized inductees, when they came to the reception station, to reenlist for a particular option that they might want. Of course, this is advantageous to the Army for two very good reasons. We keep them on for 3 years. Secondly, they get the program that they are interested in. So, they are happier and perhaps would stay with us in the service. So, we included the figures of the reenlistment at the reception stations as part of our reenlistment rate. So you see the 20.8.

Without that reception station reenlistment, it would show a figure of 3.5 percent. So it actually went down. I hope I have made that clear.

In 1968 through the latter part of December 1967, we show a reenlistment rate of 66.8 for careerists and 24.6 for the first-termers, which stay fairly constant. We feel the RA careerist enlisted man stays constant basically because he gets what he wants. Since he does get what he wants, he normally is in a fairly specialized field. He has stayed in for 3 years. He has more equity. He is subject to get the pro specialist pay. He is also subject to receiving a variable reenlistment bonus which is helpful to him as far as his overall pay over a period of time is concerned. And he is happy. He is contented in what he wants to do. That is why we feel that percentage for the RA stays fairly constant. This shows the history.

The next chart just shows the reasons, the reenlistment problem, the reasons the men get out. They feel they can get better jobs, better pay, they stay with their families, they do not have the turbulence we have in the service, and so forth.

#### SAVINGS OF \$90.5 MILLION IN FISCAL YEAR 1968

Mr. LIPSCOMB. At the opening of our hearings we talked about the transfer of \$90.5 million in fiscal year 1968 from military personnel, Army. That the funds were available was due in part to a slippage in promotion projections. At least, that was the explanation of the budget adjustment.

Why were the promotions so far off that you could find \$90.5 million? What happened?

General KELLY. Basically, the individual who would be eligible for promotions in the career fields which I pointed out just now, for the most part did not stay in, in the numbers that we had anticipated.

Secondly, the young men who were coming up were not meeting the criteria that we had for promotion. They were not really ready to be promoted. However, I would like to point out the \$90.5 million resulted from the 12,372 shortfall in beginning strength, the decrease in the basic allowance for quarters, and the slippage in enlisted promotion projections. So the entire \$90.5 million is not due to top six shortages.

Mr. LIPSCOMB. Can you assure us that those funds did not become available because some deserving men at some posts, large or small, who might have been promoted but were not promoted in order that you could save these funds?

General KELLY. I can assure you that we did not do this to save funds; yes, sir.

#### ADEQUACY OF PROMOTION FUNDS

Mr. LIPSCOMB. In the military personnel funds for fiscal year 1969, are you going to have that same kind of availability of funds to be transferred and not used?

General KELLY. I do not believe so, sir.

Mr. LIPSCOMB. Are the promotion funds you request in the 1969 budget based on a calculation of the retention rate that you now foresee?

General KELLY. In this budget, at the time this budget was prepared, we were basing it on retention rates that we foresaw at that time, sir.

Mr. LIPSCOMB. As shown on your charts?

Mr. HUTCHISON. We based it on the actual experience in the first half of fiscal year 1968.

Mr. LIPSCOMB. This transfer of promotion funds has occurred in at least the last 2 years. If the committee took a good look at this and cut the funds at the outset, would it hurt anything?

General KELLY. Yes, sir.

Mr. LIPSCOMB. Why?

General KELLY. On April 30, we had 757,502 in top six and we expect to have 764,322 by June 30. This is not going to bring us into fiscal year 1969 at 69,000 under strength as we were last July 1. Also our trained strength in fiscal year 1969 will be 24,400 higher than in fiscal year 1968. If we are cut in this area, then some deserving soldiers may be denied promotions. We think that we have established this budget based upon the requirements that we visualize will exist or existed at the time this budget was set up.

Mr. LIPSCOMB. Do you not always do that?

General KELLY. Yes, sir, but we have better factors now, sir.

Mr. LIPSCOMB. What makes them better?

General KELLY. We were promoting during the crisis of Vietnam, during the turbulence we had in the States for a year or so, without really having the basic factors that we have now found from experience. I think our experience factors now will give us a better basis for determining the requirements that support this budget.

Mr. LIPSCOMB. Do you think if you had realistically looked at your promotion rates and showed it more attention, you might have had a better retention rate for fiscal year 1967 and 1968?

General KELLY. I am not sure I follow you.

Mr. LIPSCOMB. One of the reasons the men do not reenlist is inadequate pay and other factors. You had the funds available. Why did you not take a good look at your promotion policy?

General KELLY. It was as a result of looking at our promotion policy that we decided to adopt a more liberalized standard that we now have, sir.

Mr. LIPSCOMB. When did that go into effect?

General KELLY. It went into effect last fall.

Mr. LIPSCOMB. Would you set forth in the record, then, your estimate of funds for promotion for 1966, 1967, and 1968, and what the outcome was of those, including the estimate for 1969, so we can see just how this promotion flowed in the past 4 years?

General KELLY. Yes, sir.

(The information follows:)

ESTIMATE OF FUNDS FOR PROMOTIONS

[In thousands of dollars]

	Program	Actual	Difference
<b>Officers:</b>			
Fiscal year 1966.....	\$23, 210	\$21, 400	-\$1, 810
Fiscal year 1967.....	26, 499	26, 921	+422
Fiscal year 1968.....	30, 909	129, 819	-1, 090
Fiscal year 1969.....	20, 659		
<b>Enlisted:</b>			
Fiscal year 1966.....	326, 322	307, 419	-18, 903
Fiscal year 1967.....	545, 616	493, 157	-52, 459
Fiscal year 1968.....	483, 222	1496, 280	<sup>2</sup> +13, 058
Fiscal year 1969.....	418, 375		

<sup>1</sup> Includes estimate for May and June 1968.

<sup>2</sup> This increase in funds for fiscal year 1968 promotions is a result of promotion slippages in fiscal year 1967. Costs are being financed within available funds by reduced longevity because of early promotions.

General KELLY. I also would like to point out we have the skill development base now, the purpose of which is to train identified, able young graduates of advanced individual training to become more highly skilled specialists and noncommissioned officers. They will be promoted much more rapidly than they would normally have been promoted, and we anticipate that they will help to fill the void of this middle grade leadership which we have had in Vietnam and throughout the Army for the past few years.

Mr. LIPSCOMB. Have you not always done this?

General KELLY. No, sir, we have not had it. The skill development base is a new concept. I do not know to what extent you are familiar with it. Again, I have a chart which might help clarify what we are doing in this regard, if the chairman or you would like it shown.

Mr. LIPSCOMB. In listening for the past number of years to your personnel problems, they do not appear to have gotten any better. I hope some action is being taken which is realistic and which will improve the situation.

DISCHARGES DUE TO UNDETECTED MENTAL AND PHYSICAL HANDICAPS

Mr. MAHON. General Heaton, a recent GAO report disclosed that during a 24-month period between July 1965 and July 1967, there were 40,172 men discharged shortly after induction because of physical handicaps that went undetected. This situation was said to have resulted in an unnecessary cost to the Government of \$20 million a year.

In the last 6 months of the GAO study, the auditors found the discharge rate for draftees soaring to 3.4 percent. Of the 40,172 men, 11,404 were Army personnel.

We are talking about \$20 million and 40,172 men discharged shortly after induction because of physical handicaps that went undetected.

General HEATON. We looked into that, Mr. Chairman. In the first place, in the time frame of these 2 years which the GAO report embraces, 15,000 of those 40,000 individuals we admit were discharged in that time frame, but had come in the service 1 to 2 years prior to that. In other words, we got 1 to 3 years' service out of at least 15,000 of them. We do not think that can be called a waste or unproductive.

The majority of the 25,000 men who came in in 1966 and were discharged within a 2-year period of time, had their 4 months' basic training. I do not believe this to be a waste or totally unproductive. Admittedly, there were some slips there in the induction stations, particularly psychiatric. Sometimes it is difficult to uncover on an examination a psychiatric potential. That rated equal with orthopedic deficiencies which the doctor—I must come to his defense—civilian or military, whoever he might be, in the Armed Forces examining and entrance station thought might stand up under the stress and strain of basic training. Obviously, they did not.

I just do not feel that we can say \$20 million is down the drain, because we have 15,000 men trained who gave us productive careers prior to that time, and we got some training in the 25,000 individuals. If we need them, if our Nation is ever in a really critical situation, we have something to go on with these individuals. The Government is paying nothing now. I do not believe in general we can say we have lost \$20 million.

Let us remind ourselves of the fact that our physical examinations in the Armed Forces examining and entrance stations are figured around \$10 a man plus \$10 administration. An ordinary physical examination of an ordinary individual at the Mayo Clinic costs approximately \$150. So \$150 times the 1.7 million accessions referred to the GAO report would be a lot of money. This is more than the \$20 million figure used in the report.

(Off the record.)

Mr. MAHON. General Kelly, I wish you would comment on the problem we just discussed with General Heaton.

General KELLY. The GAO report included some individuals who had spent as long as 18 years in the service. Statistics indicate that the rate of separation for medical conditions existing prior to service within 4 months (period of basic training) is about 1.5 percent of all accessions during fiscal years 1966 and 1967. In numbers this concerns 25,609 existed prior to service separations out of 1,755,976 accessions. Further studies show that only about 14.4 percent of those separated (amounting to 3,669 cases) could be classified as erroneous entrances. This is pointed out in the GAO report (pp. 8 and 9 and app. III). The remaining existed prior to service separations (21,940) were due to the reasonable limitation in scope of the medical examination which these persons undergo at the entrance stations.

These rates can be reduced in short order if we are willing to accept the consequences of the several alternatives.

First, we may increase the level of the procurement medical fitness standards so that fewer marginally qualified persons would be accepted. This would of course increase the present rejection rate. Incidentally, this course is presently precluded by the Uniform Military Training and Service Act of 1951, and most recently reenacted in the Military Selective Service Act of 1967.

Second, we could increase the scope of the medical examination, which rapidly becomes uneconomic.

Another alternative would be to hire more doctors and administrative staff to accommodate peak workloads in the stations. This may prevent some errors during the examination but would be inefficient and uneconomical during other than peak workload times.

The Army has continually assessed the existed prior to service separation problem and has consistently aimed at steering a course that served the best interest of both the individual and the Government.

I agree completely with the comments made by General Heaton.

#### SPECIAL PAY

Mr. MAHON. With respect to pay and allowances, the special pay calculated for fiscal year 1969 is \$335,486,500. The Army has been overestimating these figures for officers and underestimating rather drastically for enlisted men.

Have you any explanation of this?

General KELLY. I would like to ask Mr. Hutchison to speak to this.

Mr. HUTCHISON. The majority of the special pay represents the hostile fire pay that we give to the people in Vietnam. We have actually increased our estimate in fiscal year 1968 from what we originally requested, from \$274 to \$317 million, which you see in the estimate before you. This is due to 49,300 increased man-years in Vietnam who will draw hostile fire pay and 32,900 increased man-years of duty at certain location pay, which is the old foreign duty pay.

Mr. MAHON. Please expand on that for the record.

(The information follows:)

Hostile fire payments for officers in the 1968 President's budget amounted to \$26.7 million for 34,200 man-years. This estimate has now been reduced to \$25.7 million due to 1,200 less man-years than programmed. Special pay for physicians, dentists, and veterinarians increased from \$16.8 million to \$20.1 million due to 832 more payments and the additional cost of \$1.5 million for continuation pay for medical and dental officers, which was approved subsequent to the submission of the 1968 President's budget. In the enlisted area, hostile fire pay increased from \$216.6 million to \$255.1 million due to an additional 49,300 man-years programmed for Vietnam. The balance of the increase in special pay for enlisted personnel is in the pay for duty at certain locations, which increased from \$57.4 million to \$62.7 million due to the additional 49,300 man-years in Vietnam, offset by decreases of 16,400 man-years in other countries where such payments are authorized. These changes in programming occurred after the submission of the 1968 President's budget and could not be foreseen at that time.

#### OVERSEAS STATION ALLOWANCES

Mr. MAHON. You have experienced a problem in estimating costs for overseas station allowances for the past couple of years. Last year you estimated a requirement for \$34,787,900 for enlisted personnel in this category for fiscal year 1968. On page 25 of this year's justification book you now show a need for \$51,424,000 in fiscal year 1968.

During the hearings last year, Mr. Rhodes of Arizona requested that a tabulation of the computation of this allowance to show how it is calculated be submitted for the record, but this was not done in the manner requested.

Will you provide that for the record?

General KELLY. Yes, sir.

(The information follows:)

The cost-of-living allowance rates are prescribed for officer and enlisted men with and without dependents and they vary by grade and number of dependents in each country and locality within the country where authorized. This allowance represents the difference between all living costs, except housing, in the United

States and similar costs at overseas stations. The U.S. base is determined from data obtained from the Bureau of Labor Statistics and the military services. The overseas base is determined from State Department price information wherever possible. The rates are established after comparing prices of selected goods and services, purchased at overseas stations, with prices prevailing in the United States. These rates are constantly reviewed and revised by the Per Diem, Travel, and Transportation Allowance Committee, based on changing economic conditions in the overseas areas. Therefore, detailed reports reflecting numbers and allowances at any specific time do not constitute a valid basis for projecting future requirements. The estimated requirements for U.S. Army Forces reflected in this budget estimate are based on actual amounts expended during the latest period prior to submission of the budget estimate, updated in accordance with known strength changes in the countries or localities affected. ———. Examples of cost-of-living allowances currently authorized in different countries are as follows:

## DAILY COST-OF-LIVING ALLOWANCES—CAPTAIN O-3

	Without dependents	1 dependent	2 dependents	3 dependents	4 dependents	5 or more dependents
Afghanistan .....	\$2.55	\$3.05	\$3.20	\$3.40	\$3.60	\$3.80
Juneau, Alaska .....	6.20	7.40	7.85	8.30	8.75	9.25
Nome, Alaska .....	6.80	8.10	8.55	9.05	9.55	10.05
Algeria, Algiers .....	5.35	6.40	6.75	7.15	7.55	7.95
Melbourne, Australia .....	.85	1.00	1.05	1.15	1.20	1.25
Vienna, Austria .....	2.25	2.70	2.85	3.00	3.20	3.35
Quebec City, Canada .....	1.15	1.35	1.45	1.50	1.60	1.70
Bombay, India .....	.30	.35	.35	.40	.40	.40
Norway .....	2.00	2.35	2.50	2.65	2.80	2.95
Karachi, Pakistan .....	1.40	1.70	1.80	1.90	2.00	2.10
Switzerland .....	5.10	6.05	6.40	6.80	7.15	7.55
Taipei, Taiwan .....	.55	.65	.70	.75	.80	.85
Venezuela .....	4.25	5.05	5.35	5.65	5.95	6.30
St. Thomas, V.I. ....	2.85	3.35	3.55	3.75	4.00	4.20

## DAILY COST OF LIVING ALLOWANCES—E-4

Afghanistan .....	\$1.50	\$1.75	\$1.90	\$2.00	\$2.10	\$2.20
Juneau, Alaska .....	3.70	4.30	4.60	4.90	5.15	5.40
Nome, Alaska .....	4.00	4.70	5.05	5.35	5.60	5.90
Algeria, Algiers .....	3.20	3.70	4.00	4.25	4.45	4.65
Melbourne, Australia .....	.50	.60	.65	.65	.70	.75
Vienna, Austria .....	1.35	1.55	1.70	1.80	1.85	1.95
Quebec City, Canada .....	.65	.80	.85	.90	.95	1.00
Bombay, India .....	.15	.20	.20	.20	.25	.25
Norway .....	1.15	1.35	1.45	1.55	1.65	1.70
Karachi, Pakistan .....	.85	1.00	1.05	1.10	1.15	1.20
Switzerland .....	3.00	3.55	3.80	4.00	4.20	4.40
Taipei, Taiwan .....	.35	.40	.40	.45	.45	.50
Venezuela .....	2.50	2.95	3.15	3.35	3.50	3.65
St. Thomas, V.I. ....	1.65	1.95	2.10	2.25	2.35	2.45

## SUBSISTENCE FOR ENLISTED PERSONNEL

Mr. MAHON. With respect to "Subsistence for enlisted personnel," the absentee rate for subsistence in kind has been decreasing each year, while at the same time your total personnel has been increasing. Your current 9 percent-plus is far below that of the Navy, Marine Corps, and Air Force, which runs about 30 percent or more in the continental United States.

What is the explanation for this annual decrease, and why is it so out of line with the absentee rates of other services?

General KELLY. May I ask Mr. Nutt to answer that, sir?

Mr. NUTT. Primarily, Mr. Chairman, the reason the Army's absentee rate is decreasing is because the Army is moving greater numbers of its troops to overseas areas where there is less chance to be absent from the

mess. For example, in Korea and Vietnam, there is very little chance, very little leave for them to go out on the civilian economy and eat. They are more or less captive customers so far as feeding is concerned.

Our rates do go down as we move troops into these areas. The same reason would explain why our rates are normally below those encountered by the other services.

Mr. MAHON. The absentee rate of the Navy increased in fiscal year 1967 because the Navy had emphasized an accurate head count be made at the local command level. Has the Army made any recent efforts to do this in order to validate its absentee rate?

Mr. NUTT. The Army's absentee rates are determined by obtaining the ratio of the number of personnel that are authorized to subsist in messes as opposed to those who do subsist. This rate is submitted to the Army by each post, camp, and station on a monthly basis, and represents the actual number of rations that were issued at that post, camp, or station during that month. We feel our rates are accurate insofar as the Army is concerned.

#### DAILY RATION COST

Mr. MAHON. What is the daily ration cost, both in the United States and overseas, for enlisted personnel?

Mr. NUTT. The ration rates for enlisted Army personnel were \$1.28 for CONUS and \$1.33 for overseas. This was the rate at the time this budget estimate was prepared.

#### PERMANENT CHANGE OF STATION TRAVEL

Mr. MAHON. With respect to "Permanent change of station travel," in past years the military departments have had difficulty in estimating, with any degree of accuracy, the cost of permanent change of station travel. Last year the House reduced the amount requested.

It would appear that this account should remain fairly stable and relatively easy to calculate, with increases and decreases dependent upon significant fluctuations in military personnel strengths.

You now estimate that in fiscal year 1968 you will spend \$757,736,000 for a planned average strength of 1,476,800 military personnel. That planned expenditure is \$8,476,000 more than the fiscal year 1968 estimate provided to the committee this time last year. For fiscal year 1969 you are requesting a total of \$784,212,000 for a planned average strength of 1,500,672 military personnel, an increase of \$26,476,000 over your current fiscal year 1968 estimate for an anticipated increase of only 23,872 in the average number of military personnel during fiscal year 1969.

Page 38 of the justification book states that the increase in fiscal year 1969 is required to complete redeployment of U.S. forces from Europe and for support of Southeast Asia.

Please expand on this, General Kelly, and explain to us what the problem is in generating realistic estimates for this account, and how you compute these budget estimates.

You may do that for the record.

(The information follows:)

Although the planned average strength increases only 23,872 in fiscal year 1969, PCS moves associated with operations, as shown in the following table, increase by 65,962 and represent an increased percentage of total moves.

PCS MOVES ASSOCIATED WITH OPERATIONS

	Fiscal year 1968			Fiscal year 1969		
	Officers	Enlisted	Total	Officers	Enlisted	Total
Training.....	7,523	25,492	33,015	8,813	25,699	34,512
Operational.....	15,000	120,000	135,000	16,000	122,000	138,000
Rotational.....	93,020	1,006,192	1,099,212	102,675	1,101,937	1,204,612
Unit.....	6,141	68,501	74,642	2,679	28,028	30,707
Total.....	121,684	1,220,185	1,341,869	130,167	1,277,664	1,407,831

Note: Percent of total moves, fiscal year 1968, 55 percent; fiscal year 1969, 60 percent.

These moves are considerably more expensive than accession and separation moves since they involve a higher percentage of dependent and household goods movements. Rotational moves to and from overseas increase by 105,400. These moves, in particular, contribute significantly to the increase of \$26,476,000 over the current fiscal year 1968 estimate.

#### COMPUTATION OF BUDGET ESTIMATES

The program of PCS moves is developed based upon approved overall strength levels and overseas deployments. This program outlines the number of officers, draftees, and enlistees who will become accessions into the Army and the number who will have completed their tours of service and will be separated from the service. Overseas strength ceilings determine the number of rotational moves to and from overseas. Training moves are developed on the basis of such factors as career development requirements and officer candidate school requirements. Operational moves are determined on the basis of such factors as the activation of units and command strength priorities.

Average PCS travel cost factors are developed to enable translation of programmed moves into dollar requirements. Cost factors for PCS travel are currently being developed by a special group organized for this specific purpose at the Finance Center, U.S. Army, Fort Benjamin Harrison, Ind. This group develops PCS cost factors through a continuous audit and analysis of PCS travel vouchers. Based upon the statistics provided by the audit of the latest 12 months' disbursement documents, average cost factors are developed. These cost factors are updated each month based on the latest disbursement data. Separate cost factors are developed for each type of travel and for each entitlement. For example, separate cost factors are developed for dependents, household goods movement, and dislocation allowance.

Each time a budget estimate is prepared, the latest available PCS cost factors are applied to programmed moves to determine estimated dollar requirements.

#### PROBLEM IN DEVELOPING REALISTIC COST ESTIMATES

The program of PCS moves is based on beginning and end strengths in CONUS and overseas theaters using such factors as average tour lengths, draft calls, and reenlistment rates to forecast the number of required moves. With the turbulence associated with the expansion of the Army and large-scale movement of personnel to and from Southeast Asia in the past 3 years, it has been difficult to make accurate forecasts of moves and average costs per move.

While average cost factors are based upon audit of latest disbursements, the factors still reflect past experience and do not tell exactly what will happen in the future. PCS costs result in good part from the entitlement which all officers and enlisted men of E-4 (with 4 years' service) and above have to relocate their dependents and household goods when they themselves move. The continual variation from year to year in the number of members who elect to exercise PCS entitlements causes cost factors to fluctuate considerably. It is difficult to forecast what utilization a member will make of his entitlements. A small change in

the percentage of members opting to relocate dependents will have a significant impact on total PCS costs.

#### EFFECT OF RESERVE CALLUP ON FISCAL YEAR 1968 BUDGET

Mr. MAHON. What effect will the callup of the National Guard and Reserves have on the fiscal year 1969 budget estimate?

General MANESS. We have not been able to determine precisely the total requirement for all appropriations for the Reserve callup for fiscal year 1969.

Mr. MAHON. Have you any estimate at all? Can you give us any guidance?

General MANESS. Sir, we may be able to do so within a few days and I will see what I can provide for the record.

(The information follows:)

#### ESTIMATED ADDITIONAL COSTS DUE TO CALLUP OF RESERVES

Estimated additional requirements for fiscal year 1969 are being developed but are not available at this time. However, preliminary estimates of additional requirements for fiscal year 1968 are indicated below:

<i>Estimated additional requirements, fiscal year 1968</i>		<i>Millions</i>
OMA	-----	\$19.1
MPA	-----	22.6
PEMA	-----	101.9
MCA	-----	4.1
Total	-----	147.7

#### TRANSFERS OF PERSONNEL WITHIN THE UNITED STATES

Mr. MAHON. Each year we express our concern over permanent change of station travel costs, which increase annually. Again, we do not address ourselves to the costs attributable to rotation of personnel to and from overseas posts, but to unnecessary transfers of personnel within the United States.

Last year you estimated the latter costs would be \$30,016,000 in fiscal year 1968, but you now estimate the figure to be \$33,857,000. Can we be assured that you are doing everything you can to maintain travel costs at a minimum, within reasonable bounds, and that all such travel is absolutely necessary?

General KELLY. We are doing our very best in this regard, Mr. Chairman.

#### ROTATIONAL TRAVEL TO AND FROM OVERSEAS

Mr. MAHON. There was a hue and cry in Congress a short time ago over the vast travel costs of the Government, running to very large figures, indeed. Of course, this was not only addressed to the military, but to other branches. But the military is one of the departments of Government where travel pay is extremely high.

Under rotational travel to and from overseas, on pages 46 and 47 of the justification book, I note that the cost of transportation by the Military Airlift Command for officer dependents decreased about \$266,000 based on 614 fewer dependents, whereas the Military Airlift

Command transportation costs decreased only \$3,617 with 546 fewer enlisted dependents traveling.

What is the explanation for this striking imbalance?

Mr. HUTCHISON. Sir, we estimate the movement of these personnel based on the projected orders that will be issued. This change in the average cost reflects a change in the numbers of people we will be sending to Europe versus the number of people we will be sending to the Pacific or the Southern Command, and therefore it changes our average cost.

Our average cost is going up in 1969 because the percentage of the strength we have in Europe, which is a cheaper move, is going down in 1969. Therefore, the percentage in the other parts of the world is going up.

Mr. MAHON. Why have the costs for transportation by MAC of household goods for officers and enlisted personnel increased by more than \$2 million in fiscal year 1969 over 1968, with fewer dependents traveling in fiscal year 1969?

Supply that for the record.

(The information follows:)

The estimate for MAC movement of household goods provides for the cost of shipping member's baggage to include items such as duffle bags and footlockers. The estimate thus varies with the total number of member moves by MAC. For example, the authorized baggage allowance to Vietnam is 200 pounds per member. Average weight being shipped to Vietnam per member is approximately 125 pounds for officers and 80 pounds for enlisted personnel. The MPA appropriation finances the cost of the baggage shipped in excess of 66 pounds, at an average cost of \$1 per pound. Since the total number of moves by MAC goes up to 1,274,807 in fiscal year 1969, compared to 1,133,637 in fiscal year 1968, the estimate for movement of household goods by MAC has been increased correspondingly.

#### MILITARY AIRLIFT COMMAND CONTRACT RATES

Mr. MAHON. General Kelly, there is a pending CAB action to reduce MAC contract rates. I am told there may be some objections to the decrease. Where does this CAB action stand at the present time and, if it is approved, what effect will the reduced rates have on this account?

General KELLY. I do not know right now, Mr. Chairman, where this action stands at the moment, but we estimate it will save us \$11 million if it is approved.

Mr. MAHON. Is there any objection to this reduction in rates?

General KELLY. Sir, I just do not know what the status of it is at the moment.

(Off the record.)

Mr. MAHON. We will recess until 2 o'clock.

#### AFTERNOON SESSION

#### UNIFORMED SERVICES SAVINGS DEPOSITS

Mr. MAHON. The fiscal 1968 estimate for interest on uniformed services savings deposits was \$2,612,000. For fiscal 1969 the estimate for this account is \$13,300,000, an increase of \$10,688,000.

Does this mean deposits are increasing to this extent or are you using a different method of computation for this account?

General KELLY. A different method of computation, sir.

I would like Mr. Hutchison to explain it to you at this time.

Mr. MAHON. Would you do that, and would you also explain whether this account will continue to grow from year to year or will it level off?

Also, since this is an annual account and the interest is not payable until the deposit is withdrawn, where does this appropriated money go if future withdrawals do not meet your expectations, say within the next 3 years?

Mr. HUTCHISON. We are changing the method of obligating the interest in 1969. In fiscal 1968 and in prior years we obligated interest when the soldier withdrew the deposit.

In 1969 we will obligate the interest when he earns the interest rather than when he withdraws his deposit.

These moneys will be transferred to the special deposit account and held until he does withdraw his deposit plus this interest.

We anticipate the program will continue to grow. This estimate is based on current deposits of \$92 million. We estimate it will grow to \$112 million by June 30 of this year and to \$143 million by end 1969. At that point in time we calculate that it will level off and stay at about \$143 million.

The appropriated money will remain in the deposit account, the same as the soldier's funds, until it is withdrawn by the depositor. The law requires that interest on the deposits must stop not later than 90 days after the soldier's return from overseas.

#### SERVICEMEN'S GROUP LIFE INSURANCE

Mr. MAHON. The fiscal year 1969 estimate for death gratuities is \$24,730,573, an increase of \$3,388,160 over the \$21,342,413 estimate for fiscal 1968, and the fiscal 1969 estimate for servicemen's group life insurance is \$34,481,228, which is \$10,172,524 less than the \$44,653,752 estimate for fiscal 1968.

It would appear that with increased casualties the Government's contribution to this account should be at a higher rate.

How do you explain decrease of \$10.2 million for fiscal 1969?

Mr. HUTCHISON. Sir, the rates we pay to this servicemen's group life insurance are established by the Veterans' Administration.

At the beginning of fiscal year 1968, we paid \$1 for each dollar the serviceman pays as an extrahazard cost. On August 1 the rate was increased to \$1.75 for each dollar.

Then on January 1 it went back down to the dollar and we have projected in 1969 that we will continue to pay just this dollar for each dollar the serviceman pays.

Therefore in fiscal 1968 for 5 months we had a rate of \$1.75. For the entire year of 1969 we have a rate of \$1 for each dollar that the serviceman pays.

Mr. MAHON. Why was this decision made?

Mr. HUTCHISON. Based on the financial status of a fund that the Veterans' Administration has where they make these actuary computations; and, based on the amount of insurance they are paying out, they send these rates to us and we pay them.

Mr. MAHON. Has the rate increased recently?

Mr. HUTCHISON. Yes, sir. As of April 1 the rate increased to \$2.25 for each dollar, but this is not in the budget.

Mr. MAHON. Will you be short?

Mr. HUTCHISON. We estimate it will cost us an extra \$43 million in 1969 that is not in this budget.

Mr. MAHON. What do you propose to do about that?

Mr. HUTCHISON. As the year progresses in fiscal 1969, perhaps we can reprogram money to pay this. We will await actual experience in fiscal 1969 before an actual decision is made as to exactly how we will finance it.

PROJECT 100,000

Mr. MAHON. With respect to Project 100,000, for years the Army has accepted a certain number of category IV personnel, young men who do not meet Army minimum mental requirements.

In October of 1966 this Project 100,000 was instituted and resulted in the military services accepting a greater number of category IV people.

In addition the services are accepting men in other categories with corrective medical problems under the medical remedial program. Is it true that under Project 100,000 the Army is even accepting category V draftees with a high school education?

General KELLY. Current induction standards do not provide for acceptance of men below the category IV mental level. However, when a determination is made that a mental group V individual could have scored higher on the test battery and he is considered to be in a higher mental category, he is administratively accepted for induction. The men we are taking under Project 100,000 are those men who previously had been rejected under entrance standards in effect prior to October 1, 1966.

Mr. MAHON. What is the percentage of category IV personnel you are required to take under Project 100,000?

General KELLY. We are required to take 24.5 percent of category IV into the Army and 50 percent of that is Project 100,000 personnel.

Mr. MAHON. Can you make successful utilization of personnel recruited in this manner?

General KELLY. We have found that we can, sir.

Mr. MAHON. How many of them are you able to utilize percentage-wise?

General KELLY. We are finding we are able to utilize about 97 percent of those who are brought in, which is comparable to the 98 percent brought in under other categories.

Mr. MAHON. Will you provide the committee with some statistics on the number of personnel accepted by the Army in each category since the start of Project 100,000 and compare these statistics with a year prior to the initiation of the project?

(Information requested follows:)

Summary of accessories for the periods indicated:

	<i>Oct. 1, 1966, to Mar. 31, 1968 (18 months)</i>	
Category I.....		39, 556
Category II.....		192, 412
Category III.....		267, 330
Category IV, other than Project 100,000.....		126, 801
Category IV, Project 100,000.....		69, 754
Total .....		695, 853

*Fiscal year 1966 (12 months)*

Category I.....	27, 444
Category II.....	139, 285
Category III.....	207, 669
Category IV.....	114, 675
Total.....	489, 073

Mr. MAHON. Are categories IV and V draftees given a choice or are they inducted at the discretion of the Army? How about inductees under the medical remedial program?

General KELLY. There are no inductees in the sense that men are drafted in this medical program. Selective service registrants may volunteer for induction under the medical remedial program for a 2-year period, the same as applicants for enlistment, providing they agree to come into the service and get their medical problems straightened out.

Mr. MAHON. What was your discharge rate due to undetected mental and physical handicaps prior to initiation of Project 100,000, and what is it running now?

(Information requested follows:)

The discharge rates are as follows:

	<i>Percent</i>
Period ending Sept. 30, 1966 (1st quarter, fiscal year 1967).....	1.78
Period ending Mar. 31, 1968 (3d quarter, fiscal year 1968).....	1.97

These rates are based on men separated for EPTS (existing prior to service) within 4 months of induction or enlistment.

Mr. MAHON. Describe the degree of mental standards and nature of physical handicaps below minimum standards the Army is now accepting under Project 100,000.

(Information requested follows:)

Under the new mental standards, certain category IV men who score below the mental standards in effect on September 30, 1966, are now inducted under Project 100,000. Previously these men were returned by Selective Service in the 1-Y pool. The majority of these men score from 10 to 15 on the AFQT.

The medical remedial enlistment program was established for all the services as a part of Project 100,000. It is a volunteer program for men who have a medical condition which can be corrected by surgery or therapeutic treatment within 6 weeks. The following 15 conditions are applicable under the program:

Pilonidal cyst or sinus; hemorrhoids; undescended testicle, unilateral; varicocele; hydrocele; hernia; overweight (+20 percent); underweight (+10 percent); undescended testicle and inguinal hernia, same side; hydrocele and inguinal hernia, same side; orthopedic fixture at site of old fracture; simple goiter; deviated nasal septum; external otitis; hyperdactylia (hands and feet).

#### STUDY OF CATEGORY IV PERSONNEL

Mr. MAHON. Last year we discussed category IV personnel in the Army and the possibility of their being potential disciplinary problems. At that time General Woolnough indicated that the Army was studying this area and he expected to have an analysis completed later in 1967.

Can you provide us with the result of that evaluation?

General KELLY. We have no firm statistics on whether the increased disciplinary problems we are having in the Army today, which go up normally at the beginning of any war, is directly related to the category IV personnel who have been brought in under Project 100,000. We are in the process of continuing to evaluate this. We just do not have a firm answer at this time.

Mr. LIPSCOMB. What happened to the analysis we were told would be prepared?

General KELLY. It has not yet been completed.

Mr. MAHON. What do you know about this, Mr. Hutchison?

Mr. HUTCHISON. Sir, I am not familiar with this project.

Mr. MAHON. General Brinker, are you familiar with it?

General BRINKER. Somewhat. The analysis is not complete.

Mr. MAHON. Have you learned anything thus far?

General BRINKER. We have learned that while there is a correlation between category IV and disciplinary problems, there is a better correlation between high school dropouts and disciplinary problems.

We have not been able to pin it down specifically as to what the relation is to category IV.

General KELLY. If I may point out one thing, sir. Of the category IV's in Project 100,000 that we have brought into the service, they have just about the same record as far as civil court convictions are concerned as those who are not Project 100,000. Basically, I want to point out we are not getting a bunch of bad actors, if you wish, into the service through this program.

#### DISCIPLINARY PROBLEMS

Mr. MAHON. One of the major problems confronting the Nation is the problem of law and order and domestic tranquility.

There seems to be some form of infectious atmosphere in the country, people rebelling against law and order.

To what extent does this spirit of restlessness and rebellion exist in the Army?

General KELLY. Not to any notable extent, sir.

I commanded the 2d Armored Division before I came to this job, sir. We brought in these young men with long hair, let us say, and undoubtedly of the type who were part of this rebellious spirit on the campuses of the high schools and cities and towns throughout the country. As soon as you brought them into the service, 2 or 3 days later, they were in there plugging and doing a great job for their country. I have not seen or heard of any significant problem which related to this in the Army at all.

Mr. MAHON. You did not get those two stars on your shoulders quickly, General. From your long service what have you noted with respect to the attitudes, especially with respect to discipline and respect, of established rules and regulations between now and, say, 2 years ago, 5 years ago, 10 years ago, 20 years ago?

General KELLY. As I indicated, sir, we have had a slight increase in the disciplinary problems in the last couple years as compared to the years before, which again is normal under wartime circumstances. However, it has not been to such a marked degree that I have been alarmed by it.

Mr. MAHON. Why would this not spill over into the services any more than it has?

General KELLY. My only response to that is that once they join the service and come under the authority and discipline of the officers and noncommissioned officers who are dedicatedly doing a good job for their country, these men buckle down and do a good job for their country.

Mr. MAHON. You do not have the degree of permissiveness in the military services that you have on the outside.

General KELLY. We do not; that is right.

Mr. MAHON. In this same connection I understand that Fort Leavenworth is filled to capacity at the present time. Can you provide us with some statistics on the increase in disciplinary barracks population, and can this be attributed to the increased number of category IV people being inducted into the Army under Project 100,000?

(The information requested follows:)

Data concerning the increase in the U.S. disciplinary barracks population is as indicated:

Date	Number of prisoners	Army strength	Rate per 1,000
Dec. 31, 1965.....	602	1,072,179	0.56
Dec. 31, 1966.....	823	1,402,672	.59
Dec. 31, 1967.....	1,285	1,458,722	.88
May 5, 1968.....	1,417	1,529,316	.93

The effective operating capacity of the U.S. Disciplinary Barracks is 1,500 prisoners.

General KELLY. I would say we have not been able to conclusively show what this increase is because of the increase of category IV personnel who have been brought into the Army. Again it is part of the same trend that has existed at the beginning of other military operations in the past.

Mr. MAHON. Do you mean that when the country is at war you generally have more disciplinary problems in the services?

General KELLY. We have more disciplinary problems in the Army than under normal conditions because the Army is expanding rapidly. Our leadership is thinner than it is under normal conditions, so we suffer thereby to a modest extent.

#### STUDY OF CATEGORY IV PERSONNEL

Mr. LIPSCOMB. General, in your prepared statement and again before the committee you said you were continuing the study of relationships between our disciplinary cases and entrance standards.

Who is performing this study?

General KELLY. One of the sections in the Directorate of Military Personnel Policies.

Mr. LIPSCOMB. Department of the Army?

General KELLY. Yes, sir.

Mr. LIPSCOMB. What is this study costing and how is it financed?

General KELLY. I will have to provide that to you for the record, sir.

Mr. LIPSCOMB. Very well.

(Information requested follows:)

#### STUDY—ANALYSIS OF THE RELATION OF ARMY ENLISTMENT STANDARDS TO PRISONER POPULATION

This is a study being performed by the Behavioral Sciences Research Laboratory, an element of Headquarters, Department of the Army, in conjunction with the Directorate of Military Personnel Policy, Headquarters, Department of the Army. It is based on field supplied data manipulated and analyzed by DA staff elements. This is part of their staff work and is not separately costed.

Mr. LIPSCOMB. Under research and engineering, defense, I find there is proposed a \$500,000 study in fiscal 1969 for the Assistant Secretary of Defense, Manpower. Is this the one you are talking about or is this another one?

General KELLY. I again would have to check this out.

Mr. LIPSCOMB. This research includes studies designed to develop improved methods of selection, classification, training, and utilization of personnel with relatively low scores on the mental aptitude tests.

General KELLY. It would certainly be related to it. I don't know whether that was the exact thing.

Mr. LIPSCOMB. Are we talking about your study, this study, or are there more than two studies going on?

General KELLY. There may be two which are related but not precisely directed to the same subject. Again I do not know for sure what the response is to your question.

(The information requested follows:)

In addition to continuous study of disciplinary indicators, the Army is now conducting three special studies which are separate and distinct, but which are related to each other by the insight they will provide into the effect lower mental groups have on Army discipline.

(a) In Project 100,000, we are maintaining a data base on the performance of individuals brought into the Army under this program. This is being coordinated by my office. Among other data being collected is information on courts-martial and nonjudicial punishment of these men which will be compared to the records of other soldiers and to other studies. An analysis of the disciplinary records of the first 4,000 men brought into the Army under Project 100,000 shows the percent of these individuals who have received courts-martial and nonjudicial punishment to be in line with Armywide percentages. The data we are collecting affords an opportunity to make continuous evaluation on the performance and disciplinary record of these men. To this date we have not detected any significant problems.

(b) Project Utility is another study effort from which some effects of lower mental group men on discipline in the Army may be determined. This is a Human Resources Research Office study of lower mental category personnel and is financed through the R.D.T. & E. budget presented by Dr. Foster. It concentrates on job performance and the identification of potentially successful and potentially unsuccessful men. The objectives of this study are: to compare the job proficiency and overall military suitability of personnel in mental group IV with other mental categories in selected military occupational specialties; to identify characteristics of these men associated with successful and unsuccessful performance; and to demonstrate the utility of screening and the differential classification and assignment of men of lower mental ability. The study project was approved on September 29, 1967, and is progressing on schedule. No preliminary findings are presently available. The study is scheduled for completion during the last quarter of fiscal year 1969.

(c) The third study is an "Analysis of Relation of U.S. Army Enlistment Standards to Prisoner Population." The study is a joint staff effort of the Behavioral Sciences Research Laboratory, a Department of the Army staff element, and the Directorate of Military Personnel Policies, Headquarters, Department of the Army. It includes the collection of statistics on the distribution of mental groups and other personal characteristics within the prisoner population. It is hoped that analysis of these statistics may lead to dealing more effectively with disciplinary problems by better appreciation of the relationship of personal characteristics to behavior as a guide to acceptance standards. This study has been in progress since January 1967. Collection of data will continue through June 30, 1968. It is expected that reporting, collecting, and analysis of data will be completed by December 31, 1968. Remaining to be completed will be an analysis of the relationship of this to other studies and the extent to which policy changes for improvement of overall discipline might be made. The foregoing is indicative of the continuous process within the Army to study, analyze and evaluate factors

and conditions in influencing discipline and the relationship that may exist between personal characteristics and disciplinary performance.

Mr. LIPSCOMB. You referred in your statement to your continuing study. Last year we were told there was an analysis which would be completed. What is going on here? How long will it go on before you get so deep into studying Project 100,000 that no one will know where we are going?

Is it not time we found out?

General KELLY. We will complete it as soon as possible and provide you with the results, sir.

Mr. LIPSCOMB. Last year we were told it would be completed in late 1967.

#### USE OF PROJECT 100,000 PERSONNEL

Can you justify this Project 100,000 on the basis that it does the Army any real good? Can you justify it on that basis, that it solves some of the Army's problems?

General KELLY. I cannot justify it on that basis. I can say we can use these people effectively in the service and we have shown this, sir.

Mr. LIPSCOMB. I believe you have been asked to show this in the record? If not, would you show it in the record?

(The information is on page 97.)

General KELLY. What is it you wish to be shown, sir?

Mr. LIPSCOMB. How the Army uses them.

General KELLY. I can show you this on a chart here and show you exactly how we use these Project 100,000 people.

Mr. LIPSCOMB. How many have you integrated into the Army now?

General KELLY. May I show you this? I didn't know that was precisely what you were asking.

Mr. LIPSCOMB. May we, Mr. Chairman?

Mr. MAHON. Surely.

General KELLY. This is phase 1, a phase completed September 30, 1967. We had an objective of 30,400. We actually brought in 38,135.

When the new quota was established for us for 1968, for the period from October 1, 1967, through September 30, 1968, we were given the quota of 70,400 to include 9,600 of their medical remedial individuals who would come into the service, have their condition rectified, and then stay in the service.

They gave us credit for 7,735 that we were over in the first year of Project 100,000, so our quota became 62,665. You can see that this year we brought in about 35,767 as of April 19, 1968. This gives you the total numbers brought in to date, which amounts to over 70,000 so far.

Mr. FLOOD. Are they all limited duty?

General KELLY. No, sir. They do duty just as anyone else.

Mr. FLOOD. All of them?

General KELLY. You are asking about all. I am saying that is the normal run of the mill. By far, they do duty just as anyone else. There will always be exceptions.

This chart shows the Project 100,000 personnel assigned to combat branches as compared to those assigned to support branches. This might respond to Mr. Lipscomb's question.

It shows, also, the percentage for those not in Project 100,000 and the number who go to support in that category.

We keep track of this very carefully to be sure that we do not overburden the combat arms with personnel with lower mental standards as contrasted to the support services in the Army. This shows your utilization, sir.

Mr. LIPSCOMB. What type of support?

General KELLY. I am talking about quartermaster, transportation, and so forth.

Mr. LIPSCOMB. Do you have any analysis of how these Project 100,000 are placed in support? Is it primarily transportation? Are they cooks?

General KELLY. Within the support element I would have to get the breakout. These are just broad figures.

Mr. LIPSCOMB. What kinds of skills are you teaching?

General KELLY. Practically everything that we teach any ordinary soldier brought into the service.

This might be of interest. It relates to the figure regarding court convictions I mentioned a moment ago.

This contrasts with the individuals in Project 100,000 as compared to a control group. You will notice the Project 100,000 personnel are 1 year older, on the whole. The Caucasian race in the Project 100,000 group is considerably lower than in the control group, and the control group does not include Project 100,000 individuals. One in ten people in the Army not included in the Project 100,000 are in the control group. This gives you a contrast or comparison.

The educational standard is lower in the Project 100,000 group, of course. We have found that their reading comprehension is low, but we do not have a comparison yet with the control group.

You can see that court convictions are pretty nearly the same as those in the control group.

You asked about where we are using them. We are using them in practically every type of MOS or specialty in the Army. There are some we found who cannot be trained in particularly difficult MOS'. However, we include them in normal training just as any other men. We do not segregate them. We include them in a squad, in AIT, and so on, just as anyone else. They are trained in practically all the skills depending upon their adaptability to those skills as our battery tests indicate.

Mr. LIPSCOMB. Set forth in the record how the men who have gone through Project 100,000 have been allocated as to MOS.

Then you say these men go right along with the rest of the trainees?

General KELLY. That is right.

(The information follows:)

Project 100,000 personnel have been allocated and are serving in practically all of the 62 MOS groups. The number of Project 100,000 men assigned by MOS to units as of December 31, 1967 are shown below. The 29 MOS groups listed are the high-density skill areas in which these men are concentrated.

## COMBAT

Military occupational specialty group	Number assigned	Title
11.....	7,311	Infantry, armor.
12.....	803	Combat engineers.
13.....	2,783	Field artillery and automatic weapons.
15.....	115	Field artillery missiles.
16.....	259	Air defense missiles.
17.....	40	Combat surveillance and target acquisition.

## SUPPORT

31.....	767	Field communications equipment maintenance, to include field radio mechanics and radio relay and carrier attendants.
36.....	1,741	Wire maintenance, to include lineman and field wiremen.
43.....	164	Textile and leather repair, to include textile and canvas repairmen.
44.....	101	Metalworking, to include metal body repairmen.
45.....	180	Armanent maintenance, to include artillery repairmen.
51.....	613	Construction and utilities, to include construction workers and carpenters.
52.....	887	Power production and distribution, to include powerman, powerplant operator, electrician.
54.....	302	Chemical, to include chemical operations apprentices and chemical equipment repairmen.
55.....	25	Ammunition, to include ammunition storage specialists.
56.....	727	Supply handling, to include warehouseman and stevedore.
57.....	601	General duty, to include laundry, bath, and impregnation specialists and cargo handlers.
61.....	497	Marine operations, to include seamen and watercraft operators.
62.....	526	Engineer and heavy equipment operation and maintenance, to include engineer equipment assistants, construction machine operators and quarrymen.
63.....	800	Mechanical maintenance, to include wheel vehicle repairmen.
67.....	546	Aircraft maintenance.
70.....	187	Clerk.
71.....	62	Administration, to include typists and stenographers and personnel specialists.
72.....	407	Communications center operations, to include switchboard operators.
76.....	1,979	Supply, to include stock control and storage specialists.
91.....	356	Medical care and treatment, medical corpsmen.
94.....	1,287	Food service, cooks.
95.....	63	Law enforcement, military policemen.
95.....	305	Radio code radio operators.

## OTHER MOS GROUPS

All others..... 1,698 (Support.)

## TRAINING STANDARDS

MR. LIPSCOMB. I had a very serious letter of allegations that came from a man which I felt was worthy of looking at. This was a soldier. One of the allegations was that the—

Training we receive could have been easily condensed into four weeks instead of the usual eight.

The letter that I got back explaining that allegation said this:

All training is directed to the slowest learning individuals; in many cases soldiers who possess the faculties to learn rapidly often feel the training is repetitious and tedious.

Is this a fact? Is this the way the military trains their men, at the lowest and slowest level?

General KELLY. We try to establish our training standards so that the majority, the vast majority, can pass it.

However, the school commandants can more rapidly advance individuals who are able to go faster in any particular skill if they wish to adopt the procedure to do this.

MR. LIPSCOMB. What is this costing in time and training effort and morale when all training is directed to the slowest learning individuals? You have Project 100,000 where you admittedly take in

thousands of categories IV and V and put them right into and throughout your training base; and then base your prerequisites and gear your training to the slowest learning individuals.

General KELLY. We have not lowered our standards because of the Project 100,000 personnel.

Mr. LIPSCOMB. What do you mean?

General KELLY. As far as standards of training are concerned.

Mr. LIPSCOMB. That is not my point. With the seriousness of our times, if you can give the vast majority of men the training they can absorb, can give it to them more rapidly, why do you base your training on the slowest learning individuals?

General KELLY. General Johnson, do you have any comments on this?

Mr. LIPSCOMB. It seems with the initiation of Project 100,000 you may have slowed down your learning and training process. That requires more men, more man-years, more funds.

General JOHNSON. When we get people into the Army, whether they are regular Army enlistees or Project 100,000, we evaluate their aptitudes and we assign them to training consistent with their aptitudes regardless of their identity as enlistees or otherwise.

Some of the people who do not have high aptitudes will not qualify for the more technical courses, such ADP repairman or microwave specialist. However, they are assigned into the areas where they are qualified to work.

As to the level of training and how the training is conducted, the program of instructions are developed over the years and designed to teach the average soldier in the quickest period of time a skill that is desired. We do not change those POI's to accommodate an influx of category IV's or an influx of college graduates. They are designed for the average soldier, designed to give the man the training that will enable him to perform a duty in particular a MOS in a given period of time.

We will have some men in AIT, advanced individual training, who will not progress as rapidly as others. We sometimes put those in what is called the special company where perhaps they have to have an extra week's training or else go through a recycle. They go back and repeat a week perhaps.

I am sure there has been no reduction of standards to accommodate these Project 100,000 people.

Mr. LIPSCOMB. What you are saying is that you base it on the average soldier you train?

General JOHNSON. That is what I am saying.

Mr. LIPSCOMB. If a man cannot qualify or learn fast enough to keep up with the average soldier, you indicate he is put into a special group to bring up his ability?

General JOHNSON. He may be; yes, sir. This is not a large number of people.

Mr. LIPSCOMB. This letter which I have is from a colonel who was given the responsibility of answering me and he says "All training is directed to the slowest learning individuals."

That is different from what you have said.

General JOHNSON. Yes; it is.

General KELLY. General Johnson's statement is a correct statement, sir.

Mr. LIPSCOMB. So we can be assured that this is the way it is done?  
General KELLY. This is the way.

Mr. LIPSCOMB. Suppose some specific command has a different policy, such as I have read you here? How can they do this?

General KELLY. I don't know how you got that letter or why, sir.

Mr. LIPSCOMB. The letter came from the U.S. Army Air Defense Center and it is signed by Colonel Witt, Chief of Staff.

General KELLY. Our standards are established and maintained through constant inspections and reviewed to determine that no particular command does lower standards on its own nor makes standards so high that a large number would be unable to pass a particular course in a particular MOS.

Mr. LIPSCOMB. I can understand your setting it for the average soldier, or what had been previously researched to be the average soldier, but I cannot understand establishing it now to the lowest possible denominator.

General KELLY. This is not done, sir.

We can look further into it, sir.

#### COST OF PROJECT 100,000

Mr. LIPSCOMB. Have you set forth the costs and manpower that are involved in Project 100,000?

General KELLY. This is being evaluated at this time, sir.

Mr. LIPSCOMB. How did you budget it in fiscal 1969?

General KELLY. Project 100,000 is hard to cost out. The main cost is, let us say, trainers in basic combat training putting in extra hours to help a soldier who might be a little slow, be he a Project 100,000 type or another type to get through.

Mr. LIPSCOMB. Would you say that the budget for fiscal 1969 covers Project 100,000?

General KELLY. Yes, sir.

Mr. LIPSCOMB. Is there money in the budget to cover this additional time and effort put into Project 100,000?

Mr. HUTCHISON. In this particular appropriation there would be no increased cost because of Project 100,000 because if they are putting in additional hours the military does not draw any more money for putting in the additional hours. Operation and maintenance could have some costs.

Mr. LIPSCOMB. Does it take some additional personnel, both civilian and military, to work with Project 100,000 people?

General KELLY. This is what we are trying to evaluate at this time, sir.

Mr. LIPSCOMB. When will this evaluation be completed? You are now getting deep into the program. Do you have any idea when it will be evaluated?

General KELLY. I hate to make a forecast on this but I shall provide it for the record, sir.

(Information requested follows:)

We are in the process of collecting and assembling information concerning the additional personnel requirements pertinent to Project 100,000 men. Sufficient information should be available before the end of the year so that evaluation can be completed. This will give us complete data through the two phases of the project.

Mr. FLOOD. How long have you been on board, Skipper?

General KELLY. I have been Acting Deputy Chief of Staff for about 5 weeks, sir.

(Discussion held off the record.)

Mr. FLOOD. When did you start this study?

General KELLY. About a month ago, sir.

Mr. FLOOD. What were you waiting for?

General KELLY. It takes a little while to complete an evaluation of this type, sir.

Mr. FLOOD. I guess you didn't earn those stars in a poker game. That is a good answer.

Mr. LIPSCOMB. That is all I have.

#### PROJECT TRANSITION

Mr. MAHON. With respect to Project Transition, in January of 1968 the Army tested Project Transition at Fort Knox, Ky., and I understand the project is to be expanded.

From what little we know of the project it appears to be the military version of the Job Corps.

Will you explain the purpose of this project, how it works, and why the Army considers it has a responsibility and obligation to train men in skills which will prepare them for civilian occupations?

What is the estimated cost of this project in fiscal year 1968 and the projected cost for 1969?

General KELLY. The estimated cost of Project Transition is \$4.8 million for fiscal year 1968 and \$8.8 million for fiscal year 1969 as follows:

	Fiscal year 1968	Fiscal year 1969
OMA.....	\$4.7	\$8.8
MPA.....	.1	0
Total.....	4.8	8.8

During fiscal year 1968 civilian personnel spaces were not available therefore military personnel were required to support this program. As of April 30, 1968 there were 47 military personnel working full time in support of the program. These included seven instructors, 18 clerical and administrative personnel, and 22 counselors. In fiscal year 1969 the Army plans to use only civilian personnel to support this program, therefore no military personnel are projected for support of this program in fiscal year 1969.

I have a chart which might help out here, sir, if you would like to see it with regard to Project Transition.

This shows you this: We take the individuals in the few months immediately preceding their completion of terms of service, and we query them to see whether they want to get the training under Project Transition. It is purely voluntary. We try to help them out as far as employment is concerned, and I guess you are familiar with all of these points shown on the chart unless you have questions about any one of them.

Mr. FLOOD. Off-duty time is used to the maximum?

General KELLY. Yes, sir.

Mr. FLOOD. What in the world does that mean?

General KELLY. That means instead of giving the man training in Project Transition during the period of time he is serving the Army, we try to keep it off duty as much as possible, sending him to school at

night, over weekends. Thus, he is getting training during periods of time they normally would be doing duty.

Mr. FLOOD. All voluntary?

General KELLY. Yes, sir.

Mr. MAHON. Do you think this is a good program? How is it shaping up insofar as you can tell us?

General KELLY. We are finding that it helps a little bit on our reenlistment because we take some of these people and, after they have indicated that they are not going to reenlist, and they want to get training under Project Transition, by talking to them and counseling with them they quite often change their minds and want to stay in the service.

Mr. FLOOD. You have done all this in a month?

General KELLY. No, sir. We had a pilot project on this last fall and in January we started on this Project Transition to increase the participation throughout the entire Army.

Mr. FLOOD. You are selling a kid a reenlistment you started in January. You are selling them reenlistments on the 1st of May on a project you started in January? You just got him.

General KELLY. No, sir. These are individuals who are about to depart from the service. These are offered to individuals only from 1 to 6 months before they have completed their ETS, and at that point we are offering them the opportunity to learn a skill that they may not have had or may not have acquired—

#### DISCHARGES DUE TO UNDETECTED MENTAL AND PHYSICAL HANDICAPS

Mr. FLOOD. Anybody from the Surgeon General's Office here?

General KELLY. No, sir; not this afternoon.

Mr. FLOOD. What has been the position of the Army with reference to the personnel the medical induction people are sending to you—short-legged PN cases from the bottom of the barrel? I get complaints about them by the dozens and I turn them over to poor General Heaton. You have all your hospitals and bases filled with these poor fellows who should not even get off the train.

Of course that is the fault of Selective Service and not you, but what have you Army people been doing, just standing by? I never heard of any protest. The Army has not said a word, has not squawked, and has not complained.

You are taking these poor kids who should not even go to the examining room and they are dumping them in your lap.

What have you said about that? Is this project used as a backstop?

General KELLY. No, sir. This is a project which will provide an individual after he has been in the service—

Mr. FLOOD. I am talking about that. I can't touch him under the selection system that Hershey has until he is in.

They make these outrageous inductions, you get them and you never should have had them. What do you do—take a deep breath, take them, and dump them into Project Transition? I have 50 letters on my desk and poor General Heaton has the copies.

The Surgeon General's Office acts like a lot of bellhops taking care of these inquiries of Congressmen.

General KELLY. General Heaton takes the primary steps in this regard in order to try to make sure—

Mr. FLOOD. General Heaton takes it when the Congressmen and Senators raise the devil about it. What are you doing about it? Have you had a meeting with Hershey lately?

General KELLY. No, sir.

Mr. FLOOD. With whom?

General KELLY. General Heaton.

Mr. FLOOD. What does he have to do with it? These people come from the bottom of the barrel and they are dumped into your laps and we turn them over to Heaton. What are you doing about it, doing a Pontius Pilate on General Heaton?

General KELLY. General Heaton and the Army—

Mr. FLOOD. Never mind Heaton and the Army. I am talking about you. You are in that chair and you said you can handle it. Handle it, Mister.

General KELLY. An individual when he comes into the service is given a physical examination at an entrance station.

Mr. FLOOD. Don't tell me—

General KELLY. That is under the Army, sir. That is under the Army's control.

Mr. FLOOD. I know all about the Army as of the time you were a one-striper. You mean you give physical examinations to these poor kids that Selective Service sends you and you pass on them and take them?

General KELLY. Yes, sir.

Mr. FLOOD. Don't tell me it is so. You mean you pass on these kids with short legs and a background of psychoneurotic conditions, all these poor kids you pass on and take? This is not the ultimate fault of Selective Service, then?

General KELLY. The standards for acceptance into the service are established by the Army, sir, and we maintain the standards as determined by the Surgeon General and as implemented by the surgeons who are in the Armed Forces entrance and examining—

Mr. FLOOD. Then the complaints and objections of Members of the Congress, House and Senate, which I hope you know about—there are legions of them. Don't you know about that?

General KELLY. I have heard of them, sir.

Mr. FLOOD. Well, you have big ears, Mister. Then it is your fault. It is the Army who does the final examination and takes them in.

The raw material, as bad as it is, you pass on, and the guy with the leg which is an inch short you take and you dump him into this program.

General KELLY. If they pass the necessary standards we take them. If they do not we do not take them.

Mr. FLOOD. That sounds like first year college logic.

General KELLY. It is the Army's responsibility. That is what I am trying to say to you.

Mr. FLOOD. That is what you did say. Then I am sorry to hear that.

Then this kind of program is a catchall to pick up these poor kids that you hope you can do something with and put them back in the SOS. This is the guy with the short leg.

General KELLY. This program—Project Transition—is for people about to complete their 2 or 3 years of service or even go into retirement.

Mr. FLOOD. I am not trying to pass it back to General Heaton. Are you trying to do that?

General KELLY. No, sir. The Army sets the standard. If mistakes have been made with regard to the acceptance of the individuals—

Mr. FLOOD. You know there are mistakes. Hospitals are full of them. I have had 50 in the last 6 months. They couldn't get into the Cub Scouts.

Mr. MAHON. Have we settled this?

Mr. FLOOD. No; but you know how far we got. You go back 10 years before I do, and that goes back to the War Between the States.

#### CIVILIANIZATION PROGRAM

Mr. MAHON. We shall proceed with the consideration of the civilianization program.

In August of 1965, the President advised the Secretary of Defense that the need for deployment of additional military personnel to Vietnam, for the general augmentation of our active duty military strength, and for the increased readiness of our Reserve forces, makes it imperative that all military personnel are assigned to duties for which there is a direct military requirement.

The General Accounting Office issued a report on January 26, 1968, entitled "Accomplishments Under Phase I of the Civilianization Program." Of 3,544 civilianization actions reviewed by GAO, about 30 percent of the military positions involved had been vacant for varying periods of time prior to their being converted to civilian positions; about 44 percent of the actions resulted in the retention of military personnel in positions at the same installation; and only about 26 percent of the actions resulted in reassignment of the military personnel to other military installations in the United States, overseas, or to sea duty.

Another GAO report of February 26, 1968, disclosed other instances of the use of military personnel instead of civilians for nonmilitary duties.

From these disclosures, it would appear that the major objective of the civilianization program is not being realized—either because it was improperly implemented, is being mismanaged, or there is a complete lack of understanding of the basic purpose of the program. General Kelly, I would like for you to comment on the GAO findings as they pertain to the Army and to provide the committee with the current status of your phase of the program, including the number of military personnel replaced by civilians and the percentage of military personnel released for Southeast Asia or overseas duty as a direct result thereof.

(Information requested follows:)

It is felt that the Army has met the objective of its civilianization program in the past, and is doing so today. During phase I of the program, from January 1, 1966, through June 30, 1967, and the current phase II of the program which commenced on July 1, 1967, the Army has continued to move closer to the objective of assigning all military personnel to duties for which there is a direct military requirement. Attainment of this objective has necessarily been tempered by rotation base requirements and the availability of civilian skills.

During phase I of the program the Army eliminated 28,500 military positions with concomitant reduction of 8,000 additional military spaces from the trainee, transient, patient, student, and trainer categories, for a total reduction of 36,500 military spaces. These military spaces were replaced by 28,270 civilian positions. During the phase II portion of the program the Army has eliminated 7,094 military positions with an attendant reduction of 910 spaces from the transient, patient, and student categories, for a total reduction of 8,004 military spaces. As of March 31, 1968, the Army had converted 5,796 positions to civilian occupancy

to offset the military reduction, and intends to complete the program by June 30, 1968 with conversion of 1,069 additional positions for a total of 6,865 occupied civilian positions.

When the program is completed the Army will have eliminated 44,504 military spaces with substitution of 35,135 civilian positions.

The General Accounting Office report of January 26, 1968, comments adversely that some military positions converted to civilian occupancy were vacant. There are many reasons for this. One important factor that the GAO did not seem to recognize is the perishability of a soldier's value as a deployable asset. If a 2-year draftee has served 12 months when his job is identified for civilianization, the Army cannot wait 6 months to hire his replacement and then send him overseas for an uneconomical overseas tour. If he is not sent when he has 12 months to do he becomes "nondeployable." Some military were moved before their civilian replacements were hired. Also, requisitions for replacements to fill military positions identified for conversion were canceled in order to avoid wasteful travel costs and unnecessary personnel turbulence.

Another GAO criticism said the Army did not send released military to other critical military assignments but merely assigned them to other billets at the same installation. There are two good reasons for this. (1) If a position at the installation must be filled, there would only be added travel costs if the Army sent the replaced man overseas or to another installation and at the same time ordered a new man into the same installation. (2) As a man nears the end of his 2- or 3-year service commitment and indicates he does not intend to reenlist, it is uneconomical to move him to another installation. Since many men returning from Vietnam and Korea (short tour areas) are sent to Forts Carson, Benning, and Belvoir, where the GAO made their survey, for the remainder of their service commitments, an unusually large proportion at these stations will always be in the final few months of their service. A better understanding of service and assignment constraints as well as movement costs is necessary to appreciate why the Army cannot economically move men for short periods of service.

In regard to GAO observations relating to reassignment; the Army has followed standard reassignment policy for military personnel whose positions were eliminated as a result of the civilianization program. Individuals who were eligible and scheduled for reassignment to overseas areas were so assigned. Personnel who had recently returned from overseas assignment, or were otherwise not eligible for overseas assignment were assigned locally or reassigned to another installation in accordance with military requirements, economic factors, and consideration of individuals. Personnel who were already in an overseas area were reassigned within the overseas area as necessary to complete normal tours. Personnel whose expiration of term of service coincided with the conversion of their positions were released from service. The Army has not maintained data which reflect the percentage of military personnel released for Southeast Asia or other overseas duty as a direct result of the civilianization program.

The Comptroller General of the United States report to the Congress (B-163136) dated February 26, 1968, did include a finding of the utilization of 14 military personnel by certain nonappropriated fund activities and seven military personnel by private organizations at two Army installations. While this finding was not related to Army implementation of the civilianization program, the Army directed command action to discontinue staffing support of the private organizations, and to insure compliance with policy limiting the utilization of military personnel as required to exercise command supervision over authorized nonappropriated fund instrumentalities.

Mr. MAHON. As a result of the civilianization program, can you point to a reduction of military personnel spaces and a related reduction in costs for the military personnel budget?

General KELLY. The military personnel which were released as a result of the civilianization program were reassigned to fill requirements related to the Army buildup and the deployment to Southeast Asia. Without the civilianization program the military personnel budget would have been substantially larger to provide for these requirements which were met as the result of the civilianization program.

Mr. MAHON. Do you consider the substitution of a WAC for an Army officer or enlisted man as a civilianization effort?

General KELLY. No, sir. WAC strength authorizations are included within the overall military strength authorizations of the Army. WAC personnel, officer and enlisted, are utilized only in military positions.

## PUBLIC RELATIONS PROGRAMS

Mr. MAHON. General Kelly, how many military and civilian personnel at headquarters and at field activities, including posts, camps, and stations, are engaged in public affairs, public information, and public relations work generally?

(Information requested follows:)

Twenty military and civilian personnel at Headquarters, Department of the Army are engaged in public affairs and public information work generally. Based upon a staff estimate the following numbers of field personnel are engaged in public information activities: Officer—119; enlisted—396; civilian—120.

Mr. MAHON. What was the total cost of this effort in terms of personnel, advertising, and related endeavor?

General KELLY. Estimated cost of the public information effort at Headquarters, Department of the Army is \$217,713 for personnel and travel. There is no advertising cost.

## CONTRACTOR PERSONNEL OVERSEAS

Mr. MAHON. From time to time, members of this committee and its staff have traveled to Southeast Asia and have noted a significant number of contractor personnel, particularly in South Vietnam, who appear to be doing work normally done by military personnel, such as maintenance and installation of military equipment.

What is the total number of contractor personnel used by the Army in Southeast Asia, by country, at the present time, and the category of work being performed?

(Information requested follows:)

## CONTRACTOR PERSONNEL, SOUTHEAST ASIA

Work category	Vietnam	Thailand
Transportation:		
Trucking.....	2,665	400
Materiel handling.....	300	
Stevedoring.....	7,331	1,250
Ship crews.....	40	
Transportation total.....	10,336	1,650
Laundry service.....	1,127	
Packing and crating household goods.....	83	100
Maintenance.....	23,384	4,330
Construction.....	2,436	
Underwater retrieval.....		15
Viet Cong mine study.....	2	
Total.....	37,368	6,095

## DRAFTEE SCHEMES TO AVOID VIETNAM DUTY

Mr. MAHON. General, the Wall Street Journal carried an article entitled "Out-Foxing the Army: How Draftees Scheme To Skip Vietnam Duty." This article is dated March 20, 1968, and it sets forth a number of schemes and ploys allegedly used.

I wonder if there is any validity to these complaints? Is there a widespread practice and is this matter of concern to the Army?

General KELLY. We know of no such widespread practice.

Mr. FLOOD. Did you read that article?

General KELLY. I did. I know of no such widespread practice.

If an individual in the service were found to have violated the Uniform Code of Military Justice and after investigation found to be

guilty of malingering, we would take the necessary disciplinary action against him.

Mr. MAHON. Have you seen a step-up of this recently?

General KELLY. No, sir.

#### FIRST QUADRENNIAL REVIEW OF MILITARY COMPENSATION

Mr. MAHON. The Office of the Secretary of Defense provided the committee with a copy of volume I of the "Report of the First Quadrennial Review of Military Compensation" dated November 1, 1967. Volume I relates only to active duty compensation to the Armed Forces and does not address itself to retired compensation and survivor benefit systems.

The report preface indicates that Military Compensation Policy Board individual members, under whose guidance the report was prepared, may have certain reservations about some of the details in the report. Many of the recommendations have broad and far-reaching implications. What is your initial reaction to this report?

General KELLY. The adoption of the report recommendations would constitute a substantial step toward the achievement of fairness and equity in military compensation and help make military service more attractive as a career. The only reservation expressed by the Army deals not with the report recommendations but with an omission. The work-level linkage equates salaries for similar duties and levels of responsibility in civilian and military positions, but does not provide compensation for the unique aspects of military service. We hope that the continuing study of the areas of supplemental benefits, special pays, retirement, and the military estate program will include such compensation, providing an even greater degree of success in achieving the stated goals.

Mr. MAHON. According to the report, the recommendations would increase the amount of military pay but would offer a reasonable prospect of substantial increases in retention of military personnel. If all the recommendations in the report were fully implemented, the full-year DOD budget would be increased by an estimated \$1,339,600,000. When increased Federal income tax collections, estimated at \$879,200,000 are subtracted, the net new Government cost is an estimated \$460,400,000.

This does not take into consideration the implied military pay increases as a result of the comparability pay increases for the civilian system presently proposed for fiscal years 1969 and 1970.

What additional costs would accrue to the Army's military personnel budget as a result of the report recommendations and do you believe such costs are reasonable in light of stated intangible return in investment?

General KELLY. The annual military personnel budget cost to the Army is estimated at \$576.8 million of the total DOD budget increase of \$1,339,600,000. This full-year estimate is based upon fiscal year 1968 man-years as shown in the President's fiscal year 1968 budget, the current basic pay rates, and the force distribution as of December 31, 1967. When the increased Federal income tax collections attributable to the Army, estimated at \$378.6 million, are subtracted, the Army portion of the net new Government annual cost is estimated at \$198.2 million. The Army believes that this cost is reasonable for the expected return in the retention of the kind and number of person-

nel required by the Army. In view of the stated lag in military salaries behind those of comparable civilian employees, the added cost would improve the morale of the military and would be a small price to pay in order to make the Army competitive in its bidding for the services of these needed people.

Mr. FLOOD. Are we finishing with personnel?

Mr. MAHON. Yes. We will have the Reserves and National Guard but first, Mr. Lipscomb has some questions on "Military Personnel, Army."

Mr. FLOOD. Thank you.

#### ADEQUACY IN NUMBER OF AVIATORS

Mr. LIPSCOMB. The Secretary of Defense has indicated that the Army has adequate pilots. He states this on page 176 of his statement on fiscal year 1969.

He stated that they have adequate pilots to meet needs for fiscal years 1968 and 1969. Yet Colonel Evans last year testified to a pilot shortage for this same period, fiscal year 1968 hearings, part I, page 33.

Can you explain this remarkable recovery in only 10 months?

General KELLY. The shortages referred to in the fiscal year 1968 hearing, were based on the total requirement for pilots for aviation units in the approved Army force structure, for ground duty assignment and for schools (career development) plus those who would be in transient and patient status.

The rapid increase in aviator demands made it apparent that if the Army was going to meet its high priority needs it had to establish, for an interim period, a set of manning objectives which could be gradually raised in a balanced manner, taking into consideration desirable personnel policies, and availability of aircraft. The Secretary of Defense statement was based on figures which are closely related to these manning objectives.

The manning objective is a goal established for each major command, considering limited assets of pilots and aircraft. In the case of the training base it is 100 percent of authorizations. For Vietnam and units deploying to SEA, by agreement with COMUSMACV, it is 90 percent of full authorization. For other areas it is based on the number of aircraft to be manned with minimum crew plus minimum staff and command supervision.

The increasing inventory of aircraft and pilots is being kept in balance and the Army is meeting the manning objectives. There are sufficient pilots to fill priority operating and supervisory positions, and to provide instructors for the training base. Due to buildup lead times, there are not yet enough pilots to provide the full authorized number of ground duty and career development assignments. The still increasing pilot training rate provides an orderly buildup toward meeting all of these requirements.

Mr. LIPSCOMB. Could you also explain why it is said there is no pilot shortage even though it is necessary to maintain short rotation cycles as you have indicated on page 7 of your prepared statement?

General KELLY. In meeting the full requirements of Vietnam, it is necessary that some fraction of the replacement pilots be experienced (over 3 years rated service). A detail review of personnel authorization documents indicates that not more than 75 percent of the pilots in-country should be new school graduates with 25 percent having at

least 3 years of rated service as an aviator. This 25 percent experienced aviator requirement establishes the need for pilot returnees.

This is the reason, despite a growing aviator output, the interval between short tours for the 3-year experienced aviators is less than the desired 25 months.

Mr. LIPSCOMB. In your opinion is an inventory of \_\_\_\_\_ pilots sufficient to meet the needs of the Army in fiscal year 1969?

General KELLY. An inventory of \_\_\_\_\_ pilots is sufficient to attain manning objective of the Army as now projected for fiscal year 1969.

With the increasing rate of pilot output that is planned, we should be able, by the end of fiscal year 1969, to raise the manning level in Southeast Asia to 100 percent of authorization. We should also be able to give significant number of aviators the tours in nonaviation career development assignments essential to broadening their professional experience base.

#### AVIATOR TRAINING RATE

Mr. LIPSCOMB. Last year General Woolnough and Colonel Evans testified before this committee that the Army had requested a training rate of 800 per month in fiscal year 1968 but had been cut back to 610 per month.

What was the actual pilot training rate in fiscal year 1968 and would the 800 per month rate have eased the requirement for speeded rotation which you say is now faster than desirable?

(Information requested follows:)

The actual and projected pilot output by month for fiscal year 1968 is as follows:

July 1967.....	410	January 1968.....	410
August 1967.....	410	February 1968.....	460
September 1967.....	410	March 1968.....	460
October 1967.....	410	April 1968.....	485
November 1967.....	410	<sup>1</sup> May 1968.....	510
December 1967.....	410	<sup>1</sup> June 1968.....	560

<sup>1</sup> Projected.

In November 1966 the Army requested an expansion in the training rate to 800 per month. OSD approved an expansion to 610 per month in December 1966. The Army will reach this rate in August 1968. This rate was acceptable to the Army as the requirement for aviators in the Army's 800 request was based on an assumed buildup plan that failed to materialize.

It is doubtful that an 800 per month rate would have eased the requirement for speeded rotation in the present time frame.

The rotation problem is caused by the necessity of returning experienced aviators (more than 3 years rated service) to RVN. New pilot production would not alleviate this requirement in the short term.

Mr. LIPSCOMB. What additions would be needed to meet the need for fiscal year 1969?

General KELLY. No additions are necessary for fiscal year 1969 based on currently projected requirements. The presently approved training rate of 610 per month, to be reached in August 1968, will permit the Army to meet approved requirements through \_\_\_\_\_.

#### REFORGER UNITS IN THE UNITED STATES

Mr. LIPSCOMB. In your statement at page 9 you say "Two brigades of the 24th Division will redeploy to the United States from Germany shortly. The units will return to Germany for training exercises but while they are here 'These units will be maintained in CONUS at a high degree of readiness.'"

While they are here in CONUS in a high degree of readiness will they be married up with complete TOE equipment in the same amounts and types they would normally be authorized?

General KELLY. Reforger units in the United States will be issued the TOE equipment required for training; they will not be fully equipped. For example, Reforger units will eventually receive full complements of major combat vehicles; for example, tanks, armored personnel carriers, command and reconnaissance carriers, and self-propelled artillery; however, less than the authorized number of administrative vehicles will be furnished.

Mr. LIPSCOMB. How can they maintain a high degree of readiness if they are not fully equipped?

General KELLY. A high degree of readiness can be maintained without issuing equipment that is not required for training. Reforger units in the United States remain under the operational command of the U.S. commander in chief, Europe, and can be flown to Germany, marry up with their prepositioned equipment in Germany, and take the field promptly. "Promptly" means within——of being alerted. Since this commitment to the Federal Republic of Germany and to NATO can be met without issuing full TOE equipment, there is no reason for issuing it.

Mr. LIPSCOMB. They therefore would not be in a state of readiness to go anywhere other than Germany. Is that correct?

General KELLY. That is correct. Reforger units were never intended for deployment to any location except Germany. These units are not part of Strategic Army Forces (STRAF).

#### OPERATION FIRST LOOK

Mr. LIPSCOMB. It has been reported as of April 21, 1968, that 80 U.S. Army and Air Force officers will be participating in Operation First Look, a joint project of the U.S. Arms Control and Disarmament Agency and the British Ministry of Defense.

Are there any funds in DOD budget for fiscal year 1968 or fiscal year 1969 which will be used for Operation First Look? Do you know of any?

General KELLY. We don't know, sir.

Mr. LIPSCOMB. Is it a fact that U.S. Army officers are going to be participating in this Operation First Look in Great Britain?

General KELLY. I don't know, sir.

Mr. LIPSCOMB. Would you prepare an answer for the record, please?

General KELLY. Yes, sir.

(Information requested follows:)

Operation First Look is a British code name. The U.S. name for this exercise is the U.S. Arms Control and Disarmament Agency Field Test 15 (FT 15). A total of 218 officers and enlisted men of all services are participating in this exercise. Approximately one-third of these are Army personnel.

Congressional action precludes the use of DOD funds for support of the U.S. Arms Control and Disarmament Agency Weapons Evaluation and Control Bureau. All DOD support of this test is on a 100-percent reimbursable basis.

Mr. LIPSCOMB. Would you insert in the record what special training and skills these U.S. personnel possess who are to be with Operation First Look?

(Information requested follows:)

The U.S. Army personnel participating in the test were required to have training and skills in the following areas:

- Data collection, handling, and analysis.
- Electronic computer operation and maintenance.
- Photographic processing and interpretation.
- Electronic equipment and instrument operation and maintenance.
- Logistics and transportation.
- Command and supervision.

#### RESISTANCE INSIDE THE ARMY (RITA)

Mr. LIPSCOMB. The chairman brought up the article in the Wall Street Journal. Are you aware of the organization RITA, resistance inside the Army?

General KELLY. I know of it.

Mr. LIPSCOMB. Do you know of their activities, what they are doing, or whether it is gaining any influence?

General KELLY. It has increased in magnitude recently within the Army. I cannot give you any specifics on whether its influence has markedly increased.

Mr. LIPSCOMB. Does the Army have any responsibility or has it exercised such responsibility to look into these organizations?

General KELLY. Yes, sir.

Mr. LIPSCOMB. Is anything being done about it?

General KELLY. Yes, there is. This comes up in the counterintelligence and intelligence area, sir. I am not aware of the details nor the action being taken in this regard.

Mr. FLOOD. Don't you talk to them?

General KELLY. Yes, sir.

Mr. FLOOD. What do they say?

General KELLY. I haven't any recent information.

Mr. FLOOD. How recent is the last information you had?

General KELLY. I read about RITA.

Mr. FLOOD. I am not talking about reading. You just told Mr. Lipscomb this is under the jurisdiction of counterintelligence. Don't you have communication with them or is this so secret the Army should not hear about it? This is resistance within the Army. When did you talk to the people who have jurisdiction over this matter?

General KELLY. I have not talked to them.

Mr. FLOOD. Don't you think you should? Don't you want to know about it? Mr. Lipscomb does.

General KELLY. Yes, sir.

Mr. FLOOD. If you had known, you could have answered Mr. Lipscomb's question. Why didn't you talk to them? You should know.

Are you too busy?

General KELLY. I have been pretty busy.

Mr. MAHON. Mr. Lipscomb?

Mr. LIPSCOMB. I have no further questions.

#### COST IMPACT OF PROPOSED LEGISLATION

Mr. MAHON. There is proposed legislation which would increase per diem allowance for military personnel and would make permanent

the authority to grant special 30-day leave for military personnel who extend tours of duty in hostile-fire areas.

The committee would like to have the benefit of receiving for the record the cost implications of this proposed legislation as far as the Army budget is concerned.

(Information requested follows:)

H.R. 10897, proposed legislation which would increase per diem allowances for military personnel from \$16 to \$20 and would increase the maximum allowance for reimbursement on an actual expense basis for such travel from \$30 to \$35 per day would result in an additional annual cost of \$8,300,000 to the Department of the Army.

H.R. 15348, proposed legislation to make permanent the authority to grant special 30-day leave for military personnel who voluntarily extend their tours of duty in hostile-fire areas would result in an additional annual cost of \$14,500,000 to the Department of the Army primarily in the OMA appropriation.

#### OPERATIONAL RATIONS USED IN SOUTH VIETNAM

Mr. MAHON. I have observed on the table, General, some sample packages of rations. Is there anything new with respect to rations for personnel?

General KELLY. I will ask Mr. Nutt to address himself to this.

Mr. NUTT. These examples you see here represent the operational-type rations that are being used—

Mr. MAHON. Will you go to the table and demonstrate them?

Mr. NUTT (continuing). used primarily today in Vietnam.

This first one is the old C ration you have heard referred to. This is a ration packaged on a meal basis. It contains meat, dessert, a can of bread, and an accessory packet containing cigarettes, coffee, cream, and the like.

The next item we have displayed here—

Mr. FLOOD. What is the chief squawk against that packet?

Mr. NUTT. Weight, primarily. It is fairly heavy to carry for the individual and bulky at the same time.

The next one is used primarily as a survival packet by air crewmen and pilots and the like. It is used only in case they go down—

Mr. FLOOD. I thought you were going to tell me what you would do about it.

Mr. NUTT. The Army is constantly endeavoring to lighten it. It has been lightened considerably over what it was once.

Mr. FLOOD. What are you going to do about it? They don't like it.

Mr. NUTT. We are developing new items in flexible packaging rather than in cans and we will dehydrate it to make it lighter.

Mr. FLOOD. What is the target date?

Mr. NUTT. We will soon have some to be tested on an experimental basis.

Mr. FLOOD. Much reduction, reasonable reduction?

Mr. NUTT. About 50 percent is the objective.

Mr. MAHON. Next?

Mr. NUTT. The next item is the food packet long-range patrol which is a dehydrated item. It comes in eight different menus and can be eaten dry, if necessary. This is perhaps the most popular single item they are eating in Vietnam today. It is compact, has high calorie-to-weight ratio, and is generally very desirable.

Mr. MAHON. What is in it?

Mr. NUTT. This particular one is beef hash which is dehydrated and can be eaten dry as it is or you can add either hot or cold water and it reconstitutes in 5 minutes. It also has cocoa beverage powder, instant coffee, sugar, cream substitutes, matches, and toilet paper.

Mr. FLOOD. Do you have any minimums of caloric intake in the field per day?

Mr. NUTT. Ordinarily 3,600.

Mr. FLOOD. How close do you come to it?

Mr. NUTT. This will approximate 3,100 calories total for three packets.

The last item we have here represents what we issue to the men where they do not have PX facilities available to them. It consists of cigarettes, candy, writing paper, shaving cream; razor blades, tobacco, pipe cleaners, soap, toothpaste, and so forth.

None of these except this one is particularly new, but they are the ones being used primarily today in Vietnam.

Mr. MAHON. General, thank you very much for your appearance. We are pleased to have you before us.

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MONDAY, MAY 6, 1968.

RESERVE PERSONNEL, ARMY  
and  
NATIONAL GUARD PERSONNEL, ARMY

WITNESSES

MAJ. GEN. W. J. SUTTON, CHIEF, ARMY RESERVE

MAJ. GEN. W. P. WILSON, CHIEF, NATIONAL GUARD BUREAU

MAJ. GEN. J. M. HIGHTOWER, DEPUTY CHIEF, OFFICE OF RESERVE COMPONENTS

MAJ. GEN. F. S. GREENLIEF, ASSISTANT CHIEF, NATIONAL GUARD BUREAU

BRIG. GEN. L. E. MANESS, ASSISTANT DIRECTOR OF ARMY BUDGET (OPERATIONS), OFFICE, COMPTROLLER OF THE ARMY

COL. C. P. HANNUM, DEPUTY DIRECTOR OF INDIVIDUAL TRAINING FOR ROTC, DEPUTY CHIEF OF STAFF FOR PERSONNEL

Mr. MAHON. We now turn to the requirements of the "Reserve personnel, Army," and the "National Guard personnel, Army."

The "Reserve personnel, Army" fiscal year 1969 request is \$303.4 million, of which \$269 million is for the Army Reserve and \$34.4 million is for the ROTC. This total request is a net increase of \$13.1 million over funds proposed to be available in fiscal year 1968.

We shall insert in the record at this point the justification pages supporting the budget estimates for "Reserve personnel, Army."

*Reserve Personnel, Army*

"For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under Sections 265 and 3033 of Title 10, United States Code, or while undergoing reserve training or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, as authorized by law; [ \$297,200,000 ] \$303,400,000. [ Provided, That the Army Reserve will be programed to attain an average strength of not less than two hundred sixty thousand for fiscal year 1968. ]"

RESERVE PERSONNEL, ARMY  
Program and Financing (in thousands of dollars)

	19 67 actual	19 68 estimate	19 69 estimate
<u>Program by activities:</u>			
Direct program:			
1. Reserve component personnel .....	249,119	255,312	269,061
2. Reserve officer candidates .....	27,299	34,933	34,359
Total direct obligations .....	276,418	290,245	303,400
Reimbursable program:			
1. Reserve component personnel .....	306	900	900
2. Reserve officer candidates .....	55	100	100
Total reimbursable obligations .....	361	1,000	1,000
10 Total obligations .....	276,779	291,245	304,400
<u>Financing:</u>			
Receipts and reimbursements from:			
11 Federal funds .....	- 13	- 10	- 10
14 Non-Federal sources <u>1/</u> .....	- 348	- 990	- 990
25 Unobligated balance lapsing .....	15,892	.....	.....
New obligational authority .....	292,311	290,245	303,400

New obligational authority:			
40	Appropriation .....	309,311	297,200
41	Transferred to other accounts .....	-17,000	.....
	Proposed transfer to other accounts .....	.....	-14,200
43	Appropriation (adjusted) .....	292,311	283,000
44	Proposed supplemental for military pay act increases .....	.....	7,245
Relation of obligations to expenditures:			
10	Total obligations .....	276,779	291,245
70	Receipts and other offsets (items 11-17) .....	-361	-1,000
71	Obligations affecting expenditures .....	276,418	290,245
72	Obligated balance, start of year .....	41,665	51,353
74	Obligated balance, end of year .....	-51,353	-66,598
77	Adjustments in expired accounts .....	-5,216	.....
90	Expenditures excluding pay increase supplemental .....	261,514	268,000
91	Expenditures from military pay act supplemental .....	.....	7,000
Expenditures are distributed as follows:			
01	Out of current authorizations .....	227,782	235,000
02	Out of prior authorizations .....	33,732	40,000
1/	Reimbursements from Non-Federal sources are for subsistence furnished Reserve Components officers during field training and inactive duty training. (10 USC 4621)		
			243,000
			40,000
			303,400
			.....
			.....
			303,400
			.....
			.....
			304,400
			-1,000
			303,400
			66,598
			-86,998
			.....
			282,755
			245

## Object Classification (in thousands of dollars)

	1967 actual	1968 estimate	1969 estimate
Direct obligations:			
11.7 Personnel compensation: Military .....	184,554	198,879	202,528
12.1 Personnel benefits, military .....	31,712	35,611	34,461
21.0 Travel and transportation of persons .....	23,936	22,367	27,211
22.0 Transportation of things .....	6	10	12
25.1 Other services .....	24	30	40
26.0 Supplies and materials .....	35,522	32,618	37,999
42.0 Insurance claims and indemnities .....	664	730	1,149
Total direct obligations .....	276,418	290,245	303,400
Reimbursable obligations:			
26.0 Supplies and materials .....	361	1,000	1,000
99.0 Total obligations .....	276,779	291,245	304,400

RESERVE PERSONNEL IN PAID STATUS  
RESERVE COMPONENT - 48AR

Pay Groups	Paid Drills	Paid Days of Active Duty for Training	FY 19 67 (PAST YEAR)		FY 19 68 (CURRENT YEAR)		FY 19 69 (BUDGET YEAR)			
			BEGIN	AVERAGE	END	AVERAGE	END	AVERAGE	END	
A	48	15	Off	34,200	34,958	35,230	35,500	36,250	37,000	
			Enl	210,346	196,939	195,807	212,094	213,988	204,761	200,592
			Total	0	1	2	0	0	0	0
F	0	Minimum 4 Mos.	Off	6,722	23,156	31,190	13,654	10,512	18,989	22,408
			Enl							
			Total							
<u>Paid Drill Training</u>										
		Sub Total	33,906	34,201	34,960	35,230	35,500	36,250	37,000	
		Enl	217,068	220,095	226,997	225,748	224,500	223,250	223,000	
		Total	250,974	254,296	261,957	260,978	260,000	260,000	260,000	
<u>Paid Active Duty Training Only</u>										
		Sub Total	16,389	16,225	16,225	17,000	17,000	14,600	14,600	
		Enl	54,156	53,417	53,417	54,000	54,000	54,000	54,000	
	0	Total	70,545	69,642	69,642	71,000	71,000	68,600	68,600	
<u>TOTAL PAID STATUS</u>										
		Off	50,295	50,426	51,185	52,230	52,500	50,850	51,600	
		Enl	271,224	273,512	280,414	279,748	278,500	277,750	277,000	
		Total	321,519	323,938	331,599	331,978	331,000	328,600	328,600	

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 represents the total number of personnel participating during the fiscal year, and average and end strengths are identical in any one year.

## PROGRAM DRILL PAY STRENGTHS

	FY 19 67				FY 19 68				FY 19 69			
	Begin	Ave	End		Begin	Ave	End		Begin	Ave	End	
<b>Officer:</b>												
<b>Pay Group A</b>												
TOE Units	25,171	25,697	26,391		26,391	26,594	26,794		26,794	27,544	28,294	
TD Units	5,964	5,716	5,642		5,642	5,671	5,703		5,700	5,700	5,700	
S&F, USAR Sch	2,412	2,422	2,548		2,548	2,585	2,622		2,622	2,622	2,622	
Se1 Svc (USAR Aug)	359	365	377		377	380	384		384	384	384	
<b>Total</b>	33,906	34,200	34,958		34,958	35,230	35,500		35,500	36,250	37,000	
<b>Enlisted:</b>												
<b>Pay Group A</b>												
TOE Units	191,913	180,952	180,455		180,455	196,086	197,324		197,324	188,097	183,928	
TD Units	17,120	14,615	13,750		13,750	14,075	14,400		14,400	14,400	14,400	
S&F, USAR Sch	1,313	1,372	1,602		1,602	1,933	2,264		2,264	2,264	2,264	
<b>Total</b>	210,346	196,939	195,807		195,807	212,094	213,988		213,988	204,761	200,592	
<b>TOTAL DRILL PAY</b>	244,252	231,139	230,765		230,765	247,324	249,488		249,488	241,011	237,592	
<b>Officer</b>	33,906	34,200	34,958		34,958	35,230	35,500		35,500	36,250	37,000	
<b>Enlisted</b>	210,346	196,939	195,807		195,807	212,094	213,988		213,988	204,761	200,592	

## PAID DRILL STRENGTH BY MONTH

	<u>FT 1967</u> <u>Actual</u>	<u>FT 1968</u> <u>Estimated</u>	<u>FT 1969</u> <u>Estimated</u>
1 July	250,974	261,957	260,000
31 July	250,200	261,794	260,000
31 August	252,903	261,631	260,000
30 September	254,667	261,468	260,000
31 October	254,134	261,306	260,000
30 November	253,271	261,142	260,000
31 December	253,694	260,979	260,000
31 January	254,770	260,816	260,000
28 February	255,541	260,653	260,000
31 March	255,567	260,490	260,000
30 April	254,534	260,327	260,000
31 May	255,797	260,164	260,000
30 June	261,957	260,000	260,000
(Average)	(254,296)	(260,978)	(260,000)

## ENLISTED INPUT/6 MONTHS TRAINING PROGRAM

	Enlistments	Input	Men-Months Mid-Month Ave. Str.
FY 1965 Actual	27,351	25,251	176,253
FY 1966 Actual	62,037	15,769	76,172
FY 1967 Actual	28,400	69,934	277,869
FY 1968 Estimate	40,000	27,600	163,849
FY 1969 Estimate:			
July 19 68	4,600	4,600	11,243
August	4,600	4,600	12,832
September	4,600	4,600	14,438
October	4,600	4,600	16,264
November	4,600	4,600	18,396
December	4,600	4,600	20,830
January 1969	4,600	4,600	22,212
February	4,600	4,600	22,212
March	4,700	4,700	22,261
April	4,700	4,700	22,361
May	4,600	4,600	22,410
June	4,600	4,600	22,409
TOTAL FY 1969 Estimate	55,400	55,400	227,868

DIRECT OBLIGATIONS		(In Thousands of Dollars)		
		ACTUAL FISCAL YEAR 19 67	FISCAL YEAR 19 68	ESTIMATE FISCAL YEAR 19 69
	TITLE	\$	\$	\$
	Training--Pay Group A.....	160,386	181,563	181,633
	Training--Pay Group D.....	17,907	20,582	19,866
	Training--REP--Pay Group F.....	50,984	37,242	50,657
	School Training.....	5,994	7,460	8,433
	Special Training.....	12,998	7,598	7,152
	Administration and Support.....	850	867	1,300
3260	Total Direct Obligations.....	249,119	255,312	269,041

RESERVE OFFICER CANDIDATES (ROTC) ENROLLMENT

	FY 67		FY 68		FY 69	
	Actual Ingoing	Actual Average Outgoing	Actual Ingoing	Estimated Average Outgoing	Estimated Ingoing	Estimated Average Outgoing
MS-I	89,565	79,724	78,126	65,954	90,000	82,989
MS-II	55,205	51,391	49,787	45,271	50,800	48,490
MS-III	20,213	19,957	18,951	18,483	20,000	19,753
MS-IV	12,439	12,279	18,566	17,803	17,900	17,532
Bas	144,770	131,115	127,913	111,225	140,800	131,485
Adv	32,652	32,236	37,517	36,286	37,900	37,285
Total	177,422	163,351	165,430	147,511	178,700	168,770
Advanced 29 Days Camp	12,156	14 Days	28 Days	8 Days	34 Days	16 Days
	3,337	18,395	18,395	15 Days	27 Days	8 Days
Basic Camp	29 Days	14 Days	28 Days	8 Days	34 Days	16 Days
	1,874	1,874	1,874	15 Days	27 Days	8 Days
Junior Div	87,338	80,151	97,339	90,983	117,000	109,360
Estimated Yield of Commissioned Officers from Outgoing MS-IV		10,727		17,225		16,605

DIRECT OBLIGATIONS		<i>(In thousands of dollars)</i>		
PROJECT	TITLE	ACTUAL FISCAL YEAR 19 67	ESTIMATE FISCAL YEAR 19 68	FISCAL YEAR 19 69
3310	Senior ROTC.....	\$ 25,092	\$ 30,816	29,962
3320	Scholarship Program.....	1,319	2,803	2,916
3330	Junior ROTC.....	888	1,314	1,481
	Total Direct Obligations.....	27,299	34,933	34,359

Mr. MAHON. General Sutton you may proceed.

GENERAL STATEMENT

General SUTTON. Mr. Chairman and members of the committee, it is a pleasure and privilege for me to appear before you today to present the Army Reserve and ROTC budget for fiscal year 1969 and to inform you of the current status of the program. The Army Reserve is deeply appreciative of your demonstrated interest and efforts over the years to improve Army Reserve readiness and to your profound recognition of the dedicated service of the members of the Army Reserve in their role as an essential element of the U.S. Army.

I should also express here my great admiration for those countless members of the Army Reserve who during the past period of uncertainty remained steadfast in their devotion to their mission of readiness and service to country.

With me today from the Office of Deputy Chief of Staff for Personnel is Colonel Hannum. He 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 1969 request is for an amount of \$303.4 million, of which \$269 million is for the Army Reserve and \$34.4 million is for the ROTC.

An amount of \$297.2 million was appropriated by the Congress for fiscal year 1968 to support a begin-and-end strength of 260,000. The actual begin strength was 261,957, and the budgeted end strength for fiscal year 1968 is 260,000. We have a net decrease in the amount of \$7 million in fiscal year 1968 funds. This decrease results from an appropriation transfer of \$14.2 million from RPA, partially offset by the fiscal year 1968 military pay raise of \$7.2 million. Therefore, the revised fiscal year 1968 fund requirement is \$290.2 million.

The fiscal year 1969 budget is a net increase of \$13.1 million over fiscal year 1968. This results primarily from the REP-63 training input of 55,400 in fiscal year 1969 as compared with 27,600 in fiscal year 1968; a full year at the increased military pay rate; per diem authorized in Public Law 90-168; deletion of extra Reserve duty training for SRF units; and other minor program changes.

MISSION

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 individual 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.

The other important program supported in this budget is the Army ROTC with an enrollment of 178,700 students in the senior division and 117,000 students in the junior division.

In order to show 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.

U.S. ARMY RESERVE TROOP STRUCTURE (AS OF DEC. 1, 1967)

Type unit	RCTB 1964	RCTB 1968
Divisions (training).....	13	13
Commands, area and center headquarters.....	35	54
Infantry brigade (separate).....	4	3
Brigade headquarters.....	7	6
Group and Battalion level headquarters.....	236	184
Battalion (separate).....	101	[Deleted]
Training activity commands.....	48	42
Installation support units (hospital, RCV station, garrison, terminals and miscellaneous).....	148	131
Company/platoon/detachment (separate).....	1,253	1,374
Selective service and USAAC augmentation.....	2	2
USAR schools.....	108	108
Total units.....	1,955	[Deleted]
Organic companies.....	1,620	1,509
Total company detachment size units.....	3,575	[Deleted]

ORGANIZATION OF THE ARMY RESERVE

We began a reorganization of the Army Reserve troop structure on December 1, 1967, and it is now largely completed. Final completion will be accomplished by the end of May. Our chart shows the old and new troop structures in immediate Reserve high priority units. The fiscal year 1968 structure consists of units with authorized strengths ranging from 93 percent to 100 percent of TOE, with the overall average being 95.6 percent.

Although this is the most major reorganization in the history of the Army Reserve, it is proceeding smoothly and on schedule. No effort has been spared to accomplish this reorganization with the least possible loss of individual and unit readiness.

Since November 1965 and until May 1, 1968, we will have maintained Selected Reserve Force (SRF I), which was authorized 100 percent strength, additional reserve duty training assemblies, and priority for other manpower, training, and materiel resources. Except for a relatively few medical officers and critical skill specialists, its authorized strength of 31,558 was essentially attained, and it has generally met the mobilization readiness objectives established for it.

A new Selected Reserve Force (SRF II) is being readied to assume this mission on May 1 of this fiscal year. The Army Reserve part will contain 503 units with a TOE strength of approximately 52,700 and authorized strength of 49,600. Within the increase in our Selected Reserve Force from 31,558 to 49,600, the Army Reserve has added a combat infantry brigade. Fiscal year 1968 funding can provide 14 additional training assemblies plus 15-day annual active duty training by end of fiscal year 1968.

# U S ARMY RESERVE

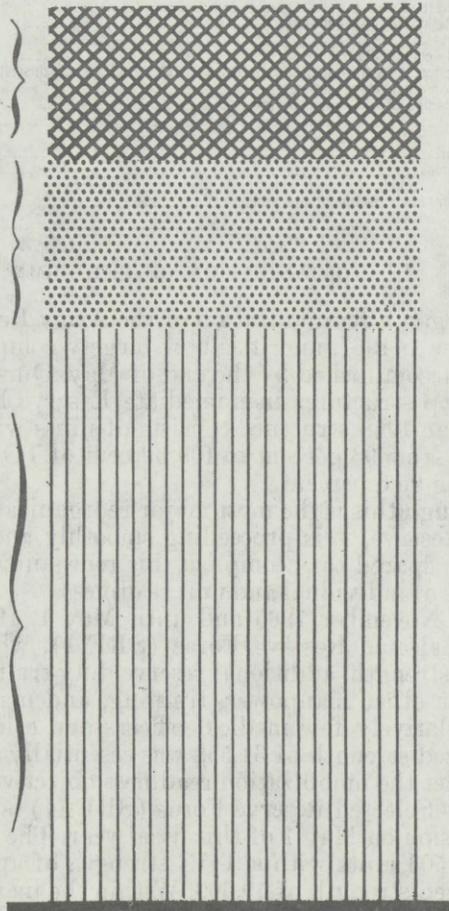
## TOTAL STRENGTH

1,235,000

**RETIRED**  
**202,000**

**STANDBY**  
**240,000**

**READY**  
**793,000**



**31 DECEMBER 1967**

## TOTAL STRENGTH

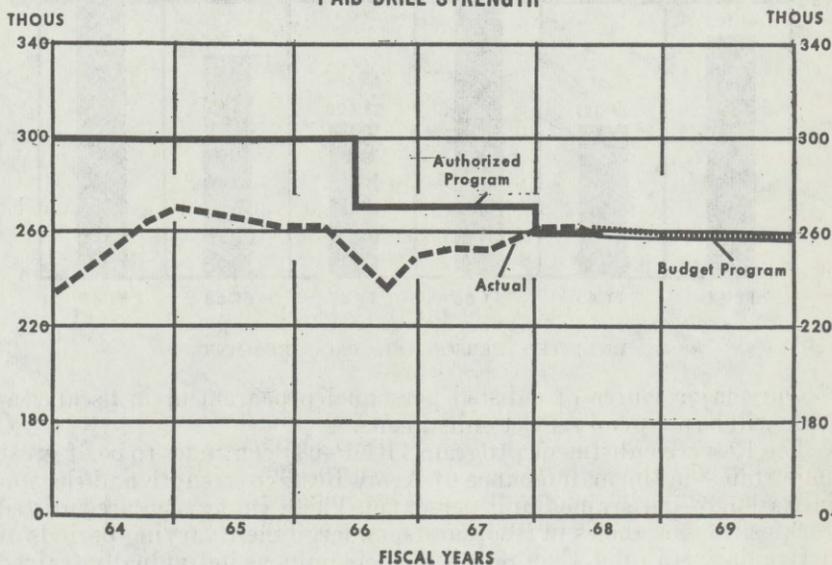
My second chart shows the total strength of the Army Reserve as of December 31, 1967. The strength was 1,235,000, consisting of 793,000 in the Ready Reserve, 240,000 in the Standby Reserve, and 202,000 in the Retired Reserve.

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 793,000 in the Ready Reserve, 260,000 are budgeted to participate as members of units in 48 paid training assemblies annually and attend a 15-day period of active duty for training. New SRF units are receiving additional paid training assemblies above the normal 48 during fiscal year 1968.

The Ready Reserve strength of 793,000 has been rising sharply with the input of enlisted personnel who entered the Army 2 years prior to the Army buildup for Southeast Asia operations. For example, it increased 88,000 in nonunit personnel during the 3-month period of October through December 1967 and will continue to increase substantially in future months.

## U S ARMY RESERVE

## PAID DRILL STRENGTH



## PAID DRILL STRENGTH

This chart shows the paid unit strength of the U.S. Army Reserve over a 6-year period. The solid line is authorized, and the broken line represents actual strength.

The authorized strength was 300,000 until January 1, 1966; was then 270,000 until June 30, 1967; was an average of not less than 260,000 during fiscal year 1968; and is to be budgeted at 260,000 for fiscal year 1969.

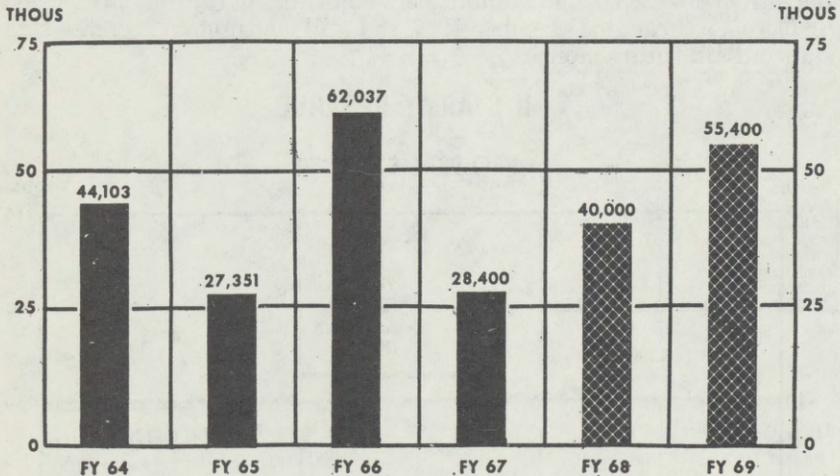
The end fiscal year 1963 strength was 236,985, and by institution of aggressive recruiting and retention programs it rose rapidly to 268,524 by end fiscal year 1964. Notwithstanding reorganization proposals and certain inactivations, we were able to end fiscal year 1965 with a strength of 261,680 and fiscal year 1966 with a strength of 250,974. The strength gradually increased during fiscal year 1967 to 261,957 by June 30, 1967.

The fiscal year 1968 strength is programed to decline from 261,957 to 260,000 at year end. The actual December 31, 1967 strength was 259,285.

This fiscal year 1969 budget is for a begin, average, and end strength of 260,000.

## U S ARMY RESERVE

### ENLISTMENTS FOR REP-63 TRAINING



### ENLISTED PERSONNEL PROCUREMENT

Our major source of enlisted personnel procurement in fiscal year 1969 will be nonprior service enlistments.

The Reserve enlistment program (REP-63) continues to be of great 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 their units as individually trained soldiers.

The chart on this subject shows actual and projected enlistments during a 6-year period. Fiscal year 1964 enlistments were 44,103; fiscal year 1965, 27,351; fiscal year 1966, 62,037; and fiscal year 1967, 28,400. The fiscal year 1968 program is 40,000 and the fiscal year 1969 program is 55,400.

We are now planning to maintain the strength by nonprior service enlistments under the REP-63 program, with involuntary assignment to units of 2-year active military service personnel only where diligent recruiting efforts have not been successful in filling vacancies with REP personnel.

In this connection, the planned nonprior service enlistment increase from 40,000 in fiscal year 1968 to 55,400 in fiscal year 1969 reflects our almost total reliance on nonprior service or REP personnel for the maintenance of unit strength.

## U.S. ARMY RESERVE—FISCAL YEAR 1969 BUDGET

Paid drills	Period of active duty for training	Strength	
		Begin	End
48	15 Days.....	249, 488	237, 592
0	Minimum 4-month training:		
	Officer.....	0	0
	Enlisted.....	10, 512	22, 408
	Total.....	260, 000	260, 000

## FISCAL YEAR 1969 ACTIVE DUTY FOR TRAINING PROGRAMS

Type	Officers	Enlisted
Input to "REP-63" training.....	0	55, 400
USAR schools.....	5, 300	0
Mobilization designees.....	4, 300	0
Individual reinforcements.....	5, 000	54, 000
School training.....	10, 324	4, 595
Special training.....	20, 907	3, 559

## RESERVE ENLISTMENT PROGRAM TRAINING INPUT

The fiscal year 1968 program for REP-63 input to training is 27,600 and for fiscal year 1969 is 55,400. REP enlistees are being input to training centers in an average of about 60 days with our waiting list averaging about 3,500.

## PROGRAM DATA

This chart shows the strength and significant active duty for training programs for fiscal year 1969. For the Army Reserve, this estimate provides active duty and Reserve duty training for a beginning strength of 260,000, including 10,512 enlisted personnel in the "REP-63" active duty training program. The end strength is budgeted to be 260,000, including 22,408 enlisted personnel in "REP-63" training.

The budget provides for 55,400 nonprior service enlistees to enter on a tour of active duty for training under "REP-63."

Active duty for training is included for 5,300 nonunit officer students in USAR Schools and for 4,300 officer mobilization designees.

Individual reinforcement training is included for 5,000 officers and 54,000 enlisted personnel.

School training is for 10,324 officers and 4,595 enlisted.

Special training is for 20,907 officers and 3,559 enlisted.

## U.S. ARMY ROTC

	Actual, beginning fiscal year 1967	Actual, beginning fiscal year 1968	Estimated, beginning fiscal year 1969
Senior division:			
MS-I (1st year basic).....	89,565	78,126	90,000
MS-II (2d year basic).....	55,205	49,787	50,800
MS-III (1st year advanced).....	20,213	18,951	20,000
MS-IV (2d year advanced).....	12,439	18,566	17,900
Total.....	177,422	165,430	178,700
Estimated yield of commissioned officers from outgoing MS-IV.....	10,727	17,225	16,605
Junior division.....	87,338	97,339	117,000

## RESERVE OFFICERS' TRAINING CORPS

The Senior Division of the ROTC produces junior officers for the active Army, Army Reserve, and some join the Army National Guard. The program is operated at selected civilian colleges, military colleges, and military schools.

This chart shows the senior division entering enrollment for 3 years and the number of commissions for each year. The budget provides training for a fiscal year 1969 entering enrollment of 178,700. End fiscal year 1969 commissions are estimated to be 16,605 and the 20,000 MS III enrollment in fiscal year 1969 will produce about 17,500 junior officers at end fiscal year 1970.

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.

The bottom line of the chart shows the junior division. An enrollment of 117,000 is budgeted for fiscal year 1969.

My statement on the Army ROTC addresses only the budget for that program. Colonel Hannum will respond to any program and policy questions you may have on the ROTC.

Mr. Chairman, this completes my opening statement. We appreciate the opportunity of appearing before you to present our fiscal year 1969 budget.

Mr. MAHON. General Sutton, your statement indicates that as a result of the zero supplemental request this year, your fiscal year 1968 funds were reduced by \$14.2 million.

How have you been able to operate your program thus far in fiscal year 1968 under this reduction in funds?

General SUTTON. This reduction of \$14.2 million, sir, was the result of slippage in the REP input to the training centers. We did not have as many enlistments as we had contemplated. Consequently, that amount was transferred to another use and we do not need it.

## SELECTED RESERVE FORCE (SRF)

Mr. MAHON. General, your statement also points out that a new Selected Reserve Force, called SRF II, is being readied to assume the SRF I mission by May 1, 1968. In past fiscal years the SRF I was provided additional training assemblies beyond the normal 48 annually, but there are no additional drills budgeted for this new SRF II unit in fiscal year 1969. What is the reason for this decision, and what effect,

if any, would it have on the readiness posture of SRF II during fiscal year 1969?

General SUTTON. Mr. Chairman, we requested funds for the extra drills, and OSD did not allow those funds in the budget.

To answer your question, I think we can have these SRF II units capable of doing the job that we expect of them, but we could certainly improve their readiness if we had the funds.

Mr. SIKES. Let us see if we cannot get a little more detail on that answer, Mr. Chairman.

What will the limitation on funds do to your readiness posture?

General SUTTON. It will simply mean, sir, that they will have the drills at the regular rate of 48 a year, and will not have the extra training. The drills that we had asked for would have given them about 40 percent more training. So, they would have achieved that much more readiness.

Mr. SIKES. That seems to mean the difference between a dull edge and a sharp edge on a unit, does it not?

General SUTTON. There are a lot of different type units, and I do not know that I could define just where the blade would be dull. Certainly, in some cases where they need the training, they would not be as sharp as they should be.

Mr. SIKE. What was the exact amount of money that you were denied?

General SUTTON. \$9.3 million.

Mr. SIKES. For how many people?

General SUTTON. That was for 49,600.

Mr. SIKES. Did you reclama?

General SUTTON. Yes, sir.

Mr. SIKES. It would appear to me—

General SUTTON. The Army reclamaed \$1.4 million of that only for the staff training.

Mr. SIKES. Was it not considered important enough to reclama all of it?

General SUTTON. That was a decision within the Department of the Army.

Mr. SIKES. What was your request?

General SUTTON. My recommendation was to reclama the entire amount of \$9.3 million.

Mr. SIKES. It would appear to me that when we are running short of troops, it would be doubly important to spend a little extra money if a little extra money is required to insure the best possible fitness picture for the Reserve units. Am I wrong?

General SUTTON. I think that is correct, sir.

Mr. MAHON. Could you make some distinction between the type of unit that might need the additional training periods more so than other units? How would you categorize this?

General SUTTON. To draw a distinction between how sharp or how dull would have some relation to the units, but from the standpoint of readiness and training, all of the units would need the training equally, in my opinion. This is the way I asked for the program to be set.

Mr. MAHON. Additional funds would provide more of the same training but in depth. Is that about what would happen?

General SUTTON. Yes, sir. You have so many hours of training in the various subjects. It would allow these units to do more of those hours of training; in other words, progress further along their training program and achieve a greater degree of readiness.

#### FISCAL YEAR 1969 END STRENGTH

Mr. MAHON. As I understand it, your strength has dropped to 252,800 as of March 1968; is that correct?

General SUTTON. Yes, sir. It was 252,877.

Mr. MAHON. Are you confident at this time that in fiscal year 1969 you will have an end strength of 260,000?

General SUTTON. I am confident I will, sir. As a matter of fact, I think we will go a long way toward achieving that before the end of June.

This is a result of the reorganization, primarily, and I believe that we have lost what we are going to lose, and that we will have a gain from here on.

Mr. SIKES. What factors have contributed to the loss of personnel?

General SUTTON. There were several factors, sir. One was that we had to go from 270,000 down to 260,000, and we had to inactivate many units and change a lot of units from one type to another to conform to the new troop list.

In doing so, in a great many places there were a number of reservists that we did not have a place for in the new organization. This is the principal reason.

As you know, when we inactivate a unit, a 2-year obligor in that unit had the option at that time of going to the pool or continuing to serve in a unit.

Mr. SIKES. What effect has the war situation had on the strength of Reserve units? Has the ardor for the service cooled as a result?

General SUTTON. I have seen nothing to indicate that, sir.

Mr. SIKES. That is reassuring.

#### EFFECT OF RESERVE CALLUP

Mr. MAHON. In April 1968, a total of 6,401 Army Reserves were called up for active duty. I assume your requirements for fiscal year 1969 will be reduced accordingly since the callup was made subsequent to the preparation of your 1969 budget estimates. How much of a reduction can be made as a result of this situation?

General SUTTON. The 6,401 figure is the TOE strength of those units. The authorized strength was 5,879.

Mr. MAHON. What would be the dollars involved? Can you compute that for the record?

General SUTTON. Yes, sir. For fiscal 1968, since this callup occurs on the 13th of May, it would be \$244,000 RPA. For fiscal 1969, it would be \$4,716,000 RPA.

Mr. MAHON. It would appear that this callup will have an adverse effect on your efforts to reach your authorized strength of 260,000 men during fiscal year 1969; is that correct?

General SUTTON. When this budget was prepared, that was the figure. We did not know of the callup. According to the bill passed by

the Senate and now being considered by the House, this would be subject to reduction by the number of Reservists called up during this period.

Mr. MAHON. Will you be able to attain your goal?

General SUTTON. Yes, sir. Our goal, of course, will be the 260,000 minus those who are called up.

Mr. MAHON. Of the 6,401 men called to active duty, how many will have to come from your manpower pool? I presume that many of the units called up were not at full strength, and certain members of those units will not be able to answer the call for varying reasons.

General SUTTON. We do not have those exact figures yet, Mr. Chairman. We are developing them now. There will be approximately 3,600 men called from the individual Ready Reserve.

Mr. MAHON. Rather than the 6,000 plus?

General SUTTON. The 3,600 will be to fill the vacancies in the Guard and the Reserve units to reach the 20,400. The 6,400 represents the TOE strength of the Army Reserve units only. The vacancies in that will probably be less than 1,000 for Army Reserve.

#### ROTC SENIOR DIVISION PROGRAM

Mr. MAHON. The chart contained in your statement, General Sutton, indicates that the ROTC senior division program actually decreased in fiscal year 1968 when compared with fiscal year 1967. For fiscal year 1969, however, you estimate an increase of about 13,300 men over fiscal year 1968.

What was the reason for the drop in fiscal 1968, and upon what do you base your encouraging estimate in fiscal 1969?

General SUTTON. Could I have Colonel Hannum answer that question?

Colonel HANNUM. Actually, sir, the declines in 1966, 1967, and 1968 were due to the trend of going from a compulsory to an elective program in the basic course, which is the first 2 years of college. The programmed increase in 1969 we attribute in the main to the fact that 15 additional schools will be added in 1969.

Mr. MAHON. What is the percentage of ROTC graduates, Colonel Hannum, now serving in South Vietnam?

Colonel HANNUM. I cannot answer that, sir. I will provide that for the record.

Mr. MAHON. If you can.

Colonel HANNUM. Yes, sir.

(The information follows:)

Approximately 33 percent of the officers now serving in South Vietnam are ROTC graduates.

## NATIONAL GUARD PERSONNEL, ARMY

Mr. MAHON. We will now turn to the National Guard Personnel, Army, fiscal year 1969 request, which totals \$321.3 million. This represents a decrease of \$1.3 million when compared with the fiscal 1968 program of \$322.6 million.

At this point we shall insert in the record the appropriate justification pages supporting the budget estimates for National Guard Personnel, Army.

## "National Guard Personnel, Army

"For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under sections 265, 3033, or 3496 of title 10 or section 708 of title 32 United States Code, or while undergoing training or while performing drills or equivalent duty, as authorized by law; [\$345,000,000] \$321,300,000: Provided, that obligations may be incurred under this appropriation without regard to section 107 of title 32, United States Code: Provided further, that the Army National Guard will be programmed to attain an average strength of not less than four hundred thousand for fiscal year 1968]."

Program and Financing (in thousands of dollars)

	19 67 actual	19 68 estimate	19 69 estimate
<u>Program by activities:</u>			
Direct obligations: Reserve component personnel.....	343,724	322,627	321,300
Reimbursable obligations: Reserve component personnel.....	895	900	900
10 Total obligations.....	344,619	323,527	322,200
<u>Financing:</u>			
Receipts and reimbursements from:			
11 Federal funds.....	- 233		
14 Non-Federal sources <sup>1/</sup> .....	- 662	- 900	- 900
25 Unobligated balance lapsing.....	9,609		
<u>New obligational authority.....</u>	<u>353,333</u>	<u>322,627</u>	<u>321,300</u>
<u>New obligational authority:</u>			
40 Appropriation.....	370,333	345,000	321,300
41 Transferred to other accounts.....	- 17,000		
41 Proposed transfer to other accounts.....		- 32,500	
43 Appropriation (adjusted).....	353,333	312,500	321,300
44 Proposed supplemental for military pay act.....		10,127	

<sup>1/</sup> Reimbursements from non-Federal sources are for subsistence furnished Army National Guard officers during field training and for inactive duty training (10 U.S.C. 4621).

Program and Financing (in thousands of dollars)

	19 67 actual	19 68 estimate	19 69 estimate
<u>Relation of obligations to expenditures:</u>			
10 Total obligations.....	344,619	323,527	322,200
70 Receipts and other offsets (items 11-17).....	- 895	- 900	- 900
71 Obligations affecting expenditures.....	343,724	322,627	321,300
72 Obligated balance, start of year.....	72,178	60,602	73,229
74 Obligated balance, end of year.....	- 60,602	- 73,229	- 88,529
77 Adjustments in expired accounts.....	- 12,980	.....	.....
90 Expenditures excluding pay increase.....	342,320	300,000	305,873
91 Expenditures from military pay act supplemental.....	.....	10,000	127
Expenditures are distributed as follows:			
01 Out of current authorizations.....	283,478	250,750	247,000
02 Out of prior authorizations.....	58,842	59,250	59,000

OBJECT CLASSIFICATION (in thousands of dollars)		19 67 actual	19 68 estimate	19 69 estimate
Direct obligations:				
11.7	Personnel compensation: Military.....	260,109	250,241	242,997
12.1	Personnel benefits: military.....	18,764	22,601	18,685
21.0	Travel and transportation of persons.....	14,573	9,620	11,636
26.0	Supplies and materials.....	49,630	39,408	47,013
41.0	Grants, subsidies and contributions.....	568	678	892
42.0	Insurance claims and indemnities.....	80	79	77
	Total direct obligations.....	343,724	322,627	321,300
Reimbursable obligations:				
26.0	Supplies and materials.....	895	900	900
99.0	Total obligations.....	344,619	323,527	322,200

TITLE		(In Thousands of Dollars)		
		ACTUAL FISCAL YEAR 19 67	ESTIMATE FISCAL YEAR 19 68	FISCAL YEAR 19 69
National Guard:		\$	\$	\$
Direct obligations:				
Training - Pay Group A.....		230,583	258,663	245,112
Training - REP - Pay Group F.....		95,577	45,517	57,019
School training.....		12,341	12,382	13,252
Special training.....		2,690	3,302	2,921
Administration and support.....		2,533	2,763	2,996
Total direct obligations.....		343,724	322,627	321,300
Reimbursable obligations.....		895	900	900
Total obligations.....		344,619	323,527	322,200

DIRECT AND REIMBURSABLE OBLIGATIONS

FY 1969 STRENGTH PLAN

	Off and WO	Aggregate Enl Men	Total	REP	Paid Drill
30 Jun 68	35,000	365,000	400,000	5,747	394,253
Jul	35,200	364,800	400,000	8,047	391,953
Aug	35,300	364,700	400,000	11,947	388,053
Sep	35,000	365,000	400,000	15,847	384,153
Oct	34,700	365,300	400,000	19,247	380,753
Nov	34,400	365,600	400,000	22,147	377,853
Dec	34,200	365,800	400,000	23,347	376,653
Jan	34,000	366,000	400,000	23,647	376,353
Feb	33,700	366,300	400,000	23,947	376,053
Mar	33,400	366,600	400,000	24,047	375,953
Apr	33,100	366,900	400,000	24,147	375,853
May	32,800	367,200	400,000	24,247	375,753
Jun	33,000	367,000	400,000	24,547	375,453
(Average)	34,150	365,850	400,000	19,647	380,353

## NATIONAL GUARD PERSONNEL IN PAID STATUS

Pay Groups	Paid Drills	Paid Days of ACDUTRA	FY 1967		FY 1968		FY 1969	
			Begin	Average	End	Average	End	Average
A	48	15 Off	33,764	34,523	33,880	35,026	34,150	33,000
		Enl	365,330	345,842	331,008	361,008	346,203	342,453
		Off	(33,764)	(34,523)	(33,880)	(35,026)	(34,150)	(33,000)
		Enl	(365,330)	(345,842)	(331,008)	(361,008)	(346,203)	(342,453)
			399,094	380,365	364,888	396,034	380,353	375,453
F	0	90-180 Off	-	-	-	-	-	-
		Enl	21,830	38,421	53,186	14,719	5,747	24,547
Total Paid Status		Off	33,764	34,523	33,880	35,026	34,150	33,000
		Enl	387,160	384,263	384,194	375,727	365,850	367,000
			420,924	418,786	418,074	410,753	400,000	400,000

ARMY NATIONAL GUARD MANPOWER PROCUREMENT PROGRAM, FY 1968

(Opens 418,074 Closes 400,000)

MONTH	TAKE		OBLI- GORS	VETS	TRANS FR ING	ENL FR RES COMP	ALL OTHERS	TOTAL		OFF GAINS- LOSSES	OFF LOSSES	ENL		ACDUTRA INPUT
	In 68	In 69						ENL	ENL			TOTAL	TOTAL	
JUL	1,985	-	79	93	92	453	114	2,816	4,149	+ 688	34,568	382,861	417,429	4,371
AUG	2,643	-	126	74	107	462	114	3,526	4,742	+ 424	34,992	381,645	416,637	1,565
SEP	3,310	-	150	140	134	702	177	4,613	4,639	+ 117	35,109	381,619	416,728	1,856
OCT	3,862	-	145	193	67	583	195	5,045	5,664	+ 391	35,500	381,000	416,500	1,708
NOV	2,500	-	100	200	100	600	200	3,700	5,700	- 100	35,400	379,000	414,400	2,900
DEC	2,000	-	200	200	100	500	200	3,200	5,700	- 100	35,300	376,500	411,800	2,800
JAN	2,400	-	200	200	100	500	200	3,600	5,600	- 100	35,200	374,500	409,700	1,900
FEB	2,400	-	200	200	100	400	200	3,500	5,600	- 100	35,100	372,400	407,500	1,900
MAR	2,500	-	100	200	100	400	200	3,500	5,600	- 100	35,000	370,300	405,300	1,200
APR	2,400	-	200	200	100	400	200	3,500	5,600	- 100	34,900	368,200	403,100	1,200
MAY	2,400	-	200	200	100	400	100	3,400	5,500	- 100	34,800	366,100	400,900	2,000
JUN	-	3,400	200	200	100	400	100	4,400	5,500	+ 200	35,000	365,000	400,000	2,500
TOTAL	28,400	3,400	1,900	2,100	1,200	5,800	2,000	44,800	63,994	+1,120	35,026	375,727	410,753	2,158
AVERAGE														

OPENING STRENGTH  
 Officers 33,880  
 Enl Personnel 384,194  
 TOTAL 418,074

## ARMY NATIONAL GUARD MANPOWER PROCUREMENT PROGRAM, FY 1969

(Opens 400,000 Closes 400,000)

MONTH	TAKE ACDUTRA In 69	TAKE ACDUTRA In 70	OBLI- GORS	VETS	TRANS FR ING	ENL FR RES COMP	ALL OTHERS	TOTAL ENL		OFF GAINS - LOSSES	OPENING STRENGTH		ACDUTRA INPUT		
								ENL	LOSSES		ENL	TOTAL			
JUL	4,500	-	100	100	100	300	100	5,200	5,400	+ 200	35,200	364,800	400,000	4,200	
AUG	4,500	-	100	100	100	400	100	5,300	5,400	+ 100	35,300	364,700	400,000	5,100	
SEP	4,700	-	100	200	100	400	200	5,700	5,400	- 300	35,000	365,000	400,000	5,100	
OCT	4,800	-	100	200	100	400	200	5,800	5,500	- 300	34,700	365,300	400,000	5,400	
NOV	4,800	-	100	200	100	400	200	5,800	5,500	- 300	34,400	365,600	400,000	5,400	
DEC	4,800	-	100	200	100	300	200	5,700	5,500	- 200	34,200	365,800	400,000	5,400	
JAN	4,800	-	100	200	100	300	200	5,700	5,500	- 200	34,000	366,000	400,000	5,400	
FEB	4,900	-	100	200	100	300	200	5,800	5,500	- 300	33,700	366,300	400,000	5,400	
MAR	4,900	-	100	200	100	300	200	5,800	5,500	- 300	33,400	366,600	400,000	5,500	
APR	4,900	-	100	200	100	300	200	5,800	5,500	- 300	33,100	366,900	400,000	5,500	
MAY	5,100	-	100	100	100	300	100	5,800	5,500	- 300	32,800	367,200	400,000	5,500	
JUN	-	4,600	100	100	100	300	100	5,300	5,500	+ 200	33,000	367,000	400,000	5,700	
TOTAL	52,700	4,600	1,200	2,000	1,200	4,000	2,000	67,700	65,700	-2,000					
											AVERAGE	34,150	365,850	400,000	5,300

REP TRAINING PROGRAM

FY 1968 Carryover:

	<u>Input</u>	<u>Graduates and Losses</u>	<u>End of Month</u>	<u>Man Months</u>
Jan	1,900			
Feb	1,900			
Mar	1,200			
Apr	1,200			
May	2,000			
Jun	2,500		5,747	15,672

FY 1969 Input:

Jul	4,200	1,900	8,047	6,897
Aug	5,100	1,200	11,947	9,997
Sep	5,100	1,200	15,847	13,897
Oct	5,400	2,000	19,247	17,547
Nov	5,400	2,500	22,147	20,697
Dec	5,400	4,200	23,347	22,747
Jan	5,400	5,100	23,647	23,497
Feb	5,400	5,100	23,947	23,797
Mar	5,500	5,400	24,047	23,997
Apr	5,500	5,400	24,147	24,097
May	5,500	5,400	24,247	24,197
Jun	5,700	5,400	24,547	24,397

<u>63,600</u>		<u>235,764</u>	<u>19,647</u>
	<u>Manyears</u>		

Training - Pay Group A (In Thousands of Dollars)			
TITLE	ACTUAL	ESTIMATE	
	FISCAL YEAR 19 67	FISCAL YEAR 19 68	FISCAL YEAR 19 69
	\$	\$	\$
Pay and allowances, active duty for training, officers.....	15,689	16,186	16,288
Pay and allowances, active duty for training, enlisted personnel.....	42,304	44,835	46,230
Pay, inactive duty training, officers.....	39,625	46,420	40,747
Pay, inactive duty training, enlisted personnel.	114,336	125,058	116,201
Individual clothing and uniform gratuities, officers.....	913	1,025	1,025
Individual clothing and uniform gratuities, enlisted personnel.....	3,558	5,193	5,472
Subsistence of enlisted personnel.....	13,377	18,940	18,062
Travel, active duty for training, officers.....	75	97	118
Travel, active duty for training, enlisted personnel.....	706	909	969
Total 3110 direct obligations.....	230,583	258,663	245,112

TRAINING PROGRAMS

FIELD TRAINING

	Average Strength	Federal Status	School	Adm Excused	Strength Participation	Attendance Factors
1st Quarter:	35,175	( - )	(375)	( - )	34,800 x	53% x 98% =
Officers	364,825	( 8,447)	(288)	(7,000)	349,090 x	53% x 98% =
Enlisted						<u>181,318</u>
						199,393
4th Quarter:	32,900	( - )	(375)	( - )	32,525 x	47% x 98% =
Officers	367,100	(24,397)	(288)	(7,000)	335,415 x	47% x 98% =
Enlisted						<u>154,492</u>
						<u>169,473</u>

Total trainees..... 368,866

Officers..... [33,056]  
Enlisted..... [335,810]

ARMORY DRILLS

All Units:	34,150	( - )	(375)	( - )	33,775 x	98% =	33,100
Officers	365,850	(19,647)	(288)	( - )	345,915 x	96% =	<u>332,078</u>
Enlisted							
							<u>365,178</u>

Total trainees..... 365,178

Training - Pay Group A - Summary					
	Officers		Enlisted		Total
	Nr Attending	Amount	Nr Attending	Amount	
<b>FIELD TRAINING</b>					
Pay and allowances.....	33,056	\$16,288,232	335,810	\$46,230,058	
Subsistence.....	-	-	-	8,365,495	
Travel.....	-	117,843	-	969,012	
Sub-Total: Cost Personnel )	33,056	16,406,075	335,810	55,564,565	\$ 71,970,640
					[368,866]
<b>ARMORY DRILLS</b>					
Basic pay.....	33,100	38,544,286	332,078	116,200,734	
Additional flying training assemblies.....	[ 1,800]	1,337,904	-	-	
Administrative function pay.....	-	864,570	-	-	
Subsistence.....	-	40,746,762	-	9,696,678	
Sub-Total: Cost Personnel )	33,100	40,746,762	332,078	125,897,412	166,644,174
					[365,178]
<b>INDIVIDUAL CLOTHING AND UNIFORM GRATUITIES</b>					
Uniform gratuities.....	-	1,025,000	-	-	
Replacement issues.....	-	-	-	5,471,653	
					6,496,653
<b>TOTAL - TRAINING - PAY GROUP A.....</b>			<b>Total.....</b>		<b>245,111,467</b>
			<b>Round-up.....</b>		<b>+ 533</b>
					<b>\$245,112,000</b>

Training - REP - Pay Group F (in Thousands of Dollars)			
TITLE	ACTUAL FISCAL YEAR 19 67	ESTIMATE	
		FISCAL YEAR 1968	FISCAL YEAR 1969
Pay and allowances, active duty for training, enlisted personnel.....	\$ 51,496	\$ 24,999	\$ 27,326
Individual clothing and uniform gratuities, enlisted personnel.....	17,757	6,730	15,897
Subsistence of enlisted personnel.....	14,559	8,038	7,583
Travel, active duty for training, enlisted personnel.....	11,765	5,750	6,213
Total 3120 direct obligations.....	95,577	45,517	57,019
Training - REP - Pay Group F - Summary			
<u>PAY AND ALLOWANCES</u>			
Basic pay.....	235,764 man months x \$106.13	\$25,021,633	
Leave rations.....	853,500 man days x 1.32	1,126,620	
Social security.....		<u>1,177,356</u>	\$27,325,609
<u>SUBSISTENCE</u> .....	5,924,613 man days x 1.28		7,583,505
<u>TRAVEL</u> .....	103,552,000 miles x .06 per mile		6,213,120
<u>CLOTHING</u> .....	63,600 Input x 249.95 package cost		<u>15,896,820</u>
TOTAL - TRAINING - REP - PAY GROUP F.....	Total.....		57,019,054
	Round-off.....		<u>54</u>
			\$57,019,000

		School training		
		(In Thousands of Dollars)		
TITLE	ACTUAL FISCAL YEAR 19 67	ESTIMATE		
		FISCAL YEAR 19 68	FISCAL YEAR 19 69	
Pay and allowances, active duty for training, officers.....	7,817	6,886	6,205	
Pay and allowances, active duty for training, enlisted personnel.....	2,769	3,143	3,656	
Individual clothing and uniform gratuities, officers.....	65	5	34	
Individual clothing and uniform gratuities, enlisted personnel.....	18	52	55	
Subsistence of enlisted personnel.....	340	415	361	
Travel, active duty for training, officers.....	812	1,264	2,117	
Travel, active duty for training, enlisted personnel.....	520	617	824	
Total 3130 direct obligations.....	12,341	12,382	13,252	

## School Training - Summary

	Officers		Enlisted		Total
	Nr Attending	Amount	Nr Attending	Amount	
<b>ARMY SERVICE SCHOOLS</b>					
Pay and allowances.....	5,362	\$5,842,025	2,761	\$2,412,097	
Family separation allowance...		33,229		37,980	
Clothing.....		34,400		45,418	
Subsistence.....	-	-		193,295	
Travel.....		2,027,021		605,639	
Sub-Total: Cost	5,362	7,936,675	2,761	3,294,429	\$11,231,104
Personnel )					[8,123]
<b>ARMY AREA SCHOOLS</b>					
Pay and allowances.....	245	126,908	600	253,819	
Clothing.....		-		9,870	
Subsistence.....		-		21,812	
Travel.....		32,628		50,520	
Sub-Total: Cost		159,536		336,021	495,557
Personnel )	245		600		[845]
<b>TOTAL - Service and Area Schools )</b>					
Personnel )	5,607	\$8,096,211	3,361	\$3,630,450	\$11,726,661
<b>AIR DEFENSE TRAINING</b>					
Pay and allowances.....	194	199,946	627	898,702	
Family separation allowance...		3,074		53,299	
Travel.....		56,908		167,814	
Sub-Total: Cost		\$ 259,928		\$1,119,815	\$ 1,379,743
Personnel )	194		627		[821]

APPROPRIATION		
STATE OFFICER CANDIDATE SCHOOLS		
Subsistence.....	5,000	\$ 146,000
Total.....		13,252,404
Round-off.....		404
TOTAL - SCHOOL TRAINING.....		\$13,252,000

Special training.			
(In Thousands of Dollars)			
TITLE	ACTUAL FISCAL YEAR 19 67	ESTIMATE	
		FISCAL YEAR 19 68	FISCAL YEAR 19 69
	\$	\$	\$
Pay and allowances, active duty for training, officers.....	1,352	1,665	1,569
Pay and allowances, active duty for training, enlisted personnel.....	641	633	393
Subsistence of enlisted personnel.....	22	40	14
Travel, active duty for training, officers.....	321	449	570
Travel, active duty for training, enlisted personnel.....	354	515	375
Total 3140 direct obligations.....	2,690	3,302	2,921

<u>Special Training - Summary</u>					
	<u>Officers</u>		<u>Enlisted</u>		
	<u>Nr Attending</u>	<u>Amount</u>	<u>Nr Attending</u>	<u>Amount</u>	<u>Total</u>
<u>COMMAND POST EXERCISES</u>					
Pay and allowances:					
Tactical type-actual participation..	3,455	\$381,920	1,675	\$105,320	
Pre-CPX preparation.....	[509]	36,302	[169]	6,201	
Special security force.....	137	15,857	-	-	
Sub-Total:	<u>3,592</u>	<u>434,079</u>	<u>1,675</u>	<u>111,521</u>	
Subsistence of enlisted personnel:					
ZI and Overseas.....	-	-		5,470	
<u>Travel:</u>					
Tactical type.....		118,161			
Special security force.....		35,010		( 43,965)	
Sub-Total:		<u>153,171</u>		<u>43,965</u>	
<u>Total - CPX, s.....</u>	<u>3,592</u>	<u>587,250</u>	<u>1,675</u>	<u>160,956</u>	<u>\$ 748,206</u>
<u>SHORT NOTICE ANNUAL PRACTICE (SNAP)</u>					
(Air Defense):					
Pay and allowances.....	466	116,483	2,144	236,405	
Travel.....		84,754		300,879	
<u>Total - SNAP.....</u>	<u>466</u>	<u>201,237</u>	<u>2,144</u>	<u>537,284</u>	<u>738,521</u>
<u>PRE-CAMP CONFERENCES</u>					
Pay and allowances.....	1,700	370,727	18	1,785	
Travel.....		81,600		-	
<u>Total - Pre-Camp Conferences.....</u>	<u>1,700</u>	<u>452,327</u>	<u>18</u>	<u>1,785</u>	<u>454,112</u>

<u>FERRYING AIRCRAFT</u>					
Pay and allowances.....	156	\$ 45,436	112	\$ 10,741	
Travel.....		15,835		11,426	
<u>Total - Ferrying Aircraft.....</u>	156	61,271	112	22,167	\$ 83,438
<u>COMMITTEES AND BOARDS</u>					
Pay and allowances.....	45	24,104	-	-	
Travel.....		8,460			
<u>Total - Committees and Boards.....</u>	45	32,564	-	-	32,564
<u>45-DAY ENFORCEMENT TOURS</u>					
Pay and allowances.....	-	-	156	32,860	
Subsistence.....	-	-		8,986	
Travel.....	-	-		14,976	
<u>Total - 45-Day Enforcement Tours.....</u>	-	-	156	56,822	56,822
<u>REORGANIZATION SUPPORT</u>					
Pay and allowances.....	156	577,512	-	-	
Travel.....		225,763			
<u>Total - Reorganization Support.....</u>	156	803,275	-	-	803,275
<u>HOSPITALIZATION</u>					
Travel.....	-	400	-	3,700	4,100
<u>TOTAL - 3140 SPECIAL TRAINING.....</u>					
		Total.....			2,921,038
		Round-off.....			38
					\$2,921,000

		Administration and support (in Thousands of Dollars)			
TITLE	ACTUAL FISCAL YEAR 19 67	ESTIMATE		FISCAL YEAR 19 69	
		FISCAL YEAR 19 68	FISCAL YEAR 19 68		
Pay and allowances of officers.....	\$ 1,357	\$ 1,481	\$	1,516	
Permanent change of station travel.....	18	19		19	
Death gratuities, officers.....	21	21		21	
Death gratuities, enlisted personnel.....	59	58		56	
Disability and hospitalization benefits, officers.....	102	104		101	
Disability and hospitalization benefits, enlisted personnel.....	408	402		391	
Servicemen's Group Life Insurance, officers....	16	34		35	
Servicemen's Group Life Insurance, enlisted personnel.....	552	644		857	
Total 3150 direct obligations.....	2,533	2,763		2,996	

Administration and Support - Summary	
<u>STATUTORY TOURS</u>	
Pay and allowances, officers.....	\$1,515,058
<u>GRATUITIES AND BENEFITS</u>	
Officers.....	\$ 157,000
Enlisted personnel.....	<u>1,304,400</u>
<u>TRAVEL (PGS).....</u>	<u>1,461,400</u>
	<u>19,110</u>
	\$2,976,458
	2,995,568
	+ 432
	<u>\$3,996,000</u>
TOTAL - 3150 ADMINISTRATION AND SUPPORT.....	

General Wilson, you may proceed with your statement.

#### OPENING STATEMENT

General WILSON. Mr. Chairman and members of the committee, I welcome the opportunity to appear before you to report upon the functions and activities of the Army National Guard. We are here to request funds for the necessary pay, allowances, subsistence, clothing; and travel for training Army National Guard personnel during fiscal year 1969.

The fiscal year 1969 National Guard personnel, Army, budget request is \$321.3 million. This will support a beginning strength of 400,000 officers and men and ending strength of 400,000 in 3,015 units.

Before proceeding with the details of this budget, I would like to review certain accomplishments during fiscal year 1967, our major programs for fiscal year 1968, and to discuss the program forecast for fiscal year 1969.

#### REORGANIZATION

In April 1967 the Department of the Army presented a plan which was approved by the Secretary of Defense and which provided for the reorganization of the Army National Guard at a 400,000 paid drill strength, and assigned sufficient combat, combat support, and service support units to provide balanced State structures.

There were several meetings with the State adjutants general to review detailed State troop lists in order to meet the State requirements and at the same time comply with the Federal objectives. In December 1967 all States had accepted the reorganization plans and now have stationing plans approved by the Department of the Army. They are actively engaged in reorganizing, and the schedule provides for completion of unit reorganization by April 30, 1968.

When completed the Army Guard structure will consist of eight divisions, 18 separate brigades, and supporting units at 93 percent strength of full TOE. Air defense units and small detachments will be organized at 100 percent strength. This will reduce the fiscal year 1968 structure from a force of 4,001 immediate and reinforcing Reserve units to 3,015 immediate Reserve units.

The new structure includes the organization of a Selected Reserve Force II, to replace Selected Reserve Force I which has maintained a mobilization readiness mission for over 2 years. SRF-I will maintain its mobilization ready mission until April 30, 1968, at which time SRF-II will assume that mission.

The new SRF-II consists of 623 units and 89,000 officers and men. These units are being authorized 10 additional training assemblies

during the last half of fiscal year 1968 in order to accelerate training and meet their mobilization ready mission date of May 1, 1968.

#### STRENGTH

The federally recognized strength of the Army National Guard on June 30, 1967, was 418,074. The total number of officers and warrant officers was 33,880, and the total number of enlisted personnel was 384,194. The average strength for the year was 418,786.

The fiscal year 1968 program provides for an Army National Guard yearend strength of 400,000. As of December 31, 1967 our strength was 418,000.

#### ENLISTMENT AND REP PROGRAM

Army National Guard units maintain authorized strength levels through the recruitment of non-prior-service personnel who are required to take active duty training with the Army. Under this program, the active duty for training required for all recruits varies from a minimum of 4 months to that period required for military occupational specialty (MOS) qualification. In fiscal year 1967, 109,990 recruits entered training. The average period of active duty training was approximately 5 months.

The backlog of personnel awaiting training which was a significant problem in fiscal year 1966 and fiscal year 1967 will not be a major problem in fiscal year 1968 and fiscal year 1969.

#### TRAINING ON WEEKENDS

All units are now conducting the 4-hour training assembly. This departure from the old 2-hour drill has greatly improved the training level and mobilization readiness of Army National Guard units. The weekend training (WET) concept reached its highest degree of utilization during the past training year.

In addition to the intensified training in connection with pre-mobilization preparedness, all States have developed plans for the use of National Guard forces in State emergencies. The experience of the past year highlights the importance of advance planning and carefully developed command and control methods and procedures. Intensive training in special techniques necessary for the control of civil disturbances has been completed. "Lessons learned" pamphlets and after-action reports have been distributed to all Army National Guard units.

The Army has issued additional and special equipment to Guard units which have been committed to civil disturbance duty or whose employment to such duty has appeared likely. Allowances of State security munitions have been increased.

#### TRAINING AT ARMY SERVICE AND AREA SCHOOLS

During fiscal year 1967, over 7,800 guardsmen attended courses of instruction conducted in Army service schools and Army area schools. Included in this number were 594 personnel who attended the Reserve component OCS courses conducted at Forts Benning and Sill. These are short OCS courses for Reserve component personnel only.

During fiscal year 1968, it is planned to enroll about 6,000 guardsmen in Army service schools and an additional 1,100 in Army area schools. This includes an enrollment of about 500 in the Reserve component OCS course and 254 to attend the civil disturbance senior officers orientation course at the Provost Marshal General School.

#### STATE OFFICER CANDIDATE SCHOOLS

The majority of second lieutenants of the Army National Guard are produced through the State OCS program. All States except Alaska have this program. Of the 4,300 new candidates who started this program during 1966 annual field training, 2,200 were commissioned during the summer of 1967. The enrollment of new candidates during annual field training of 1967 was 5,966.

#### ANNUAL FIELD TRAINING

During fiscal year 1967 annual field training of 15 days was conducted for all units, with 346,120 Army National Guardsmen attending, representing 98.8 percent of assigned strength available for training.

Army National Guardsmen from Alabama, Iowa, Minnesota, and New Hampshire participated in Exercise Ready Devil II at Fort Carson, Colo.; guardsmen participated in frontier assaults in Alaska, and Special Forces detachments participated in Operation Wet Sand in Puerto Rico.

Clove Hitch III, a joint-service exercise, was conducted in Puerto Rico with the Army and Air National Guard participating. The purpose of this amphibious and airborne training maneuver was to test tactical concepts in joint operations under simulated combat conditions.

Exercise Guard Strike I, the largest Army and Air National Guard joint maneuver ever held, began in June 1967 at Bakalar Air Force Base, Ind., with more than 50,000 National Guardsmen from 33 States participating with limited support by the Army Guard. The exercise, designed to test a large-scale air tactical control system and provide realistic training under a simulated combat situation, lasted 1 month.

#### UNIT TRAINING ASSEMBLY ATTENDANCE

In fiscal year 1967, percentage of attendance at inactive duty training assemblies for officers increased to 97.8. Percentage of attendance for enlisted men increased from 94.5 to 95.7. The percentage of all personnel participating in inactive duty training amounted to 95.9, an overall increase of 1.1 percentage points from the previous fiscal year.

As of December 31, the fiscal year 1968 percentage of attendance is 97.7 for officers, 97 for enlisted personnel, and 97.1 for the aggregate.

#### ARMY NATIONAL GUARD AVIATION

During fiscal year 1967, the number of aviators on flying status decreased to 1,765. A vigorous recruiting effort resulted in 155 new aviators, but the lack of quotas for primary aviator training hampers our capability to attain the overall aviator strength objective.

In fiscal year 1967 flying hours totaled 199,221, a decrease of 22,157 from fiscal year 1966. The program for fiscal year 1968 is 206,160 flying hours.

#### MILITARY OCCUPATIONAL SPECIALTY (MOS) TESTS

The Army National Guard continued MOS testing of personnel during fiscal year 1967. Results of August 1967 test cycles show that 89.8 percent achieved passing grades. When those men who qualified in their MOS during REP ACDUTRA training are added to those personnel (E-4 and above) who were tested, the MOS qualification rate is over 95 percent. This is the highest percentage ever attained.

#### EQUIPMENT

There were three major influences on Army National Guard logistics during fiscal year 1967:

(a) Priorities were established for distribution of available equipment assets and overall logistic support to Selected Reserve Force I (SRF-I) units.

(b) Equipment status improved as a result of receiving new or rebuilt equipment.

(c) Increased emphasis was placed on equipment maintenance and on improving availability of repair parts, prescribed loads, and shop stocks.

Realignment of logistic assets toward achievement of overall SRF unit support objectives has continued. Priority has been directed toward building up the SRF I equipment inventory and raising the combat serviceability level of TOE equipment on hand. Action taken to improve the SRF I unit readiness posture has included distribution of additional equipment, increased emphasis on maintenance effectiveness, development of prescribed load lists for repair parts, and procurement of prescribed loads.

#### FACILITIES AND CONSTRUCTION

The deferment of the military construction program, which began in 1964, has been partly lifted. With scheduled completion of reorganization, we should resume normal programming for fiscal year 1969. In order to preclude over or under building for the new force structure, construction has been limited to those essential facilities whose size is not subject to change by an alteration of the force structure. Under this concept, most of our construction effort has been devoted to non-armory facilities which support administration, storage, maintenance of equipment and facilities to support field training. Improvement of these facilities contributes to improving effectiveness in training and consequently to increased readiness.

During fiscal year 1967 seven armory projects and five nonarmory projects were placed under contract. During fiscal year 1968 we expect to place under contract 15 armory and 23 nonarmory projects.

In addition to projects to be placed under contract we anticipate five armory and 12 nonarmory projects will be authorized for construction and undergoing design by June 30, 1968.

Our tentative fiscal year 1969 program proposes 18 armory and 22 nonarmory projects.

## STATE DUTY

Large numbers of Army and Air National Guardsmen were called upon by the States to perform a variety of duties during the year. Many volunteer and mercy missions were also performed by National Guardsmen. Fires, floods, tornado relief duty, and other State and local emergencies caused the Governors to utilize guardsmen extensively. Guardsmen turned out in force on more than 50 occasions to suppress or forestall civil disorders.

## MILITARY SUPPORT TO CIVIL AUTHORITIES

The Office of Civil Defense conducted a national civil defense exercise in fiscal year 1967. All Army Guard staff personnel assigned to military support to civil authorities participated. The major objective of the exercise was to provide professional training for State and local civil defense personnel.

The Continental Air Command assigned an officer in a 48-paid-assembly and 15-day annual field training status to each of the State military headquarters as liaison and coordinating officer for military support to civil authorities plans. The assignment of these officers follows the concept of a multiservice staff for State military headquarters for the accomplishment of its military support to civil authorities mission.

## OVERALL BUDGETARY SIGNIFICANCE

The fiscal year 1969 budget for National Guard personnel, Army, totals \$321.3 million a decrease of \$1.3 million compared to the fiscal year 1968 program of \$322.6 million. A summary of the separate projects of this program follows:

## TRAINING—PAY GROUP A

Provided within this project are the pay, allowances, clothing, subsistence, and travel for both unit training assemblies and annual field training. There will be 33,056 officers and 335,810 enlisted personnel participating in 2 weeks' annual field training and 33,100 officers and 332,078 enlisted personnel participating in unit training assemblies at home stations and at weekend training sites. The fiscal year 1969 estimate of \$245.1 million for this project is \$13.5 million less than the fiscal year 1968 program. This decrease is attributable to the reduction in average strength from 410,753 to 400,000 and the elimination of additional drills for SRF II units in fiscal year 1969.

## TRAINING—RESERVE ENLISTMENT PROGRAM—PAY GROUP F

This provides the support for pay, travel, subsistence, and clothing for the training of non-prior-service personnel on active duty training of not less than 4 months at Army training centers. The in-training strength at the start of fiscal year 1969 is estimated to be 5,747 trainees, and support is provided for 63,600 non-prior-service personnel to enter training in fiscal year 1969. The fiscal year 1969 estimate of \$57 million is increased \$11.5 million over the fiscal year 1968 program due to an input of 63,600 in fiscal year 1969 as compared to an input of 25,900 in fiscal year 1968.

## SCHOOL TRAINING

This program provides support for pay, allowances, travel, and subsistence for the attendance of 8,968 personnel at Army service schools, and 821 at air defense training. The fiscal year 1969 estimate of \$13.3 million, an increase of \$900,000 over fiscal year 1968, is primarily attributed to per diem authorization for personnel attending service schools.

## SPECIAL TRAINING

This provides for essential special tours of full-time training duty to maintain individual and unit capability to administer, plan, and conduct training, such as preannual field training conferences, command post exercises, short notice annual practice, and statutory boards. These tours vary in length from 2 to 90 days and permit participation of individual members as well as unit staffs in training missions essential to the overall readiness posture of the Army National Guard. The fiscal year 1969 estimate of \$2.9 million is \$400,000 less than programmed for fiscal year 1968 due to the elimination of support for national and Army area matches in fiscal year 1969.

## ADMINISTRATION AND SUPPORT

This provides for pay and allowances of 92 Army National Guard officers on active duty tours with the Army under various statutory authorities; permanent change of station travel; death, disability and hospitalization benefits, and that portion of the servicemen's group life insurance which is paid by the Government. The fiscal year 1969 estimate of \$3 million is increased \$200,000 over fiscal year 1968 due to additional group life insurance costs for a 63,600 REP input in fiscal year 1969 as compared to 25,900 REP input in fiscal year 1968.

## SUMMARY

The Army National Guard maintained a high degree of mobilization readiness during fiscal year 1967. Selected Reserve Force I continued to be the most Ready Reserve component force in history during fiscal year 1968.

At the end of fiscal year 1968 with the completion of reorganization we will have a troop structure capable of responding to both Federal and State missions, with the SRF II units assigned the mobilization ready mission which it will carry into fiscal year 1969.

This concludes my statement. I will be happy to respond to any questions, to the best of my ability, which members of the committee might care to ask.

Mr. MAHON. I understand the fiscal 1968 program was reduced by \$32.5 million as a result of the zero supplemental this year. General Wilson, how have you been able to operate your program thus far in fiscal year 1968 under this reduction in funds?

General WILSON. Mr. Chairman, the basic reason for that was the fact that we had a better retention rate and required less personnel going through the REP training and, therefore, we did not need the funds that were originally appropriated for the REP program where we went from some 60,000 down to about 25,000.

## EFFECT OF NATIONAL GUARD CALLUP

Mr. MAHON. In view of your April 11, 1968, callup of 13,633 Army National Guard personnel, what reductions can be made in your fiscal year 1969 budget estimate?

General WILSON. Sir, the actual number of people called to duty will be 12,687, and the savings in 1969 will be \$9.2 million in NGPA.

Mr. MAHON. How rapidly will you be able to build up to your authorized strength level, and how will this be done?

General WILSON. Mr. Chairman, actually we are above strength at the present time. Our budget started out with 418,000 to be reduced to 400,000 at the end of June. As of March 31 we were at 407,000. So, we have still a freeze on enlisted personnel, and we expect to get down to the 400,000 by the end of this year.

As you know, sir, with this 12,000-plus called up, that will reduce the 400,000 average strength by that amount during the period of time that they are on active duty. This is under the language of the authorization bill that is now before the House and has been passed by the Senate.

## SELECTED RESERVE FORCE (SRF)

Mr. MAHON. Does the SRF II have the ability to maintain its readiness posture during fiscal year 1969?

General WILSON. I would say no, sir, it does not have the same capability as SRF I. As you know, we gave the personnel a total of 24 additional drills during 1966 and 1967 for the capability of maintaining a battalion level training. In the budget which has been presented, there are no additional drills; and this means, in my estimation, that we will not be at the battalion level which we were with SRF I. We will probably be at company-level training by the end of the year, sir.

Mr. MAHON. General, what happened to the SRF I unit after May 1?

General WILSON. As you know, sir, the plan has been all along that SRF I would be replaced by SRF II. During all the reorganization that we have had this year, we have maintained SRF I up until the time that SRF II could take its place, which will be at the beginning of May this year, sir. SRF II will become the quick reaction force after May 1, and SRF I will revert back to its normal training.

## FISCAL YEAR 1969 END STRENGTH

Mr. MAHON. General, I think you have answered this in part. You had programed a yearend strength of 400,000 men for fiscal year 1968, and your fiscal year 1969 estimates are designed to support a beginning and ending authorized strength of 400,000 officers and men.

In your statement you indicate your strength as of December 31, 1967, was 418,000 men. It would appear you would have to experience an attrition rate of 3,000 men a month to reach the 400,000 authorized figure, and this does not take into consideration your accessions during that 6-month period.

How do you propose to reach the 400,000 authorized level by July 1, 1968?

General WILSON. Sir, as I mentioned earlier, in December we put a freeze on the accessions of non-prior service personnel. As you can see, from January to the end of March our strength is reduced to 407,000. We feel with the same stringent control that we will have our strength down to the 400,000 by the 1st of July.

We are allowing some recruiting in SRF II as well as in our Air Defense units to keep them at the level we want, but we still have the freeze on the balance of the force, and we feel we will be able to reach the strength that was given to us last year.

#### GAINS IN ENLISTED PERSONNEL

Mr. SIKES. I note in your justification book on page 9 that your actual gains in enlisted personnel for the first 4 months of fiscal 1968 were far below your predicted gains this time last year. Is this trend continuing?

General WILSON. Yes, sir. We did not require the additional gains, sir, because we had a lower loss rate.

For example, we had people staying in longer, and I am sure that the authorization of people being ordered to active duty for failure to complete the 6-year obligation has certainly helped out in the retention of personnel.

#### TRAINING BACKLOG

Mr. SIKES. You have indicated that the backlog of National Guard personnel awaiting training by the Army was a significant problem in fiscal years 1966 and 1967, but not in 1968 and 1969. The Army is still training a large number of Regular Army personnel. How was this problem solved?

General WILSON. Sir, as you know, about a year ago last January we began to pick up quite a lot of REP training spaces, and we were able to reduce our backlog in 1967 to 5,605. Our normal carryover over the years has been about 15,000. We expect to have about 11,000 this year and 4,700 at the end of fiscal year 1969.

Mr. SIKES. This situation is continuing to improve satisfactorily?

General WILSON. Yes, sir. We feel it is a satisfactory program, and it is meeting our requirements, sir.

#### DECREASE OF AVIATORS IN FLYING DUTY STATUS

Mr. SIKES. You indicate that during fiscal year 1967, the number of aviators on flying status decreased to 1,765, and flying hours totaled 199,221, a decrease of 22,157 from fiscal year 1966.

Would you discuss that situation and tell us just what was involved and, if it constituted a problem, what was the cause of it?

General WILSON. Mr. Chairman, the main thing is that in prior years we had had an aviation training program for the Guard. We have not had that for the last 2 years, and we have had to depend entirely on getting people who have finished their active service coming into the program. We made a gain over the year before of about 155, but we feel that for the aircraft and the pilots we have, the hours will be satisfactory to meet the requirements.

## SHORTAGE OF AIRCRAFT

Mr. SIKES. Could you have a problem of meeting your training requirements because of a shortage of aircraft?

General WILSON. We would certainly have to use those we have quite a bit more, sir. As you know, we have very few aircraft.

Mr. SIKES. Does that create an additional maintenance problem and other difficulties? Is it limiting your training capability and affecting the output of pilots?

General WILSON. We do not think it is affecting the capability of our pilots. It does affect our unit training where we do not have sufficient aircraft actually to perform. By consolidating aircraft on our bases, which we have done, we are able to keep our pilots proficient.

Quite a few pilots have volunteered from the Guard to go to Vietnam in the past year, also, which we thought was quite commendable.

Mr. SIKES. It is commendable.

Is this a problem that is disturbing to you, or is it one that you think is controllable?

General WILSON. We personally feel that we should be able to get some pilot training spaces, and we need them badly, sir, from the Active Army, but you have priorities on what comes first, and they are required for the active establishment, and it means our recruiting must be more intense on people who have completed and gotten out of the service, and we feel we can get by with what we have now.

Mr. SIKES. This situation is likely to worsen rather than improve under present circumstances?

General WILSON. I personally think we will get some relief in about a year.

Mr. SIKES. How many aircraft have you lost to the Army during fiscal years 1967 and 1968?

General WILSON. I will have to put that in the record, sir. I do not have it with me.

(The information follows:)

There were no National Guard aircraft lost to the Active Army during fiscal year 1967.

During fiscal year 1968 ——— were withdrawn during the period 1 July to 31 December 1967 for active Army use. ——— are now being withdrawn. In addition, ——— were in possession of a unit called to active duty in the recent "Call-Up" for a total of ———.

Mr. SIKES. Is a shortage of equipment the primary problem, or is it a need for pilot training spaces?

General WILSON. I would say it is a shortage of equipment for unit training, and lack of spaces in the Active Army schools for training pilots.

Mr. SIKES. Why would a vigorous recruiting effort solve the problem?

General WILSON. It will not solve it entirely, sir, but we would do whatever we could to increase until such time as we can get pilot training spaces. That is the recruiting of officers returning from active duty having completed their 2 years.

## AVIATOR STRENGTH IN FISCAL YEAR 1968 AND 1969

Mr. SIKES. You estimate a strength of 1,800 aviators in fiscal years 1968 and 1969. These men are scheduled to engage in 206,160 and

207,147 flying hours of training during fiscal years 1968 and 1969, respectively.

In view of your 1967 experience and shortage of equipment, will you be able to attain these stated goals?

General WILSON. Yes, sir, we think we will, sir.

#### USE OF GUARDSMEN DURING CIVIL DISORDERS

Mr. SIKES. Your statement indicates that the National Guard turned out in force on more than 50 occasions to suppress or forestall civil disorders during this year. What is the total number of guardsmen committed to such duty thus far in fiscal year 1968?

General WILSON. Sir, the latest figure that we have had from the States, of people actually committed this fiscal year, has been around 72,000. Although in April we had 56,000 guardsmen who were called to duty, many of them were in the armories just in case they were needed.

We feel this year the guardsmen who have participated in riots and riot control can stand a little taller for the job they have done. In my estimation, they have done a magnificent job, sir.

Mr. SIKES. I agree.

How does this situation compare with fiscal year 1967?

General WILSON. I will supply that for the record.

(The information is supplied on page 169.)

Mr. SIKES. With the callup, plus the demand for training, is there a possibility that there will not be enough trained guardsmen to cope with civil disturbances during calendar year 1968?

General WILSON. We have looked at this very carefully in selecting the units for recall. There is no State that has been denuded of its National Guard. The greatest callup in any one CONUS State was about 53 percent. That was where, in reality, the possibility of one, from the way we looked at it, was less than in other places. This has been taken into consideration in choosing the units to be ordered to duty.

Mr. SIKES. What State was that?

General WILSON. That was in Kansas, sir. Kansas and Hawaii were the two that were the heaviest hit. We have so far no indication of a problem in Hawaii, and Kansas is small, sir.

#### TRAINING OF RESERVES TO QUELL CIVIL DISORDERS

Mr. SIKES. What provision is there for this training in the Reserves?

General SUTTON. The order that was published and is now in existence required 1 hour of orientation training, and left the Army commander with discretion to have whatever number of hours he thought they ought to have. This has ranged from 4 hours for certain service type units to 16 hours for combat-type units.

Mr. SIKES. Do you have funding for that?

General SUTTON. That was done within the regular training. Plans are now progressing to train the Reserve for active duty as an augmentation of the Active Army.

#### ADEQUACY OF GUARD TO MEET CIVIL DISORDER DUTY

Mr. LIPSCOMB. General, in regard to meeting this problem of civil disturbance you have indicated that guard military personnel have

not been stretched too thin. You mentioned one State. I have received some concern from the State of California that it perhaps is being stripped of men who should be available to serve in civil disorders. Is California in good shape in this regard?

General WILSON. California has authorized strength of the Guard of 22,508 people. Those units are authorized to be mobilized with 7 units, 1056. The most they used at Watts was 12,000 or 13,000, sir. We feel California should be in good shape.

Mr. LIPSCOMB. Even though this does not pertain directly to military personnel, it does have an affect on personnel because it is equipment. An article of May 2 in the New York Times indicates there have been requisitions sent out on instructions from the National Guard Bureau, requisitioning from some of the States equipment for units to be activated on May 13.

General WILSON. That is correct, sir.

Mr. LIPSCOMB. What is happening here? Are we stripping our National Guard units of equipment?

General WILSON. Mr. Lipscomb, I would not say we are stripping them at all. The Guard gets equipment from three places. We get it from our own resources, we get it from the Active Army depots, and also from production. There are certain critical items, such as communications and some wheeled vehicles, that are in short supply.

I think the original list that came down to us for drawdown was about 96 line items nationwide. That has now been reduced to less than 39 percent of that. We are talking now about a total of 37 line items. The balance of this will be made up.

We have looked at this very carefully. I have reviewed every State where there was a drawdown to see if we are actually bothering them from the civil disturbance standpoint or a training standpoint.

We feel by taking it across the Nation we have not really got the units in too bad shape, much more than they were already. We feel they will have equipment for training and they will have equipment necessary for civil disturbance problems.

#### SHORTAGE OF COMMUNICATIONS EQUIPMENT

Mr. SIKES. Are there instances where they do not have equipment and training which they would need for civil disturbances?

General WILSON. No, sir. The biggest problem we have is in communications. That has been the shortage. It is short all the way across the board. It is short in the Active Army as well as in the Reserve forces. That and aviation, as you mentioned earlier, are the biggest shortages as far as equipment for either active service or civil disturbances.

Mr. SIKES. Have you made an effort to get this equipment?

General WILSON. Yes, sir. I can assure you the Department of the Army is doing everything possible to get this equipment, and I feel certain that these units ordered to active duty will be equipped properly to maintain and do their job, sir.

#### POTENTIAL USE OF RESERVES FOR CIVIL DISORDER DUTY

Mr. SIKES. General Sutton, have any Reserve units been used to quell riots or other violence?

General SUTTON. Not so far.

Mr. SIKES. How would they be called for this type of duty?

General SUTTON. If Reserve units were used in connection with civil disturbances, they would be called to active duty and become a part of the Active Army and would be thus used under Active Army direction.

Mr. SIKES. Do they have the equipment?

General SUTTON. They have some of the equipment; and it would be necessary, in the event they were used, to provide them with more equipment of the type they would need in that situation.

Mr. SIKES. Are you telling me they need both training and equipment if they are to be used in this type of duty?

General SUTTON. That is correct. Certain types of equipment.

Mr. SIKES. Will you provide for the record more detail on this situation, what is needed and what you have attempted to do and what recommendations have been made in order to be prepared to cope with this particular situation?

General SUTTON. Yes, sir.

(The information follows:)

#### ARMY RESERVE

Subsequent to the April riots the Army staff was directed to prepare a plan to train and equip appropriate US Army Reserve units for civil disturbance operations. A plan was prepared which provided for the training of approximately 200,000 members of the Army Reserve in units which could appropriately receive the training and be employed in a civil disturbance control mission. The training program consists of 33 hours for units and 18 hours of staff training. This training will be completed prior to 17 June 1968. The plan also provides for a provisional organization of Brigade Task Forces located in and around our metropolitan areas. These provisional brigades are to be integrated into the overall plan for control of civil disturbances. We have also made arrangements to send key commanders and staff personnel at brigade level to the Civil Disturbance Orientation Course conducted at the US Army Military Police School at Fort Gordon, Georgia. Use of the Army Reserve forces is possible when they are ordered to active duty under Public Law 89-687, the authority for which will expire on 30 June 1968. Use of the Army Reserve in a civil disturbance mission after 30 June would necessitate the enactment of similar legislation.

We are presently in the process of determining what equipment is needed and action is being taken to provide that equipment or to arrange for the use of suitable commercial substitutes. We know that some types of special riot control equipment not previously authorized the units will have to be provided. The precise equipment requirements will be known as soon as all the organization and equipment shortage reports have been received. Army Reserve units are not to be employed until properly trained and equipped. I participated fully in the formulation of the plan into which all my recommendations were incorporated.

#### SHORTAGE OF EQUIPMENT

Mr. LIPSCOMB. This article I referred to goes on to say that one adjutant general, who asked not to be identified, said his State was losing so many radios that its National Guard organization's ability to deal with possible riots this summer would be adversely affected.

General WILSON. I wish I knew who that adjutant general was, sir, because I think the most any one State lost of radios was 12. I have that article right here. I know when it was discussed. It was discussed at Boston. We discussed with all the adjutant generals at the time of the meeting in Boston last week. I know no complaints at all from the adjutant generals of the original list which was about 53 percent greater than the other one, sir.

Mr. LIPSCOMB. Everything that is coming out right now causes great concern. The report issued April 30 by the Committee on Armed Services, U.S. Senate, Investigation of the Preparedness Program, named three Army National Guard brigades that were apparently, according to their investigation, in pretty bad shape.

General WILSON. Communicationwise, brandnew equipment, yes, sir, they are in bad shape.

We have right now, sir, across the board, equipmentwise, in our SRF units only about \_\_\_\_\_ percent of the equipment that is required in their hands.

Mr. LIPSCOMB. If you find it necessary to draw even more equipment away from the Guard for these units that are being activated, it certainly leaves the units that are left even more ill equipped. Yet, in a letter of November 6, 1967 when the Secretary set up these changes, he said that the Army's equipment procurement program will not be augmented.

What is happening to us here? The Guard must be getting in a real sad shape.

General WILSON. Mr. Lipscomb, the problem is really simple to explain. It is the equipment that was bought for the Reserve was mobilized, and the units left at home. We have the same equipment that we had before.

Mr. LIPSCOMB. But the troops that are left at home have a mission, do they not?

General WILSON. Yes, sir; they have a very definite mission. In other words, we have gone through this complete reorganization with a full understanding that these units would be equipped, that they would be supported at 100 percent of the criteria, sir; but we have not gotten the equipment.

Mr. LIPSCOMB. What do we have to do? Everything adds up to the plain fact that we are underequipped. I will not at the moment say understrength, even though I feel that way myself when you now start drawing out for active duty. What should be done? We cannot just sit here and watch it happen.

General WILSON. The only thing I know is money and time to get the equipment that is necessary. The way I look at it, until such time as the war is over, the equipment that we have procured for the Reserve forces is on active duty and we are not.

Mr. SIKES. General, we have been assured in this committee year after year that your equipment would be made available for the Reserve components, that they were going to have the advantage of equipment that they need. It has never yet taken place as spelled out or justified in the budget. Invariably, when new equipment was procured, something happened that the Regular units got it and the Reserve components took what was left.

How are we going to get around that without appropriating a great deal more and tagging it for the Reserve components? I do not know.

#### NUMBER OF GUARDSMEN COMMITTED TO CIVIL DISORDER DUTY

The National Guard turned out in force on more than 50 occasions to suppress or forestall civil disorders during this year. For the record, give us the total number of guardsmen committed to such duty thus far in fiscal 1968 and tell us how this compares with fiscal 1967.

(The information follows:)

In fiscal 1968 to date approximately 72,000 Guardsmen have been committed to civil disorder duty as compared to approximately 18,000 in fiscal 1967.

Mr. SIKES. For the record, tell us what additional costs were incurred through increased use of National Guard units for civil disturbance duty during fiscal year 1968 and fiscal 1967.

(The information follows:)

Costs relating to use of Army National Guard troops in civil disorders cannot be identified. When National Guard personnel are called to State duty the costs are paid by the State concerned. When the guardsmen are federalized, costs are paid from the active Army appropriations.

Additional civil disturbance training has been conducted within the authorized 48 training assemblies. No additional funds have been provided for this training to date.

Additional equipment for civil disturbances has been provided within currently authorized allowances.

#### ADDITIONAL AND SPECIAL EQUIPMENT

Mr. SIKES. In your statement, General Wilson, you indicated the Army has issued "additional and special equipment" to Guard units for use during civil disturbance duty. What kind of additional and special equipment was issued?

General WILSON. We have been issued such items as searchlights, floodlights, M-3 and M-106 dispensers, M-79 grenade launchers, shot-guns, sniper rifles, riot control 40-mm. cartridges, and public address systems.

#### GUARD TRAINING IN CIVIL DISORDER DUTY

Mr. SIKES. I think this has been touched on. I am not sure. For the record, in case further information is needed, have all guardsmen had training in civil disturbance duty, and tell us the nature and extent of this training?

(The information follows:)

All Guardsmen, with minor exceptions, completed by 1 November 1967, a 32-hour training program. This training consisted of lectures and demonstrations in military leadership; responsibilities and discipline; riot control formation; riot control agents and munitions; command responsibilities; and, an 8-hour field training exercise. Additionally, all unit staffs conducted a 16-hour course of instruction on riot control and civil disturbances. At the present time a 32-hour course in leadership is being conducted for junior officers.

Mr. SIKES. Now tell us whether you think their training is adequate.

General WILSON. As you know, back in August and September last year there was a program of 32 additional hours required for civil disturbance training. All guardsmen, including many Air Guard, had 30 or 32 hours of training.

Beginning this year with the new subject schedule put out at CONARC, there is a requirement that these units get a minimum of 4 hours additional refresher training and then those hours that the States feel are necessary above that. They are running from 32 down to 4 hours, depending on time.

We have had a new program on leadership for junior officers which has been in effect for the past 2 months and will be completed before the end of May.

We feel and I think the States feel that the training which has been given meets the requirements, and I think our demonstrations during the 2 weeks in April when we had this large body of guardsmen out, show the capability of the Guard to do the job has been very definitely increased by the training we had, sir.

#### ADDITIONAL TRAINING AND EQUIPMENT REQUIREMENTS

Mr. SIKES. I think you have done a very commendable job, and this committee wants you to have whatever additional training and equipment you need.

In order to be sure the record is complete, I would like you to spell out any additional recommendations that you have on either training or equipment for this purpose.

General WILSON. I would be glad to.

Mr. SIKES. Will you do the same for the Army Reserve, General Sutton?

General SUTTON. Yes, sir.

(The information follows:)

#### ARMY NATIONAL GUARD

All Army National Guard units in those states with high potential areas should be authorized eight (8) unit training assemblies, and those in states with low potential areas four (4) unit training assemblies in addition to the forty-eight (48) normally authorized during a fiscal year, to conduct additional and refresher training in civil disturbance operations and training.

Equipment considered of high priority are Armored Vests, communications equipment, sleeping bags, additional winter clothing, bayonets, and special military police items.

(The Army Reserve information is on p. 167.)

#### AIR DEFENSE TRAINING

Mr. SIKES. Mr. Lipscomb.

Mr. LIPSCOMB. On page 26 of the justification book, there is a heading, "Air Defense Training," 194 officers and 627 enlisted men. Are these the experts in air defense in the National Guard?

General WILSON. The 194 and the 627 are the training requirements in the Army area schools for the personnel. This is part of the some 5,000 National Guardsmen who are in the Nike-Hercules program. This is for the training of replacements due to loss and for new hire there, sir.

Mr. LIPSCOMB. Where do these guardsmen receive this training?

General WILSON. In the Active Army schools, sir.

Mr. LIPSCOMB. Which ones?

General WILSON. Fort Bliss, most of them, in the Nike-Hercules program, sir. They are required also to go there for their unannounced firing, short-notice annual practice firing, called SNAP.

#### ADEQUACY OF TRAINING AT FORT BLISS

Mr. LIPSCOMB. Are they getting the kind of training at Fort Bliss that the Guard is happy with and satisfied with?

General WILSON. Yes, sir. We are proud of this program and the training we get at Bliss because, generally speaking, the Guard wins most of the Active Army trophies for having the outstanding units in

the air defense picture. One unit this year scored 100 percent for the second time in the history of the school there.

Mr. LIPSCOMB. A National Guard soldier wrote me some allegations about his training at Fort Bliss. He said that the training he received could have easily been condensed into 4 weeks instead of the usual 8. I made inquiry and in the reply back to me the Army official said that "all training is directed to the slowest learning individual. In many cases, soldiers who possess the faculties to learn rapidly often feel the training is repetitious and tedious."

Are you aware of this policy at Fort Bliss?

General WILSON. No, I am not. I know normally they take what it takes for the average person to complete the course, but I did not know of that.

Mr. LIPSCOMB. I should think Fort Bliss would train to the average.

General WILSON. I thought that was normally the policy, sir. I did not know it was for the slowest.

Mr. LIPSCOMB. He also alleged that weapons used as antiaircraft weapons in World War II are now being used in Vietnam as anti-personnel weapons.

General WILSON. That is the M-42, I am pretty sure, which is the old tube antiaircraft weapon. It is an excellent antipersonnel weapon.

Mr. LIPSCOMB. But it is correct they are World War II and Korea weapons?

General WILSON. That is correct, sir.

Mr. LIPSCOMB. He also alleged some of the cadre never loaded or knew how to load weapons.

General WILSON. I am surprised at that, sir. I have been down to the school when they were going through it, and it seemed to me it was a very thorough training.

Mr. LIPSCOMB. In this official reply to me from Fort Bliss it says:

Some of the assistant instructors who are returnees from Vietnam were not qualified in both the M-42 and the M-55 weapon since the weapons are employed separately as either an M-42 or M-55 battery. The assistant instructors are familiar with one or the other of the two weapons systems. There are always qualified instructor personnel present in the area who are able to answer any questions that cannot be answered by the assistant instructor.

General WILSON. The M-42's have not been in the Active Army until Vietnam, sir, and there have not been too many of them there. They have been in the Guard program for quite some time. We still have batteries of the M-42, sir.

Mr. LIPSCOMB. This young man is not complaining about his service. He wants to be a top-notch soldier. This is in the interests of becoming one.

General WILSON. We will be glad to take it up with Bliss. I have not gotten that complaint before, sir.

Mr. LIPSCOMB. I think they adequately answered me, but I also think this guardsman was interested in speeding up and getting into it and on with it. I think his allegations were well founded, and I think the answers would cause the headquarters, Air Defense Center, to look into their policies a little bit.

General, would you look at that statement of policy that all training is directed to the slowest learning individual?

General WILSON. Yes, sir; I will be glad to look at this.

Mr. LIPSCOMB. I should think this would slow up the training process and would lower the morale of men taking the course.

General WILSON. I will look at it and I will discuss it with the people there.

“THE NATIONAL GUARD, FEDERAL/STATE SUPPORTED MILITARY ESTABLISHMENT”

Mr. LIPSCOMB. Mr. Chairman, I would like to call the attention of the committee to a very interesting and detailed article that General Wilson wrote for the U.S. Army Audit Agency in the spring issue of 1968. It is a very complete article expressing the background and the calling of the National Guard. It is entitled “The National Guard, Federal/State Supported Military Establishment.” It contains a lot of good history.

General WILSON. They asked me to do that for them this last spring, sir.

Mr. LIPSCOMB. Thank you, Mr. Chairman.

REORGANIZATION OF RESERVES

Mr. FLOOD. General Sutton, for many years around here Mr. Sikes and I have been the bulwark in support of the Reserves. We have fought Secretaries of Defense, Assistant Secretaries of Defense, Secretaries of War, and Assistant Secretaries of War since the War Between the States, trying to preserve the Reserves.

Since the reorganization took place, has there been any change made in the order after it was issued? You took the Reserves apart and you put them back together again. Since that was done, some units were abolished, other units were placed here and there, and some other parts someplace else—scattered all over the lot. To your knowledge, has there been any change made in the original alinement any place, any time, anywhere, for any reason?

General SUTTON. I do not recall any. As far as I know, sir, I do not know of any change that has been made in the location of the units in the reorganization, but I do know that some are contemplated.

Mr. FLOOD. Maybe that is the word. I am famous for my vocabulary. I forgot that.

General SUTTON. Before the reorganization, before 1964 particularly, we had somewhere in the neighborhood of 100 unit changes per year. They were made on the basis of justification.

Mr. FLOOD. Skipper, you know what I am talking about. You and I went into this thing at some length.

General SUTTON. Yes, sir. I remember very well.

Mr. FLOOD. I got stabbed in the back by the 1st Army which I wet nursed like pigeons while we were making a shift in the Army Corps when these people were two-strippers, trying to help them, putting the 1st Army together at this table. There was a lot of fight. But they stuck a knife in my back when they took the Reserves apart in Flood's hometown, Hazleton, Pa.

Either they didn't care about Flood, or they didn't know. Either one is bad. They should have known. If they did know, it is pretty hard to figure out. They took my Reserve unit.

We took an Assistant Secretary up there and a couple of generals, and I broke the ground about two blocks from where I was born. I was a hero. I built the Reserve. I poured the cement. I went down there

and cut the ribbons. We held parades. We were the greatest outfit in the world. Napoleon was a bum compared to Flood.

Then the 1st Army took it apart, bit by bit. They never said a word to me. I got a telephone call from a newspaper editor and a radio station announcer. He read me the announcement over the telephone.

How do you like that? You would think I was on the Post Office and Civil Service Committee. Maybe I should have been.

How much of this decision was left in the hands of the 1st Army? All right, McNamara and his band decide to execute the program, so they say, "Army, do the following." Army says, "OK, Mac." and the Army puts it into operation.

What did the Army do? Send it out to the Army Commanders? Did they say to the 1st Army, "This is your jurisdiction and this is what you have to do. You do it at 1st Army." Is that the way it was done, General?

General SUTTON. Pretty close to the latter of what you said, sir. We went from 270,000 strength for a certain number of units, down to 260,000 strength. This required the elimination of quite a number of units that we had had.

We sent the instructions down to CONARC from the Department of the Army and said, "This is your new strength. Come in with a stationing plan as to where you will have the following units."

We gave them the designation of these types of units and the numbers of them.

We instructed them very carefully to try to utilize every individual who was in a unit at the time the reorganization was started so they could still be in when the reorganization was completed. We made every effort to keep the men in some unit in the new structure.

They made the plan at 1st Army and sent it to CONARC.

Mr. FLOOD. Then it came to Washington?

General SUTTON. Yes, sir.

Mr. FLOOD. What did you fellows in Washington do? Put your imprimatur on it and let it go?

General SUTTON. No, sir.

Mr. FLOOD. Did anybody take a look at the case I am talking about? Nobody did. Did anybody take a look at this case of taking the troops in Hazleton apart?

I have had letters from everybody except some ghost.

Did anybody ever take a look at that until I talked to you?

General SUTTON. Yes, sir. The plan was reviewed at CONARC and at Department of the Army. As a matter of fact, the first set of plans that came in was sent back. In too many instances a unit had been inactivated and no unit put in its place.

They redid the plans and came back to my office, and a review took place in my office. We had a representative from CONARC and from the Army.

Mr. FLOOD. Who was the commanding officer of 1st Army during the time this all went on?

General SUTTON. General Seaman would be the commander of 1st Army.

Mr. FLOOD. Who is the officer who handled the job? Who was the officer at 1st Army who decided, and also the man following him? Do you know who they would be? How high a rank did they have?

General SUTTON. The man who actually did work on the plan?

Mr. FLOOD. Who gave birth to this?

General SUTTON. I think he probably had some help from the corps. I understand it was Colonel West at 1st Army who worked on it.

Mr. FLOOD. Was there a yardstick handed down to them by Washington as to how they would make these decisions, or does the Army have its own yardstick to decide what they best thought should be done in their area?

General SUTTON. We did specify that we wanted the greatest number of people who had been in units to be placed in the new units. We also gave them a list of new units they had to use.

Mr. FLOOD. That sounds like sending the devil to investigate hell. You turn it over to the Corps which has been fighting the Reserves since you were born, turn it over to them and say, "All right, Mr. Devil. Here's hell. Take care of it." Wow!

Of course, they are adamant in their position? They are so right, are they? Is this frozen in concrete?

General SUTTON. They were convinced this was the proper way.

Mr. FLOOD. I am convinced they were wrong. Tell them I said so.

I hope the commanding general and the staff in the 1st Army do not make many mistakes. Tell them I said so.

General SUTTON. Yes, sir.

Mr. FLOOD. Just so they know.

That is all, Mr. Chairman.

Mr. MAHON. All right, Mr. Flood.

Mr. FLOOD. I might add that up to this minute, despite all the correspondence I have had with you and the Secretary of the Army and everybody except the elevator operator out here, I have never had any communication by telephone, mail, or carrier pigeon from anybody in that command, and they have known me long and well. Not a word. Not a sound.

I don't like that either.

#### PHASEOUT OF U-19 HELICOPTERS

Mr. MAHON. General Wilson, Col. Louis A. Howard, of the Texas Air National Guard, has been in touch with me in regard to the phase-out of all the UH-19 helicopters.

Do I understand that you propose to phase all of them out not later than May 31, 1968?

General WILSON. No, sir; not me. The Department of the Army sent a directive that they would be phased out by the end of May of this year.

We have reclamaed that action and we have gotten approval now that we may keep them until September 30 and can resubmit to them a proposal as to how we would maintain them after that date.

It is our opinion that we should keep these, by cannibalization and other means, and by buying off-the-shelf commercial parts, to maintain these because this would be a serious blow to our training if we had to phase out these UH-19's, sir.

However, we did get approval after I reclamaed it to keep those through September, and then we plan further discussion with them for later on.

Mr. MAHON. Colonel Howard would accept this as a step in the right direction, I would assume.

General WILSON. Yes, sir.

Mr. MAHON. You agree that a useful purpose is being served by the utilization of these helicopters?

General WILSON. No question about it.

Mr. MAHON. Can you safely use them?

General WILSON. Yes, sir; we can safely use them. What we have to do, though, is by cannibalization, rebuild and repair. This is something we have been doing for a long time in the Guard, sir.

Mr. MAHON. Thank you very much.

We are pleased to have had you gentlemen before us.

General WILSON. We thank you very much, Mr. Chairman, for having us.

TUESDAY, MAY 7, 1968.

MILITARY PERSONNEL, NAVY  
and  
RESERVE PERSONNEL, NAVY

WITNESSES

REAR ADM. BERNARD M. STREAN, U.S. NAVY, DEPUTY CHIEF OF NAVAL PERSONNEL

VICE ADM. R. B. BROWN, U.S. NAVY, CHIEF, BUREAU OF MEDICINE AND SURGERY

REAR ADM. E. E. GRIMM, U.S. NAVY, OFFICE OF THE NAVY COMPTROLLER, DIRECTOR OF BUDGET AND REPORTS

CAPT. R. W. CARTER, U.S. NAVY, COMPTROLLER, BUREAU OF NAVAL PERSONNEL

CAPT. J. R. BERTRON, U.S. NAVY, NAVAL RESERVE PLANS DIVISION, OFFICE OF THE CHIEF OF NAVAL OPERATIONS

CAPT. A. L. BURGESS, U.S. NAVY, AVIATION TRAINING DIVISION, OFFICE OF THE CHIEF OF NAVAL OPERATIONS

CAPT. J. B. BOCK, U.S. NAVAL RESERVE, COORDINATOR FOR THE NAVAL AIR RESERVE, OFFICE OF THE DEPUTY CHIEF OF NAVAL OPERATIONS FOR AIR

Mr. MAHON. This morning we are pleased to have representatives of the Navy for the purpose of discussing military personnel requirements of the Department of the Navy.

In fiscal year 1968, the Navy received an appropriation of \$4,029,100,000 for military personnel. The proposed revisions under the net zero budget adjustments would increase this amount by \$20.9 million, and an expected supplemental request would increase this amount an additional \$116,012,000, for a proposed total availability of \$4,166,012,000 for fiscal 1968.

The budget estimate for fiscal year 1969 is \$4,340 million an increase of \$173,988,000 over funds proposed to be available in fiscal 1968.

We will insert at this point the appropriate pages from the justifications.

"MILITARY PERSONNEL, NAVY

"For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; **[\$4,029,100,000] \$4,340,000,000.**"

DEPARTMENT OF THE NAVY  
MILITARY PERSONNEL, NAVY

Program and Financing (in thousands of dollars)		1967 actual	1968 estimate	1969 estimate
07-05-1453-0-1-051				
Program by activities:				
Direct program:				
1.	Pay and allowances of officers. . . . .	886,475	940,484	977,793
2.	Pay and allowances of enlisted. . . . .	2,495,890	2,649,696	2,781,279
3.	Pay and allowances of cadets. . . . .	10,847	10,536	10,604
4.	Subsistence of enlisted personnel . . . . .	295,974	309,810	319,243
5.	Permanent change of station travel. . . . .	216,556	226,016	224,943
6.	Other military personnel costs. . . . .	18,457	29,470	26,138
	Total direct program . . . . .	3,924,199	4,166,012	4,340,000
Reimbursable program:				
1.	Pay and allowances of officers. . . . .	1,514	1,800	1,800
2.	Pay and allowances of enlisted. . . . .	1,492	1,900	1,900
4.	Subsistence of enlisted personnel . . . . .	29,183	29,200	29,200
5.	Permanent change of station travel. . . . .	32	100	100
	Total reimbursable program . . . . .	32,221	33,000	33,000
10	Total obligations. . . . .	3,956,420	4,199,012	4,373,000

DEPARTMENT OF THE NAVY  
MILITARY PERSONNEL, NAVY

Program and Financing (in thousands of dollars) -- continued

07-05-1453-0-1-051		1967 actual	1968 estimate	1969 estimate
<u>Financing:</u>				
Receipts and reimbursements from:				
11	Federal funds . . . . .	-14,739	-16,340	-16,340
13	Trust funds . . . . .	-1	-	-
14	Non-Federal sources <sup>1</sup> . . . . .	-17,481	-16,660	-16,660
25	Unobligated balance lapsing . . . . .	2,237	-	-
	New obligational authority . . . . .	3,926,436	4,166,012	4,340,000
New obligational authority:				
40	Appropriation . . . . .	3,950,600	4,029,100	4,340,000
41	Transferred to other accounts . . . . .	-24,164	-	-
42	Proposed transfer from other accounts	-	20,900	-
43	Appropriation (adjusted) . . . . .	3,926,436	4,050,000	4,340,000
44	Proposed supplemental for military pay act increases.	-	116,012	-

DEPARTMENT OF THE NAVY  
MILITARY PERSONNEL, NAVY

Program and Financing (in thousands of dollars) -- continued

	19 67 actual	19 68 estimate	19 69 estimate
07-05-1453-0-1-051			
Relation of obligations to expenditures:			
10 Total obligations . . . . .	3,956,420	4,199,012	4,373,000
70 Receipts and other offsets (Items 11-17) . . . . .	-32,221	-33,000	-33,000
71 Obligations affecting expenditures . . . . .	3,924,199	4,166,012	4,340,000
Obligated balance, start of year			
72.40 Appropriation . . . . .	72,193	137,226	278,238
72.49 Contract authorization . . . . .	22,357	23,568	23,568
Obligated balance, end of year:			
74.40 Appropriation . . . . .	-137,226	-278,238	-318,238
74.49 Contract authorization . . . . .	-23,568	-23,568	-23,568
77 Adjustments in expired accounts . . . . .	-4,483	-	-
85 Increase in indefinite contract authorization of prior years (adjustment in expired accounts) . . . . .	1,210	-	-
90 Expenditures excluding pay increase supplemental . . . . .	3,854,683	3,908,988	4,300,000
91 Expenditures from military pay act supplemental . . . . .	-	116,012	-
Expenditures are distributed as follows:			
01 Out of current authorizations . . . . .	3,800,612	3,940,000	4,215,000
02 Out of prior authorizations . . . . .	54,071	85,000	85,000

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

DEPARTMENT OF THE NAVY  
MILITARY PERSONNEL, NAVY

Status of Unfunded Contract Authorization (in thousands of dollars)

	19 67 actual	1968 estimate	19 69 estimate
07-05-1453-0-1-051			
Unfunded balance, start of year. . . . .	22,357	23,568	23,568
Contract authorization . . . . .	1,210	-	-
Unfunded balance, end of year. . . . .	-23,568	-23,568	-23,568
Appropriation to liquidate contract authorization . . . . .	-	-	-

DEPARTMENT OF THE NAVY  
MILITARY PERSONNEL, NAVY

Object Classification (in thousands of dollars)		19 67 actual	19 68 estimate	19 69 estimate
07-05-1453-0-1-051				
Direct obligations:				
11.7	Personnel compensation: Military . . . . .	2,734,414	2,925,004	3,041,243
12.1	Personnel benefits, military . . . . .	792,264	821,176	870,408
21.0	Travel and transportation of persons. . . . .	102,902	106,740	104,909
22.0	Transportation of things . . . . .	78,169	82,655	83,419
25.1	Other services . . . . .	10,828	11,448	11,482
26.0	Supplies and materials . . . . .	202,675	213,641	222,205
42.0	Insurance claims and indemnities . . . . .	2,694	3,913	3,749
43.0	Interest and dividends . . . . .	253	1,435	2,585
	Total direct obligations . . . . .	3,924,199	4,166,012	4,340,000
Reimbursable obligations:				
11.7	Personnel compensation: Military . . . . .	2,016	2,549	2,549
12.1	Personnel benefits, military . . . . .	873	1,041	1,041
21.0	Travel and transportation of persons . . . . .	32	100	100
26.0	Supplies and materials . . . . .	29,300	29,310	29,310
	Total reimbursable obligations . . . . .	32,221	33,000	33,000
99.0	Total obligations . . . . .	3,956,420	4,199,012	4,373,000

Department of the Navy  
Military Personnel, Navy

APPROPRIATION INTRODUCTION

(In thousands)

	1967 Actual	1968 Estimate	1969 Estimate
Total direct obligations	\$3,924,199	\$4,166,012	\$4,340,000
Proposed transfer from other accounts	-	-20,900	-
Proposed supplemental due to military pay increase	-	-116,012	-
Net adjustments	26,401	-	-
Appropriation	3,950,600	4,029,100	4,340,000

Pay, allowances, subsistence, clothing, permanent change of station travel and other personnel costs authorized by law and regulation for Regular and Reserve personnel on active duty, aviation cadets, and midshipmen at the Naval Academy are funded under the appropriation "Military Personnel, Navy".

The number of officers and enlisted personnel to man and support the operating ships and aircraft of the Navy are used as the basis to estimate funding requirements. Provision is also made for training of personnel to provide operating and support personnel in future years.

Officer promotions are those necessary for career planning commensurate with law and military requirements. Service in grade is being controlled within the provisions of law and distribution in the senior grades remains within limitations. Enlisted advancements are necessary to attain top six enlisted pay grade numbers authorized.

Statutory rates, authorized allowances, and current prices, as applicable, have been used to estimate requirements.

The fiscal year 1969 request for \$4,340,000 will provide funds for an average of 776,888 man years. In addition the estimate includes the costs for a full year implementation of the military pay act increase effective 1 October 1967. Personnel strengths are summarized as follows:

Department of the Navy  
Military Personnel, Navy

APPROPRIATION INTRODUCTION--Continued

SUMMARY OF MILITARY PERSONNEL STRENGTH

	FY 1967 Actual		FY 1968 Planned		FY 1969 Planned	
	Man Years	End Strength 30 June 1967	Man Years	End Strength 30 June 1968	Man Years	End Strength 30 June 1969
<u>DIRECT PROGRAM</u>						
Officers . . . . .	80,338	81,559	83,397	85,449	88,050	90,582
Enlisted . . . . .	662,562	664,841	663,589	677,941	684,700	699,158
Academy Midshipmen . . . . .	4,106	4,399	4,150	4,243	4,138	4,243
Aviation Cadets . . . . .	304	92	11	0	0	0
Subtotal	747,310	750,891	751,147	767,633	776,888	793,983
<u>REIMBURSABLE PROGRAM 1/</u>						
Officers . . . . .	120	118	148	148	148	148
Enlisted . . . . .	391	385	419	419	419	419
Subtotal	511	503	567	567	567	567
<u>TOTAL PROGRAM</u>						
Officers . . . . .	80,458	81,677	83,545	85,597	88,198	90,730
Enlisted . . . . .	662,953	665,226	664,008	678,360	685,119	699,577
Academy Midshipmen . . . . .	4,106	4,399	4,150	4,243	4,138	4,243
Aviation Cadets . . . . .	304	92	11	0	0	0
TOTAL	747,821	751,394	751,714	768,200	777,455	794,550

1/ Military personnel assigned to agencies outside of Department of Defense on a reimbursable basis under the provisions of 10 USC 5416.

Department of the Navy  
Military Personnel, Navy

SUMMARY OF OBLIGATIONS

(In thousands)

Bud. Act. No.	Budget Activity	1967 Actual	1968 Estimate	1969 Estimate	Difference 1969 Compared with 1968	Justification page
1	Pay and allowances of officers	\$886,475	\$940,484	\$977,793	\$37,309	1-10
2	Pay and allowances of enlisted personnel	2,495,890	2,649,696	2,781,279	+131,583	1-29
3	Pay and allowances of cadets and midshipmen	10,847	10,536	10,604	+68	1-50
4	Subsistence of enlisted personnel	295,974	309,810	319,243	+9,433	1-55
5	Permanent change of station travel	216,556	226,016	224,943	-1,073	1-63
6	Other military personnel costs	18,457	29,470	26,138	-3,332	1-96
Total direct obligations in budget document		3,924,199	4,166,012	4,340,000	+173,988	

Department of the Navy  
Military Personnel, Navy

BUDGET ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS

(In thousands)

	Project	1967 Actual	1968 Estimate	1969 Estimate
1	Basic pay	\$626,908	\$671,399	\$702,802
2	Incentive pay for hazardous duty	57,562	58,212	57,514
3	Special pay	17,795	21,092	21,607
4	Basic allowances for quarters	85,677	89,135	91,608
5	Basic allowance for subsistence	46,146	47,917	50,590
6	Station allowances overseas	5,385	4,367	4,281
7	Uniform allowances	2,706	2,876	2,909
8	Family separation allowances	4,662	2,828	3,130
9	Separation payments	18,375	19,589	18,223
10	Social security tax - employer's contribution	21,259	23,069	25,129
	Total	886,475	940,484	977,793

Department of the Navy  
Military Personnel, Navy

Officer Personnel Plan - Average Strength - Fiscal Year 1968

Begin 81,559 - End 85,449 - Average 83,397

Commissioned Officers	LINE	MC	DC	SC	CEC	ChC	MSC	NC	JAG	TOTAL	% Dis-tribution
ADM	9	--	--	--	--	--	--	--	--	9)	
VADM	35	--	--	--	--	--	--	--	--	35)	
RADM-UH	93	8	2	9	2	1	--	--	--	115)	.39
RADM-IH	124	8	2	10	5	1	--	--	--	152)	
CAPT	2,976	316	308	301	124	80	72	5	91	4,273	5.39
CDR	6,324	438	264	616	255	248	201	113	82	8,541	10.78
LCDR	10,613	1,184	305	988	355	339	315	757	76	14,932	18.85
LT	18,184	2,710	1,066	1,487	348	344	415	513	339	25,406	32.06
LTJG	11,568	--	--	1,091	587	60	301	619	40	14,266	18.01
ENS	9,402	--	--	1,080	335	--	206	479	--	11,502	14.52
Total	59,328	4,664	1,947	5,582	2,011	1,073	1,510	2,186	630	79,231	100.00
Warrant officers											
W-4	498	--	--	76	11	--	40	--	--	625	15.00
W-3	308	--	--	34	11	--	26	--	--	379	9.09
W-2	551	--	--	48	14	--	--	--	--	613	14.71
W-1	2,287	--	--	237	25	--	--	--	--	2,549	61.19
Total	3,644	--	--	395	61	--	66	--	--	4,166	100.00

Department of the Navy  
Military Personnel, Navy

Officer Personnel Plan - Average Strength - Fiscal Year 1969

Begin 85,449 - End 90,582 - Average 88,050

Commissioned officers	LINE	MC	DC	SC	CBC	ChC	MSC	NC	JAG	TOTAL	% Dis-tribution
ADM	9	--	--	--	--	--	--	--	--	9)	
VADM	35	--	--	--	--	--	--	--	--	35)	
RADM-UH	93	8	2	9	2	1	--	--	--	115)	.37
RADM-LH	126	8	2	10	6	1	--	--	2	155)	
CAPT	3,012	303	292	314	118	92	65	5	82	4,283	5.12
CDR	6,381	552	297	625	270	248	196	121	71	8,761	10.48
LCDR	10,625	1,023	316	1,045	348	317	310	692	71	14,747	17.64
LT	19,607	2,661	1,061	1,566	347	334	466	698	388	27,128	32.44
LTJG	10,490	--	--	948	739	86	--	648	29	13,257	15.86
ENS	12,983	--	--	1,146	261	--	210	523	--	15,123	18.09
Total	63,361	4,555	1,270	5,663	2,091	1,079	1,564	2,687	643	83,613	100.00
<u>Warrant officers</u>											
W-4	558	--	--	73	12	--	31	--	--	674	15.19
W-3	123	--	--	12	7	--	14	--	--	156	3.51
W-2	1,315	--	--	166	34	--	--	--	--	1,515	34.15
W-1	1,869	--	--	217	6	--	--	--	--	2,092	47.15
Total	3,865	--	--	468	59	--	45	--	--	4,437	100.00

Department of the Navy  
Military Personnel, Navy

DETAILED COMPUTATIONS

Budget Activity 1: Pay and Allowances of Officers

	1968 Estimates			1969 Estimates		
	Number	Rate	Amount (thous)	Number	Rate	Amount (thous)
<u>(1) Basic pay</u>						
Admiral (ONO)	1	\$27,616.00	\$28	1	\$27,986.00	\$28
Admiral	8	25,000.00	200	8	25,366.00	203
Vice admiral	35	22,085.00	773	35	22,381.00	783
Rear admiral (UH)	115	19,904.00	2,289	115	20,178.00	2,320
Rear admiral (IH)	152	17,309.00	2,631	155	17,546.00	2,720
Captain	4,273	14,403.00	61,544	4,283	14,595.00	62,511
Commander	8,541	11,792.00	100,713	8,761	11,915.00	104,386
Lieutenant commander	14,932	9,452.00	141,142	14,747	9,559.00	140,972
Lieutenant	25,406	8,004.00	203,355	27,128	8,060.00	218,673
Lieutenant (JG)	14,266	5,935.00	84,668	13,257	5,942.00	78,771
Ensign	11,502	4,061.00	46,707	15,123	4,080.00	61,696
Warrant officers W-4	625	9,458.00	5,911	674	9,541.00	6,431
W-3	379	7,891.00	2,991	156	8,013.00	1,250
W-2	613	6,650.00	4,076	1,515	6,701.00	1,022
W-1	2,549	5,638.00	14,371	2,092	5,701.00	11,926
Total (1)	<u>83,397</u>		<u>671,399</u>	<u>88,050</u>		<u>702,802</u>

Department of the Navy  
Military Personnel, Navy

Budget Activity 1: Pay and Allowances of Officers

	1968 Estimates			1969 Estimates		
	Number	Rate	Amount (thous)	Number	Rate	Amount (thous)
(2) <u>Incentive pay for hazardous duty</u>						
(a) <u>Flying duty</u>						
(1) Crew						
Flag officer 0-10	4	\$1,980.00	\$8	4	\$1,980.00	\$8
Flag officer 0-9	12	1,980.00	24	12	1,980.00	24
Flag officer 0-8	38	1,980.00	75	38	1,980.00	75
Flag officer 0-7	54	1,920.00	104	54	1,920.00	104
Captain	1,426	2,940.00	4,192	1,434	2,940.00	4,216
Commander	3,327	2,909.00	9,677	3,311	2,909.00	9,631
Lieutenant commander	5,202	2,654.00	13,808	4,615	2,654.00	12,249
Lieutenant	5,582	2,147.00	11,987	5,451	2,147.00	11,705
Lieutenant (JG)	3,835	1,696.00	6,504	4,570	1,696.00	7,751
Ensign	3,614	1,280.00	4,626	3,336	1,280.00	4,270
Warrant officer W-4	--	--	--	--	--	--
W-3	--	--	--	--	--	--
W-2	--	--	--	--	--	--
W-1	--	--	--	--	--	--
Total (2)(a)(1)	<u>23,094</u>		<u>51,005</u>	<u>22,825</u>		<u>50,033</u>
(2) Non-crew	180	1,320.00	238	220	1,320.00	290
Total (2)(a)	<u>23,274</u>		<u>51,243</u>	<u>23,045</u>		<u>50,323</u>

Department of the Navy  
Military Personnel, Navy

Budget Activity 1: Pay and Allowances of Officers

	1968 Estimates		1969 Estimates	
	Number	Rate	Number	Rate
(2) <u>Incentive pay for hazardous duty--continued</u>				
(b) <u>Submarine duty</u>				
<u>Flag officer</u>				
Captain	5	\$1,980.00	4	\$1,980.00
Commander	50	2,940.00	47	2,940.00
Lieutenant commander	245	2,909.00	254	2,909.00
Lieutenant	516	2,654.00	536	2,654.00
Lieutenant (JG)	1,173	2,147.00	1,121	2,147.00
Ensign	635	1,696.00	791	1,696.00
<u>Total (2)(b)</u>	20	1,280.00	20	1,280.00
	<u>2,644</u>	<u>5,861</u>	<u>2,773</u>	<u>6,083</u>
(d) <u>Parachute jumping</u>	18	1,320.00	18	1,320.00
(f) <u>Duty inside a high- or low-pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments</u>	66	1,320.00	66	1,320.00
(g) <u>Demolition duty</u>	402	1,320.00	402	1,320.00
(h) <u>Flight deck duty</u>	353	1,320.00	353	1,320.00
<u>Total (2)</u>		<u>58,212</u>		<u>57,514</u>

Department of the Navy  
Military Personnel, Navy

Budget Activity 1: Pay and Allowances of Officers

	1968 Estimates			1969 Estimates		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u> (thous)	<u>Number</u>	<u>Rate</u>	<u>Amount</u> (thous)
<u>(3) Special pay</u>						
<u>(a) Physicians and dentists</u>	6,403	\$2,176.00	\$13,935	6,317	\$2,189.00	\$13,830
<u>(c) Flag officers - personal allowance</u>						
Admiral (CWO)	1	4,000.00	4	1	4,000.00	4
Admiral	8	2,200.00	18	8	2,200.00	18
Vice admiral (UN)	1	2,700.00	3	1	2,700.00	3
Vice admiral	34	500.00	17	34	500.00	17
Total (3)(c)	44		42	44		42
<u>(d) Diving duty pay</u>	543	1,320.00	717	546	1,320.00	721
<u>(e) Other special pay</u>	6,359	780.00	4,960	6,540	780.00	5,101
<u>(f) Special allowances (37 U.S.C. 414(b))</u>	5		13	5		13
<u>(g) Continuation Pay - physicians and dentists</u>	-	-	1,425	-	-	1,900
Total (3)			<u>21,092</u>			<u>21,607</u>

Department of the Navy  
Military Personnel, Navy

Budget Activity 1: Pay and Allowances of Officers

	1968 Estimates			1969 Estimates		
	Number	Rate	Amount (thous)	Number	Rate	Amount (thous)
(a) With dependents	--	--	--	--	--	--
Flag officer O-9	63	\$2,412.00	\$152	61	\$2,412.00	\$147
Flag officer O-8	80	2,412.00	193	83	2,412.00	200
Flag officer O-7	2,931	2,041.20	5,983	2,909	2,041.20	5,938
Captain	6,546	1,890.00	12,372	6,695	1,890.00	12,654
Commander	10,845	1,740.60	18,877	10,540	1,740.60	18,346
Lieutenant commander	16,793	1,560.60	26,207	17,799	1,560.60	27,777
Lieutenant (JG)	5,315	1,440.00	7,654	4,763	1,440.00	6,859
Ensign	2,422	1,321.20	3,200	3,197	1,321.20	4,224
Warrant officer. W-4	484	1,740.60	842	510	1,740.60	888
W-3	304	1,560.60	474	125	1,560.60	195
W-2	473	1,440.00	681	1,203	1,440.00	1,732
W-1	2,053	1,321.00	2,712	1,660	1,321.20	2,193
Total (4) (a)	48,309		79,347	49,545		81,153

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Budget Activity 1: Pay and Allowances of Officers

	1968 Estimates			1969 Estimates		
	Number	Rate	Amount (thous)	Number	Rate	Amount (thous)
--	1	--	--	1	--	--
	1	\$1,922.40	\$2	1	\$1,922.40	\$2
	3	1,922.40	6	3	1,922.40	6
	38	1,681.20	64	38	1,681.20	64
	216	1,562.40	338	223	1,562.40	348
	580	1,440.00	836	579	1,440.00	834
	1,600	1,260.00	2,016	1,669	1,260.00	2,103
	2,668	1,141.20	3,045	2,553	1,141.20	2,913
	3,249	1,022.40	3,321	3,945	1,022.40	4,033
	--	1,440.00	--	--	1,440.00	--
	1	1,260.00	1	--	1,260.00	--
	1	1,141.20	1	1	1,141.20	1
	43	1,022.40	44	--	1,022.40	--
	<u>8,400</u>		<u>9,671</u>	<u>36</u>		<u>37</u>
				<u>9,048</u>		<u>10,341</u>

	1968 Estimates			1969 Estimates		
	Number	Rate	Amount (thous)	Number	Rate	Amount (thous)
--	1	--	--	1	--	--
	1	\$1,922.40	\$2	1	\$1,922.40	\$2
	3	1,922.40	6	3	1,922.40	6
	38	1,681.20	64	38	1,681.20	64
	216	1,562.40	338	223	1,562.40	348
	580	1,440.00	836	579	1,440.00	834
	1,600	1,260.00	2,016	1,669	1,260.00	2,103
	2,668	1,141.20	3,045	2,553	1,141.20	2,913
	3,249	1,022.40	3,321	3,945	1,022.40	4,033
	--	1,440.00	--	--	1,440.00	--
	1	1,260.00	1	--	1,260.00	--
	1	1,141.20	1	1	1,141.20	1
	43	1,022.40	44	--	1,022.40	--
	<u>8,400</u>		<u>9,671</u>	<u>36</u>		<u>37</u>
				<u>9,048</u>		<u>10,341</u>

(4) Basic allowance for quarters--continued

(b) Without dependents

Flag officer O-9	1	\$1,922.40	\$2
Flag officer O-8	3	1,922.40	6
Flag officer O-7	38	1,681.20	64
Captain	216	1,562.40	338
Commander	580	1,440.00	836
Lieutenant commander	1,600	1,260.00	2,016
Lieutenant	2,668	1,141.20	3,045
Lieutenant (JG)	3,249	1,022.40	3,321
Ensign	--	1,440.00	--
Warrant officer W-4	1	1,260.00	1
W-3	1	1,141.20	1
W-2	43	1,022.40	44
W-1			
Total (4)(b)	<u>8,400</u>		<u>9,671</u>

Department of the Navy  
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Budget Activity 1: Pay and Allowances of Officers

	1968 Estimates			1969 Estimates		
	Number	Rate	Amount (thous)	Number	Rate	Amount (thous)
(c) Substandard housing						
Flag officer 0-9	--	--	--	--	--	--
Flag officer 0-8	--	--	--	--	--	--
Flag officer 0-7	--	--	--	--	--	--
Captain	5	\$648.00	\$3	5	\$648.00	\$3
Commander	12	648.00	8	12	648.00	8
Lieutenant commander	21	648.00	14	21	648.00	14
Lieutenant	59	648.00	38	60	648.00	39
Lieutenant (JG)	24	648.00	15	22	648.00	14
Ensign	36	648.00	23	38	648.00	25
Warrant officer	1	648.00	1	1	648.00	1
W-4	1	648.00	1	--	--	--
W-3	1	648.00	1	4	648.00	2
W-2	2	648.00	1	13	648.00	8
W-1	15	648.00	10	176	648.00	114
Total (b)(c)	176		114			91,608
Total (b)			89,135			

(4) Basic allowance for quarters--continued

(c) Substandard housing

Flag officer 0-9

Flag officer 0-8

Flag officer 0-7

Captain

Commander

Lieutenant commander

Lieutenant

Lieutenant (JG)

Ensign

Warrant officer

W-4

W-3

W-2

W-1

Total (b)(c)

Total (b)

Department of the Navy  
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Budget Activity 1: Pay and Allowances of Officers

	1968 Estimates		1969 Estimates	
	<u>Number</u>	<u>Rate</u>	<u>Number</u>	<u>Rate</u>
		<u>Amount</u> (thous)		<u>Amount</u> (thous)
<u>(5) Basic allowance for subsistence</u>	<u>83,397</u>	<u>\$574.56</u>	<u>88,050</u>	<u>\$574.56</u>
<u>(6) Station allowances, overseas</u>				
(a) <u>Cost of living</u>	1,225	578.22	1,120	591.36
(b) <u>Housing</u>	2,134	650.43	2,134	631.63
(c) <u>Temporary lodging</u>	5,706	397.99	5,706	397.99
Total (6)		<u>4,367</u>		<u>4,281</u>
<u>(7) Uniform allowances</u>				
(a) <u>Initial</u>				
(1) Aviation cadets/AOC/NAOC/ OCAN	1,738	75.00	1,623	75.00
(2) Other reservists	5,911	200.00	5,824	200.00
(3) Enlisted temporarily appointed	<u>1,441</u>	<u>250.00</u>	<u>1,300</u>	<u>250.00</u>
Total (7)(a)	<u>9,090</u>	<u>1,663</u>	<u>8,747</u>	<u>1,603</u>

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Budget Activity 1: Pay and Allowances of Officers

	1968		1969		Estimates Amount (thous)
	Number	Estimates Rate	Number	Estimates Rate	
<u>(7) Uniform allowances--continued</u>					
(b) Additional					
(1) Reserve active duty allowance	12,134	\$100.00	13,056	\$100.00	\$1,306
Total (7)					<u>2,909</u>
<u>(8) Family separation allowances</u>					
(a) On permanent change of station with dependents not authorized, Government quarters not available	--	--	--	--	--
(b) On permanent change of station with dependents not authorized	1,619	360.00	1,949	360.00	702
(c) On board ship for more than 30 days	3,968	360.00	4,478	360.00	1,612
(d) On temporary duty for more than 30 days with dependents not residing near temporary duty station	2,271	360.00	2,268	360.00	816
Total (8)	<u>7,858</u>		<u>8,695</u>		<u>3,130</u>

Department of the Navy  
Military Personnel, Navy

Budget Activity 1: Pay and Allowances of Officers

(9) Separation payments

(a) Lump sum terminal leave payments

	1968 Estimates			1969 Estimates		
	Number	Rate	Amount (thous)	Number	Rate	Amount (thous)
Admiral (CNO)	--	--	--	--	--	--
Fleet admiral	1	\$5,092.00	\$5	1	\$5,092.00	\$5
Admiral	2	4,000.00	8	2	4,282.00	9
Vice admiral	34	3,794.00	129	20	3,798.00	76
Rear admiral (UH)	4	3,422.00	14	6	3,422.00	20
Rear admiral (IR)						
Captain	561	2,667.00	1,496	463	2,667.00	1,235
Commander	802	2,277.00	1,826	833	2,241.00	1,867
Lieutenant commander	1,066	1,641.00	1,749	915	1,630.00	1,492
Lieutenant	3,995	1,268.00	5,065	4,543	1,293.00	5,872
Lieutenant (JG)	3,668	1,029.00	3,775	2,921	994.00	2,904
Ensign	133	330.00	44	121	321.00	39
Warrant officers W-4	158	1,937.00	306	163	1,936.00	315
W-3	44	1,523.00	67	26	1,549.00	40
W-2	3	1,333.00	4	9	1,378.00	12
W-1	1	228.00	--	--	--	--
Total (9)(a)	10,472		14,488	10,023		13,886

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Budget Activity 1: Pay and Allowances of Officers

	1968 Estimates		1969 Estimates	
	<u>Number</u>	<u>Rate</u> Amount (thous)	<u>Number</u>	<u>Rate</u> Amount (thous)
<u>(9) Separation payments</u>				
(b) <u>Lump sum readjustment payments</u>	2	\$2,000.00	--	--
(c) <u>Lump sum payments to reservists</u> <u>(P.L. 86-155)</u>	181	13,337.00	172	\$12,983.00
(d) <u>Severance pay - failure of promotion</u>	153	13,490.00	112	13,188.00
(e) <u>Severance pay - disability</u>	71	8,718.00	71	8,831.00
Total (9)		<u>19,589</u>		<u>18,223</u>
<u>(10) Social security tax - employer's contribution</u>		<u>23,069</u>		<u>25,129</u>
Total Activity 1		<u>940,484</u>		<u>977,793</u>

Department of the Navy  
Military Personnel, Navy

BUDGET ACTIVITY: PAY AND ALLOWANCES OF ENLISTED PERSONNEL

(In thousands)

Project	1967 Actual	1968 Estimate	1969 Estimate
1 Basic pay	\$1,744,235	\$1,854,049	\$1,954,641
2 Incentive pay for hazardous duty	39,924	41,234	41,615
3 Special pay	113,263	125,174	128,834
4 Proficiency pay	33,753	37,959	40,429
5 Reenlistment bonus	56,827	62,998	68,746
6 Basic allowance for quarters	262,755	274,823	286,084
7 Station allowances overseas	12,887	7,984	7,855
8 Clothing allowances	76,649	81,568	82,315
9 Family separation allowances	18,614	18,857	19,798
10 Separation payments	62,003	63,497	60,211
11 Social security tax - employer's contribution	74,980	81,553	90,751
Total	2,495,890	2,649,696	2,781,279

Department of the Navy  
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Budget Activity 2: Pay and Allowances of Enlisted Personnel

(1) Basic pay

Pay grade	1968			1969		
	Number	Estimates Rate	Amount (thous)	Number	Estimates Rate	Amount (thous)
E-9	3,236	\$7,384.00	\$23,895	3,393	\$7,482.00	\$25,385
E-8	8,266	6,270.00	51,829	8,808	6,332.00	55,948
E-7	38,528	5,335.00	205,552	40,095	5,405.00	216,705
E-6	78,362	4,411.00	345,681	83,180	4,468.00	371,685
E-5	111,036	3,590.00	398,599	121,948	3,624.00	441,912
E-4	134,038	2,706.00	362,706	141,511	2,727.00	385,930
E-3	185,371	1,792.00	332,231	172,323	1,807.00	311,386
E-2	79,386	1,298.00	103,041	77,016	1,316.00	101,338
E-1	25,366	1,203.00	30,515	36,426	1,218.00	44,352
<b>Total (1)</b>	<b>663,589</b>		<b>1,854,049</b>	<b>684,700</b>		<b>1,954,641</b>

Department of the Navy  
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Budget Activity 2: Pay and Allowances of Enlisted Personnel

	1968 Estimates		1969 Estimates	
	Number	Rate	Number	Rate
(2) <u>Incentive pay for hazardous duty</u>				
(a) <u>Flying duty</u>				
(1) Crew				
Pay grade E-9	78	\$1,260.00	78	\$1,260.00
E-8	189	1,260.00	189	1,260.00
E-7	1,392	1,237.00	1,392	1,237.00
E-6	2,550	1,134.00	2,550	1,134.00
E-5	3,452	989.00	3,452	989.00
E-4	2,672	795.00	2,672	795.00
E-3	768	692.00	768	692.00
E-2	68	619.00	68	619.00
Total (2)(a)(1)	<u>11,169</u>	<u>11,060</u>	<u>11,169</u>	<u>11,060</u>
(2) Non-crew				
Total (2)(a)	2,131	1,406	2,131	1,406
	<u>13,300</u>	<u>12,466</u>	<u>13,300</u>	<u>12,466</u>

Amount (thous)  
Amount (thous)

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Budget Activity 2: Pay and Allowances of Enlisted Personnel

	1968 Estimates			1969 Estimates		
	Number	Rate	Amount (thous)	Number	Rate	Amount (thous)
(2) <u>Incentive pay for hazardous duty--continued</u>						
(b) <u>Submarine duty</u>						
<u>Pay grade</u>						
E-9	133	\$1,260.00	\$168	116	\$1,260.00	\$146
E-8	631	1,260.00	795	635	1,260.00	800
E-7	1,961	1,236.00	2,425	1,948	1,236.00	2,409
E-6	4,307	1,134.00	4,884	4,358	1,134.00	4,941
E-5	5,660	989.00	5,596	5,968	989.00	5,900
E-4	5,627	795.00	4,475	5,580	795.00	4,438
E-3	3,387	692.00	2,343	3,518	692.00	2,433
E-2	163	619.00	101	163	619.00	101
<u>Total (2)(b)</u>	<u>21,869</u>		<u>20,787</u>	<u>22,286</u>		<u>21,168</u>
(d) <u>Parachute jumping</u>	80	660.00	53	80	660.00	53
(f) <u>Duty inside a high- or low-pressure chamber, human acceleration or deceleration experimental subject, and human test subject in thermal stress experiments</u>	187	660.00	123	187	660.00	123
(g) <u>Demolition duty</u>	1,600	660.00	1,056	1,600	660.00	1,056
(h) <u>Flight deck duty</u>	10,226	660.00	6,749	10,226	660.00	6,749
<u>Total (2)</u>			<u>41,234</u>			<u>41,615</u>

Department of the Navy  
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Budget Activity 2: Pay and Allowances of Enlisted Personnel

	<u>1968 Estimates</u>		<u>1969 Estimates</u>	
	<u>Number</u>	<u>Rate</u>	<u>Number</u>	<u>Rate</u>
(3) <u>Special pay</u>		Amount (thous)		Amount (thous)
(a) <u>Sea duty and duty at certain places</u>				
(1) <u>Sea duty</u>				
<u>Pay grade</u>				
E-9	988	\$270.00	1,012	\$270.00
E-8	3,028	270.00	3,104	270.00
E-7	13,163	270.00	13,494	270.00
E-6	31,299	240.00	32,086	240.00
E-5	50,301	192.00	51,567	192.00
E-4	71,775	156.00	73,580	156.00
E-3	98,903	108.00	101,391	108.00
E-2	36,026	96.00	36,949	96.00
E-1	<u>3,492</u>	<u>96.00</u>	<u>3,563</u>	<u>96.00</u>
		<u>\$267</u>		<u>\$273</u>
		818		838
		3,554		3,643
		7,511		7,701
		9,658		9,901
		11,197		11,478
		10,682		10,950
		3,458		3,547
		<u>335</u>		<u>342</u>
<u>Total (3)(a)(1)</u>	<u>308,975</u>	<u>47,480</u>	<u>316,746</u>	<u>48,673</u>

Department of the Navy  
Military Personnel, Navy

Budget Activity 2: Pay and Allowances of Enlisted Personnel

	1968 Estimates		1969 Estimates	
	Number	Rate Amount (thous)	Number	Rate Amount (thous)
(3) <u>Special pay--continued</u>				
(2) Duty at certain places				
Pay grade				
E-9	287	\$270.00		\$270.00
E-8	708	270.00	297	270.00
E-7	4,071	270.00	733	270.00
E-6	7,960	240.00	4,215	240.00
E-5	11,259	192.00	8,243	192.00
E-4	13,335	156.00	11,659	156.00
E-3	16,154	108.00	13,809	108.00
E-2	4,714	96.00	16,729	96.00
			4,882	
	58,488	2,716	60,567	10,063
Total (3)(a)(2)				
Total (3)(a)	367,463	57,196	377,313	58,736
(b) <u>Diving duty pay</u>	3,464	869.00	3,579	871.00
(c) <u>Other special pay</u>	83,293	780.00	85,873	780.00
Total (3)		125,174		128,834

Department of the Navy  
Military Personnel, Navy

Budget Activity 2: Pay and Allowances of Enlisted Personnel

	1968 Estimates		1969 Estimates	
	<u>Number</u>	<u>Rate</u> (thous)	<u>Number</u>	<u>Rate</u> (thous)
<u>(4) Proficiency pay</u>				
(a) <u>P-3</u>	8,923	\$1,200.00	9,426	\$1,200.00
(b) <u>P-2</u>	18,954	900.00	20,574	900.00
(c) <u>P-1</u>	15,028	600.00	15,682	600.00
(d) <u>P-1 Superior Performance</u>	<u>3,265</u>	<u>360.00</u>	<u>3,311</u>	<u>360.00</u>
<u>Total (4)</u>	<u>46,170</u>	<u>37,959</u>	<u>48,993</u>	<u>40,429</u>
<u>(5) Reenlistment bonus</u>				
(a) <u>Reenlistments</u>	39,344	956.00	35,821	959.00
(b) <u>Extensions</u>	3,776	390.00	3,776	392.00
(c) <u>Variable</u>				
<u>Total (5)</u>		<u>23,913</u>		<u>32,901</u>
		<u>62,998</u>		<u>68,746</u>

Department of the Navy  
Military Personnel, Navy

Budget Activity 2: Pay and Allowances of Enlisted Personnel

	1968			1969		
	Number	Rate	Amount (thous)	Number	Rate	Amount (thous)
<b>(6) Basic allowance for quarters</b>						
<b>(a) With dependents</b>						
Pay Grade E-9	2,560	\$1,440.00	\$3,686	2,677	\$1,440.00	\$3,855
E-8	6,530	1,440.00	9,403	6,955	1,440.00	10,015
E-7	28,717	1,378.80	39,595	29,650	1,378.80	40,881
E-6	55,061	1,321.20	72,747	58,178	1,321.20	76,865
E-5	59,486	1,260.00	74,952	62,478	1,260.00	78,723
E-4	33,150	1,154.00	38,266	34,744	1,165.00	40,489
E-3	26,636	818.00	21,787	23,817	837.00	19,935
E-2	5,113	774.00	3,955	4,934	789.00	3,894
E-1	953	762.00	726	1,392	775.00	1,079
<b>Total (6)(a)</b>	<b>218,206</b>		<b>265,117</b>	<b>224,825</b>		<b>275,736</b>
<b>(b) Without dependents</b>						
Pay Grade E-9	27	1,022.40	27	24	1,022.40	24
E-8	102	1,022.40	105	111	1,022.40	114
E-7	524	900.00	471	568	900.00	512
E-6	1,237	842.40	1,043	1,373	842.40	1,156
E-5	3,442	842.40	2,899	3,876	842.40	3,265
E-4	2,478	743.00	1,840	2,637	753.00	1,986
E-3	1,394	705.00	983	1,326	720.00	954
E-2	182	703.00	128	177	720.00	127
E-1	--	--	--	--	--	--
<b>Total (6)(b)</b>	<b>9,386</b>		<b>7,496</b>	<b>10,092</b>		<b>8,138</b>

Department of the Navy  
Military Personnel, Navy

Budget Activity 2: Pay and Allowances of Enlisted Personnel

	1968 Estimates			1969 Estimates		
	Number	Rate	Amount (thous)	Number	Rate	Amount (thous)
<b>(6) Basic allowance for quarters---continued</b>						
<b>(c) Substandard family housing</b>						
Pay grade E-9	13	\$360.90	\$5	13	\$360.90	\$5
E-8	33	360.90	12	33	360.90	12
E-7	319	360.90	115	319	360.90	115
E-6	1,269	360.90	458	1,269	360.90	458
E-5	1,970	360.90	711	1,970	360.90	711
E-4	1,204	360.90	435	1,204	360.90	435
E-3	1,077	360.90	389	1,077	360.90	389
E-2	203	360.90	73	203	360.90	73
E-1	34	360.90	12	34	360.90	12
Total (6)(c)	6,122		2,210	6,122		2,210
Total (6)			274,823			286,084
<b>(7) Station allowances, overseas</b>						
(a) Cost of living	3,983	383.00	1,525	3,729	391.00	1,460
(b) Housing	5,612	391.00	2,192	5,612	379.00	2,128
(c) Temporary lodging	9,786	436.00	4,267	9,786	436.00	4,267
Total (7)			7,984			7,855



Department of the Navy  
Military Personnel, Navy

Budget Activity 2: Pay and Allowances of Enlisted Personnel

	1968 Estimates		1969 Estimates	
	Number	Rate	Number	Rate
(8) <u>Clothing allowances--continued</u>				
(2) Civilian				
Winter and summer	447	\$300.00	450	\$300.00
Winter or summer	120	200.00	119	200.00
<u>Total (8)(a)(2)</u>	<u>567</u>	<u>158</u>	<u>569</u>	<u>159</u>
<u>Total (8)(a)</u>		<u>37,515</u>		<u>38,485</u>
(b) <u>Basic maintenance</u>				
(1) Pay Grade E-9	17	89.00	18	86.40
E-8	217	89.00	232	86.40
E-7	<u>14,533</u>	<u>89.00</u>	<u>15,124</u>	<u>86.40</u>
<u>Total 8(b)(1)</u>	<u>14,767</u>	<u>1,329</u>	<u>15,374</u>	<u>1,329</u>
(2) Pay Grade E-6	917	59.00	973	57.60
E-5	12,103	59.00	13,319	57.60
E-4	77,206	59.00	81,510	57.60
E-3	146,437	59.00	136,106	57.60
E-2	51,966	59.00	50,415	57.60
E-1	<u>5,068</u>	<u>59.00</u>	<u>7,278</u>	<u>57.60</u>
<u>Total 8(b)(2)</u>	<u>293,697</u>	<u>17,461</u>	<u>289,601</u>	<u>16,681</u>
<u>Total 8(b)</u>	<u>308,464</u>	<u>18,790</u>	<u>304,975</u>	<u>18,010</u>

Department of the Navy  
Military Personnel, Navy

Budget Activity 2: Pay and Allowances of Enlisted Personnel

	1968		1969	
	Number	Estimates Rate Amount (thous)	Number	Estimates Rate Amount (thous)
(8) <u>Clothing allowances</u> -- continued				
(c) <u>Standard maintenance</u>				
(1) Pay Grade E-9	3,219	\$90.00	3,375	\$86.40
E-8	8,049	90.00	8,576	86.40
E-7	23,818	90.00	24,787	86.40
Total 8(c)(1)	<u>35,086</u>		<u>36,738</u>	<u>3,175</u>
(2) Pay Grade E-6	77,171	90.00	81,916	86.40
E-5	93,896	90.00	103,326	86.40
E-4	53,293	90.00	56,265	86.40
E-3	18,307	90.00	17,015	86.40
E-2	1,294	90.00	1,255	86.40
E-1	662	90.00	951	86.40
Total 8(c)(2)	<u>244,623</u>		<u>260,728</u>	<u>22,526</u>
Total 8(c)	<u>279,709</u>		<u>297,466</u>	<u>25,701</u>

Department of the Navy  
Military Personnel, Navy

Budget Activity 2: Pay and Allowances of Enlisted Personnel

	1968 Estimates		1969 Estimates	
	Number	Rate Amount (thous)	Number	Rate Amount (thous)
(8) <u>Clothing allowances--continued</u>				
(a) <u>Supplementary</u>				
(1) Recruiters	931	\$95.00	931	\$95.00
(2) Ceremonial guard	226	48.00	226	48.00
(3) Department of Defense/Navy	430	9.95	430	9.95
(4) Recruit company commanders	<u>250</u>	<u>65.00</u>	<u>250</u>	<u>65.00</u>
Total (8)(d)	<u>1,837</u>	<u>119</u>	<u>1,837</u>	<u>119</u>
Total (8)		<u>81,568</u>		<u>82,315</u>

Department of the Navy  
Military Personnel, Navy

Budget Activity 2: Pay and Allowances of Enlisted Personnel

	1968 Estimates		1969 Estimates	
	<u>Number</u>	<u>Rate</u> (thous)	<u>Number</u>	<u>Rate</u> (thous)
(9) <u>Family separation allowances</u>				
(a) <u>On permanent change of station with dependents not authorized, Government quarters not available</u>	--	--	--	--
(b) <u>On permanent change of station with dependents not authorized</u>	9,796	\$360.00	10,853	\$360.00
(c) <u>On board ship for more than 30 days</u>	32,511	360.00	34,002	360.00
(d) <u>On temporary duty for more than 30 days with dependents not residing near temporary duty station</u>	10,072	360.00	10,141	360.00
Total (9)	<u>52,379</u>	<u>18,857</u>	<u>54,996</u>	<u>19,798</u>

Total (9)

Department of the Navy  
Military Personnel, Navy

Budget Activity 2: Pay and Allowances of Enlisted Personnel

	1968			1969		
	<u>Number</u>	<u>Estimates Rate</u>	<u>Amount (thous)</u>	<u>Number</u>	<u>Estimates Rate</u>	<u>Amount (thous)</u>
(10) <u>Separation payments</u>						
(a) <u>Lump sum terminal leave payments</u>						
Pay grade E-9	1,594	\$1,020.00	\$1,626	1,333	\$1,031.00	\$1,374
E-8	3,580	886.00	3,173	2,983	897.00	2,674
E-7	14,086	722.00	10,177	13,915	732.00	10,192
E-6	22,435	574.00	12,888	20,478	581.00	11,903
E-5	35,926	366.00	13,163	30,828	370.00	11,419
E-4	55,900	228.00	12,718	56,621	231.00	13,098
E-3	34,823	163.00	5,691	31,766	166.00	5,262
E-2	7,021	93.00	654	7,462	94.00	703
E-1	3,367	65.00	219	3,753	66.00	247
Total (10)(a)	<u>178,732</u>		<u>60,309</u>	<u>169,139</u>		<u>56,872</u>
(b) <u>Severance pay - disability</u>	1,241	2,551.00	3,165	1,280	2,592.00	3,317
(d) <u>Authorized donations (discharge gratuities)</u>	1,143	20.00	23	1,089	20.00	22
Total (10)			<u>63,497</u>			<u>60,211</u>

Department of the Navy  
Military Personnel, Navy

Budget Activity 2: Pay and Allowances of Enlisted Personnel

	1968 Estimates		1969 Estimates	
	<u>Number</u>	<u>Rate</u>	<u>Number</u>	<u>Rate</u>
		<u>Amount</u>		<u>Amount</u>
		<u>(thous)</u>		<u>(thous)</u>
(11) Social security tax - employer's contribution		<u>\$81,553</u>		<u>\$90,751</u>
Total Activity 2		<u>2,649,696</u>		<u>2,781,279</u>

Department of the Navy  
Military Personnel, Navy

BUDGET ACTIVITY 3: PAY AND ALLOWANCES OF CADETS  
(In thousands)

Project	1967 Actual	1968 Estimate	1969 Estimate
1 Aviation cadets	\$946	\$36	--
2 Midshipmen	9,901	10,500	\$10,604
Total	10,847	10,536	10,604

Department of the Navy  
Military Personnel, Navy

BUDGET ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL

(In thousands)

Project	1967 Actual	1968 Estimate	1969 Estimate
1 Basic allowance for subsistence	\$99,792	\$102,437	\$105,740
2 Subsistence in kind	196,182	207,373	213,503
Total	295,974	309,810	319,243

Department of the Navy  
Military Personnel, Navy

Budget Activity 4: Subsistence of Enlisted Personnel

	1968 Estimates			1969 Estimates		
	<u>Net Man Yrs.</u>	<u>Rate</u>	<u>Amount (thous)</u>	<u>Net Man Yrs.</u>	<u>Rate</u>	<u>Amount (thous)</u>
<u>(1) Basic allowance for subsistence</u>						
(a) <u>When authorized to mess separately</u>	149,105	\$479.44	\$71,487	153,210	\$481.80	\$73,817
(b) <u>Leave rations</u>	28,581	479.44	13,703	29,467	481.80	14,197
(c) <u>When rations in kind not available</u>	17,853	940.62	16,793	18,428	938.05	17,287
(d) <u>When assigned under emergency conditions</u>	--	--	--	--	--	--
(e) <u>Augmentation of commuted ration allowance for meals taken separately</u>	(2,916)	155.60	454	(3,010)	146.00	439
Total (1)	<u>195,539</u>		<u>102,437</u>	<u>201,105</u>		<u>105,740</u>

DEPARTMENT OF THE NAVY  
MILITARY PERSONNEL, NAVY

Budget Activity 4: Subsistence of Enlisted Personnel

(2) Subsistence in kind

	<u>Personnel Statistics</u>	
	<u>1968 Estimates</u>	<u>1969 Estimates</u>
Average enlisted strength	663,589	684,700
Less number provided for elsewhere (man-year equivalents)		
On monetary allowances	195,539	201,105
Special rations	1,116	1,116
Operational rations	--	--
Travel	2,800	2,800
Total deductions	<u>199,455</u>	<u>205,021</u>
Balance entitled to be subsisted in messes	<u>464,134</u>	<u>479,679</u>

Distribution of Balance Entitled to be Subsisted in Messes

	<u>1968 Estimates</u>		<u>1969 Estimates</u>		<u>Net Number</u>
	<u>Gross Number</u>	<u>% Absent</u>	<u>Gross Number</u>	<u>% Absent</u>	
Ashore (ZI)	148,662	36.0	153,689	36.0	98,361
Ashore (OS)	47,372	24.0	46,636	24.0	35,143
AfLoat	<u>268,100</u>	6.0	<u>279,354</u>	6.0	<u>266,593</u>
Total subsisted in messes	<u>464,134</u>		<u>479,679</u>		<u>395,397</u>

DEPARTMENT OF THE NAVY  
MILITARY PERSONNEL, NAVY

Budget Activity 4: Subsistence of Enlisted Personnel

	1968 Estimates			1969 Estimates		
	Net Man Years	Per Day	Per Annum	Net Man Years	Per Day	Per Annum
			Amount (thous)			Amount (thous)
(2) <u>Subsistence in kind--continued</u>						
(a) <u>Subsistence in messes</u>						
(1) <u>Basic Allowance</u>						
Ashore (ZI)	95,515	\$1.36	\$497.76	98,361	\$1.36	\$496.40
Ashore (OS)	36,121	1.40	512.40	35,443	1.40	511.00
Afloat	252,684	1.39	508.74	262,593	1.39	507.35
<u>Total (2)(a)(1)</u>	384,320		194,602	396,397		200,164
(2) <u>Supplemental Allowance</u>						
Ashore (ZI)	1,156	.14	51.24	1,190	.14	51.10
Ashore (OS)	12,523	.12	43.92	10,544	.12	43.80
Afloat	20,316	.25	91.50	22,208	.25	91.25
<u>Total (2)(a)(2)</u>	33,995		2,468	33,942		2,549
<u>Total (2)(a)</u>			197,070			202,713

DEPARTMENT OF THE NAVY  
MILITARY PERSONNEL, NAVY

Budget Activity 4: Subsistence of Enlisted Personnel

	1968 Estimates				1969 Estimates			
	Net Man Years	Rate Per Day	Per Annum	Amount (thous)	Net Man Years	Rate Per Day	Per Annum	Amount (thous)
(2) <u>Subsistence in kind--continued</u>								
(b) <u>Special rations</u>								
(1) Hospital messes - retired and Fleet Reserve personnel	771	\$1.41	\$516.06	\$398	771	\$1.41	\$514.65	\$397
(2) Deep Freeze								
Afloat - N. of 50°S. Lat.	56	1.39	508.74	28	56	1.39	507.35	28
Ashore - S. of 50°S. Lat.	589	2.30	841.80	496	589	2.30	839.50	495
Afloat - S. of 50°S. Lat.	102	1.74	636.84	65	102	1.74	635.10	65
Station personnel	182	1.47	538.02	98	182	1.47	536.55	98
Sale of meals to officers and civilians	-152	1.31	479.46	-73	-152	1.32	481.80	-73
Total (2)(b)(2)	771			614	771			613
(3) Contract messes	339	4.40	1,610.40	546	339	4.40	1,606.00	544
Total (2)(b)	1,887			1,558	1,887			1,554

DEPARTMENT OF THE NAVY  
MILITARY PERSONNEL, NAVY

Budget Activity 4: Subsistence of Enlisted Personnel

	1968 Estimates			1969 Estimates		
	Net Man Years	Per Day	Per Annum	Net Man Years	Per Day	Per Annum
(2) <u>Subsistence in kind--continued</u>			Amount (thous)			Amount (thous)
(d) <u>Augmentation rations</u>						
(1) Flight/boat rations			\$1,121			\$1,121
(2) Emergency rations			913			913
(3) Ration dense			271			271
(4) Submarine augmentation	17,277	\$ .48	\$175.68	17,606	\$ .48	\$175.20
Total (2)(d)			<u>5,340</u>			<u>3,085</u>
(e) <u>Change in inventory level</u>			928			1,362
(f) <u>Other programs</u>						
(1) Rotation of operational rations			177			184
(2) Surveys/spillage			<u>2,300</u>			<u>2,300</u>
Total (2)(f)			<u>2,477</u>			<u>2,484</u>
Total (2)			<u>207,373</u>			<u>213,503</u>
Total Activity 4			<u>309,810</u>			<u>319,243</u>

Department of the Navy  
Military Personnel, Navy

BUDGET ACTIVITY 5: PERMANENT CHANGE OF STATION TRAVEL

(In thousands)

Project	1967 Actual	1968 Estimate	1969 Estimate
1 Accession travel	\$28,439	\$28,578	\$29,491
2 Training travel	24,174	20,785	21,562
3 Operational travel between duty stations	53,163	53,764	51,630
4 Rotational travel to and from overseas	75,688	89,232	86,410
5 Separation travel	29,912	30,087	28,745
6 Travel of organized units	5,180	3,570	7,105
Total	216,556	226,016	224,943

Department of the Navy  
Military Personnel, Navy

BUDGET ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS

(In thousands)

Project	1967 Actual	1968 Estimate	1969 Estimate
1 Apprehension of military deserters, absentees, and escaped military prisoners	\$128	\$146	\$146
2 Interest on uniformed services savings deposits	253	1,435	3,833
3 Death gratuities	2,694	3,892	3,787
4 Servicemen's Group Life Insurance	15,382	23,997	18,372
Total	18,457	29,470	26,138

Department of the Navy  
Military Personnel, Navy

Budget Activity 6: Other Military Personnel Costs

	1968 Estimates		1969 Estimates	
	<u>Number</u>	<u>Rate</u> <u>Amount</u> <u>(thous)</u>	<u>Number</u>	<u>Rate</u> <u>Amount</u> <u>(thous)</u>
(1) <u>Apprehension of military deserters, absentees, and escaped military prisoners</u>		<u>\$146</u>		<u>\$146</u>
(2) <u>Interest on uniformed services savings deposits</u>		<u>1,435</u>		<u>3,833</u>
(3) <u>Death gratuities</u>				
(a) <u>Officers</u>	389	\$2,944.00	402	\$2,950.00
(b) <u>Enlisted</u>	1,607	1,707.00	1,519	1,710.00
(c) <u>Aviation cadets and midshipmen</u>	<u>3</u>	<u>929.00</u>	<u>3</u>	<u>963.00</u>
Total (3)	<u>1,999</u>	<u>3,892</u>	<u>1,924</u>	<u>3,787</u>
(4) <u>Servicemen's group life insurance</u>		<u>23,997</u>		<u>18,372</u>
Total Activity 6		<u>29,470</u>		<u>26,138</u>

Mr. MAHON. Admiral Streaan, I believe you are acting in behalf of Admiral Duncan.

Admiral STREAAN. Yes, sir.

Mr. MAHON. He has just come on board.

Admiral STREAAN. This is his second week.

Mr. MAHON. Have you been before the committee before?

Admiral STREAAN. In the O. & M. budget this year as a supporting witness.

Mr. MAHON. That is right, but not in this capacity.

Admiral STREAAN. Not in this capacity.

Mr. MAHON. We are pleased to have you before the committee.

#### BIOGRAPHY OF REAR ADMIRAL BERNARD M. STREAAN, USN

Bernard Max Streaan, born December 16, 1910, in Big Cabin, Okla., the son of Ralph and Maude (Hopkins) Streaan, was appointed to the U.S. Naval Academy from Indiana. Upon graduation on June 1, 1933, he was appointed ensign, and subsequently advanced to the rank of rear admiral, to date from May 1, 1960.

His first duty station was the battleship *Pennsylvania*. In June 1935 he began naval flight training, and after designation as a naval aviator, he served with Fighting Squadrons 6 and 3, and Patrol Squadrons 11 and 23. In December 1940 he began a tour of instructor duty at the Naval Air Station, Jacksonville, Fla. In October 1942 he moved to Kansas City, Mo., as a member of the Flight Standardization Board. In May 1943 he assumed command of Fighting Squadron 1 on board the U.S.S. *Yorktown*. For combat in the Pacific area he was awarded the Navy Cross; Distinguished Flying Cross with Gold Stars in lieu of second and third awards; and the Air Medal with Gold Stars in lieu of seven additional awards.

In September 1944 he became commanding officer of Air Group 98, and later commanded Air Group 75 on the new carrier *Franklin D. Roosevelt*. For distinguished service as air group commander of the first U.S. Carrier Task Force deployed to the Mediterranean, he was awarded the Distinguished Service Medal by the Government of Greece. Subsequent assignments included operations officer for Commander Fleet Air, Quonset, R.I.; study at the Armed Forces Staff College, Norfolk, Va.; and duty in the Office of the Chief of Naval Operations, Washington, D.C. He next commanded Air Transport Squadron 8, and the Naval Preflight School, Pensacola, Fla.

Following duty in Pensacola, he returned to sea as commanding officer of a seaplane tender, the U.S.S. *Kenneth Whiting* (AV-14). In August 1957 he reported to the National War College as a student. In February 1958 he assumed command of the U.S.S. *Randolph* (CVA-15). His ship was awarded the 1958 Atlantic Fleet CVA Battle Efficiency Pennant, together with departmental "E" for air, operations, engineering, and gunnery. In March 1959 he became chief of staff and aide to commander, Naval Air Force, U.S. Atlantic Fleet.

With promotion to rear admiral, he became Commander Fleet Air, Whidbey, on July 1, 1960, with headquarters at the Naval Air Station, Whidbey Island, Wash. On June 24, 1961, he reported to the Western Pacific as Commander Patrol Force 7th Fleet and Commander Taiwan Patrol Force. For exceptionally meritorious service there, he was awarded the Medal of Pao-Ting by the Republic of China. In January 1963 he returned to Washington, D.C., as Assistant Chief of Naval Operations (Fleet Operations).

In April 1964 Admiral Streaan broke his flag, in the nuclear-powered aircraft carrier *Enterprise* as Commander Carrier Division 2. The next month he was assigned additional duty as commander of the first nuclear-powered naval task force in history, Task Force 1—the *Enterprise*, cruiser *Long Beach*, and destroyer leader *Bainbridge*—left the Mediterranean Sea in July 1964 on an around the world cruise, arriving in Norfolk, Va., in October 1964. "Operation Sea Orbit" demonstrated the strategic mobility of U.S. Navy nuclear-powered surface forces, capable of operating independently of normal fleet logistic support.

Admiral Streaan became Deputy Chief of Navy Personnel on July 19, 1965. His official address is Covington, Ind. His wife is the former Janet Lockey of Palo Alto, Calif. They have three children, Bernard M. Jr., Richard L., and Judy, now married to Lt. Cmdr. William S. Graves, U.S.N.

## GENERAL STATEMENT

Mr. MAHON. Admiral Streat, you may proceed.

Admiral STREAT. Mr. Chairman, members of the committee, as Deputy Chief of Naval Personnel, I am privileged to present to you the requirements for military personnel appropriations of the Navy. This request is designed to insure adequate personnel readiness in the Navy. Today, as always, the individual Navy man continues to be the most important factor in determining our overall capability.

The first part of my statement will be devoted to a review of personnel matters of general interest and will close with a brief statement of funds and strengths required for fiscal year 1969. At the outset, I want to assure you that the Navy remains an effective fighting force and is continuing to meet its commitments—not only in Southeast Asia but throughout the world.

The ability of the Navy to meet these farflung commitments is unquestioned. Nevertheless, a number of problems still exist in the personnel area, and I would like to summarize some of these for you.

## OFFICER PERSONNEL

Officer requirements have increased by about 5,100. Officer procurement in general has continued to be favorable—draft pressures assist this. Our Officer Candidate School at Newport has been operating at capacity with classes scheduled so as to provide the most effective and meaningful training possible. Applications continue to exceed openings in most officer procurement programs. As a consequence, we are still able to exercise good selectivity.

Mr. MAHON. What is the capacity of OCS at Newport?

Admiral STREAT. It is about 6,000 a year.

Mr. MAHON. How long does a person attend?

Admiral STREAT. Eighteen weeks is the course for the OCS.

Although officer recruitment in general has been adequate, input at the bottom is not a panacea for our problems. We continue to have a shortage of surface unrestricted line officers in the grades of lieutenant through captain, with overages in the grades of ensign and lieutenant junior grade. The latter, of course, does not compensate for experience. A most critical need is young pilots in the grade of lieutenant. We have found it necessary to selectively defer resignations (and retirements) for some Regular officers. This deferral applies selectively to the unrestricted line and certain specialties (engineering duty officers, weapons engineering duty officers, supply corps officers, and civil engineer corps officers) in the grades of commander, lieutenant commander and lieutenant.

As was the case last year, ships and squadrons in the combat area continue to be kept up to an augmented allowance somewhat higher than the peacetime norm. This has been accomplished by moving people from less critical areas, gapping some billets until we can train the required replacements, and by deferring some inputs to service colleges and undergraduate and graduate education programs. The pilot training rate has been increased annually since fiscal year 1964 to meet increased requirements and reduce the inventory deficits. The increase to a higher pilot training rate in fiscal year 1969 will produce

1,800 Navy pilots as compared to 1,575 in fiscal year 1968. This will assist in improving the junior officer pilot inventory in the coming years although we will still face problems in this area in the near future.

#### OFFICER RETENTION

Despite improved recruiting, selective deferral, and an increased pilot training rate, the need exists for further improvement in retention. Declining retention is predominantly attributed to the inability of the Navy to compete with civilian industry with regard to the home life afforded and to compensation. Young officers are citing in their resignation papers that, even when the Vietnam conflict is concluded, the Navy will be faced with continued lengthy deployments. Our junior officers, who represent a cross section of our Nation's population, feel that the Navy cannot compete with the opportunities available to their civilian counterparts.

Mr. MAHON. Is there anything we will ever be able to do about that? In the old days, life was pretty rugged whether you were in the service or outside the service. Now, with all the comforts, so to speak, of modern civilization, people who can afford it live quite comfortably in civilian life compared to not too many years ago. Will it be possible to satisfy young men and their families in the services, in view of the luxurious life that civilians are able to enjoy in so many instances?

Admiral STREAN. I do not know a complete answer to your question. I think habitability aboard ship is one of the recommendations of the Secretary of the Navy's task force which has not been fully implemented. I think the main thing that should be done would be to reduce the tempo of operations.

Associated with the tempo of operations, of course, is family separation. That seems to be the worst complaint that we hear. Compensation is the second or third, but the separation of family is, I believe, the thing that we have to do something about.

Mr. MAHON. But it is rather difficult to do something about it. Yet, you cannot blame young men for wanting to be with their families and wanting to escape some of the disadvantages of a military life. I do not see any easy solution.

Admiral STREAN. We have done several things, such as, overhauling ships in their home ports rather than sending them to a yard which is other than their home port. Or, in cases of extended overhaul where we could not do this, we gave them permanent change of station orders so they could move their families along with them. A great many of them took advantage of this.

As long as people go to sea, they will be separated from their families. This is just a disadvantage we have to live with.

Mr. MAHON. The shorter the interval of separation, I assume, the greater the cost to the Government in transportation in most cases.

Admiral STREAN. Yes, sir.

Mr. MAHON. All right.

Admiral STREAN. We are continuing to focus study and effort on retention in order to offset declining trends. The 1967 pay raise for the military services will aid us in our efforts in this area.

## ENLISTED PERSONNEL

Voluntary enlistments have remained excellent in both quantity and quality during the past year. However, the increasing requirements for technically trained personnel and the rising training costs continue to present problems. Implementation of several incentive programs which offer advanced technical training in return for increased service obligation has achieved improvement in career manning levels. Still, retention of enlisted personnel beyond first enlistment remains a major problem. In fiscal year 1967 our unadjusted first term reenlistment rate was only 18.9 percent. In the first few months of fiscal year 1968, this same unadjusted rate has declined further to 16.5 percent. Even when we adjust this latter figure to consider the effects of early separations and involuntary extensions, it is only 18.2 percent. This is the lowest rate we have experienced since fiscal year 1957. The variable reenlistment bonus has improved first term reenlistment rates in the skills to which applied and proposed expansion of this monetary incentive to additional skills should help further to relieve shortage areas.

## DISTRIBUTION OF PERSONNEL

Gross percentages continue to reflect the following distribution of personnel: 65 percent of our personnel serve in operating forces; 18 percent in training; 10 percent in support activities of the Shore Establishment; 6 percent transients, patients, and prisoners; and 1 percent in joint staffs and other similar billets. We still face the dislocation problem resulting from Southeast Asia. Normal sea-shore rotation of young officers is still being disrupted in order to meet fleet needs. The limitation on combat exposure of aircrews also aggravates distribution problems.

Our construction battalion personnel are still heavily committed in Southeast Asia as, to a lesser degree, are our hospital corpsmen. Construction battalion personnel remain on an 8 months out—6 months back schedule. Hospital corpsmen with the Fleet Marine Force in Vietnam spend 12 months in country. The majority then get 18 to 24 months shore duty, followed by about 15 months sea duty other than Southeast Asia. All corpsmen are assured of 24 months out of country prior to reassignment in country. We feel at this time that the flow of new inputs will continue to support this rotation. Should hostilities continue, this situation will require the closest scrutiny. Let me note here that the contributions ashore, supporting the Marines in Vietnam, of our Seabees and hospitalmen are a source of pride for the whole Navy.

## TRAINING

As I previously indicated, the Southeast Asia conflict has increased the tempo of our training establishment, especially in such areas as construction battalion units wherein extensive augmentation has been required. At the same time our training effort must keep pace with the new scientific and technological developments which produce the advanced weapons, navigation and ship control systems required by today's Navy. Each new equipment, each new technique presents a challenge to the training establishment to insure that men are properly prepared to use and maintain these implements of modern warfare.

These demands entail a continuous review and adjustment of training courses and methods designed to obtain the greatest possible return from available resources.

We are proceeding as rapidly as feasible in the construction of a third recruit training center at the former Air Force Base at Orlando, Fla. When completed this facility will eliminate the current overcrowding at San Diego and Great Lakes and will provide the Navy with a much needed, modern east coast recruit training capability.

#### FUNDING REQUIREMENTS

The detailed budget justification for the request under the appropriation "Military Personnel, Navy" is as follows:

Navy strength at end of fiscal year 1969 will be 793,983 and the average strength will be 776,888, composed of 88,050 officers, 684,700 enlisted personnel, and 4,138 midshipmen. Included in the total planned end strength are 106,714 augmentation billets for support of Southeast Asia operations. The officer ratio is planned for 11.4 percent and the ratio of the top six enlisted pay grades will be 57.7 percent.

The budget request under this appropriation for fiscal year 1969 is \$4,340 million.

The fiscal year 1969 pay and allowances of officers reflects a net increase of \$37.3 million over the currently planned 1968 programs. The increase is due to the additional man-years planned and the full year pay increase. Pay and allowances for enlisted personnel show an increase of \$131.6 million in fiscal year 1969, again due to the additional man-years planned including an increase in petty officer man-years.

Pay and allowances of midshipmen, subsistence of enlisted personnel, permanent change of station travel, and other military personnel costs are essentially at the same level as in fiscal year 1968.

#### RESERVE PROGRAM

The Navy's Selected Reserve continues to grow stronger with the addition of veterans to the various Selected Reserve Units throughout the country. We have progressed in recent years from a membership of about 70 percent nonrated and 30 percent top six pay grade personnel to a current mix of about 40 percent nonrated and 60 percent top six. Our goal is a 30/70 ratio, nonrated versus top six and officers. Since our mobilization requirements are largely for petty officers, this is a heartening trend. In the area of preactive duty training, we have progressed in recent years from 50 percent reservists entering upon active duty in pay grade E-3 to a current level of 85 percent who go to active duty in the highest nonrated pay grade and are thus of more value to the fleet. Moreover, because of this emphasis, more of them achieve petty officer status while on active duty; first-term reenlistments are favorably affected, and more combat and fleet trained petty officers are released from active duty as members of a trained Ready Reserve.

The Naval Reserve is unique among Reserve components in that it is a volunteer organization and, except for only 1,500 annual input in specialized skill ratings in the Naval Air Reserve, is made up of fleet-trained bluejackets all of whom have served 2 years or more in the operating forces. Currently about 111,000 Naval Reservists are serving on active duty.

## RESERVE FUNDING REQUIREMENTS

The request for funding under the appropriation "Reserve personnel, Navy" for fiscal year 1969 is \$125 million. This amount will hold level the end year reserve strength in drill pay status of 126,000 with an average of 22,535 officers and 103,465 enlisted personnel. It will also provide training tours for 7,600 personnel in nondrill pay status and for 12,460 tours in essential schools and special training.

This estimate also provides for an average of 10,041 enrollees in the NROTC program and for 1,909 students under instruction during the summer in the Reserve officer candidate (ROC) program.

## CONCLUSION

This concludes a brief of our requirements for the two military personnel appropriations. Thank you, gentlemen, for your attention.

## CHANGES SINCE BUDGET PREPARATION

Mr. MAHON. Admiral, Mr. Lipscomb asked some questions yesterday of the Department of the Army relating to how current the estimates which are before us may be. I would like him to pursue that matter at this point with respect to the Navy.

Mr. LIPSCOMB. Admiral, your statement addresses the fiscal year 1969 budget.

Admiral STREAN. Yes, sir.

Mr. LIPSCOMB. How current is the fiscal year 1969 budget now?

Admiral STREAN. As you know, it was current in December. Now we compute a shortage of \$73.3 million, which includes the Reserve callups of six squadrons and the two mobile construction battalions. It includes pipeline. It also includes the so-called program 6 personnel requirements incountry in Vietnam of 1,775 people. It also includes here in CONUS as a support for Vietnam 1,134 additional people to assist in our continental United States hospitals because of the Vietnam wounded.

Mr. LIPSCOMB. Are the statements which are included in your opening remarks as to the numbers, strength, and distribution of personnel current, or is this as it was at some date in the past?

Admiral STREAN. The statement fits the present budget, which was completed, of course, in December.

Mr. LIPSCOMB. What is the status of all of these items at the present time, for example, the distribution of personnel? Has it worked out the way your budget was formulated? What is the status of your training? Have you come up to the requirements which you foresaw when the budget was formulated? Is your statement very current?

Admiral STREAN. I believe the statement is current, sir, with the exception of including these recent Reserve callups and program 6, and the other items I just mentioned. We have not even started the people en route to Vietnam yet.

Of course, the extra support for the hospitals in the continental United States has just been approved, and has not been included in the budget.

## END STRENGTH ESTIMATES

Mr. LIPSCOMB. At this time last year, it was estimated that fiscal year 1967 Navy end strength would be 753,394 men. The actual fiscal year 1967 end strength was 751,394 men, which is 2,000 men less than the original estimate.

Last year, Navy end strength for fiscal year 1968 was estimated to be 762,288 men. It is now estimated at 768,200 men, an increase of 5,912 over last year's estimate.

In view of the experience in overestimating last year's needs, how can we be confident that current fiscal 1968 and 1969 year end strengths are not overestimated?

Admiral STREAN. As I understand that, sir, the estimated fiscal 1968 end strength was 762,288. It will be 768,200. This was a case of requirements from add-ons. At the end of 1967, as I understand your question, we did go 2,000 under the requested end strength. We had some difficulty meeting the officer program.

Mr. LIPSCOMB. Let me repeat the 1968 figures, then. The Navy end strength for fiscal year 1968 was estimated to be 762,288. It is now estimated at 768,200, an increase of 5,912 over last year's estimate. How does that come about?

Admiral STREAN. It was occasioned by Program Five. There were about 5,400 personnel in Program Five which beefed up the in-country forces in Vietnam.

Mr. LIPSCOMB. What is Program Five?

Admiral STREAN. DOD assigns this means of designating augments for in-country. Program Five was completed a few months ago, and was an add-on required for 1968. It involved beefing up the mobile Riverine forces for one Game Warden, and some beefing up of Market Time. Also, additional people at NSA, Danang.

Mr. LIPSCOMB. Were you budgeted for those?

Admiral STREAN. No, sir; we were not budgeted for those.

Mr. LIPSCOMB. How did you obtain the funds?

Admiral STREAN. We hope to obtain the funds by a supplemental which is being considered at the present time.

Mr. LIPSCOMB. You mean which is before the Congress at the present time?

Admiral STREAN. Before the Congress; yes, sir.

Mr. LIPSCOMB. The so-called zero supplemental?

Admiral STREAN. Yes, sir.

## MAN-YEAR AND OBLIGATION ESTIMATES

Mr. LIPSCOMB. It is estimated that in fiscal year 1968, man-years will increase 3,837 over fiscal year 1967; and estimated obligations will increase about \$242 million. In fiscal year 1969, man-years will increase an estimated 25,741 over fiscal year 1968, but estimated obligations will increase only approximately \$174 million.

Why do estimated obligations appear to be so out of proportion in fiscal year 1968 when compared with fiscal year 1969?

Admiral GRIMM. I think one of the primary answers to this is the difference in the pay raise obligation, the effect of obligating the pay raise, with different time periods for both years.

Mr. LIPSCOMB. What does that mean?

Admiral GRIMM. It means we will have a full year pay raise for 1 year and three-quarters of a year pay raise for the other year. This affects our obligation rate.

Mr. LIPSCOMB. The man-years in 1968 will increase 3,837 over fiscal year 1967, but estimated obligations will increase about \$242 million. In fiscal year 1969, man-years will increase by 25,741 over fiscal year 1968, but estimated obligations will increase only \$174 million. It appears just the opposite from what you describe. Your remarks should make it go up. Would you furnish the answer to the question and submit it for the record?

Admiral STREAN. I would be happy to.  
(The information follows:)

The estimated obligations for fiscal years 1968 and 1969 do appear out of line when related only to the man-year increases for those fiscal years. The apparent disproportion is caused by \$206 million of the \$242 million increase being non-strength related; 85 percent of the \$242 million increase was not related to the 3,837 man-year increase, but supports the October 1967 pay raise, petty officer man-year increase not affecting overall man-years, sea duty and hostile fire pay, lower longevity rates, MSTs Readiness billing, and other items of this nature.

#### PILOT RETENTION RATE

Mr. WHITTEN. Admiral Strean, you indicate that the need for young pilots in the grade of lieutenant is so critical that you have found it necessary to selectively defer resignations and retirements for some regular officers.

Last year Admiral Semmes testified that a significant number of naval aviators were leaving to become commercial airline pilots.

I note that you have phased out your aviation cadet program in favor of college graduates to fulfill your pilot requirements. I would assume commercial airlines also would rather have pilots with baccalaureate degrees. What was your retention rate for aviation cadets in previous years?

Admiral STREAN. The retention rate for aviation cadets in previous years was essentially what it is for those holding baccalaureate degrees last year. I believe it was a little bit higher in the case of the aviation cadets.

Mr. WHITTEN. Last year you estimated that 23,562 crew member officers would be receiving flying duty incentive pay during fiscal year 1968. Now, on page 1-19, this figure is shown as 23,094. This number is expected to drop further to 22,825 in fiscal 1969, which is close to the fiscal 1967 number.

What was your retention rate for aviators in fiscal years 1966 and 1967, and what is your current predicted retention rate for aviators in fiscal 1968?

Admiral STREAN. For 1966, it was about 61 percent. For 1967, it was about 49.5 percent. For 1968, it is a little over 36 percent.

Mr. WHITTEN. Do you attribute this to the situation in Vietnam?

Admiral STREAN. Yes, sir, I believe that has something to do with it. Also, the attraction of the airlines is another factor, whereas airline work is 8 or 10 days a month, and they have a lot more time home with their families. There are several factors here. I think Vietnam has some effect on it.

Mr. WHITTEN. Are you following the practice now that when an aviator realizes he has lost his nerve, as a layman might express it, he has to be relieved from flying duty on the basis that he is somewhat of a risk in handling expensive military equipment? What is your current policy with respect to that situation?

Admiral STREAN. We would hold a field naval aviation evaluation board on him. If he is of no value to us as a pilot, we would remove him from flying, probably, and use him elsewhere.

Mr. WHITTEN. I am using a layman's term in that description, but you do have such cases?

Admiral STREAN. Yes, sir. I think that is probably a pretty good description of it. We do have people like this. We hold an evaluation board on them. The final decision is made in the Bureau of Naval Personnel as to whether the fellow loses his wings, whether he goes to other duty, or whether he receives additional training and is tried in some other kind of squadron.

#### COMBAT LOSS RATE FOR PILOTS

Mr. WHITTEN. What has been your combat-related loss rate for aviators in fiscal 1968 compared to fiscal 1967?

Admiral STREAN. It has been essentially the same, 2.82 percent.

Mr. WHITTEN. Do you classify your helicopter operators as aviators?

Admiral STREAN. Yes, sir, they are aviators.

#### DIFFERENT METHODS OF COMPUTING PILOT SHORTAGE

Mr. LIPSCOMB. Admiral, in a statement to the Senate Armed Services Committee on January 22, the Secretary of Defense testified that the Navy was now only 110 pilots short, and would meet the requirements during fiscal year 1969.

Yet Admiral Semmes testified last year before this committee that the Navy would be 2,677 pilots short in fiscal year 1968.

Can you explain this remarkable recovery in only 10 months?

Admiral STREAN. DOD has a different way of computing our pilot requirements than we have. We had made a study of the pilot requirements and counted all the billets that we fill with aviators. We came up with something in the area of 16,800.

The DOD, in computing our pilot requirements, computed them based upon the cockpits with four types of pilots—the force pilots who actually man the cockpits; the training pilots; the supervisory pilots; and the supplemental pilots.

In their method of computation they came out with something between 13,000 and 14,000 as the requirement, whereas we in counting the actual billets came up with something over 16,000.

We are presently trying to get together on the figures and reconcile our differences.

Mr. LIPSCOMB. How can you or we make meaningful sense out of this when the former Secretary of Defense insists there is no problem with pilots but if you listen to the military, no matter whether it is Navy, Army, or Air Force, it is recognized that we have a pilot shortage problem? Do we have a pilot shortage problem or not?

Admiral STREAN. As far as we are concerned, we have an inventory deficit of 3,394 at the end of fiscal year 1968. This is using the method that I mentioned, of actually counting the pilot billets, commander and below, that are required in the Navy.

Mr. LIPSCOMB. How long have you, in the Navy, been trying to work out a uniform understanding of the pilot situation with the Department of Defense?

Admiral STREAN. Sir, I think this has been going on for almost a year.

Mr. LIPSCOMB. When do you think it might be resolved so we can have some meaningful testimony from both parties?

Admiral STREAN. Captain Burgess?

Captain BURGESS. We are engaged in a very detailed study at the present time, sir, which will be completed in late June, which will give the Navy's position; and then, of course, it will be up to us to present it to Systems Analysis of the Department of Defense.

Mr. LIPSCOMB. Is that Mr. Enthoven's office?

Captain BURGESS. Yes, sir.

Mr. LIPSCOMB. How long has the study been going on?

Captain BURGESS. Actually, we have been addressing this problem for about 2 years. The first study was completed over a year ago. We started the second study early this year—before Christmas, as a matter of fact.

Admiral STREAN. I think our attempt at reconciliation of the numbers has been about a year, has it not?

Captain BURGESS. Yes, sir.

Mr. LIPSCOMB. Are pilots still being involuntarily extended by the Navy?

Admiral STREAN. Yes, sir.

Mr. LIPSCOMB. Could you state how many pilots were involved in this involuntary extension by the Navy?

Admiral STREAN. Yes, sir. I can tell you roughly that we have extended about 1,200 pilots since we started this in 1966, and we still have on board about 465 who are involuntarily extended.

Mr. LIPSCOMB. Do you have to extend pilots' service involuntarily because there is a pilot shortage?

Admiral STREAN. Because we have an inventory deficiency, yes, sir.

Mr. LIPSCOMB. That is not hard to explain to the Secretary of Defense or to Dr. Enthoven, is it? You do not just extend pilots because you want pilots around?

Admiral STREAN. We certainly do not, sir.

Mr. LIPSCOMB. The pilots have a military mission, and the demands are on the Navy to perform this military mission.

Admiral STREAN. I think the difference of opinion comes in certain billets which perhaps it is claimed other than aviators could fill.

Mr. LIPSCOMB. How many flights does an average carrier pilot make per week in Vietnam or in Southeast Asia?

Admiral STREAN. May I ask Captain Burgess to answer this?

Captain BURGESS. I cannot tell you on a day-to-day basis, but in a tour, which is normally 7 months from departure from the United States until return, the average carrier pilot will get about 100 combat missions, some more.

Mr. WHITTEN. Admiral, I am an everyday sort of fellow, and to me you use certain astounding descriptive words, such as "inventory de-

ficit," and yet you are constantly holding aviators beyond their tours of duty.

Why do you not go ahead and say you have a pilot shortage?

Admiral STREAN. Sir—

Mr. WHITTEN. It burns us up on this side to see you use, I would not say fancy language, but it is an effort to use certain language to avoid saying yes.

Admiral STREAN. Yes, sir; we have a pilot shortage.

Mr. LIPSCOMB. I am glad you also asked that, Mr. Chairman.

Admiral STREAN. May I add, if you will believe our computations of requirements, we have a storage.

Mr. LIPSCOMB. I believe that the people most immediately involved and who are required to actually carry out the military mission are the best ones to know what their requirements are. In this case it is you in a naval uniform.

Admiral STREAN. Yes, sir.

Mr. LIPSCOMB. The Navy has consistently told us there is a pilot shortage. Yet it does not seem to be getting much better, even though the Navy is working hard at it. There must be some way that it can be improved, perhaps with the cooperation of the powers that be.

Admiral STREAN. As a matter of fact, it is getting worse at the moment, sir.

Mr. LIPSCOMB. That was an optimistic statement I made. It was a hope.

Admiral STREAN. Sir, we are increasing our pilot training rate in 1969. It will go from 2,200 to 2,573. In 1970 and 1971, it will go on up to 2,750 per year. This will help close the gap some, but it will be well into the 1970's before we are well.

#### COMBAT MISSIONS BY CARRIER-BASED PILOTS

Mr. LIPSCOMB. To go back to the number of flights the average carrier pilot makes per week, you said his tour would involve approximately 100 missions.

Captain BURGESS. One hundred combat missions. He will have many other training missions.

Mr. LIPSCOMB. Do you have any guess of how many missions a carrier pilot would make per week in Vietnam?

Admiral STREAN. I think I could guess that he would probably make about five per week.

Mr. LIPSCOMB. Is this normal for combat operations?

Captain BURGESS. We have the situation that the carrier is not on the line at all times, sir. When they are on the line, they would fly just about every day.

Mr. LIPSCOMB. So you say it is normal?

Captain BURGESS. Yes, sir; normal for this type of operation.

Mr. LIPSCOMB. This is an unusual type operation. How would a carrier pilot conduct himself in normal combat operations? You are stationed off Vietnam and there are certain demands on them. But is it normal?

Admiral STREAN. I think it is normal for this type of operation.

Mr. LIPSCOMB. We have never had this kind of operation before.

Admiral STREAN. You could accelerate your flights if you were in an intensive combat situation. I think you could fly two flights per day

if you really had to. But flights these days take a tremendous amount of time in preparation. The flight itself is very short compared to the time of preparation. I think this would be one factor to keep you from going much beyond one per day.

#### NAVY PILOT REQUIREMENTS

Mr. LIPSCOMB. What was the number of pilots requested of the Office of the Secretary of Defense in the Navy's original fiscal year 1969 budget request?

Admiral STREAN. I would have to supply the accurate numbers for the record, but I believe it was 16,875.

Mr. LIPSCOMB. How many were allowed in the budget as submitted by the President?

Admiral STREAN. In the vicinity of 13,000-plus. I could supply the figure for the record, sir.

Mr. LIPSCOMB. If you would, please  
(The information follows:)

The Navy has determined its requirement for pilots (commander and below) to be 16,809 for fiscal year 1969. This includes 117 pilots associated with the Reserve squadrons recalled in January 1968. A total of 13,191 are provided for in the 1969 budget. The additional 117 pilots will require funding support.

In his posture statement presented to Congress, Defense Secretary McNamara stated Navy pilot requirements (commander and below) to be 13,471 for fiscal year 1969. The additional 117 pilots associated with the Reserve squadrons recalled in late January 1968 would increase this figure to 13,588.

#### PILOT TRAINING RATE

Mr. LIPSCOMB. Also for the record, would you supply what would be the training rate required to meet the needs that you expressed to the Office of the Secretary of Defense for fiscal year 1969, and also what the added cost would be?

Admiral STREAN. I would be happy to, sir.  
(The information follows:)

It is not possible to provide a useable answer to the question that you have posed. It takes about 18 months to train a pilot to the point of designation as a naval aviator. Therefore, there is no amount of money that could make it possible to turn out in the next 12 months aviators that are not yet recruited.

The pilot production is expected to reach 2,573 in fiscal 1969 and 2,750 in fiscal 1970-1971, which will be adequate to fill the first sea tour billets in our flight squadrons. The shortage is in the experienced year groups of 6 to 10 year's service. This shortage developed because of a poor recruiting climate from 1958-1962, low retention rates, and the increased requirements brought on by the present Southeast Asia conflict. We cannot go out and buy this talent. We must grow it—which is what we are attempting to do with the presently planned higher training rates for the next few years.

The Navy pilot training rate is being expanded as rapidly as assets and facilities will permit. Navy requested and OSD approved a 2,573 pilot training rate in fiscal 1969. Adequate funding was provided. These are the needs expressed to OSD with the objective of balancing our pilot requirement with pilot inventory in fiscal 1974.

#### USE OF WARRANT OFFICERS AS PILOTS

Mr. WHITTEN. Last year, information was provided indicating the Navy did not favor using warrant officers as helicopter and light fixed-wing aircraft pilots because of potential morale problems and

lack of opportunity for career advancement for these men when competing with commissioned officer pilots who are college graduates.

The Army makes extensive use of warrant officer pilots with apparent good success and without any morale problem, according to yesterday's testimony.

In view of this continual pilot retention problem, have you reconsidered the possible use of warrant officers as pilots, particularly for helicopters?

Admiral STREAN. Sir; we do not have any great number or proportion of helicopters, as the Army does, where a pilot could make a full pilot career out of being a helicopter pilot. We have few enough helicopters, that we have to give him duties in other kinds of aircraft in his career. In almost all cases, the aircraft are fairly complicated pieces of equipment and very valuable and we need the best education base we can get on, which to impart to him the technical knowledge he has to have to operate this complicated equipment.

Mr. WHITTEN. The question carried two statements from last year's testimony. You discussed the fact that the individual Navy pilot is a Jack-of-all-trades. What about the potential morale problems and the lack of opportunity for career advancement for warrant officer pilots?

Admiral STREAN. I believe I answered only part of your question.

When we make officer pilots or enlisted pilots or warrant officer pilots, we frequently have two kinds of pilots doing the same thing, with the officer pilot receiving higher pay and getting the joys of responsibility. They would not compare well in the matter of pay and responsibility and, ultimately, they would become a different group and there is a potential morale problem.

To go a long ways back, we had this situation once when we attempted in 1935 to bring in the aviation cadet and keep him as a cadet and not commission him. They became a different group of people, almost a contract pilot. They were set aside from others, and they were not given responsibility commensurate with their experience because they did not have the rank.

Finally, the Navy had to retreat on this and commission these people, first in the Reserves, and later in the Regulars, in order to do away with this very serious morale problem.

We would have the same thing if we had warrant pilots or if we had a separate category of pilots who are doing the same thing but getting less pay, prestige, or responsibility for it.

Mr. WHITTEN. How many men do you have flying helicopters now?

Admiral STREAN. I would have to ask Captain Burgess.

Mr. WHITTEN. Give us an approximation.

Captain BURGESS. I would say probably 1,690.

Mr. WHITTEN. Is this matter of using warrant officers as pilots receiving continuing study, or are you so convinced from your prior experience that it would not work and you are not considering it further?

Admiral STREAN. We have looked into it several times, but we are not studying it at the present time.

Mr. WHITTEN. Questions, Mr. Lipscomb?

## MEDICAL EDUCATION FOR NATIONAL DEFENSE

Mr. LIPSCOMB. Admiral, how are you coming along on your analysis of the Comptroller General's report on the medical education for national defense program?

Admiral STREAN. I will ask Admiral Brown to respond.

Admiral BROWN. Mr. Lipscomb, we are working at it and have a deadline to give the committee a report before the morning of the 20th of May.

Also, the Office of the Assistant Secretary of Defense, Health and Medical, is taking the responsibility for directing the study that was recommended strongly by you and Mr. Sikes at the time of the committee hearing. This study, of course, will involve more time. It is planned to look into the program in depth and to correct discrepancies and deficiencies as they are found.

Mr. LIPSCOMB. I think the committee would like to hear your analysis of this report so we could include it in the hearings. The 20th of May is not too far off. I hope you make it.

Admiral BROWN. We will have it to you by that time, if that is satisfactory.

(The information follows:)

At the time initial funding was authorized for MEND (1952), only a pilot study program involving five medical colleges was envisioned. However, in 1954, the results of the pilot study were so favorable that a poll of the remaining 74 medical schools in the United States was conducted by the Joint Committee on Medical Education in Time of National Emergency of the American Medical Association and the Association of American Medical Colleges (AMA and AAMC). The joint committee found 45 schools were ready to introduce similar programs; 27 schools were interested but wished to delay their decisions pending further review by the faculty; and only two schools expressed disinterest in participation. In addition, the continuation and expansion of the MEND program was endorsed and encouraged by the National Academy of Sciences, National Research Council, the Association of American Medical Colleges, and the American Medical Association. As a result of the favorable pilot study, the interest expressed by the remaining medical schools, the recommendation of the National Academy of Sciences, the AMA, and the AAMC; and the Department of Defense estimate of future beneficial returns; a gradual expansion of the program began with a maximum of 10 additional schools being accepted each year.

The program, under the authority of 5 United States Code 301, was organized by the Office of the Secretary of Defense. Within that Office, the Assistant Secretary of Defense (Manpower and Reserve Affairs) is responsible for developing the MEND program based upon recommendations from the Federal MEND Committee.

The Committee is composed of a representative appointed by each of the following: DASD (Health and Medical) (Chairman); the three Surgeons General of the separate Armed Forces; and the Surgeon General, Public Health Service. The MEND Committee is responsible for direction and coordination of the program.

There has been established the position of National Coordinator of Medical Education for National Defense, the incumbent being under the supervision and direction of, and selected by, the Federal MEND Committee. The National MEND Coordinator is responsible to the Federal MEND Committee for all aspects of the MEND program operation.

Support and contracting services are provided by the Navy. The Office of Naval Research serves as contracting agent, drafting and awarding contracts for the MEND program in accordance with the instructions of the Federal MEND Committee. The Bureau of Medicine and Surgery provides administrative support to the National Coordinator's Office, includes the MEND's budget requirements in its annual budget request, and provides accounting services for the program.

The MEND program has been a teaching-oriented program from its beginning, and as such it has recognized the flexibility essential in any educational process.

This is particularly true at the graduate level when the objective to be achieved is the fostering of an attitude or awareness as opposed to an objective that lends itself to finite measurement. Therefore, it is believed that the current statement of MEND's objectives as set forth in DOD Directive 3020.34 dated June 26, 1967, is sufficiently clear and specific to state the overall objectives of the program but without attempting to rigidly delineate the course an institution must follow in pursuit of these objectives. A certain degree of freedom in working out each program is essential in the light of the great variability in educational philosophy and the local circumstances prevailing at institutions throughout the country.

It is for these reasons that the program's managers have not adopted arbitrary standards of performance or required uniformity of accomplishments on the part of the participating institutions. It is appreciated that such an approach might from time to time give rise to debatable or questionable compromises. In general, however, unless such tempered variability is permitted the schools in their individual curriculum planning for teaching MEND-related material, it is highly unlikely that the MEND program would be accepted, endorsed, or supported to the degree that it is today by academic medicine.

In an attempt to furnish the participating institutions with a more definitive statement of the MEND objectives and in order to suggest methods whereby these might be accomplished, the attached document entitled "Goals and Guidelines for MEND" was distributed to each participating school by the National Coordinator on March 14, 1968.

It is recognized that, as reported by the Comptroller General, there have been instances in the past where insufficient fiscal responsibility has been exercised by individual institutions in the course of supporting various activities with MEND funds. Such questionable practices cannot be defended or condoned. Perhaps the MEND contracts should have included details on specific performance criteria and guidelines on the use of funds. At the time, such measures did not seem necessary in view of the several control features that were part of the program. Each school was required to submit an annual plan for implementation of the MEND program, three (quarterly) progress reports, an annual financial report, and a final technical report. The national coordinator reviewed and approved each plan and the subsequent reports. However, as events have shown, these evaluative reviews were not sufficient and, in retrospect, additional measures—such as periodic audits—should have been taken.

In order to evaluate and make recommendations as to the future of the MEND program a study, as suggested by the acting chairman of the subcommittee, will be undertaken in the immediate future under the aegis of the office of the Deputy Assistant Secretary of Defense (Health and Medical).

#### GOALS AND GUIDELINES FOR MEND

Shortly after the Korean conflict began in the summer of 1950, a joint committee was established by the Association of American Medical Colleges and the American Medical Association to explore methods for introducing into a medical school's curriculum, those special subjects which medical graduates would vitally need if they were to serve competently in the Armed Forces or as civilian physicians in time of national emergency.

The committee's report, prepared and distributed to all medical schools in March 1951, was titled "Suggestions for Supplementing the Medical Curriculum in Time of National Emergency". Topics for emphasis included instruction in medical aspects of civil defense to include first-aid, management of war injuries plus rehabilitation, hazards of extremes of heat and cold, alertness in detecting exotic diseases, basic principles of public health and preventive medicine in disaster situations, problems inherent in chemical, biological and nuclear warfare, and psychological aspects of stress.

The program known as Medical Education for National Defense (MEND) was created in 1952 to help meet this educational need, its sponsorship and funding being jointly provided by the Department of Defense, the Public Health Service, and the Civil Defense Administration. Although a time of uncertain national emergency (Korea, 1950) led to the creation of MEND, the application of the principles it espouses have continued to be felt important both in the light of international unrest and inadequate emergency medical services in this country to deal with natural and man-made civil disasters. Thus, through the intervening years, it has developed and expanded so that today it is active in every medical school in the United States, representing a uniquely cooperative endeavor on the part of Government and education.

*The basic purpose of MEND is to foster within medical education an appropriate attitude or an awareness toward the practice of medicine under adverse, emergency conditions or within a hostile environment.*—Specifically, this has reference to the education and training of physicians in the principles of medicine and surgery as they are applied within a military or civil disaster situation.

During its formative period, MEND was conceptualized as dealing with fundamental professional principles rather than teaching details of technique or application. In addition, there was a basic assumption and agreement that each school would be free to work out its own program in the light of its own educational philosophy and the circumstances prevailing in that institution. This continues to be MEND's *modus operandi*.

In a consideration of MEND's goals, it should be appreciated that the subject matter that relates to "medicine under adverse conditions" should be part of the teaching program of every modern medical school. However, what MEND has done, and should strive to continue doing, is provide a focus or a backdrop so that an awareness and appropriate attitudes can be developed at the same time that relative and appropriate principles are being taught. MEND's goal is to stimulate, catalyze, serve as a means-to-an-end.

The various methods and techniques of generating and stimulating interest and appreciation for "medicine under adverse conditions" used by MEND both nationally and locally, have great variability in scope, content, and definable achievement. However, it would seem appropriate to submit the following as examples of tangible and identifiable on going ways whereby an individual school and its appointed coordinator can carry out their role within the MEND program. These "guidelines" should in no way be misconstrued as arbitrary, rigid or directive in nature. They are offered as suggestions—drawn from the observations and experiences of individual coordinators working with their faculty, their students—plus the considered opinion of the national coordinator's office in terms of the whole.

1. *Symposia.*—Each year a series of teaching symposia are planned and conducted under the auspices of the national coordinator's office. In most instances the contents and locale of the programs are based upon the collective recommendations of the school coordinators. Faculty, house staff, and students should be encouraged to attend these meetings and if at all possible, methods devised to transmit, at the local level, the information gained by the individual.

2. *Short courses.*—In addition to MEND symposia, various short courses are made available through the national coordinator's office each year—courses conducted by the Armed Forces and the Public Health Service. MEND-supported attendance at these, particularly the course "Management of Mass Casualties," tends to sustain interest in MEND locally and encourages healthy communication between the Federal health agencies and medical school faculty. However, here, as with the symposia, tangible "feedback" should be stressed.

3. *National meetings.*—At the discretion of the school coordinator, attendance of individuals at national meetings is appropriate under MEND-sponsorship. However, the meeting's content should be clearly MEND-related and the individual's attendance at same make a distinct contribution to his school's MEND program.

4. *Local courses in disaster medicine/emergency medicine/first aid.*—Over one-third of the participating schools conduct either required or elective courses in subject matter relating to MEND—usually at the freshmen or sophomore level. These have been generally well received by both students and faculty. It is recognized that in many institutions, conduct of such courses are not feasible. However where possible, the development of such, particularly within the context of teaching better emergency medical care for the local community, is a logical and timely extension for MEND.

5. *Guest speakers/lecture series.*—MEND-support of visiting lecturers and especially a formal and ambitious lecture series is strongly encouraged as the very best means of stimulating interest and conveying MEND-related information at the local level. The National Coordinator's office is anxious to help in this regard since speakers at MEND symposia are selected with the thought that they might lecture at a later date on a comparable subject at an individual school. Suffice to say, subject lecture or lectures should deal with "medicine under adverse conditions" in one form or another.

6. *Local symposia.*—Another means of communicating at the local level is the conduct of a 1-day meeting on a MEND oriented subject, utilizing a faculty of guest speakers and directed at a mixed audience of students, house staff,

faculty, community physicians, and allied health people. In various schools this approach has been part of the institution's continuing education program. The national coordinator's office desires to render what help it can with such meetings. They represent much labor on the part of the school coordinator, but do furnish a significant and tangible opportunity for MEND to contribute to a center's teaching program.

7. *Disaster exercises, field trips.*—Where there is local interest in such and MEND can assist in developing such exercises, the school coordinator often plays a vital role in planning and implementing exercises that can be of significant future value to the medical center in meeting its responsibility for community service. In certain areas of the country where large military bases are not too far distant, MEND can also facilitate student groups viewing and participating in large scale demonstrations relating to the care of mass casualties (triage, evacuation, first-aid, etc.).

8. *Film programs.*—Several schools coordinators have considered useful and practicable setting up a viewing series of MEND-related films for student consumption. The national coordinator's office has a small library of such films and is anxious to make them available for short-term loan.

9. *Newsletters.*—Although extremely time-consuming for the individual coordinator, locally produced newsletters are a most effective means of communication within the medical center on matters germane to MEND. Such a medium facilitates transmission of "feed-back" from MEND-sponsored symposia, courses, etc.

(EDITOR'S NOTE: A detailed discussion of the MEND program is contained in hearings on Department of Defense Appropriations for 1969, Part 4, Operation and Maintenance, beginning on p. 885.)

#### NUMBER OF TOP MANAGEMENT PERSONNEL

Mr. WHITTEN. This is ranging a little far afield Admiral, but someone said, reading history, that in peacetime we build up a kind of peacetime military machine, and usually they have to have a pretty good shakeup before going into combat. That may oversimplify it.

Last week we had about 40 witnesses on one item. All of them were admirals, captains, and civil service personnel in the grades 16, 17 and 18 categories. The item being discussed was the management of new computer programs for the Navy.

Speaking from recollection, in a report to the committee, the General Accounting Office said the Navy had not fully decided what information should be programed into the computers to provide the information required, or what use could be made of the information supplied. I am oversimplifying it, but that is how it ended up.

Are we loaded down with a peacetime level of top brass? Do we need a shakedown? Is the shortage of pilots due in part to the possibility we are too topheavy on personnel at the upper level?

Admiral STREAN. No, sir; I would not think so. I think we have had enough management surveys and have reorganized because of our requirements, that we are not top heavy.

Mr. WHITTEN. It is never pleasant to think of a subject like this, but I did ask last week who was keeping the store. It is a real question of whether anybody was left at the store except the errand boy.

#### MEDICAL PERSONNEL

Mr. WHITTEN. Turning now to medical personnel, you show a decrease of 86 physicians and dentists in fiscal year 1969, but an increase of \$475,000 in fiscal 1969 for continuation pay for physicians and dentists. Has the continuation pay aspect been very effective, in your ability to retain physicians and dentists?

Admiral STREAN. May I ask Admiral Brown to answer this.

Admiral BROWN. Mr. Whitten, we have just started the continuation pay program, the authority for which was given by Congress last fall. We have not as yet accumulated sufficient data to answer your question. I might say it has been very gratifying in certain cases of outstanding career medical officers who had pretty well signified intention to leave the service, that continuation pay has appeared to make the difference and they have decided to stay on.

#### TOTAL PHYSICIANS AND DENTISTS

Mr. WHITTEN. Will you break down the total figure for physicians and dentists in fiscal 1968 and 1969 to show the number of physicians and the number of dentists for the 2 years?

Admiral BROWN. Yes, sir.

The authorized end strength for physicians right now is 4,454; and the authorized end strength for dentists is 1,950.

Mr. WHITTEN. That is end strength. Let us get back to what you really have.

Admiral BROWN. In terms of doctors, we have 4,605; and of dentists, we have 1,940 on board as of now.

You realize in respect to the doctors that we lose a great handful of them all at once at the end of this fiscal year when their time is up.

#### VARIOUS MEDICAL PROGRAMS

Mr. WHITTEN. On a voluntary basis, how long do they sign up for?

Admiral BROWN. There are several different programs involved in the signing up of a doctor, so I do not believe I can give you an average that would be meaningful. A great many of our doctors, as you know, come in for their obligated service of 2 years.

Then we have a senior medical student program which provides the medical student with the pay and allowances of an ensign in his senior year, and for this he obligates an additional year, making a total of 3 years.

The volunteers, of course, simply volunteer for one or more years. We have not, except in unusual circumstances, encouraged the taking of volunteers for less than a total year.

Those who receive training in the Navy are obligated for varying lengths of time depending upon length of training and whether the training was obtained in one of our service institutions or whether it was obtained on the outside.

Does this answer your question?

Mr. WHITTEN. I think it does. You refer to interns and intern years?

Admiral BROWN. An intern year is not a year for which a person obligates.

Mr. WHITTEN. You talk about medical training?

Admiral BROWN. Training in clinical surgery, medicine, eye, ear, nose, and throat, and so forth.

Mr. WHITTEN. Sort of an extra year?

Admiral BROWN. If training is taken in service. If taken on the outside the trainee is obligated to serve 2 years for the first year of training and then an extra year of service for each subsequent year of training.

Mr. WHITTEN. Do you have any plans in the making to draft doctors and dentists in fiscal 1969?

Admiral BROWN. No, sir.

#### TOTAL NURSES

Mr. WHITTEN. How about nurses? What is the situation with respect to them? How many did you have in fiscal year 1967 and how many do you expect to have in fiscal 1968 and 1969?

Admiral BROWN. We have authorized strength of 2,589 as of now. We have 2,437 on board as of April of this year. At the same time in fiscal year 1967 we had 2,310. We anticipate 2,587 for fiscal year 1969.

The nurses come in through a nurse candidate program which gives them financial support for their last 2 years in the baccalaureate degree program. They come in through an enlisted nurses education program in which selected WAVES and corpsmen are subsidized for nursing education. This is a very small program, as a matter of fact.

They are brought in also by direct recruitment and a fair sized increment comes in through rejoining the service after having been out for a while.

We are hoping to move toward bringing our on-board strength in line with our authorized strength during the next year if we do not receive a lot of additional requirements. This will be done by the logical methods of increasing the input into the training programs somewhat and by intensifying our recruiting.

#### RETENTION RATES FOR MEDICAL STAFFS

Mr. WHITTEN. What were your retention rates for physicians, dentists, and nurses in fiscal year 1967 and your current predictions for fiscal 1968 and 1969?

Admiral BROWN. The retention rate for physicians has stayed displeasingly low for several years. If you will permit me to break it down into categories it will be more meaningful.

I spoke of the senior medical school program. These are the young men who are subsidized for their last year in medical school and then are obligated for an additional year.

Unless these young doctors receive further training in the service, all but a handful, I would say—certainly less than 5 percent—get out at the end of their obligated service.

The Berry plan people—do you understand this, sir?

Mr. WHITTEN. I do not know that I do. Please explain it.

Admiral BROWN. The Berry plan is a plan named after Dr. Berry, its author, who was then the Assistant Secretary of Defense (Health and Medical). It is a plan for deferment of prospective specialists, that is deferment of their 2-year military obligation for the time necessary for them to receive their training in civilian institutions. They pay for their training. They obtain the training themselves, so they do not incur any additional obligation except an obligation to serve in the Reserve for a total of 6 years. However, they are deferred for their training. There are a lot of if's, and's, and but's to the program which we need not go into at this time.

Those individuals who have been deferred for full specialty training, are not retained in any significant numbers. Again I would estimate the numbers retained would be as low as 2 to 3 percent.

The real significant figure, and not a very gratifying one, is the number of people that are trained in the Navy training programs or under Navy sponsorship that remain on active duty for 1 or more years after their obligation has been completed. About one-third, or about 30 percent, of these doctors remain on active duty, so we lose about two-thirds of those.

Mr. WHITTEN. You might enlarge your statement for the record, Admiral.

(Information requested follows:)

*Retention rates for corps in the medical department in addition to medical*

Dental Corps:

Reserve: 10 percent.

Intern: 28 percent.

Over 8 years, losses nil until 20 years.

Medical Service Corps:

From Reserve: 32 percent.

Overall retention: 80 percent.

Hospital Corps:

First enlistment: 14.9 percent.

Career: 81.2 percent.

Overall: 41.6 percent.

Nurse Corps:

Overall retention at end of obligation: 57 percent.

One year past obligation: 41 percent.

Two years past obligation: 37 percent.

ASSIGNMENT OF PERSONNEL WITH MEDICAL HANDICAPS

Mr. LIPSCOMB. Admiral Brown, I would like to set forth a personnel problem that I know about, but I would like to get some idea of what the Navy policy is. This is a man who has had an ear problem and was examined by an ear specialist. Audiograms revealed a mild high-frequency neurosensory hearing loss on the right ear.

His commanding officer advises that the seaman is to be assigned duties aboard ship where noise effects from gunfire are only minimally noted. Then he will be transferred.

It says the commanding officer of the ship to which the seaman will report in the near future has been advised of a hearing defect and has been requested to consider the defect when assigning the seaman to duty.

How can this seaman be assigned such duties? The loss of his hearing is a possible result; is it not?

Admiral BROWN. If this is indeed the evidence of the early and progressive loss of hearing due to acoustic trauma; yes.

Mr. LIPSCOMB. What is gained by the Navy in assigning a seaman to this kind of restricted duty? Is this not possibly endangering his fellow crew members?

Admiral BROWN. I think, Mr. Lipscomb, this is probably an answer that involves both Admiral Streat and me. With your permission I will take the medical aspect of it first.

You are right. When we find that somebody's hearing is decreasing in the higher tones, which really does not handicap a person a great

deal for ordinary conversation and the ordinary noises of everyday activity, and we have sound reason to believe that it is due to acoustic trauma, we make the recommendation that this individual be assigned some place where he will not be subjected to further acoustic trauma. This is largely for his own protection at this stage, for the protection of his hearing and his health.

I put it this way because you asked about the hazard to other individuals because of the early stage of hearing loss in the high tones.

Mr. LIPSCOMB. Audiographs reveal a mild high-frequency neurosensory hearing loss.

Admiral BROWN. This is not greatly handicapping for ordinary conversation and sound. However, we usually make a recommendation concerning further exposure to high noise levels.

This example I would like to have and would like to look into because it may be on the medical department, so to speak. We may not have made this recommendation clearly enough or strongly enough that those responsible for his assignment appreciated these facts.

I will ask Admiral Streat if he has anything to add with regard to the assignment per se.

Mr. LIPSCOMB. Perhaps somebody else should answer, but I do have concern for the boy and his possible further loss of hearing and what might then affect his future life. I also have concern in your assigning aboard ship a man who has to have special duty so that he does not work where there is noise. All seamen I should think should be completely capable of fulfilling responsibilities in helping fellow crew members in case of emergency.

Admiral BROWN. This, sir, is why I would like to ask the people in the Bureau of Naval Personnel to tell you what is required to follow through. We in the medical department have picked up this defect in his hearing and we have said that in his duties he should avoid further acoustic trauma.

Mr. LIPSCOMB. What is the policy?

I will explain further why I am concerned. This seems to be happening in the services all too often. Men who have certain physical defects are being assigned duties which do not seem commensurate with their problem. That is why I am beginning to ask these questions.

If I, as one Member of Congress, keep getting these letters others must also. And something must be wrong, because often as soon as these are called to somebody's attention it is recognized that perhaps there should have been a different assignment.

Admiral STREAT. We would take the recommendation of the doctor. The problem is unknown to me.

We do have cases aboard ship where somebody cannot work on the flight deck because of some temporary defect, but I am not familiar with someone who has a permanent affliction like this that you would have to assign him special duty.

If we received this recommendation from the Bureau of Medicine and Surgery we certainly would comply with it in order to take care of the man's health and not injure him permanently.

Mr. LIPSCOMB. From what I understand this man perhaps is now on his way to a ship but I am trying to get away from just an individual case. What is the policy where there is a physical defect?

Admiral STREAT. In our enlistment recruiting they have to pass a physical examination and when we recruit them they have to pass

certain minimum requirements and they do not have these physical defects.

If these physical defects develop after they have been in the service we attempt to take care of them. We have been told this year to take in 2,100 medical remedials in a presidential program, but I do not believe you are speaking about this. These people usually have something wrong with them, such as hernias, and they can be put in a hospital and taken care of. They have no permanent defects.

Mr. LIPSCOMB. I don't yet feel fully assured concerning how you watch assignments of men with physical defects with regard to active duty.

Yesterday I discussed one where the man had a plastic plate in his skull from a previous accident, was examined, and they found he did have a problem. They told him that he shouldn't wear his helmet when it impaired his operation or when it hurt, and he was going to be assigned to Vietnam. This seemed to me a little ridiculous. I always thought a man was required to have his helmet on when in combat.

Admiral BROWN. I have always been impressed that the folks in the Bureau of Naval Personnel do take into grave consideration our recommendations as to the type of limitation of duty in individual cases. By not placing this man where there is gunfire, exposure to noise of planes, or in the boiler room, and so on, we can still have him contribute fully and safely to doing a job.

As I said before I asked Admiral Streaan to speak, I said perhaps this is our responsibility. Maybe we didn't spell the limitation out clearly enough in transmitting this to the people who assigned this young man that he had this defect and should not be sent to areas of this sort.

I wish to restate my offer, Mr. Lipscomb. I would like very much to look into this case for you if you would care to have it done.

These are the sorts of things we think are very important to run down.

Mr. LIPSCOMB. I believe it is being looked into. I will be glad to present it to you, however.

Admiral STREAAN. I would like to state for the Bureau of Naval Personnel that our policy is to follow the recommendations of the experts who in this case would be the Bureau of Medicine and Surgery.

Mr. LIPSCOMB. I cannot ask you to base policy on just one matter that I brought up. I am more interested in the general policy of what is occurring now.

We are so in need of manpower that I hope we are not overlooking some of the other factors that are involved.

Admiral STREAAN. I have seen these recommendations for people on board an aircraft carrier where they would be restricted from working on the flight deck for one reason or another. Generally it applied to a temporary affliction of some sort.

Mr. LIPSCOMB. Thank you, Mr. Chairman.

#### SUBMARINE CREWS

Mr. WHITTEN. Has there been any change in the reenlistment rate for Polaris submarine crews since last year's testimony?

Admiral STREAAN. It remains high, sir.

## OFFICER RATIO TO TOTAL STRENGTH

Mr. WHITTEN. Would you update for the record the chart appearing on page 146 of last year's hearing dealing with officer ratios with regard to total strength by fiscal years?

(Information requested follows:)

*Officer ratio to total strength*

Fiscal year :	Officer ratio (percent)	Fiscal year—Continued	Officer ratio (percent)
1969 -----	11. 41	1962 -----	11. 28
1968 -----	11. 13	1961 -----	11. 16
1967 -----	10. 86	1960 -----	11. 26
1966 -----	10. 68	1959 -----	11. 14
1965 -----	11. 58	1958 -----	11. 16
1964 -----	11. 43	1957 -----	10. 88
1963 -----	11. 35		

## COST IMPLICATIONS OF RESERVE CALLUP

Mr. WHITTEN. What are the cost implications of the April 11, 1968, active duty callup of 1,028 Construction Battalion (Seabees) reserves, and how will this be financed in fiscal year 1969—by a transfer of funds from the Reserve budget?

Admiral STREAN. The financial requirements for the Construction Battalions for 1968 is \$1.6 million. For 1969 it is \$6.5 million. For the squadron callup for 1968 it is \$2.1 million.

For the 1969 period it is \$4.7 million.

Mr. WHITTEN. You are getting these by transfer from the Reserve budget?

Admiral STREAN. We have not arrived at a solution as yet with regard to where we get the funds.

Nineteen hundred and sixty-eight will be taken care of by the 1968 supplemental.

## COST OF RECRUITING PROGRAM

Mr. WHITTEN. How much money is being expended annually for your recruiting program in terms of personnel, advertising, and related costs?

Admiral STREAN. About \$7 million. Each personnel recruited costs \$205. Pay of canvassers is included in this \$205 cost.

## SPECIAL PAY—ENLISTED COSTS

Mr. WHITTEN. On pages 1-38 and 39, the number of enlisted personnel receiving special pay for sea duty and duty at certain places will increase almost 10,000 in fiscal year 1969. Is your commitment to Southeast Asia being increased that much in fiscal year 1969?

Admiral STREAN. Yes, sir. In Southeast Asia the increase for fiscal year 1969 is 14,894, of which 11,000 are enlisted men.

## PERMANENT CHANGE OF STATION TRAVEL COSTS

Mr. WHITTEN. In past years the military departments have had difficulty in estimating with any degree of accuracy the cost of permanent change of station travel. At this time last year you estimated such

travel costs would be \$213,608,000 in fiscal year 1967. The cost was actually \$216,536,000, a \$3 million difference.

Last year the estimate for fiscal year 1968 was \$219,828,000. This year you state these costs will total \$226,016,000 for fiscal year 1968, a difference of over \$6 million.

The estimate for fiscal year 1969 is \$224,943,000.

Admiral, how are these estimates computed and what is the problem in generating realistic estimates for this account?

Admiral STREAN. They are based on strength and operational plans.

Mr. WHITTEN. This increase in cost does indicate that you have more movement than anticipated?

#### FAILURE TO COMPUTE 11,000 PROPOSED MOVES

Admiral STREAN. In the computation this year there was a mistake in that 11,000 moves fell out, cost being \$9.5 million.

Our fiscal year 1969 budget is thusly understated so this would be added to the 1969 estimate of \$225 million.

Mr. WHITTEN. How did this error occur?

Admiral STREAN. I would like to ask Captain Carter to expand on this.

Captain CARTER. This was in the area of the operational travel between duty stations and the rotational travel to and from overseas. In the computation of the Southeast Asia moves and Southeast Asia-related moves there was a mistake made. Actually we lost 11,000 moves which would price out at about nine and a half million dollars. The mistake was not discovered in time to correct the present budget.

Mr. WHITTEN. Was that by computer or was it a human error?

Captain CARTER. That was a human error.

Mr. WHITTEN. Some years ago I had an individual who received a promotion. He assumed his duties and the file clerk forgot to put this in the proper file. I had to pass a special bill to get this rectified. Do you have problems like that?

Captain CARTER. I hope not, sir.

Mr. WHITTEN. This additional cost will show up in this coming fiscal year, then? Is that right?

Captain CARTER. Yes, sir. That is correct.

Mr. WHITTEN. Is there any way of making further studied to see whether you have a defective computer?

Captain CARTER. We know where the error was made now and we found the proper figures. It was a human error made through inadvertence.

Mr. WHITTEN. Is the matter of computers sometimes highly risky? Some years ago we had an investigation in procurement. A decimal slipped two or three places and we were ordering 3 million rather than 30,000, and things like that.

Have you worked with them yourself enough to know whether they are highly risky or do we need personnel to see somebody does not make a mistake despite the computer?

Captain CARTER. We surely do. We have worked with computers extensively in the supply business and in financial management. There are mistakes which creep into computer operations. They are not numerous but they have happened. When they do there is no substitute for the review by the human being.

Mr. WHITTEN. And the human being has to be on the lookout for anything unusual or anything that seems out of order, such as a huge number of certain items going to a place which does not require them. You have to lookout for that sort of thing?

Captain CARTER. We surely do.

Mr. LIPSCOMB. Where did this human error occur? At what level?

Captain CARTER. In the level of the travel pricing, the number of moves predicted of each kind, operational travel, rotation, separation, travel of organized units, and so on. These were in the area of the operational travel between duty stations.

Mr. LIPSCOMB. What office level?

Captain CARTER. Bureau of Naval Personnel.

Mr. LIPSCOMB. How many levels are there above that through which the budget goes?

Captain CARTER. This is reviewed in the Bureau of Naval Personnel and presented in the form of the President's budget. This error was about \$10 million in a \$225 million reference, and it could conceivably go through without being noticed. Percentagewise it could happen that way.

Mr. LIPSCOMB. Did the error of over 4 percent occur at the office of original estimate?

Captain CARTER. Yes, sir.

Mr. LIPSCOMB. Then it just continued to flow right on through without being picked up?

Captain CARTER. That is right.

Mr. LIPSCOMB. How many things like that can happen?

Captain CARTER. Not many, I sincerely hope. This is the first time we have had this kind of error in this account.

Mr. LIPSCOMB. I think of the thousands and thousands of accounts with which you deal. They can happen short as well as over.

Captain CARTER. They surely can.

Mr. WHITTEN. Does this error result only in a different figure and a different amount of money requested of Congress, or does it automatically carry orders not to move people around?

Captain CARTER. Neither, but we may need some help with the finances as the year develops.

Mr. WHITTEN. If you come up with a certain erroneous number, does that generate a lot of activity which makes this a lot worse than it would appear by just looking at the single error in a number?

Captain CARTER. I don't understand the question.

Mr. WHITTEN. I don't know that I make myself clear, but do you have other actions which must be taken as a result of such an error. You are 11,000 moves short. Does that generate other expensive time-consuming activity correcting figures and estimates in other areas possibly affected by that one error?

Captain CARTER. No, sir. The error is in the budget only. The strength plan is accurate.

Mr. WHITTEN. In other words, it would not add to or subtract from something else?

Captain CARTER. That is correct.

Mr. LIPSCOMB. I feel there is a tendency to get lulled into a sense of false security when the Department's Comptroller, Assistant Secretary Anthony, tells us that he has 100,000 auditors or accountants working.

And he is putting in a new system, Project PRIME, or another program, resources management. And we have spent millions of dollars in computers.

From some testimony we get everything appears real solid. Yet I am sure all of us recognize that human errors happen. This is a big organization and they are bound to happen. We keep getting lulled into this sense of feeling that everything is perfect.

That is why it is rather shocking when we learn of an error involving 11,000 personnel moves and almost \$10 million.

I wonder if after Project PRIME goes into effect we will still have human error?

Captain CARTER. Yes, sir.

Mr. LIPSCOMB. Thank you, Mr. Chairman.

Mr. WHITTEN. This computer business shows enough irregularities and enough inconsistencies to upset many of our people. Computers were used in South Vietnam for intelligence evaluation and yet we were surprised by the timing of the Tet offensive. There were hundreds of feet of intelligence reports not yet analyzed. It is a question of whether we want to use computers to come up with complete analyses and risk somebody pressing a wrong button.

Intelligence reports lag 8 days behind in being analyzed.

This is like a Sears Roebuck catalog, 517 linear feet thick, without an index.

This error is in personnel moves and perhaps is not harmful. Having occurred, and knowing where it happened, does it give you any concern about such a thing happening again? I would say the possibility of damage from an error would be less harmful in your personnel shop than almost any place else.

Having found this instance of error and knowing where it arose, do you know how to prevent its happening again?

Captain CARTER. We understand how this happened. It had not happened before and I do not think it will happen again. It was strictly a matter of misplaced documentation.

#### REDUCTION IN PERMANENT CHANGE OF STATION TRAVEL

Mr. WHITTEN. How are you able to reduce permanent change of station travel of over \$1 million and still show an increase of 25,741 man-years in fiscal 1969?

Admiral STREAN. It has to do with this error we have just discussed. I think we have it under control.

Mr. WHITTEN. Do you keep any record as to the average number of moves per person, including enlisted people or officers? Do you keep a record to show whether you are building up or slowing down?

Captain CARTER. Yes; we do. We have a very comprehensive accounting system which is strictly geared to the permanent change of station travel transactions. It classifies the move. It treats each move as a specific obligation against the appropriation and follows the move to the time it is finished. They are classified as to whether they are cost moves or moves without cost, number of dependents, household goods, privately owned vehicles, and the like.

From the data developed we think we will have very good accounting figures for predicting the future.

## ENLISTED OPERATIONAL TRAVEL BETWEEN DUTY STATIONS

Mr. WHITTEN. Page 1-81 shows an estimated decrease in fiscal year 1969 of 291 moves for enlisted operational travel between duty stations. Dependents' travel decreases 1,150 and transportation of household effects decreases 1,087. Does this appear to be the normal ratio?

Captain CARTER. That is very close, Mr. Chairman.

## INCREASED TRAVEL OF ORGANIZED UNITS

Mr. WHITTEN. On page 1-95 you indicate an increase of \$3,535,000 in fiscal year 1969 for travel of organized units. Why is this significant increase necessary in fiscal year 1969? What kinds of units are you moving?

Admiral STREAN. These are units which are really a cross section of the Navy fighting force. Destroyers, cruisers, the U.S.S. *New Jersey*, submarines, aircraft carriers and squadrons, and various other operating and service units are being moved, both for augmentation and for rotation.

Mr. WHITTEN. The increase results from that?

Admiral STREAN. That is right.

## MILITARY AIRLIFT COMMAND (MAC) CONTRACT RATES

Mr. WHITTEN. There is a pending Civil Aeronautics Board (CAB) action to reduce the MAC contract rates. Where does this CAB action stand at the present time, and if it is approved, what effect will the reduced rates have on this account in fiscal year 1969?

Admiral GRIMM. \$1 million.

## UNIFORMED SERVICES SAVINGS DEPOSITS

Mr. WHITTEN. The fiscal year 1968 estimate for interest on uniformed services savings deposits was \$1,435,000. For fiscal year 1969, the estimate for this account is \$3,833,000 which is \$2,398,000 more than the fiscal 1968 estimate. Does this mean that deposits are increasing at that rate or are you utilizing a different method of computation for this account?

Admiral STREAN. A different method of computation, Mr. Chairman. Prior to fiscal year 1969 we budgeted for the interest repayments rather than the interest actually earned during the fiscal year. Now the budgeting is based on the accrued interest for that year on the total deposits of people who put their money there.

Mr. WHITTEN. If this keeps building up for several years what will be the result?

Admiral STREAN. You mean the deposits build up?

Mr. WHITTEN. Yes.

Admiral STREAN. The result would be increased interest. However, we expect it to level off after a time.

Mr. WHITTEN. You believe inflation might pull it down?

Admiral STREAN. No, sir; I think they perhaps would need their money and take it out for some reason or another.

Mr. WHITTEN. You are of the opinion this will level off?

Admiral STREAN. Yes, sir.

## SERVICEMEN'S GROUP LIFE INSURANCE

Mr. WHITTEN. The fiscal year 1969 estimate for death gratuities, and for Servicemen's Group Life Insurance is \$5,730,000 less than the fiscal 1968 estimates for the same accounts. With increased casualties, it would appear that the Government's contribution to this account should be at a higher rate. How do you explain the decrease?

Admiral STREAN. During the preparation of this budget, the Veterans' Administration advised that effective January 1, 1968, the Government's costs would be 100 percent of the man's contribution instead of the prior rate of 175 percent. This accounts for the decrease.

Subsequently, we were informed by the VA that beginning April 1, 1968, the rate would go up to 225 percent of the serviceman's contribution. This increase, which amounts to \$23 million, is not budgeted for in fiscal year 1969.

Mr. WHITTEN. Is that \$23 million deficit a part of the \$73.3 million shortage in fiscal 1969 you spoke of earlier?

Admiral STREAN. Yes, sir; it is.

## MANNING OF U.S.S. "NEW JERSEY"

Mr. LIPSCOMB. The U.S.S. *New Jersey* will soon be on station, I assume, in the combat zone. What will be the actual manning of the U.S.S. *New Jersey* when she is deployed to Southeast Asia?

Admiral STREAN. Actual manning would be 1,470, which with the initial allocation of personnel plus a later authorization of 156 makes 1,626.

Mr. LIPSCOMB. Will this manning level remain throughout its tour of duty?

Admiral STREAN. Throughout its tour; yes, sir.

Mr. LIPSCOMB. How does this manning compare with the World War II complement?

Admiral STREAN. The World War II complement was, I believe, over 2,500 enlisted men and about 110 officers.

Mr. LIPSCOMB. Why the difference? Why is it only about 60 percent of the earlier manning level?

Admiral STREAN. The 40-millimeter guns have all been removed. She has only two batteries now, the 16-inch and the 5-inch. Then the mission requirements have been cut down in order to fit the reduced manning level.

Mr. LIPSCOMB. Is the manning level on the U.S.S. *New Jersey* that which was desired by the Navy?

Admiral STREAN. The Navy originally put in for 72 officers and 1,725 enlisted men. We were authorized 1,400 enlisted men and 70 officers.

Since that time we have gotten approved an additional 156 men.

Mr. LIPSCOMB. Does this manning provide for adequate damage control in the event of multiple hits, for instance, from cruise missiles or other shore-based attacks?

Admiral STREAN. To the best of my knowledge it does.

Mr. LIPSCOMB. Does this manning provide for continuous protection from air and sea attack?

Admiral STREAN. It does to a limited extent. In condition 3, where you continually man the batteries, with the present allowance you could man one 16-inch gun turret plus four anti-aircraft guns out of the 10.

Mr. LIPSCOMB. If manpower were not a problem would it be sent out with this size crew aboard?

Admiral STREAN. If manpower were unlimited I believe there would be additional people aboard.

Mr. LIPSCOMB. How does the actual onboard manning compare with normal allowance today?

Admiral STREAN. In Southeast Asia these ships have been augmented in certain areas, in engineering, for instance, in order to bring them up to complement. Allowance is peacetime; complement is wartime manning of the ship. In the case of ships in the South Vietnam area they have been augmented to bring them up to complement in certain areas but not in all parts of the ship.

Mr. LIPSCOMB. To the wartime complement?

Admiral STREAN. That is right.

Mr. LIPSCOMB. How would you set this forth in the way of percentages or averages? How could you explain to us how adequate this complement is?

Admiral STREAN. I believe the augmentation has been tailored to fit the situation. I believe if a situation developed differently that perhaps there would be a change in manning.

With the situation as it existed they needed additional engineering people and this department was brought up to complement. The GIC was also brought up to complement.

I would say as an average we are about half way between allowance and complement in the ships deployed to Southeast Asia.

#### SOURCE OF SOUTHEAST ASIA MANPOWER

Mr. LIPSCOMB. Has the manpower to meet the Southeast Asia commitment come from the Atlantic and Mediterranean Fleets?

Admiral STREAN. They have at times been pulled down in quality to assist in manning the ships deployed in Southeast Asia. However, the manning level of the two fleets is essentially the same, with the exception of these special augmentations for the Southeast Asia ships.

Mr. LIPSCOMB. According to a press report of December 8, 1967 it was reported that 49 Atlantic ships will be laid up and placed on caretaker basis with as few as one-third of their crews aboard, or will operate in limited fashion with under-strength crews. Is that correct?

Admiral STREAN. I believe that is correct. I want to amend my earlier statement to take care of that situation.

Where I said both fleets were manned quantity-wise at the same level, I want to correct that.

It has been necessary to draw down the Atlantic Fleet by standing down whole ships rather than to reduce manning for all ships. It has been accomplished not by decommissioning but by standing down these ships, which are partly operational. They can still get underway but they could not accomplish their mission.

Mr. LIPSCOMB. The article says that about four and a half percent of the nearly 490 ships of the Atlantic Fleet will be reduced in their readiness to respond to contingency operations.

Is that right?

Admiral STREAN. Four and a half percent?

Mr. LIPSCOMB. That is the figure they use; yes, sir.

Admiral STREAN. I believe that is correct. Many of these ships are small. Many of them were mine craft.

Mr. LIPSCOMB. Are there any important vessels included in this? You said some were mine craft.

Admiral STREAN. I think two destroyers are the two largest ships that are in this stand down condition now.

Mr. LIPSCOMB. What plans are there in existence, or what plans do you have, for correcting this situation?

Admiral STREAN. I believe this will take care of itself in June by the increased quality which we will get from added promotions in the top six petty officer categories.

Mr. LIPSCOMB. Apparently this all happened because of the loss of about 3,700 petty officers and 2,500 enlisted men who were transferred.

You mean you will correct this in June? June when?

Admiral STREAN. Starting in June we will correct this according to plans. This was a drawdown because of the requirements of Southeast Asia in what we call Program 5.

Mr. LIPSCOMB. In your request to the Office, Secretary of Defense, was this brought up? Was this included in your original budget request, to attempt to do something about this situation in the Atlantic?

Admiral STREAN. Yes, I think the increase in petty officers authorized by OSD is the most important item in putting these ships back into full operational capability, and these were included in our request. We feel we will start to get well in June and be well by next November.

Mr. LIPSCOMB. November of 1968?

Admiral STREAN. Yes, sir.

Mr. LIPSCOMB. For months we have been hearing of the threat which we face. This causes great concern. We are drawing on the Atlantic and reducing our capability right at a time when other countries are increasing their capability. What is wrong?

Admiral STREAN. As far as we are concerned I think it is because of unforeseen requirements, such as additional people in Southeast Asia and, of course, items like the U.S.S. *New Jersey* which are not planned over a long period of time but we want them as soon as we can get them.

These, along with other unplanned requirements, have caused the drawdown.

Mr. LIPSCOMB. How optimistic is your estimate that the 490 ships in the Atlantic will be brought up to standard by November of 1968? Is this realistic or do we have to put some crash effort into this? Do you need more funds? Are you adequately funded to do this?

Admiral STREAN. I believe we are adequately funded to do this and I believe the plans are realistic to put these ships back into full commission and full operational capability by November.

Mr. LIPSCOMB. Six naval squadrons were activated following the capture of the U.S.S. *Pueblo*. Are these squadrons going to be sent out?

Admiral STREAN. The plan has not yet been developed. These six squadrons are under the control of the type commanders and they are being moved to the fleet bases. It is planned, I believe, to fit them right into the operational schedule. They replace some other squadron in deployment to either the Mediterranean or Southeast Asia.

Mr. LIPSCOMB. You have told us previously that your budget does not contain funds for all of this movement.

Admiral STREAN. That is right.

Mr. LIPSCOMB. Additional flight crews and things of this sort.

Admiral STREAN. That is right.

ADDITIONAL FUNDS REQUIRED IN FISCAL YEAR 1969

Mr. LIPSCOMB. You have already set out the additional funds that will be required for fiscal 1969?

Admiral STREAN. They are not in any budget as yet. This is a requirement we have and it is a serious problem.

Mr. LIPSCOMB. Have you given for the record any estimate that you feel may be needed for this purpose?

Admiral STREAN. I believe we have, sir. The total is \$73.3 million, a requirement which has developed since the budget was put to bed.

Mr. LIPSCOMB. One further question.

Admiral GRIMM, have you a date now as to when you will run out of money in the Department of Defense if the supplemental is not passed soon?

Admiral GRIMM. In these appropriations, sir, we estimate in June, mid-June.

Mr. LIPSCOMB. Has the request suggested in the so-called zero supplemental been put into effect, any transfers in or transfers out of the military personnel account?

Admiral GRIMM. No, sir. We are spending on the basis of the additions which we set forth in the zero supplemental. We have been geared to those amounts, sir.

Mr. LIPSCOMB. Even though Congress has not acted, you are going ahead?

Admiral GRIMM. Yes, sir; in the deficiency appropriation, particularly in the O. & M. area and in pay.

Mr. LIPSCOMB. You can get by until the 1st of June without a supplemental?

Admiral GRIMM. In these particular accounts, sir.

In the operation and maintenance accounts I think it is in late May. Our problem is a little earlier in those accounts.

Mr. LIPSCOMB. I am getting concerned about it. I do not know where the supplemental is. There is as of today, May 7, nothing pending before us.

Mr. WHITTEN. Off the record.

(Discussion held off the record.)

PROJECT 100,000

Mr. WHITTEN. Turning to Project 100,000, a recent GAO report disclosed that during a 24-month period between July 1965 and July 1967 there were 40,172 men discharged shortly after induction because of physical handicaps that went undetected. This situation was said to have resulted in an unnecessary cost to the Government of \$20 million a year.

Of the 40,172 men tabulated, 2,596 were Navy personnel. Would you comment on this overall situation, Admiral Strean? Is this the result of a generally poor job of screening men at the examining stations, or is this a fallout from Project 100,000 and/or the medical remedial program?

Admiral STREAN. Starting November 1, 1966, we had to take about 15 percent of those for the rest of the year.

Then starting October 1 of last year, we had to take 17 percent of our recruits from the mental group IV level. This will result in about 17,000 people being taken as recruits from October 1 of last year to October 1 of this year.

We have had about twice the prisoner population from among this group as their percentage makeup of the total Navy population and we have about four times the administrative discharges from training from this group, too. There have been higher training costs here, but speaking from a disciplinary and discharge rate, it is about twice that than it would be for the other mental groups.

#### QUESTIONABLE VALUE OF PROJECT 100,000

Mr. WHITTEN. What is your conclusion? Is it worth while? Do you end up with enough additional men to make this worth while? Is there any benefit of association?

Admiral STREAN. Perhaps it will better the country and help considerably there. We feel we can absorb about 10 percent of this mental category.

We have onboard now about 11 percent of mental group IV. They can do useful jobs. We do not educate our lower mental groups, so we hope to send these people out to take on-the-job training. We have experimented a little bit with trying to put them through basic schools, but this takes a lot of extra instruction.

We think they can do a job.

Of these 17,000, half of them are below the standards of the military prior to the time this program was started. We do not have much experience with these people, these people below the former standards.

Some of these are illiterates, and we have to teach them English. A great deal of extra time is being invested in these people, but we think, in general, that many of them can do useful jobs.

Mr. WHITTEN. There is no question but that such rehabilitation or development is good. Whether the Army, Navy, or Air Force should be doing this job is something else. Certainly it would be my view that you should not fool with it if you do not end up with some good, valuable men in the service. While the job ought to be done, there is no need of your doing it except where it redounds to your benefit.

How many men have you been able to retain out of those you took in?

Admiral STREAN. We have not reached that point yet because we are enlisting these people for 2 years. We have not reached the end of the first 2-year period.

Mr. WHITTEN. In other words, you are stuck with them whether or not you could use them?

Admiral STREAN. Yes, sir, unless they are so bad we have to administratively discharge them. We always have that way out.

Mr. WHITTEN. Are you accepting category V category with a high school education?

Admiral STREAN. No, sir. We never have and are not now.

## DISCHARGE RATE FOR CATEGORY IV PERSONNEL

Mr. WHITTEN. You say you have not yet reached the point where you could compare the discharge rates prior to taking on this group as compared with—

Admiral STREAN. When you say discharge rate this means administrative discharges for people who are discharged while they are in the recruit training school?

Mr. WHITTEN. Yes.

Admiral STREAN. Yes. Our experience there is that it is a little over twice what it is for the other mental groups. It is twice the rate.

## MEDICAL REMEDIAL ENLISTMENT PROGRAM

Mr. WHITTEN. Are the medical remedial men given a choice or are they accepted at the discretion of the Navy?

Admiral STREAN. We are told to bring in 2,100 medical remedials for this year. We have to find them or they have to come to our recruiting depot in order for us to meet our quotas.

In general we have to send our people out to canvass for them.

Mr. WHITTEN. In World War II, I served as district attorney and saw many cases of sending boys with outlaw tendencies to the Army. It didn't work out well.

Have you reached the point where you can give the committee the benefit of any judgment as to whether this is working or shows future prospects?

Admiral STREAN. I do not believe the Navy has had enough experience in this to say one way or the other, other than the fact that some of these people do very useful jobs.

## PERSONNEL ACCEPTED BELOW MINIMUM STANDARDS

Mr. WHITTEN. Can you describe briefly to us what these people lack from meeting earlier standards? What is the change in standards before and after? You are more or less forced to take these people whether or not they meet minimum standards.

You have not lowered the standards generally but just to the point of taking in the required number?

Admiral STREAN. You speak of the Project 100,000?

Mr. WHITTEN. Yes, Project 100,000.

Admiral STREAN. There is a normal AFQT minimum level of 21. Those below our standards now are all the way down to 10.

Mr. WHITTEN. You have a limit on the number you must take?

Admiral STREAN. We must take a minimum of 17,000. This is not a limit.

Mr. WHITTEN. Has the Navy conducted an analysis of Category IV personnel to determine whether they are potential disciplinary problems?

(Information requested follows:)

Yes. The Navy specially monitored performance of Mental Group IV personnel in the early 1950's when they comprised a sizable percentage of the Navy population. Monitoring of Mental Group IV personnel in depth was recommended in October 1966 and has continued for the past 19 months. Data collected to date corroborates earlier data from Navy's 1953 studies.

Mental Category IV personnel continue to comprise an inordinate proportion of administrative attrition categories. Specifically, the average percentage of discharges during recruit training who are Mental Category IV (54 percent) is more than three times their proportionate make-up of the overall trainee population (15 percent). This attrition worsens as the AFQT decreases. The percent of Mental Category IV personnel tried by general or special courts-martial is almost three times their proportionate share of the total Navy population. Further, lower mental category personnel (Mental Groups III and IV) comprise almost two-thirds of the personnel losses by administrative discharges, while making up only 44.5 percent of the total Navy population.

#### DISCIPLINARY BARRACKS POPULATION

Mr. WHITTEN. Provide us with some statistics on the disciplinary barracks populations, by fiscal year, since fiscal year 1966.

(Information requested follows:)

The total number of men confined on June 30, 1966, was 803. On June 30, 1967, the number increased to 1,071. As of May 2, 1968, the number confined is 1,115. About 20 percent of the men confined are mental group IV.

#### PROJECT TRANSITION

Mr. WHITTEN. How deeply involved is the Navy in Project Transition? From what little we know of the project it appears to be the military version of the Job Corps.

Admiral STREAN. Our aim here is to assist the serviceman toward filling a civilian job after he leaves the service. This consists of interviewing him and counseling him. In many cases we can appraise his talents and apprise him of what he has and whether he is qualified for a job outside. This may finish his training right there.

We try, if he needs training and wants to go into a certain field of endeavor, to get together with the Post Office or some other Government agency and give him training in that field.

We try, also, to help him get his high school diploma if he does not have it, and then we try to assist him in placement with an employer.

I might add that private industry is helping considerably in that they in the local area will train the man while he is still in the Navy, give him training, and in some cases give him a job after he leaves the service.

Mr. WHITTEN. I don't know how we do as well as we do in Vietnam with all this wet nursing and obligations you have.

Admiral STREAN. There are a lot of projects.

#### COST OF PROJECT TRANSITION

Mr. WHITTEN. What is the estimated cost of this project in fiscal years 1968 and 1969?

Admiral STREAN. We had a pilot project in Treasure Island to begin with. In 1969, we are just starting it after the pilot project. The budget is \$1.3 million. These are O. & M. funds. This will hire counselors. We have an organization set up where we have 14 sites throughout the United States where people who are being discharged are sent for transition training. It is at these sites we will conduct the counseling and training.

## CIVILIANIZATION PROGRAM

Mr. WHITTEN. The civilianization program. What is the nature of that program?

Admiral STREAN. I would like to pass this to Admiral Grimm, who is an expert on this.

Admiral GRIMM. Through the first of March, sir, 72 percent of the 8,464 planned Navy conversions had been accomplished. We are hopefully expecting to complete this program on June 30.

Mr. WHITTEN. Does civilianization mean what its sounds like it would mean?

Admiral GRIMM. No, sir; we do not use that term any more. We have been told it is not a very good term. It is substitution of the civilian for military, so the military can be assigned to strictly military duties.

## NUMBER OF CIVILIANIZATION ACTIONS

Mr. WHITTEN. How many officers and how many enlisted personnel have been released for military service by the use of civil servants?

Admiral STREAN. I can answer for the military. We have lost or are losing 30,000. They are replaced by approximately 24,000 civilians.

Mr. WHITTEN. We get a different picture from the GAO. According to that report, of 3,544 civilianization actions reviewed by GAO, about 30 percent of the military positions involved had been vacant for varying periods of time prior to their being converted to civilian positions.

In other words, you recruited a civilian to a vacant position.

About 44 percent of the actions resulted in the retention of military personnel in positions at the same installation. In other words, he is a kind of fifth wheel at the installation.

Only about 26 percent of the actions resulted in the reassignment of military personnel to other military installations in the United States, overseas, or to sea duty.

Another GAO report of February 26, 1968, disclosed other instances of the use of military personnel instead of civilians for nonmilitary duties.

From these disclosures, it would appear that the major objective of the civilianization program is not being realized.

Are you familiar with the GAO report?

Admiral STREAN. To a certain extent. We did lose the military billets.

Mr. WHITTEN. You feel you lost something because a certain position was tagged military even though it was vacant. Now that you have hired a civilian there, you say you lost the billet. In other words, we pushed you back so you cannot come back and get what you had, is that it?

Admiral STREAN. Perhaps in some cases the billet was vacant.

Mr. WHITTEN. They said quite a number of them. Only about 26 percent of those they reviewed resulted in what you feel was contemplated; that is, the substitution of a civilian for a working military person.

I think results can be measured by the effect on military end strength.

Admiral STREAN. Our end-strength requirements were pulled down by 30,000 billets.

Mr. MAHON. Admiral, will you see to it that a full response is made to the questions which Mr. Whitten has asked, because the record is not now sufficiently clear.

Admiral STREAN. Yes, sir.

Mr. WHITTEN. I think that would be well. However, I still want to point out that your statement, if I understood you correctly, indicated that you lost military billets. You had vacant military positions that you wanted to fill with military people, but under this program you have lost the opportunity to put military men into those vacant positions.

Admiral STREAN. I think from the military point of view, you have enough people to fill all the billets that you are assigned, provided you have the right amount of allowance for transients, and so on. When we get into something like Southeast Asia program requirements, you may vacate a lower priority billet in order to fill a requirement that you do not have a billet for out in the field.

Perhaps there were some of these billets ashore that were vacant when they were so-called civilian-substituted.

Mr. WHITTEN. Instead of Congress doing what it thought it did, then, in having a civilian freeing a man to fight, the man was already fighting and we were giving you a civilian to build up additional numbers.

Admiral STREAN. Sir, I believe that billet was required, and I think it was the exigencies of the situation which caused us to have it vacant at that time.

Admiral GRIMM. Mr. Whitten, rather than give us an increased military strength, they say you can fill some of these military billets with civilians so we will not give you a military establishment strength, but make some of these billets civilian. It was a means of meeting a strength requirement one way or the other.

Mr. WHITTEN. At any rate, Admiral, you have been requested to amplify your statement. There are other questions along the same line which I would like to ask.

(The information follows:)

The GAO findings appear to be directed to an instant review at a few installations, and are not considered objectively to represent the overall status of the civilian substitution program. The military billets were and continue to be deleted in accordance with plan. Information to date indicates a total of 18,614 Navy military billets have been released of the total planned for accomplishment by June 30 1968. Civilian replacements for those billets number 18,336. It is considered that 100 percent of military billets released by this program are numbers available for general reassignment including SEASIA, overseas and sea duty as well as CONUS assignments.

Mr. WHITTEN. Admiral Streaan, I would like for you to comment on the GAO findings as they pertain to the Navy and to provide the committee with the current status of your phase of the program, including the number of military personnel, by officer and enlisted, replaced by civilians and the percentage of military personnel released for Southeast Asia, overseas, and sea duty as a direct result thereof.

(The information follows:)

The Navy civilian substitution program, phases I and II, has resulted in the deletion of 30,381 military billets from total Navy strength. These billets were planned for substitution with 24,553 civilians. As of March 31, 1968, 18,336 civilians have been substituted; 1,051 officers and 17,563 enlisted billets have been substituted.

In connection with the GAO report on phase I of the civilian substitution program, the military billets planned for substitution with civilian personnel have in fact been deleted from military staffing allowances in accordance with the program's objective. The vacancies reported by GAO could reasonably exist for several reasons. In many cases the skills and numbers of personnel to replace the military were not readily available, and the position was vacant awaiting qualified applicants. Also, there was a reluctance on the part of the Navy to move military personnel in a billet being vacated, when it was known that the billet was marked for civilian substitution.

The report of military personnel vacating civilian substituted billets and remaining on the installation in another capacity is not a measure of the program accomplishment. There were no new billets created to circumvent the intent of the substitution program. A military man becoming available for assignment by reason of his billet being abolished for civilian substitution might be ordered to the same installation in another job, which otherwise would have required ordering another military man in from outside the installation with attendant travel costs, travel time, etc. There will be cases where the man will be retained because of the imminence of his discharge from the service, and reassignment would be costly and not in the best interests of the Navy.

When civilians are substituted for military personnel, the military personnel involved are reassigned consistent with normal established policies. Individuals who were eligible and scheduled for reassignment to meet an oversea requirement either in Vietnam or elsewhere, were reassigned; individuals whose expiration of term of military service coincided with civilian substitution were released from the service; other individuals whose skills and eligibilities permitted them to be used at the local installation to meet a requirement were so assigned in order to avoid unnecessary travel costs; others were reassigned within CONUS. The actual number of personnel assigned to Vietnam, overseas, or afloat as a result of civilian substitution is not available.

The Navy has pursued the civilian substitution program with the intent of accomplishment of the stated objectives. This is borne out by the fact that the planned number of military billets were, in fact, deleted from Navy end strength.

Mr. WHITTEN. Can you point to a reduction of military personnel spaces and a related reduction in costs for the military personnel budget as a result of the civilianization program?

Admiral GRIMM. Yes, sir. The overall Navy strength has been reduced 30,381 as a result of phases I and II of the Navy civilian substitution program. Priced at the fiscal year 1969 budget rates, this represents \$163 million.

#### PUBLIC RELATIONS PROGRAMS

Mr. WHITTEN. Turning to the public relations program, Admiral Streaan, how many military and civilian personnel at headquarters and at field activities, including naval stations, shipyards, bases, are engaged in public affairs, public information, and public relations work generally?

Admiral STREAAN. 174 officers.

Mr. WHITTEN. How many civilians?

Admiral STREAAN. We do not have the data on the civilians.

Mr. WHITTEN. Supply that for the record.

(The information follows:)

Approximately 600 civilians are engaged in the public affairs and public information program throughout the Navy. About 300 are involved in public affairs work and the other 300 are in related fields, such as internal publications and personnel information and education.

There are approximately 180 civilian vacancies throughout the Navy for public affairs trained personnel. These vacancies have occurred for the most part through normal attrition and exist because of the current navywide shortage of funds for the hiring of all civilian personnel.

Mr. WHITTEN. What is the total cost of this effort in terms of personnel, advertising, and related endeavor?

Admiral STREAN. I would like to supply that for the record, if I may, sir.

(The information follows:)

It is almost impossible to provide the committee with an exact figure for the cost of the public affairs program because of the fact that the personnel engaged in such activities are attached to and funded by commands scattered throughout the world. As such, these costs are a part of the normal operating budgets of the individual commands. The Navy is not authorized to spend funds on advertising in connection with the Navy's public affairs program or recruitment of uniformed personnel.

Of the total number of 174 designated public affairs officers in the Navy only 109 are attached to united Navy commands. The remaining 65, which is just short of 40 percent of the total, are attached to joint or NATO commands. It should be noted, therefore, that while the Navy bears the cost of the 174 officers, only 60 percent are directly used in the Navy's public affairs efforts.

#### CONTRACTOR PERSONNEL OVERSEAS

Mr. WHITTEN. Turning to "Contractor personnel overseas," from time to time members of this committee and members of the staff have traveled to Southeast Asia and have noted a significant number of contractor personnel, particularly in South Vietnam, who appear to be doing work normally done by military personnel, such as installations, maintenance, and sometimes operation of military equipment.

What is the total number of contractor personnel used by the Navy in Southeast Asia, by country and aboard naval vessels, at the present time, and the category of work being performed?

Answer that generally, and supply the details for the record.

Admiral GRIMM. I cannot even answer that generally, sir; at this time. I will have to supply that for the record.

I might add, in the civilian substitution program, here again we have used contract hires for Southeast Asia to begin to do some of the maintenance work that would have been done by the military. In the program for this year, we had 233 of those in Southeast Asia. I do have that figure in front of me.

Mr. WHITTEN. You might enlarge on your answer.

Admiral GRIMM. I will add to the record.

(The information follows:)

There are approximately 17,000 civilians under contractual services to the Navy in the Western Pacific in support of operations in Southeast Asia for which the fiscal 1968 contract cost exceeds \$25,000. Distribution by country is as follows:

Country of performance	Approximate number of personnel employed under contract	Category of work being performed
Vietnam.....	8,500	Construction and maintenance of facilities; harbor services.
Philippines.....	6,000	Construction; repair and overhaul of harbor craft.
Japan.....	2,000	Repair of aircraft and other equipment and vehicles.
Taiwan.....	500	Overhaul and repair of vessels.
Thailand.....	60	Construction and harbor services.

## REVIEW OF MILITARY COMPENSATION

Mr. WHITTEN. The Office of the Secretary of Defense provided the committee with a copy of volume I of the "Report of the First Quadrennial Review of Military Compensation" dated November 1, 1967. Volume I relates only to active duty compensation to the Armed Forces and does not address itself to retired compensation and survivor benefit systems. The report preface indicates that Military Compensation Policy Board individual members, under whose guidance the report was prepared, may have certain reservations about some of the details in the report. Many of the recommendations have broad and far-reaching implications. What is your initial reaction to this report?

Admiral STREAN. The Department of the Navy concurs generally in the findings and recommendations of the study. Enactment of the proposed changes in the military pay structure would represent a significant step toward fairness and equity in military compensation and would make the military career more nearly competitive with opportunities in civilian life.

Mr. WHITTEN. According to the report, the recommendations would increase the amount of military pay, but would offer a reasonable prospect of substantial increases in retention of military personnel. If all the recommendations in the report were fully implemented, the full-year DOD budget would be increased by an estimated \$1,339,600,000. When increased Federal income tax collections, estimated at \$879,200,000, are subtracted, the net new Government cost is an estimated \$460,400,000. This does not take into consideration the implied military pay increases as a result of the comparability pay increases for the civilian system presently proposed for fiscal years 1969 and 1970. What additional costs would accrue to the Navy's military personnel budget as a result of the report recommendations, and do you believe such costs are reasonable in light of the stated intangible return in investment?

(The information follows:)

The Navy's share of the additional cost to the Government in implementing the recommendations of the "First Quadrennial Review of Military Compensation" would be approximately \$300 million for fiscal year 1968 based on the lag between military and civil service salaries as of October 1, 1967. (This does not include the Marine Corps.) With respect to the second portion of the question, it is the position of the Department of the Navy that such cost is entirely reasonable and a long overdue step toward equity in compensation of military personnel who make service to their country their primary career. The Armed Forces have to compete with the powerful forces of industry and business in our burgeoning economy for manpower. We have been and are at a tremendous disadvantage in this competition, relying to a large extent upon the pressure of the draft for our initial personnel supply. These members by and large are not career motivated. Their obligated service is their primary concern. We must have career men and officers to man the fleet if we are to continue to fulfill our commitments and meet our mission. No matter how much patriotism and dedication a man may have, he and his family must not be relegated to the status of second-class citizens. That is our goal—to give military personnel the wherewithal to be first-class members of society. Heretofore, we have been not only lagging the civilian economy wage-wise but also other Federal pay systems—such as the civil service. The "Report of the First Quadrennial Review" provides identification in discrete terms of the lag and the steps necessary to correct it. We believe that this comprehensive examination of the military pay situation in the light of all the constraints bearing upon it, as well as the comparison with our civilian economy's wage scale level, offers the military services the opportunity for a meaningful salary system for careerists.

The returns from the investment of these additional funds will certainly be difficult to measure in advance. We feel confident that the result will be increased retention with increases in experience level which will bring about improvements in operational readiness. We also feel that establishment of military pay levels which are comparable to civil service will do much to improve the status of a career military man, and we feel that the Government's commitment to pay Federal employees salaries competitive with industry applies equally to career military personnel. Acceptance of the concepts recommended by the "First Quadrennial Review" would be a significant step in this direction.

#### PROPOSED LEGISLATION

Mr. WHITTEN. Turning to proposed legislation, I call your attention to pending House legislation which would increase the number of naval officers who may be designated for engineering duty, aeronautical engineering duty, and other special duty.

Would this in effect increase military personnel ceilings and, if so, what are the cost implications of this proposed legislation?

Admiral STREAN. I think we will have to supply that information for the record, sir.

(The information follows:)

No sir, present statutory limitations preclude any significant increase in numbers of officers in the restricted line. Enactment of this legislation will not increase budgetary requirements but will provide the flexibility to manage our personnel to meet increased technological advances experienced in recent years.

Mr. WHITTEN. Have you computed the cost implications of proposed legislation which would increase per diem and would make permanent the authority to grant special 30-day leave for military personnel who extend tours of duty in hostile fire areas? The committee would like to have the benefit of that data for the record.

Admiral STREAN. I would like to furnish it for the record, sir.

(The information follows:)

#### *Estimate of increased cost of proposed legislation*

Per diem:

Military personnel, Navy-----	\$5,194,000
Reserve personnel, Navy-----	1,363,000
30-day leave program: Navy-----	1,710,000

Mr. WHITTEN. Mr. Lipscomb?

Mr. LIPSCOMB. No questions.

Mr. WHITTEN. The committee will stand in recess until 2 o'clock.

#### AFTERNOON SESSION

#### RESERVE PERSONNEL, NAVY

Mr. MAHON. We will now turn to the Reserve program of the Navy and insert the appropriate justification estimates in the record at this point.

#### "RESERVE PERSONNEL, NAVY

"For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Naval Reserve on active duty under section 265 of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, as authorized by law; [ \$116,100,000 ] \$125,000,000."

DEPARTMENT OF THE NAVY  
RESERVE PERSONNEL, NAVY

Program and Financing (in thousands of dollars)

	19 67 actual	1968 estimate	19 69 estimate
07-05-1405-0-1-051			
<u>Program by activities:</u>			
<u>Direct program:</u>			
1. Reserve component personnel . . . . .	105,836	111,366	116,300
2. Reserve officer candidates . . . . .	7,089	8,614	8,700
Total direct obligations . . . . .	112,925	119,980	125,000
<u>Reimbursable program:</u>			
1. Reserve component personnel . . . . .	11	20	20
Total obligations . . . . .	112,936	120,000	125,020
10			
<u>Financing:</u>			
14 Receipts and reimbursements from Non-Federal sources <sup>1</sup> . . . . .	-11	-20	-20
25 Unobligated balance lapsing . . . . .	475	-	-
New obligational authority	113,400	119,980	125,000
New obligational authority			
40 Appropriation . . . . .	113,400	116,100	125,000
44 Proposed supplemental for military pay act increases . . . . .	-	3,880	-
<u>Reimbursements from Non-Federal sources are derived from undeliverable checks.</u>			

DEPARTMENT OF THE NAVY  
RESERVE PERSONNEL, NAVY

Program and Financing (in thousands of dollars) -- continued

07-05-1405-0-1-051		1967 actual	1968 estimate	1969 estimate
Relation of obligations to expenditures:				
10	Total obligations. . . . .	112,936	120,000	125,020
70	Receipts and other offsets (items 11-17) . . . . .	-11	-20	-20
71	Obligations affecting expenditures. . . . .	112,925	119,980	125,000
72	Obligated balance, start of year . . . . .	16,857	16,505	18,485
74	Obligated balance, end of year . . . . .	-16,505	-18,485	-20,485
77	Adjustments in expired accounts. . . . .	-1,180	-	-
90	Expenditures, excluding pay increase supplemental. . . . .	112,098	114,500	122,620
91	Expenditures from military pay act supplemental. . . . .	-	3,500	380
Expenditures are distributed as follows:				
01	Out of current authorizations. . . . .	97,069	102,000	107,000
02	Out of prior authorizations. . . . .	15,029	16,000	16,000

DEPARTMENT OF THE NAVY  
RESERVE PERSONNEL, NAVY

Object Classification (in thousands of dollars)

07-05-1405-0-1-051	1967 actual	1968 estimate	1969 estimate
Direct obligations:			
11.7 Personnel compensation: Military . . . . .	90,893	96,916	100,600
12.1 Personnel benefits, military . . . . .	6,478	6,695	6,900
21.0 Travel and transportation persons . . . . .	9,849	9,807	10,850
26.0 Supplies and materials . . . . .	5,599	6,472	6,560
42.0 Insurance claims and indemnities . . . . .	106	90	90
Total direct obligations	112,925	119,980	125,000
Reimbursable obligations:			
11.7 Personnel compensation: Military . . . . .	11	20	20
99.0 Total obligations . . . . .	112,936	120,000	125,020

Department of the Navy  
Reserve Personnel, Navy

## RESERVE PERSONNEL IN PAID STATUS

Pay Group	Paid drills	Paid Days of Active Duty for Training	Off. or Enl.	Fiscal Year 1967			Fiscal Year 1968		Fiscal Year 1969	
				Begin	Average	End	Average	End	Average	End
A	48	15	Off. Enl.	19,969 101,316	20,121 103,044	20,761 101,516	20,855 102,624	20,960 102,806	21,286 102,703	21,286 102,703
B	24	15	Off. Enl.	1,435 34	1,446 33	1,444 35	1,472	1,472	1,249	1,249
F	0	90-180	Enl.	1,049	1,199	1,302	980	762	762	762
Paid Drill Training Sub-Total			Off. Enl. Total	21,404 102,399 123,803	21,567 104,276 125,843	22,205 102,853 125,058	22,327 103,604 125,931	22,432 103,568 126,000	22,535 103,465 126,000	22,535 103,465 126,000
D	0	15	Off. Enl.	7,136 454	6,800 423	6,800 423	7,200 500	7,200 500	6,800 500	6,800 500
E	0	30	Enl.	444	406	406	300	300	300	300
Paid Active Duty Training only, Sub-Total			Off. Enl. Total	7,136 898 8,034	6,800 829 7,629	6,800 829 7,629	7,200 800 8,000	7,200 800 8,000	6,800 800 7,600	6,800 800 7,600
Total Paid Status			Off. Enl. Total	28,540 103,297 131,837	28,567 105,105 133,472	29,005 103,682 132,687	29,527 104,404 133,931	29,632 104,368 134,000	29,335 104,265 133,600	29,335 104,265 133,600

Department of the Navy  
Reserve Personnel, Navy

SUMMARY OF RESERVE OFFICER CANDIDATE STRENGTH  
(Average numbers)

	<u>1967</u> <u>Actual</u>	<u>1968</u> <u>Estimate</u>	<u>1969</u> <u>Estimate</u>	<u>Difference</u> <u>1969</u> <u>compared with</u> <u>1968</u>
Senior NROTC	4,138	5,039	5,039	-
Scholarship NROTC	4,884	5,002	5,002	-
Reserve officer candidates	1,465	1,885	1,885	-
OC(W) college juniors	<u>29</u>	<u>24</u>	<u>24</u>	<u>-</u>
Total	10,516	11,950	11,950	-

Department of the Navy  
Reserve Personnel, Navy

SUMMARY OF OBLIGATIONS

(In thousands)

Bud. Act. No.	Budget Activity	1967 Actual	1968 Estimate	1969 Estimate	± Difference 1969 compared with 1968	Justification page
1	Reserve component personnel	\$105,836	\$111,366	\$116,300	\$+4,934	2-10
2	Reserve officer candidates	7,089	8,614	8,700	+86	2-30
	Total direct obligations Appropriated	112,925	119,980	125,000	+5,020	
	Proposed supplemental	-	116,100	-	-	
			3,880	-	-	

Department of the Navy  
Reserve Personnel, Navy

BUDGET ACTIVITY 1: RESERVE COMPONENT PERSONNEL  
SUMMARY OF OBLIGATIONS

(In thousands)

Budget Project No.	Budget Project	1967 Actual	1968 Estimate	1969 Estimate	Difference 1969 compared with 1968
1A	Reserve Personnel Training-- Pay Group A	\$88,494	\$92,126	\$96,839	\$+4,713
1B	Reserve Personnel Training-- Pay Group B	1,355	1,461	1,236	-225
1C	Reserve Personnel Training-- Pay Group D	3,491	3,779	3,610	-169
1D	Reserve Personnel Training-- Pay Group E	97	83	84	+1
1E	Reserve Personnel Training-- Pay Group F	2,427	2,191	1,815	-376
1F	Reserve Personnel School Training	5,620	6,491	7,363	+872
1G	Reserve Personnel Special Training	2,246	2,699	2,776	+77
1H	Reserve Personnel Administration and Support	2,106	2,536	2,577	+41
	Total Direct Obligations	105,836	111,366	116,300	+4,934

Department of the Navy  
Reserve Personnel, Navy

BUDGET ACTIVITY 2: RESERVE OFFICER CANDIDATES  
SUMMARY OF OBLIGATIONS

(In thousands)

Budget Project No.	Budget Project	1967 Actual	1968 Estimate	1969 Estimate	Difference 1969 compared with 1968
2A	Senior Reserve Officers' Training Corps	\$1,374	\$1,926	\$1,957	\$+31
2B	Scholarship Program	4,454	4,768	4,796	+28
2C	Junior ROTC Program	373	728	728	-
2D	Reserve Officer Candidates	888	1,192	1,219	+27
	Total Direct Obligations	7,089	8,614	8,700	+86

The Reserve Personnel, Navy, fiscal year 1969 request is \$125 million, which is an increase of about \$5 million over funds proposed to be available in the current fiscal year.

Admiral STREAN, is this \$5 million increase primarily attributable to the pay increase?

Admiral STREAN. \$1.3 million is attributable to the pay increase, and \$3.2 million is attributable to both petty officers and drill strength, as I mentioned in my statement this morning. Then \$0.5 million in the per diem entitlement for school tours and periods of active duty for training.

Mr. MAHON. There is no logical way to avoid this expenditure?

Admiral STREAN. The increase, sir?

Mr. MAHON. Yes.

Admiral STREAN. No, sir, not in view of the pay raise and increased petty officers. We have been trying to get more petty officers in our Reserves because these are the ones that we need when we start augmenting the Regulars. We have a higher ratio of petty officers.

#### FISCAL YEAR 1968 RESERVE CALLUP

Mr. MAHON. In April of this year, 1,028 Navy Reservists were called up for active duty. I assume your requirements for fiscal 1968 and fiscal 1969 will be reduced accordingly.

Admiral STREAN. Yes. You mean in costs?

Mr. MAHON. Yes.

Admiral STREAN. Yes, sir, the expenditures will be reduced to a certain extent.

Mr. MAHON. Have you figures as to how much?

Admiral STREAN. Yes, sir. It is estimated that in the 593 that were called up as a squadron, there would be a saving of \$150,000 in 1968, and in the 1,228 called up in the Seabees in 1968 will be a saving, also, of \$150,000.

Then in 1969, the saving related to the squadrons is estimated to be \$400,000, and for the Seabees, \$600,000, making a total savings in 1969 of approximately \$1 million.

Mr. MAHON. In this account?

Admiral STREAN. In this account; yes, sir. We hope these savings can be used to help with the per diem entitlements authorized by H.R. 2.

Mr. MAHON. Will this callup adversely affect your effort to maintain a level of 126,000 Reserves in drill-pay status in fiscal year 1969?

Admiral STREAN. According to the new law, the Senate Armed Services Committee determines our strength. We have already been informed that any callups will be subtracted from the 126,000, and we will maintain the Reserve personnel at the 126,000 minus those that have been called up.

Mr. MAHON. A number of the units that were called up were not at full strength, and of course there will be some variation in the number who will actually serve. How many men were needed to fill out the units?

Admiral STREAN. There was a total requirement of the squadrons and Seabees of about 2,500. About 1,600 of these were called up. This leaves a deficit of about 850 to 900. So, a call was issued for volunteers, and about 850 of these were either volunteers or were new recruits or direct procurement.

## ROTC GRADUATES SERVING IN SOUTHEAST ASIA

Mr. MAHON. What is the percentage of ROTC graduates now serving in Southeast Asia?

Admiral STREAN. I think we could estimate that, because our intake of NROTC officers is about 10 percent. In proportion they are concentrated among the younger officers in South Vietnam, and would be about 10 percent of the officers there. I would estimate there are about 4,000 officers ashore in South Vietnam. So, about 400 of them would be NROTC officers.

They would be principally in the Game Warden, Market Time, and the Mobile Riverine forces.

## RESERVE PILOTS ON ACTIVE DUTY

Mr. MAHON. What is the situation with respect to Reserve aviators on flying duty, and how does the number compare with previous years?

Admiral STREAN. You mean on active duty?

Mr. MAHON. Yes.

Admiral STREAN. I would have to get that for the record, sir. Out of about 13,800 aviators, I would estimate about 20 percent, but that may be low.

Mr. MAHON. You may supply information for the record on that. (The information follows:)

NUMBER OF AVIATORS WHO ARE RESERVE OFFICERS<sup>1</sup>

Year	Total	Reserve
1963.....	17,278	5,516
1964.....	16,757	5,371
1965.....	16,246	5,255
1966.....	16,119	4,830
1967.....	15,641	4,625
Feb. 29, 1968.....	15,539	4,706

<sup>1</sup> Includes all aviators, regardless of rank.

## NEED TO TRANSITION RESERVE PILOTS INTO COMBAT AIRCRAFT

Mr. MAHON. Do you have sufficient aircraft to maintain your Reserve aviators in an adequate state of readiness?

Admiral STREAN. We have sufficient aircraft to maintain them in a training state of readiness, but these aircraft are not deployable and, therefore, they would have to transition into similar or later models of the same aircraft in which they are training.

Mr. MAHON. There would have to be some delay?

Admiral STREAN. There would be some delay, but it is believed there would be some time to get a deck to deploy on, and during that time they could transition.

The transitioning from an A-4A to an A-4F would be very easy, for instance. It might be a little bit more difficult for someone flying an F-8 to transition to an F-4.

Mr. MAHON. Did the units called up this year go with their aircraft or did they have to transition into other aircraft?

Admiral STREAN. Three squadrons had aircraft.

I think I had better ask Captain Bock to answer this, if I may.

Captain Bock. Sir, they were called and took the airplanes they were flying with them. They remained in place.

In order to deploy these squadrons, they will have to transition into more modern, combat-capable airplanes. This we will do. The way we have to do it, since we do not have a surplus of airplanes in the Navy, we have to slip a regular Navy squadron deployment which is already on about a 5-month turn-around and let these people transition into their airplanes and go ahead and deploy. It would just increase the deployment base for the Navy, which is helpful.

Mr. MAHON. Now we are ready to hear the Marine Corps. Thank you very much, gentlemen.

TUESDAY, MAY 7, 1968.

MILITARY PERSONNEL, MARINE CORPS  
and  
RESERVE PERSONNEL, MARINE CORPS

WITNESSES

MAJ. GEN. JONAS M. PLATT, U.S. MARINE CORPS, ASSISTANT CHIEF OF STAFF, G-1, HQMC

REAR ADM. E. E. GRIMM, U.S. NAVY, OFFICE OF THE NAVY COMPTROLLER, DIRECTOR OF BUDGET AND REPORTS

BRIG. GEN. EDWIN H. SIMMONS, U.S. MARINE CORPS, DEPUTY FISCAL DIRECTOR, HQMC

COL. EDWARD H. GREASON, U.S. MARINE CORPS, DIRECTOR, MARINE CORPS RESERVE, HQMC

COL. M. B. PORTER, U.S. MARINE CORPS, TECHNICAL MANPOWER REQUIREMENTS BRANCH, DEPUTY CHIEF OF STAFF (AIR), HQMC

LT. COL. E. W. KAIN, U.S. MARINE CORPS, BUDGET OFFICER, G-1 DIVISION, HQMC

F. D. ROBENHYMER, OFFICE OF THE NAVY COMPTROLLER

Mr. MAHON. For fiscal year 1968, the Marine Corps received an appropriation of \$1,396,300,000 for military personnel. Proposed revisions under the so-called zero budget adjustments would decrease this amount by \$10 million, but an expected supplemental request would increase the amount appropriated by \$37,523,000 for a proposed total of \$1,423,823,000 expected to be available in fiscal year 1968.

The budget estimate for fiscal year 1969 is \$1,480 million, an increase of \$56,177,000 over funds proposed to be available in fiscal 1968.

We shall insert appropriate pages from the justification book in the record at this point.

(The pages follow :)

"MILITARY PERSONNEL, MARINE CORPS

"For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere); [\$1,396,300,000] \$1,480,000,000."

## DEPARTMENT OF THE NAVY

Military Personnel, Marine Corps  
Program and Financing (in thousands of dollars)

Identification Code 07-05-1105-0.1-051	19 67 actual	19 68 estimate	19 69 estimate
<u>Program by activities:</u>			
Direct program:			
1. Pay and allowances of officers.....	230,976	259,075	274,341
2. Pay and allowances of enlisted.....	787,817	904,015	943,265
3. Pay and allowances of cadets.....	677	82	.....
4. Subsistence of enlisted personnel.....	126,871	134,897	142,664
5. Permanent change of station travel.....	93,186	108,283	103,105
6. Other military personnel costs.....	10,851	17,471	16,625
Total direct program.....	1,250,378	1,423,823	1,480,000
Reimbursable program:			
1. Pay and allowances of officers.....	627	700	500
2. Pay and allowances of enlisted.....	163	200	200
4. Subsistence of enlisted personnel.....	12,909	13,600	14,500
5. Permanent change of station travel.....	640	800	1,000
Total reimbursable program.....	14,339	15,300	16,200
10 - Total obligations.....	1,264,717	1,439,123	1,496,200

DEPARTMENT OF THE NAVY

Military Personnel, Marine Corps  
Program and Financing Summary (in thousands of dollars)

Identification Code 07-05-1105-0-1-051	1967 actual	1968 estimate	1969 estimate
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-12,547	-11,800	-12,500
14 Non-Federal sources <sup>1</sup> .....	-1,793	-3,500	-3,700
25 Unobligated balance lapsing.....	9,022	.....	.....
New obligational authority.....	1,259,400	1,423,823	1,480,000
New obligational authority:			
40 Appropriation.....	1,265,900	1,396,300	1,480,000
41 Transferred to other accounts.....	-6,500	.....	.....
Proposed transfer to other accounts.....	.....	-10,000	.....
43 Appropriation (adjusted).....	1,259,400	1,386,300	1,480,000
44 Proposed supplemental for military pay act increases..	.....	37,523	.....

DEPARTMENT OF THE NAVY  
Military Personnel, Marine Corps  
Program and Financing Summary (in thousands of dollars)

Identification Code 07-05-1105-0-1-051	19 67 actual	19 68 estimate	19 69 estimate
Relation of obligations to expenditures:			
10 Total obligations.....	1,264,717	1,439,123	1,496,200
70 Receipts and other offsets (item 11-17).....	-14,339	-15,300	-16,200
71 Obligations affecting expenditures	1,250,378	1,423,823	1,480,000
Obligated balance, start of year:			
72.40 Appropriation.....	38,180	60,128	108,951
72.49 Contract authorization.....	1,347	1,692	1,692
Obligated balance, end of year:			
74.40 Appropriation.....	-60,128	-108,951	-128,951
74.49 Contract authorization.....	-1,692	-1,692	-1,692
77 Adjustments in expired accounts.....	-273	.....	.....
85 Increase in indefinite contract authorization of prior years (adjustment in expired accounts).....	345	.....	.....
90 Expenditures excluding pay increase supplemental.....	1,228,157	1,337,477	1,460,000
91 Expenditures from military pay act supplemental.....	.....	37,523	.....

DEPARTMENT OF THE NAVY

Military Personnel, Marine Corps  
Program and Financing Summary (in thousands of dollars)

Identification Code 07-05-1105-0-1-051	19 67 actual	19 68 estimate	19 69 estimate
Expenditures are distributed as follows:			
01 Out of current authorizations.....	1,193,323	1,325,800	1,410,000
02 Out of prior authorizations.....	34,834	49,200	50,000
Status of Unfunded Contract Authorization (in thousands of dollars)			
Unfunded balance, start of year.....	1,347	1,692	1,692
Contract authorization.....	345	.....	.....
Unfunded balance, end of year.....	-1,692	-1,692	-1,692
Appropriation to liquidate contract authorization.....			
	.....	.....	.....
Reimbursements from non-Federal sources are derived from sale of meals and clothing to service members (10 U.S.C. 4621).			

DEPARTMENT OF THE NAVY  
MILITARY PERSONNEL, MARINE CORPS

Object Classification (in thousands of dollars)

Identification Code 07-05-1105-0-1-051	19 67 actual	19 68 estimate	19 69 estimate
Direct obligations:			
11.7 Personnel compensation: Military.....	835,113	954,670	998,720
12.1 Personnel benefits, military.....	199,992	223,486	239,477
21.0 Travel and transportation of persons.....	65,508	76,703	70,542
22.0 Transportation of things.....	17,949	20,910	20,563
25.1 Other services.....	4,675	5,160	5,107
26.0 Supplies and materials.....	122,564	135,251	137,553
42.0 Insurance claims and indemnities.....	4,252	6,643	6,728
43.0 Interest and dividends.....	325	1,000	1,310
Total direct obligations.....	1,250,378	1,423,823	1,480,000
Reimbursable obligations:			
11.7 Personnel compensation: Military.....	790	900	700
21.0 Travel and transportation of persons.....	640	800	1,000
26.0 Supplies and materials.....	12,909	13,600	14,500
Total reimbursable obligations.....	14,339	15,300	16,200
99.0 Total obligations.....	1,264,717	1,439,123	1,496,200

Department of the Navy  
Military Personnel, Marine Corps  
APPROPRIATION INTRODUCTION  
(In thousands)

	1967 Actual	1968 Estimate	1969 Estimate
Total Direct Obligations	\$1,250,378	\$1,423,823	\$1,480,000
Proposed Supplemental	-	b/ -37,523	-
Net Adjustments	+15,522	c/ +10,000	-
Appropriation (adjusted)	a/ \$1,265,900	\$1,396,300	\$1,480,000

a/ Composed of original appropriated amount (P. L. 89-687) \$1,183,200 plus: a supplemental of \$24,300 (P. L. 90-21) to provide funds for the Congressionally approved pay raise effective 1 July 1966; a supplemental of \$58,400 for Southeast Asia for a total of \$1,265,900 appropriated. Net adjustments are composed of \$6,500 transferred to the Department of Defense Emergency Fund under the authority contained in Section 636 of the original Appropriation Act (P. L. 89-687), and \$9,022 unobligated.

b/ Proposed supplemental is based on a requirement of \$37,523 for the 5.6% pay raise effective 1 October 1967.

c/ The \$10,000 represents proposed transfer to other accounts and is addressed in a "zero" supplemental transmitted separately.

Department of the Navy  
Military Personnel, Marine Corps  
APPROPRIATION INTRODUCTION -- continued

A. This appropriation provides funds for the pay and allowance, subsistence in kind, travel and transportation costs related to permanent change of station and other personnel costs, as authorized by law and regulations, for Marines on active duty with the regular establishment.

B. The total personnel programs are summarized in the following table:

SUMMARY OF MILITARY PERSONNEL STRENGTH

	FY 1967 Actual		FY 1968 Planned		FY 1969 Planned	
	Man Years	End Strength 30 June 1967	Man Years	End Strength 30 June 1968	Man Years	End Strength 30 June 1969
<u>DIRECT PROGRAM</u>						
Officers .....	22,174	23,565	24,350	25,211	25,699	26,162
Enlisted .....	255,731	261,582	273,604	276,684	289,205	280,246
Aviation Cadets .....	213	93	21	-	-	-
Subtotal .....	278,118	285,240	297,975	301,895	314,904	306,408
<u>REIMBURSABLE PROGRAM 1/</u>						
Officers .....	24	27	25	25	25	25
Enlisted .....	3	2	2	2	2	2
Subtotal .....	27	29	27	27	27	27
<u>TOTAL PROGRAM</u>						
Officers .....	22,198	23,592	24,375	25,236	25,724	26,187
Enlisted .....	255,734	261,584	273,606	276,686	289,207	280,248
Aviation Cadets .....	213	93	21	-	-	-
TOTAL	278,145	285,269	298,002	301,922	314,931	306,435

1/ Military personnel assigned to agencies outside of Department of Defense on a reimbursable basis under the provisions of 10 USC 5416

Department of the Navy  
Military Personnel, Marine Corps

APPROPRIATION INTRODUCTION -- continued

C. The Congress appropriated \$1,183,200,000 in the 1967 Appropriation Act, which provided for a Marine Corps end strength of 278,184 and a man year average of 272,596. However, just prior to the submission of the 1968 Congressional budget the events in Southeast Asia resulted in approval to increase the Marine Corps Personnel total to about 280,000. That plan was later amended to provide another 6,000 personnel for a revised goal of 286,624. The actual strength of 285,240 was achieved. The Congress has appropriated supplemental amounts to provide for the build-up and for the pay raise (see page 3-7).

D. In December 1967 the President authorized a further personnel increase to end fiscal year 1968 with 301,895 personnel, or about 7,000 above the Congressionally approved plan. The man year increase is 2,389. However, because the beginning fiscal year 1968 officer plan was not accomplished, the 2,389 man years are the net of: officers - 674 man years; enlisted +3,528 man years; Marine Aviation Cadets 465 man years. In that savings related to each officer man year are considerably greater than the cost of an additional enlisted man year, much of the net man year increase is absorbed. Further savings are related to the rapid personnel build-up. The more youthful current personnel composition permits reduced funding for longevity and dependents' allowances.

E. Concurrently, with the increase in personnel authorized for end fiscal year 1968 referred to above, the President has authorized a further increase to end fiscal year 1969 with 306,408 or 4,513 over end 1968. The 1969 request for \$1,480,000 will fund that end strength and the related man years. The "humped" man years of 314,904, or 16,929 over the revised 1968 man years, are required to provide for Far East personnel replacements, while at the same time permitting, insofar as possible, two year tours in the States between Vietnam assignments for career personnel.

Department of the Navy  
Military Personnel, Marine Corps  
Justification of Estimates for Fiscal Year 1969

SUMMARY OF OBLIGATIONS

(In thousands)

Budget Activity No.	Budget Activity	1967 Actual	1968 Estimate	1969 Estimate	Difference 1969 compared with 1968	Justification Page
1	Pay and allowances of officers...	\$230,976	\$259,075	\$274,341	\$+15,266	3-11
2	Pay and allowances of enlisted personnel.....	787,817	904,015	943,265	+39,250	3-12
3	Pay and allowances of cadets.....	677	82	-	-82	3-13
4	Subsistence of enlisted personnel.....	126,871	134,897	142,664	+7,767	3-14
5	Permanent change of station travel.....	93,186	108,283	103,105	-5,178	3-16
6	Other military personnel costs...	10,851	17,471	16,625	-846	3-18
	Total direct obligations.....	\$1,250,378	\$1,423,823	\$1,480,000	\$+56,177	

Department of the Navy  
Military Personnel, Marine Corps

(In thousands)  
1969 Estimate - \$274,341  
1968 Estimate - 259,075  
1967 Actual - 230,976

Budget Activity 1: Pay and Allowances of Officers

Purpose and scope of work

A. This activity provides the funds for pay and allowances of Marine Corps officer personnel on full time active duty with the regular establishment.

Justification of funds

- A. The cost of items of pay and allowances are directly related to the man year average strength, the personnel pattern of gains and losses for the fiscal year involved and the 5.6% pay raise (effective 1 October 1967). The actual fiscal year 1967 officer personnel numbers were: begin 20,485; end 23,565; average 22,174.
- B. The FY 1968 officer personnel plan calls for maximum procurement of permanent officers. The authorized FY 1968 end strength will be 25,211, an increase of 1,646 officers over the end FY 1967 strength. This increase represents a man year average of 24,350 or 2,176 man years Greater than FY 1967.
- C. The officer plan for FY 1969 calls for an end strength of 26,162 or an increase of 951 over the end FY 1968 plan; man years will be 25,699. The FY 1969 personnel plan is characterized by continued new permanent officer procurement and the implementation of the reversion program for a portion of the temporary officers appointed during FY 1966 and FY 1967.

Department of the Navy  
Military Personnel, Marine Corps

Budget Activity 2: Pay and Allowances of Enlisted Personnel

(In thousands)  
1969 Estimate - \$943,265  
1968 Estimate - 904,015  
1967 Actual - 787,817

Purpose and scope of work

A. This activity provides the funds for pay and allowances of Marine Corps enlisted personnel on full time active duty with the regular establishment.

Justification of funds

A. The cost of enlisted pay and allowances is directly related to the man year average strength and to the personnel patterns of gains and losses for the fiscal year involved. The 1967 column of the 1968 budget reflected the following enlisted strengths: begin 240,909; end 255,831; average 254,674. During the last quarter, the end 1967 enlisted plan was revised to provide for an additional 6,000 personnel so as to permit a more orderly phasing of recruits as replacements to the large number of personnel losses in the first seven months of fiscal year 1968. The actual enlisted end 1967 year strength was 261,582; the actual man years were 255,731.

B. The 1968 plan presented to the Congress called for a continued increase to 269,316 enlisted personnel and man years of 270,076. However, as narrated on page 3-8, in December of 1967, the Marine Corps was authorized a further increase to 276,684 or 7,368 over the Congressionally approved plan. The monthly personnel plan of gains and losses result in the man year average of 273,604. The increased forces together with the pay raise of 5.6% (effective 1 Oct 1967) and costs related to deployment (duty at certain locations, other special pay, family separation allowance) explain the increased cost of about \$116,000,000 over 1967.

C. The 1969 end personnel plan further increases to 280,246 or 3,562 over the revised end 1968. The man years show an increase of 15,601 from the prior year. This results from the pattern of gains and losses by month during the year. The 1969 plan peaks during the year to permit Far-East (WestPac) personnel replacements.

Department of the Navy  
Military Personnel, Marine Corps

	(In thousands)
Budget Activity 3: <u>Pay and Allowances of Cadets</u>	1969 Estimate - \$-0-
	1968 Estimate - 82
	1967 Actual - 677

Purpose and scope of work

Purpose and scope of work

A. This activity provides the funds for pay and allowances of Marine Aviation Cadets.

Justification of funds

A. The cost of items of pay and allowance is directly related to the man year average strength. The rate for basic pay of a Marine cadet is equivalent to one half the monthly pay of a second lieutenant (with less than two years service). Incentive pay is payable at \$50 per month and begins after four months of pre-flight training. The full training cycle is 18 months. Actual personnel numbers in 1967 were begin 293; end 93; average 213.

B. The Marine Corps has been able to meet its requirements for pilot procurement from applicants who are college graduates and additional input from the Enlisted Commissioning Program. Accordingly, the Marine Corps has temporarily suspended the Marine Cadet Program.

Department of the Navy  
Military Personnel, Marine Corps

Budget Activity 4: Subsistence of Enlisted Personnel

(In thousands)  
1969 Estimate - \$142,664  
1968 Estimate - 134,897  
1967 Actual - 126,871

Purpose and scope of work

A. This activity provides funds for the food requirement for the planned enlisted Marine Corps strength, either in cash payments to individual personnel as authorized by law or by subsistence in kind.

B. There are two projects within this activity: 4A - Basic Allowance for Subsistence, and 4B - Subsistence in Kind.

C. Basic allowance for subsistence included in this budget are (a) commuted rations (married personnel authorized to mess separately; (b) leave rations; (c) the allowance payable where rations in kind (in a government mess) are not available.

D. Subsistence in kind includes all food that will be consumed in messes in CONUS, overseas, afloat, and in hospitals. It also includes Operational Rations.

E. Operational Rations as shown on page 3-47 captioned as "Safety Level" represent the packaged rations that are maintained to meet the subsistence requirements of the Fleet Marine Forces in the event of commitment. This safety level remains in the warehouse for one year, is then rotated to the "operational and training level" and is consumed on maneuvers and scheduled exercises. In this way it is possible to maintain at all times the readiness requirements without suffering storage losses. With an estimated shelf life of three years, these rations must be rotated into use on a strict schedule, and their consumption is used as an economic measure. The estimated consumption of operational rations is deducted from the Subsistence in Messes requirements.

Department of the Navy  
Military Personnel, Marine Corps

Budget Activity 4: Subsistence of Enlisted Personnel -- continued

Justification of funds

A. Subsistence costs vary directly with the enlisted strength of the Marine Corps, the cost of foodstuffs, the rate of absenteeism, and to some extent upon the deployment as in the case of Vietnam.

B. The ration rates were developed by Office of the Directorate for Food Service (Assistant Secretary of Defense, Installation and Logistics) based on Defense Supply Agency actual calendar year 1967 costs. The absenteeism rates are based on the last half of fiscal year 1967 actual.

C. The net increase for this activity amounts to \$7,767,000 shown by project below. The increase of \$592,000 Basic Allowance for Subsistence results primarily from the increased man years of leave rations. The increase of \$7,175,000 for Subsistence in Kind is primarily related to the increased enlisted man year strength.

	1967 Actual Obligations	(In thousands)		Difference
		1968 Estimate	1969 Estimate	
4A - Basic Allowance for Subsistence	\$25,801	\$28,753	\$29,345	\$+592
4B - Subsistence in Kind	<u>101,070</u>	<u>106,144</u>	<u>113,319</u>	<u>+7,175</u>
Total	\$126,871	\$134,897	\$142,664	\$+7,767

Department of the Navy  
Military Personnel, Marine Corps

(In thousands)  
1969 Estimate - \$103,105  
1968 Estimate - 108,283  
1967 Actual - 93,186

Budget Activity 5: Permanent Change of Station Travel

Purpose and scope of work

A. This activity provides the funds required to move Marines from their initial entry into the service, through all of their permanent transfers to different units and locations, and back to their homes upon separation or retirement. The cost of moving Marine dependents and household effects, when authorized by law, is also covered by this activity.

B. The projects included in this activity and the respective financial requirements are summarized by project on the following page.

Justification of funds

A. The U. S. Marine Corps continues to minimize travel costs as much as possible by controlling all transfers at Headquarters level.

B. The 1969 estimate of \$103,105,000 for travel reflects a decrease (\$-5,178,000) from the 1968 estimate of \$108,283,000. As a result of the Presidents decision to approve further build up in 1968 and due to other refinements to the personnel plan the enlisted accessions increase from about 91,000 as contemplated in the 1968 Presidents budget to about 101,000 in the latest plan. The 1969 enlisted accessions are at the 89,000 level, sufficient to maintain the strength and provide for a small build up (+3,562) in the end strength. The average rate decreases in 1969 because the proportion of West Pac replacements direct from West Coast will increase in 1969. Thus the decreased cost for accession travel of \$3,203,000 is about \$1.4 million related to rate decrease and \$1.8 million related to the decreased number.

Department of the Navy  
Military Personnel, Marine Corps

Budget Activity 5: Permanent Change of Station Travel

Justification of funds -- continued

C. Training travel increases \$447,000 due to increased training at schools of 20 weeks or more for languages, aviation technical training and electronics.

D. Rotation travel decreases \$2,446,000. The principal factor contributing to the decrease is the revised (downward) rate for MAC (Military Air Command) rates which became effective 1 December 1967.

	1967 Actual	1968 Estimate	1969 Estimate	Difference
5A - Accession Travel	\$13,153	\$17,274	\$14,071	\$-3,203
5B - Training Travel	1,304	1,600	2,047	+ 447
5C - Operational Travel Between Duty Stations (within CONUS and with Overseas)	4,752	4,714	4,819	+ 105
5D - Rotational Travel To and From Overseas	66,530	71,378	68,932	-2,446
5E - Separation Travel	<u>7,447</u>	<u>13,236</u>	<u>12,236</u>	<u>- 81</u>
Total	\$93,186	\$108,283	\$103,105	\$-5,178

Department of the Navy  
Military Personnel, Marine Corps

Budget Activity 6: Other Military Personnel Costs

(In thousands)  
1969 Estimate - \$16,625  
1968 Estimate - 17,471  
1967 Actual - 10,851

Purpose and scope of work

- A. This activity provides funds for the miscellaneous costs of military personnel that are not appropriately chargeable to any of the other activities in this appropriation.
- B. The following projects are included in this activity: 6A - Apprehension of Military Deserters, Absentees, and Escaped Military Prisoners; 6B - Interest on Uniformed Services Savings Deposits; 6C - Death Gratuity; 6D - Servicemen's Group Life Insurance Program.

Justification of funds

- A. Generally items within this activity are based on prior years experience and payable by law or regulation.
- B. Public Law 89-538 of 14 August 1966 established the Uniformed Services Savings Program. It replaces a non-competitive interest rate of 4% simple interest for deposits made by enlisted personnel law as authorized by the old law. The new law provides that any member on permanent duty assignment outside the U. S. or its possessions may make deposits while on such assignment. Interest accrues at the rate of 10% compounded quarterly up to the maximum of \$10,000.

Department of the Navy  
Military Personnel, Marine Corps

Budget Activity 6: Other Military Personnel Costs -- continued

Justification of funds -- continued

C. Legislation enacted 28 September 1965 provided, among other things, that the Services will contribute to the insurance program the additional amounts representing the extra hazard costs of the insurance. The insurance rate to the servicemen is \$2.00 monthly for \$10,000 which is withheld from his pay. The contribution as funded by this activity is computed at a percentage rate established by the Veterans Administration. The latest approved rate of 100% (effective 1 January 1968) is used in the 1969 request. The FY 1968 rate is a composite of: 100% for July 1967, 175% for August-December 1967; and 100% for the last half.

D. The details for the individual items within this activity are shown on page 3-58.

E. A summary of this activity is as follows:

	1967 Actual Obligations	1968 Estimate	1969 Estimate	Difference
6A - Apprehension of Military Deserters, Absentees, and Escaped Military Prisoners	\$360	\$360	\$360	\$ -0-
6B - Interest on Uniformed Services Savings Deposits	325	1,000	1,311	+311
6C - Payment of Death Gratuities	4,252	6,643	7,396	+753
6D - Servicemen's Group Life Insurance Program	<u>5,914</u>	<u>9,468</u>	<u>7,558</u>	<u>-1,910</u>
Total	\$10,851	\$17,471	\$16,625	\$-846

Department of the Navy  
Military Personnel, Marine Corps

ACTIVITY 1. PAY AND ALLOWANCES OF OFFICERS, SUMMARY BY PROJECTS

	1967 Actual	1968 Estimate	1969 Estimate	Difference 1969 compared with 1968
A. Basic Pay.....	\$166,183	\$188,362	\$198,680	\$+10,318
B. Incentive Pay.....	13,116	13,290	14,413	+ 1,123
C. Special Pay.....	5,145	5,473	5,515	+ 42
D. Basic Allowance for Quarters.....	19,569	23,365	25,087	+ 1,722
E. Basic Allowance for Subsistence..	12,772	13,991	14,766	+ 775
F. Station Allowances, Overseas.....	400	582	607	+ 25
G. Uniform Allowances.....	1,536	982	991	+ 9
H. Family Separation Allowance.....	2,255	2,270	2,290	+ 20
I. Separation Payments.....	3,912	4,112	4,547	+ 435
J. Social Security Tax - Employer's Contribution.....	6,088	6,648	7,445	+ 797
Total	\$230,976	\$259,075	\$274,341	\$+15,266

Department of the Navy  
Military Personnel, Marine Corps

**1. PAY AND ALLOWANCES OF OFFICERS, SUMMARY**

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
A. Basic Pay.....	24,350	\$7,735.61	25,699	\$7,731.05	+1,349	\$+10,318
B. Incentive Pay.....	6,262	2,122.33	6,857	2,101.94	+ 595	+ 1,123
C. Special Pay.....		5,473				+ 42
D. Basic Allowance for Quarters.....	15,136	1,543.67	16,235	1,545.24	+1,099	+ 1,722
E. Basic Allowance for Subsistence.....	24,350	574.56	25,699	574.56	+1,349	+ 775
F. Station Allowances, Overseas.....	1,115	521.97	729	832.67	- 386	+ 25
G. Uniform Allowance.....		982				+ 9
H. Family Separation Allowance.....	6,304	360.00	6,361	360.00	+ 57	+ 20
I. Separation Payments.....	2,080	1,976.92	2,490	1,826.10	+ 410	+ 435
J. Social Security Tax - Employer's Contribution	24,350	273.02	25,699	289.70	+1,349	+ 797
Total		\$259,075		\$274,341		\$+15,266

Department of the Navy  
Military Personnel, Marine Corps

1. PAY AND ALLOWANCES OF OFFICERS

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
A. <u>Basic Pay (37 USC 203)</u>						
General.....	1	\$27,616.33	1	\$27,987.38	--	--
Lieutenant General.....	8	22,083.31	8	22,380.02	--	\$+ 2
Major General.....	28	19,911.37	28	20,178.89	--	+ 7
Brigadier General.....	38	17,315.54	38	17,548.19	--	+ 9
Colonel.....	749	14,542.78	777	14,994.84	+ 28	+ 758
Lieutenant Colonel.....	1,872	12,181.90	2,035	12,212.13	+ 183	+ 2,291
Major.....	3,792	9,830.64	3,951	9,896.20	+ 159	+ 1,822
Captain.....	5,133	7,640.94	3,977	7,750.32	-1,156	- 8,398
1st Lieutenant.....	1,858	5,649.93	4,569	5,696.57	+2,711	+15,530
2nd Lieutenant.....	4,380	4,273.87	4,807	4,331.16	+ 427	+ 2,100
Total Commissioned.....	17,859	7,885.99	20,211	7,666.96	+2,352	+14,121
With Enlisted Service....						
Captain.....	1,200	8,876.09	2,400	8,986.22	+1,200	+10,916
1st Lieutenant.....	2,746	7,500.52	1,546	7,670.87	-1,200	- 8,737
2nd Lieutenant.....	1,016	6,185.23	100	6,259.21	- 916	- 5,658
Total Commissioned w/Enl Serv.....	4,962	7,563.68	4,046	8,416.21	- 916	- 3,479
W-4.....	94	9,178.19	98	9,455.59	+ 4	+ 64
W-3.....	170	7,866.89	172	8,022.01	+ 2	+ 43
W-2.....	141	6,506.33	100	6,554.72	- 41	- 262
W-1.....	1,124	6,119.33	1,072	6,257.94	- 52	- 169
Total Warrants.....	1,529	6,536.87	1,442	6,706.65	- 87	- 324
Total Officers	24,350	\$ 7,735.61	25,699	\$ 7,731.05	+1,349	\$+10,318

Department of the Navy  
Military Personnel, Marine Corps

**PAY AND ALLOWANCES OF OFFICERS**

**B. Incentive Pay (37 USC 301)**

**(1) Flying Duty**

**(a) Crew Members**

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate Amount	Number	Av Rate Amount	Number	Amount
Lieutenant Generals.....	1	\$ 1,980.00	1	\$ 1,980.00	2	\$ -
Major General.....	10	1,980.00	20	1,980.00	24	44
Brigadier General.....	12	1,920.00	23	1,920.00	25	+2
Colonel.....	282	2,940.00	829	2,940.00	873	+44
Lieutenant Colonel.....	369	2,932.20	1,082	2,932.20	1,163	+478
Major.....	1,209	2,732.01	3,303	2,731.08	3,523	+220
Captain.....	1,713	2,259.79	3,871	2,259.72	3,207	-664
1st Lieutenant.....	1,419	1,762.03	2,500	1,760.88	3,360	+860
2d Lieutenant.....	901	1,313.67	1,184	1,314.84	1,299	+115
Total Commissioned.....	5,916	2,165.99	12,814	2,147.41	13,873	+1,059
CWO and WO.....	56	1,641.42	92	1,659.57	78	-14
Total Crew Members.....	5,972	\$2,160.96	6,507	\$2,143.89	6,535	\$+1,045
(b) Non-Crew Members.....	108	1,320.00	143	1,320.00	153	+10
(3) Submarine Duty.....	3	1,320.00	4	1,320.00	4	-
(4) Parachute Jumping Pay.....	71	1,320.00	94	1,320.00	162	+68
(7) Demolition Duty.....	108	1,320.00	143	1,320.00	143	-
Total.....	6,262	\$2,122.33	6,857	\$2,101.94	7,413	\$+1,123

Department of the Navy  
Military Personnel, Marine Corps

1. PAY AND ALLOWANCES OF OFFICERS

C. Special Pay

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
(1) <u>General Officer Personal Allowance (37 USC 414)</u>						
General	1	\$ 4,000.00	4	\$ 4,000.00	4	-
Lieutenant General	8	500.00	4	500.00	4	-
Sub-Total	9	\$ 888.89	8	\$ 888.89	8	-
(2) <u>Diving Duty Pay (37 USC 304)</u>	28	\$ 1,320.00	37	\$ 1,320.00	37	-
(3) <u>Other Special Pay</u>		\$ 4,577		\$ 4,619		\$ +42
(4) <u>Support of Free World Forces</u>		\$ 851		\$ 851		-
Total Special Pay		\$ 5,473		\$ 5,515		\$ +42

Department of the Navy  
Military Personnel, Marine Corps

## 1. PAY AND ALLOWANCES OF OFFICERS

## D. Basic Allowance for Quarters (37 USC 403)

	1968 Estimate		1969 Estimate		Difference Number	Difference Amount
	Number	Av Rate	Number	Av Rate		
(1) With Dependents						
General.....	2	\$2,412.00	2	\$2,412.00	-	-
Lieutenant General.....	16	2,412.00	16	2,412.00	-	-
Major General.....	26	2,412.00	26	2,412.00	-	-
Brigadier General.....	550	2,041.20	577	2,041.20	+27	\$ +55
Colonel.....	1,481	1,890.00	1,633	1,890.00	+152	+287
Lieutenant Colonel.....	2,859	1,740.60	2,955	1,740.60	+96	+167
Major.....	3,886	1,560.60	4,179	1,560.60	+293	+457
Captain.....	2,595	1,440.00	3,205	1,440.00	+610	+878
1st Lieutenant.....	577	1,321.20	416	1,321.20	-161	-212
2d Lieutenant.....						
Total Commissioned.....	11,992	\$1,631.83	13,009	\$1,629.72	+1,017	\$+1,632
W-4.....	7	1,740.60	11	1,740.60	+4	+7
W-3.....	48	1,560.60	50	1,560.60	+2	+3
W-2.....	39	1,440.00	26	1,440.00	-13	-19
W-1.....	909	1,321.20	860	1,321.20	-49	-65
Total Warrants.....	1,003	\$1,339.98	947	\$1,341.08	-56	\$ -74
Total with Dependents.....	12,995	\$1,609.30	13,956	\$1,610.13	+961	\$+1,558

Department of the Navy  
Military Personnel, Marine Corps

1. PAY AND ALLOWANCES OF OFFICERSD. Basic Allowance for Quarters (Continued)

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
(2) <u>Without Dependents</u>						
Brigadier General.....	1	\$1,922.40	2	1 \$1,922.40	-	-
Colonel.....	4	1,681.20	7	5 1,681.20	+1	\$ +1
Lieutenant Colonel.....	21	1,562.40	33	24 1,562.40	+3	+4
Major.....	57	1,440.00	82	69 1,440.00	+12	+17
Captain.....	480	1,260.00	605	551 1,260.00	+71	+89
1st Lieutenant.....	872	1,141.20	995	875 1,141.00	+3	+3
2d Lieutenant.....	641	1,022.40	655	682 1,022.40	+41	+42
W-4.....	8	1,440.00	12	9 1,440.00	+1	+1
W-3.....	5	1,260.00	6	8 1,260.00	+3	+4
W-2.....	16	1,141.20	18	17 1,141.20	+1	+1
W-1.....	36	1,022.40	37	38 1,022.40	+2	+2
Total Without Dependents.....	2,141	\$1,145.26	2,452	2,279 \$1,147.87	+138	\$+164

E. Basic Allowance for Subsistence

(37 USC 402).....	24,350	\$ 574.56	\$13,991	25,699	\$ 574.56	\$14,766	+1,349	\$+775
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F. Station Allowances Overseas  
(37 USC 405)

(1) Cost of Living.....	98	\$ 646.76	\$ 63	98	\$ 646.76	\$ 63	-	-
(2) Housing.....	207	858.56	178	207	858.56	178	-	-
(3) Temporary Lodging.....	810	420.99	341	424	864.00	366	-386	+25
Total.....	1,115	\$ 521.97	\$ 582	729	\$ 832.67	\$ 607	-386	\$ +25

Department of the Navy  
Military Personnel, Marine Corps

## 1. PAY AND ALLOWANCES OF OFFICERS

## G. Uniform Allowances (37 USC 415-417)

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate Amount	Number	Av Rate Amount	Number	Amount
(1) <u>Initial</u>						
Appointment from Aviation Cadet	-	-	-	-	-	-
N.R.O.T.C. and R.O.T.C.....	50	200.00	50	200.00	10	-
Direct procurement by transfer from other services.....	15	200.00	3	200.00	3	-
Direct procurement from Marine Corps or Marine Corps Reserve	600	100.00	600	100.00	60	-
Enlisted Status	2,682	200.00	536	200.00	533	-3
Procurement from Civil Life....	20	250.00	5	250.00	27	+22
Temporary Officer Program.....	3,367	\$182.37	\$614	3,438	\$184.12	\$633
Total Initial.....					+71	\$+19
(2) <u>Additional</u>						
Appointment from Aviation Cadet	89	100.00	9	-	-89	-9
N.R.O.T.C. and R.O.T.C.....	50	100.00	5	100.00	5	-
Direct procurement by transfer from other services	15	100.00	2	100.00	2	-
Direct procurement from Marine Corps or Marine Corps Reserve	600	100.00	60	100.00	60	-
Enlisted Status.....	2,682	100.00	268	100.00	266	-2
Procurement from Civil Life....	3,436	\$100.00	\$344	3,329	\$100,000	\$333
Total Additional.....					-107	\$-11
(3) <u>Uniform Maintenance Allowance Reserve Officers.....</u>	475	\$50.00	\$24	500	\$50.00	\$25
Total.....	-	-	\$982	-	-	\$+9

Department of the Navy  
Military Personnel, Marine Corps

1. PAY AND ALLOWANCES OF OFFICERS

H. Family Separation Allowance  
(37 USC 427)

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
(1) On PCS with Dependents not authorized.....	5,133	\$360.00	5,188	\$360.00	+55	\$+20
(2) On Board Ship for More than Thirty Days.....	291	360.00	293	360.00	+2	-
(3) On TDY for More than Thirty Days with Depend- ents not residing near TDY station.....	880	360.00	880	360.00	-	-
Total.....	6,304	\$360.00	6,361	\$360.00	+57	\$+20

Department of the Navy  
Military Personnel, Marine Corps

PAY AND ALLOWANCES OF OFFICERS

I. Separation Payments

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
(1) <u>Lump Sum Terminal Leave Payments (37 USC 501)</u>						
Basic Pay.....	(1,945)	\$1,088.81	(2,370)	\$1,069.90	(+425)	\$+418
Subsistence Allowance....	(1,945)	71.60	(2,370)	70.87	(+425)	+29
Quarters Allowance.....	(1,945)	198.63	(2,370)	193.26	(+425)	+72
Sub-Total.....	1,945	\$1,359.04	2,370	\$1,334.03	+425	\$+519
(2) <u>Lump Sum Readjustment Payments (P.L. 87-509)</u>						
Captain.....	15	15,000.00	10	15,000.00	-5	-75
1st Lieutenant.....	7	4,346.39	5	4,404.79	-2	-8
Sub-Total	22	11,610.22	15	11,468.26	-7	-83
(3) <u>Lump Sum Payments (P.L. 86-155)</u>						
Colonel.....	10	2,000.00	-	-	-10	-20

Department of the Navy  
Military Personnel, Marine Corps

**I. PAY AND ALLOWANCES OF OFFICERS**

**I. Separation Payments (Continued)**

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
<b>(4) Severance Pay-Failure of Promotion</b>						
Captain.....	50	\$15,000.00	50	\$15,000.00	-	-
1st Lieutenant.....	3	5,432.99	3	5,305.98	+12	\$12
Sub-Total.....	53	14,458.47	55	14,136.91	+12	+12
<b>(5) Severance Pay-Disability (10 USC 1212)</b>						
Captain.....	16	17,518.10	16	17,753.47	-	+4
1st Lieutenant.....	21	5,432.99	21	5,505.98	-	+2
2d Lieutenant.....	13	2,627.72	13	2,563.02	-	+1
Sub-Total.....	50	8,565.27	50	8,690.12	-	+7
Total Separation Payments.....	2,080	\$1,976.92	2,490	\$1,826.10	+410	\$+435

**J. Social Security Tax -**

Employers Contribution  
(P.L. 87-64).....

24,350      \$273.02      \$6,648      25,699      \$289.70      \$7,445      +1,349      \$+791

Department of the Navy  
Military Personnel, Marine Corps

ACTIVITY 2. PAY AND ALLOWANCES OF ENLISTED PERSONNEL, SUMMARY OF PROJECTS

Project	1967 Actual	1968 Estimate	1969 Estimate	Difference 1969 compared with 1968
A. Basic Pay	\$554,080	\$626,176	\$660,138	\$+33,962
B. Incentive Pay	3,864	4,049	4,497	+448
C. Special Pay	68,263	85,005	86,116	+1,111
D. Proficiency Pay	4,364	5,463	5,615	+152
E. Reenlistment Bonus	11,725	11,926	17,309	+5,383
F. Basic Allowance for Quarters	60,248	63,812	68,502	+4,690
G. Station Allowances	628	1,383	653	-730
H. Clothing Allowances	36,110	45,965	40,535	-5,430
I. Family Separation Allowance	6,708	7,388	7,388	-
J. Separation Payments	17,986	25,296	21,983	-3,313
K. Social Security Tax - Employer's Contribution	23,841	27,552	30,529	+2,977
Total	\$787,817	\$904,015	\$943,265	\$+39,250



Department of the Navy  
Military Personnel, Marine Corps

A. BASIC PAY (37 USC 203)

	1968 Estimate		1969 Estimate		Difference			
	Number	Av Rate	Number	Av Rate	Number	Amount		
E-9.....	1,169	\$7,704.21	\$ 9,006	1,178	\$7,807.73	\$ 9,198	+9	\$ +192
E-8.....	3,878	6,340.65	24,589	4,156	6,424.84	26,702	+278	+2,113
E-7.....	9,640	5,337.96	51,458	9,966	5,409.68	53,913	+326	+2,455
E-6.....	16,795	4,384.03	73,630	17,535	4,442.93	77,907	+740	+4,277
E-5.....	34,141	3,351.20	114,413	35,131	3,396.22	119,313	+990	+4,900
E-4.....	60,555	2,407.40	145,780	54,264	2,439.74	132,390	-6,291	-13,390
E-3.....	60,612	1,637.02	99,223	70,073	1,659.02	116,253	+9,461	+17,030
E-2.....	45,483	1,299.29	59,096	70,571	1,316.73	92,923	+25,088	+33,827
E-1 0/4 Mos.....	20,565	1,248.52	25,676	13,065	1,265.30	16,531	-7,500	-9,145
E-1 U/4 Mos.....	20,566	1,132.86	23,298	13,066	1,148.08	15,001	-7,500	-8,297
GCMP.....	200	36.00	7	200	36.00	7	-	-
Total.....	273,604	\$2,288.62	\$626,176	289,205	\$2,282.60	\$660,138	+15,601	+\$33,962

Department of the Navy  
Military Personnel, Marine Corps

B. INCENTIVE PAY (37 USC 301)

1. Flying Duty

(a) Crew Members

	1968 Estimate		1969 Estimate		Difference				
	Number	Av Rate	Number	Av Rate	Number	Amount			
E-9.....	4	\$ 1,260.00	5	\$	4	\$ -1			
E-8.....	3	1,260.00	4		5	+1			
E-7.....	491	1,259.39	618		664	+46			
E-6.....	554	1,167.40	647		574	-73			
E-5.....	706	1,042.52	736		667	-69			
E-4.....	477	898.74	381		459	+78			
E-3.....	328	680.85	223		267	+44			
E-2.....	73	662.46	48		48	-0-			
E-1.....	3	600.00	2		8	+6			
Total.....	2,639	\$1,009.47	2,664	\$2,664	2,691	\$1,001.85	\$2,696	+52	\$ +32

(b) Non-Crew Members.....

Total.....	1,224	660.00	808		901	+93			
Non-Crew Members.....	3,863	\$ 898.78	3,472	\$3,472	4,056	\$ 886.83	\$3,597	+193	\$+125

2. Submarine Duty.....

Total.....	10	1,065.00	11		11				
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4. Parachute Jumping Pay.....

Total.....	612	660.00	404		1,137	660.00	750	+525	+346
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7. Demolition Duty.....

Total.....	245	660.00	162		211	660.00	139	-34	-23
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TOTAL INCENTIVE PAY.....	4,730	\$ 856.03	4,049	\$4,049	5,414	\$ 830.62	4,497	+684	\$+448
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Department of the Navy  
Military Personnel, Marine Corps

## C. SPECIAL PAY

Grade Duty at Certain Places:	FY 1968 Estimate		FY 1969 Estimate		Difference	
	Man-Years	Rate Amount	Man-Years	Rate Amount	Number	Amount
<b>Sea Duty (Afloat)</b>						
E-9/8/7.....	63	\$270.00 \$ 17	65	\$270.00 \$ 18	+2	\$ +1
E-6.....	97	240.00 23	99	240.00 24	+2	+1
E-5.....	87	192.00 17	91	192.00 18	+4	+1
E-4.....	345	156.00 54	355	156.00 55	+10	+1
E-3.....	719	108.00 78	733	108.00 79	+14	+1
E-2/1.....	1,083	96.00 104	1,118	96.00 107	+35	+3
Total.....	2,394	\$123.22 \$ 293	2,461	\$122.17 \$ 301	+67	\$ +8
<b>Certain Locations</b>						
E-9/8/7.....	5,495	\$270.00 \$ 1,483	5,495	\$270.00 \$ 1,483	-	-
E-6.....	6,281	240.00 1,507	6,281	240.00 1,507	-	-
E-5.....	12,699	192.00 2,438	12,699	192.00 2,438	-	-
E-4.....	19,775	156.00 3,085	19,775	156.00 3,085	-	-
E-3.....	23,337	108.00 2,521	23,337	108.00 2,521	-	-
E-2/1.....	29,952	96.00 2,873	29,952	96.00 2,873	-	-
Total.....	97,539	\$142.59 \$13,909	97,539	\$142.59 \$13,909	-	-
<b>Total Sea Duty and at Certain Locations....</b>						
Diving Duty Pay(37 USC 304) Scuba.....	99,933	\$142.11 \$14,202	100,000	\$142.10 14,210	+67	\$ +8
Other Special Pay....	163	660.00 108	163	660.00 108	-	-
Support of Free World Forces.....		65,849		66,952		+1,103
Total Special Pay.....		4,846		4,846		
		\$85,005		\$86,116		\$+1,111

Department of the Navy  
Military Personnel, Marine Corps

D. PROFICIENCY PAY (37 USC 307)

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate Amount	Number	Av Rate Amount	Number	Amount
P-1.....	1,651	\$ 600.00 \$ 991	1,651	\$ 600.00 \$ 991	-	\$ -
P-1 (SP).....	2,745	360.00 988	2,745	360.00 988	-	-
P-2.....	3,002	900.00 2,702	1,865	900.00 1,679	-1,137	-1,023
P-3.....	652	1,200.00 782	1,631	1,200.00 1,957	+979	+1,175
Total.....	8,050	\$ 678.63 \$ 5,463	7,892	\$ 711.48 \$ 5,615	-158	\$ +152

E. REENLISTMENT BONUS (37 USC 308)

E-9.....	12	\$ 416.23 \$ 5	7	\$ 403.36 \$ 3	-5	\$ -2
E-8.....	159	424.43 67	203	402.58 82	+44	+15
E-7.....	632	582.34 368	505	572.56 289	-127	-79
E-6.....	1,376	931.73 1,282	2,487	784.63 1,951	+1,111	+669
E-5.....	1,778	1,173.17 2,086	2,582	1,266.01 3,269	+804	+1,183
E-4.....	1,803	1,148.40 2,071	1,876	1,170.62 2,196	+73	+125
E-3.....	560	903.24 504	221	967.87 214	-339	-290
E-2.....	50	560.43 28	13	641.39 8	-37	-20
E-1.....	-	-	-	-	-	-
Sub-Total.....	6,370	\$1,006.43 \$ 6,411	7,894	\$1,041.20 \$ 8,012	+1,524	\$+1,601
Variable Reenlistment Bonus.....	6,690	1,003.74 5,515	8,830	1,052.88 9,297	+2,140	+3,782
a/ Total Reenlistment Bonus....	8,669	\$1,375.71 \$11,926	12,625	\$1,371.01 \$17,309	+3,956	\$+5,383

a/ Includes number of Incremental Payments carried over from previous years.

Department of the Navy  
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F. BASIC ALLOWANCE FOR QUARTERS (37 USC 403)

(1) With Dependents

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
E-9.....	901	\$1,440.00	898	\$1,440.00	-3	\$ -4
E-8.....	3,023	1,440.00	3,261	1,440.00	+238	+343
E-7.....	7,646	1,378.80	7,824	1,378.80	+178	+246
E-6.....	12,304	1,321.20	12,918	1,321.20	+614	+811
E-5.....	11,550	1,260.00	14,256	1,260.00	+2,706	+3,014
E-4 0/4 Yrs.....	2,557	1,260.00	3,222	1,260.00	+665	+1,489
E-4 U/4 Yrs.....	6,274	1,069.35	6,709	1,091.71	+435	+447
E-3.....	3,189	764.90	4,093	791.87	+904	+802
E-2.....	881	769.81	1,735	785.01	+854	+684
E-1.....	872	782.30	459	797.61	-413	-316
Sub-Total.....	49,197	\$1,234.45	53,060	\$1,230.09	+3,863	+\$4,538

(2) Without Dependents

E-9.....	63	\$1,022.40	64	70	\$1,022.40	\$	72	+7	\$	+8
E-8.....	145	1,022.40	148	161	1,022.40	165	165	+16		+17
E-7.....	370	900.00	333	395	900.00	356	356	+25		+23
E-6.....	1,181	842.40	995	1,206	842.40	1,016	1,016	+25		+21
E-5.....	572	842.40	482	641	842.40	540	540	+69		+58
E-4 0/4 Yrs.....	321	842.40	271	346	842.40	291	291	+25		+20
E-4 U/4 Yrs.....	141	705.60	99	141	720.00	102	102	-		+3
E-3.....	103	705.60	73	103	720.00	74	74	-		+1
E-2.....	51	705.60	36	51	720.00	37	37	-		+1
E-1.....	8	705.60	6	8	720.00	6	6	-		-
Sub-Total.....	2,955	\$ 848.39	2,509	3,122	\$ 851.69	\$ 2,659	\$ 2,659	+167		+\$ 152
(3) Substandard Family Hsg.	3,667	\$ 156.60	574	3,667	\$ 156.60	\$ 574	\$ 574	-		-
Total Basic Allowance F/Qutrs.....	55,819	\$1,143.19	\$63,812	59,849	\$1,145.35	\$68,502	\$68,502	+4,030		+\$4,690

Department of the Navy  
Military Personnel, Marine Corps

G. STATION ALLOWANCES, OVERSEAS (37 USC 405)

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate Amount	Number	Av Rate Amount	Number	Amount
(1) Cost of Living.....	131	\$350.40 \$ 46	133	\$350.40 \$ 47	+2	\$ +1
(2) Housing.....	689	496.67 342	689	496.67 342	-	-
(3) Temporary Lodging.....	1,431	695.26 995	306	864.00 264	-1,125	-731
Total.....	2,251	\$614.39 \$ 1,383	1,128	\$578.90 \$ 653	-1,123	\$ -730

H. CLOTHING ALLOWANCE (37 USC 418)

(1) Initial

(a) Military

New Recruits, Male.....	94,796	\$267.20 \$25,329	84,000	\$247.71 \$20,808	-10,796	\$-4,521
Broken Reenlistments Non-Obligor	742	257.41 191	304	247.71 75	-438	-116
Broken Reenlistments Obligor	800	72.80 58	304	72.80 22	-496	-36
New Recruits, Female.....	1,456	335.85 489	1,456	337.13 491	-	+2
Officer Candidates.....	2,100	104.76 220	2,300	99.73 228	+200	+8
Officer Candidates (Failures).....	700	261.42 183	350	247.71 87	-350	-96
Reserves to EAD.....	-	-	-	-	-	-
Sub-Total.....	100,594	\$263.14 \$26,470	88,714	\$244.73 \$21,711	-11,880	\$-4,759

(b) Civilian

Total Initial Allowance.....	100,778	\$263.17 \$26,522	88,881	\$244.80 \$21,758	-11,897	\$-4,764
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Department of the Navy  
Military Personnel, Marine Corps

H. CLOTHING ALLOWANCE (Continued)

	1968 Estimate		1969 Estimate		Difference			
	Number	Av Rate	Number	Av Rate	Number	Amount		
(2) Basic Maintenance.....	141,424	\$ 59.40	\$ 8,401	142,777	\$ 57.60	\$ 8,224	+1,353	\$ -177
(3) Standard Maintenance.....	93,823	90.00	8,444	93,348	86.40	8,065	-475	-379
(a) Civilian Maintenance.....	144	86.40	12	144	86.40	12	-	-
Total Maintenance.....	235,391	\$ 71.61	\$16,857	236,269	\$ 68.99	\$16,301	+878	\$ -556
(4) Supplementary								
(a) Navy Enlisted Personnel Assigned Duty with the Marine Corps.....	3,950	\$152.40	\$ 602	3,950	\$138.27	\$ 546	-	-56
(b) Large Blue Uniform Male.....	1,471	109.58	161	1,471	109.58	161	-	-
(c) Small Blue Uniform Male.....	4,333	55.97	243	4,358	66.57	290	-25	+47
(d) Blues, Marine Detachments Afloat.....	1,246	80.08	99	1,246	80.08	99	-	-
(e) Blue Uniform, Female.....	33	41.16	1	33	41.16	1	-	-
(f) Foreign Establishment of State Department.....	454	95.00	43	454	95.00	43	-	-
(g) Drill Instructors Special Allowance.....	733	34.11	25	733	32.74	24	-	-1
(h) Presidential Helicopter....	26	81.00	2	26	81.00	2	-	-
(i) Misc. (Blues, MB & Wm. Drill Instructors).....	586	17.26	10	586	17.26	10	-	-
Total Supplementary Allowance....	12,832	\$ 92.42	\$ 1,186	12,857	\$ 91.47	\$ 1,176	-25	-10
RVN Returnees.....			1,400			1,300	-	-100
Total Clothing Allowance.....			\$45,965			\$40,535		\$-5,430

Department of the Navy  
Military Personnel, Marine Corps

I. FAMILY SEPARATION ALLOWANCE (37 USC 427)

	1968 Estimate		1969 Estimate		Difference	
	Number	Average Rate	Number	Average Rate	Number	Amount
FCS-dependents not authorized...	18,351	\$360.00	18,351	\$360.00	-	\$-
On board ship-more than 30 days.	472	360.00	472	360.00	-	-
TAD-more than 30 days.....	1,700	360.00	1,700	360.00	-	-
Total.....	20,523	\$360.00	20,523	\$360.00	-	\$-

J. SEPARATION PAYMENTS

Lump Sum Terminal Leave (37 USC 501)						
Basic Pay.....	93,627	\$231.48	96,151	\$190.50	2,524	\$-3,356
Subsistence Allowance.....	93,627	17.33	96,151	13.87	2,524	-289
Quarters Allowance.....	17,838	48.27	26,858	35.03	941	+9,020
Total.....	93,627	\$258.01	96,151	\$214.15	2,524	\$-3,565
Severance Pay-Disability (10 USC 1212).....	600	1,849.97	744	1,830.58	144	+252
Authorized Donations.....	1,526	19.00	1,512	19.00	29	-14
Total.....	95,753	\$264.18	98,407	\$223.39	2,654	\$-3,313

K. SOCIAL SECURITY TAX-EMPLOYER'S CONTRIBUTION (P.L. 87064).....

	273,604	\$100.70	289,205	\$105.56	30,529	\$+2,977
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Department of the Navy  
Military Personnel, Marine Corps

ACTIVITY 3. PAY AND ALLOWANCES OF CADETS, SUMMARY OF PROJECTS

Project	1967 Actual	1968 Estimate	1969 Estimate	Difference 1969 compared with 1968
<u>A. AVIATION CADETS</u>				
(1) Basic Pay.....	\$390	\$45	-0-	\$-45
(2) Basic Allowance for Quarters.....	15	6	-0-	-6
(3) Basic Allowance for Subsistence...	123	12	-0-	-12
(4) Incentive Pay.....	121	15	-0-	-15
(5) Clothing Allowance.....	11	2	-0-	-2
(7) Social Security Tax - Employer's Contribution.....	17	2	-0-	-2
Total.....	\$677	\$82	-0-	\$-82

Department of the Navy  
Military Personnel, Marine Corps

3. PAY AND ALLOWANCES OF CADETS

AVIATION CADETS

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
(1) Basic Pay (37 USC 201 (e)).....	21	\$2,142.85	\$45	-	-21	\$-45
(2) Basic Allowance for Quarters (37 USC 403)	5	1,260.00	6	-	- 5	- 6
(3) Basic Allowance for Subsistence (37 USC 402).....	21	574.56	12	-	-21	-12
(4) Incentive Pay (37 USC 69).....	21	600.00	15	-	-21	-15
(5) Clothing Allowance (10 USC 69)						
(a) Initial.....	21	61.20	2	-	-21	- 2
(b) Maintenance.....						
(7) Social Security Tax O Employer's Contri- bution (PL 87-64).....	21	80.23	2	-	-21	- 2
Total.....	21	\$3,360.00	\$82	-	-21	\$-82

Department of the Navy  
Military Personnel, Marine Corps

ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL, SUMMARY

Project	1967 Actual	1968 Estimate	1969 Estimate	Difference
A. Basic Allowance for Subsistence...	\$25,801	\$ 28,753	\$ 29,345	\$ +592
B. Subsistence in Kind.....	101,070	106,144	113,319	+7,175
Total.....	\$126,871	134,897	142,664	+7,767

Department of the Navy  
Military Personnel, Marine Corps

A. BASIC ALLOWANCE FOR SUBSISTENCE (37 USC 402)

	1968 Estimate		1969 Estimate		Difference	
	Number	Av Rate 366 days	Number	Av Rate 365 days	Number	Amount
(1) When Authorized to Mess Separately						
(a) CONUS \$1.30/1.32	31,110	\$479.44	31,105	\$481.80	- 5	\$+ 71
(b) Overseas \$1.30/1.32	2,705	479.44	2,705	481.80	-	+ 6
(2) Leave Rations \$1.30/1.32	16,500	479.44	17,311	481.80	+ 811	+ 430
(3) When Rations in Kind Not Available (\$2.57)	4,922	940.62	5,026	938.05	+ 104	+ 85
(4) When Assigned Under Emergency Conditions	-	-	-	-	-	-
(5) Augmentation of Commuted Ration Allowance for Mess Taken Separately	-	-	-	-	-	-
Total	55,237	\$28,753	56,147	\$29,345	+ 910	\$+ 592

a/ Commuted Ration Rate Increase effective 1 Jan 1968

Department of the Navy  
Military Personnel, Marine Corps

B. SUBSISTENCE IN KIND (10 USC 6081 (a))

1969 Estimate

1968 Estimate

(1) Personnel Statistics

(a) Average Enlisted Strength 273,604 289,205

(b) Less Number provided for elsewhere (man-year equivalent):

1. On monetary allowances 55,237 56,147

2. Special Rations - -

3. Operational rations consumed  
Purchased as safety level prior years 19,083 18,410  
FMFPac for current consumption (5,191) (5,147)  
(13,892) (13,263)

4. Movements 5,370 4,479

5. Other (State Department Guards) 900 1,006

Total Deductions 80,590 80,042

(c) Balance entitled to be subsisted in messes 193,014 209,163

	1968		1969	
	Gross No.	% Absent	Gross No.	% Absent
Ashore (ZI)	97,811	24.2	114,604	24.2
Ashore (OS)	87,348	4.2	86,769	4.2
Afloat	<u>7,855</u>	<u>6.0</u>	<u>7,790</u>	<u>6.0</u>
Total Subsisted in Messes	193,014		209,163	177,318
			Gross No.	Net No.
			86,870	83,125
			7,323	7,323

Department of the Navy  
Military Personnel, Marine Corps

B. SUBSISTENCE IN KIND (Continued)

	1968 Estimate			1969 Estimate			Difference	
	Net Man Yrs	Rate Per Day	Per Annum Amount	Net Man Yrs	Rate Per Day	Per Annum Amount	Number	Amount
(1) Subsistence in Messes								
Ashore (ZI)	74,141	\$1.30	\$475.80 \$35,276	86,870	\$1.30	\$474.50 \$41,220	+12,729	\$+5,944
Ashore (OS)	83,679	1.38	505.08 42,265	83,125	1.38	503.70 41,870	-554	-395
Afloat	<u>7,384</u>	<u>1.39</u>	<u>508.74 3,757</u>	<u>7,323</u>	<u>1.39</u>	<u>507.35 3,715</u>	<u>-61</u>	<u>-42</u>
Total	165,204		\$81,298	177,318		\$86,805	+12,114	\$+5,507
(2) Special Rations								
(a) Flight Rations (10 USC 6085)			15			16		+1
(b) Hospitals, Retired and Fleet Marine Corps Reserve			72			99		+27
Total			87			115		+28

Department of the Navy  
Military Personnel, Marine Corps

B. SUBSISTENCE IN KIND (Continued)

	1968 Estimate		1969 Estimate		Difference	
	Quantity (Man Yrs)	Rate Amount	Quantity (Man Yrs)	Rate Amount	Number	Amount
(3) Operational Ration						
(a) Safety Level <u>a/</u>	4,529	\$849.12	7,177	\$846.80	+2,648	\$+2,231
(b) For current consumption						
FMFPac <u>a/</u>	15,193	849.12	14,493	846.80	-700	-628
Add Long Range Patrol for PAC	218	1,449.36	219	1,445.40	+1	+1
Less Reimbursement from officers						
for OPRats	-1,519	479.44	-1,449	481.80	+70	+30
Total	18,421	\$16,335	20,440	\$17,969	+2,019	\$+1,634
<u>a/</u> Rates Include Cookers.						
(4) Augmentation Rations	1,706	72.19				-39
(5) Support of Free World Forces						-2
(6) Inventory Losses due to surveys						+162
(7) Other Programs						
(a) Supplemental to OpRats						-
(b) Rotation of "B" Ration Items						-9
(c) Programming of new or improved subsistence items into the military supply system (fabricated meats and dehydrated food items)						-17

Department of the Navy  
Military Personnel, Marine Corps

B. SUBSISTENCE IN KIND (Continued)

	1968 Estimate		1969 Estimate		Difference	
	<u>Number</u>	<u>Rate</u> <u>Amount</u>	<u>Number</u>	<u>Rate</u> <u>Amount</u>	<u>Number</u>	<u>Amount</u>
(d) POW Rations		\$ 128		\$ 131		\$ +3
(e) RVN Interpreters		133		135		+2
(f) Ration Supplement Sundries Pack		<u>522</u>		<u>428</u>		<u>-94</u>
Grand Total Subs in Kind		\$106,144		\$113,319		\$+7,175

Department of the Navy  
Military Personnel, Marine Corps

BUDGET ACTIVITY 5; PERMANENT CHANGE OF STATION  
(in thousands)

	1967 Actual	1968 Estimate	1969 Estimate	Difference
A. ACCESSION TRAVEL	\$13,153	\$ 17,274	\$ 14,071	\$ -3,203
B. TRAINING TRAVEL	1,304	1,600	2,047	+ 447
C. OPERATIONAL TRAVEL Between Duty Stations	4,752	4,714	4,819	+ 105
D. ROTATION TRAVEL To and From Overseas	66,530	71,378	68,932	-2,446
E. SEPARATION TRAVEL	7,447	13,317	13,236	- 81
TOTAL	\$93,186	\$108,283	\$103,105	\$ -5,178

Department of the Navy  
Military Personnel, Marine Corps

ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS, SUMMARY

Project	1967 Actual	1968 Estimate	1969 Estimate	Difference
A. Apprehension of Military Deserters, Absentees, and Escaped Military Prisoners..	\$ 360	\$ 360	\$ 360	\$ -0-
B. Interest on Uniformed Services Savings Deposits.....	325	1,000	1,311	+311
C. Payment of Death Gratuities.....	4,252	6,643	7,396	+753
D. Servicemen's Group Life Insurance Program...	5,914	9,468	7,558	-1,910
GRAND TOTAL.....	\$10,851	\$17,471	\$16,625	\$-846

Mr. MAHON. General Platt, are you the principal witness?

General PLATT. Yes, sir. I am the Assistant Chief of Staff, G-1, from Headquarters.

Mr. MAHON. I believe you assumed your current position in March of this year. Is this your first appearance before the committee?

General PLATT. The first since 15 years ago, yes, sir.

Mr. MAHON. We are pleased to have you before us, and we will insert in the record at this point your biographical data.

(The document follows:)

#### BIOGRAPHY OF MAJ. GEN. JONAS M. PLATT, U.S. MARINE CORPS

Jonas M. Platt was born September 21, 1919 in Brooklyn, N.Y., and was graduated from high school in Cranston, R.I. He attended Norwich University in Vermont, graduating in 1940 with a bachelor of science degree in civil engineering, and was commissioned a Marine second lieutenant in June 1940.

While serving in the Marine detachment aboard the battleship U.S.S. *Washington* during World War II, he rose from lieutenant to major, participating in Russian convoy operations in the Norwegian Sea, and six operations in the Pacific, including Guadalcanal, Tarawa, and Kwajalein. In 1944, after 4 months in the United States, he returned to the Pacific area. As a member of the 1st Marines, 1st Marine Division, he participated in the assault landings on Peleliu and Okinawa, earning the Navy Commendation and Bronze Star Medals, both with Combat V, and the Purple Heart.

Following the war, he organized and commanded the Provisional Marine Guard at United Nations Headquarters in New York. He later served at headquarters, Marine Corps; earned a master's degree in psychology at Ohio State University in 1949; and taught infantry tactics and instructional techniques at Marine Corps Schools, Quantico, until December 1952.

During the Korean conflict, he earned the Legion of Merit with Combat V as commanding officer, 1st Battalion, 5th Marines, and assistant G-3, 1st Marine Division.

During subsequent assignments, he served again at Headquarters Marine Corps; was assigned to a joint staff in London; served briefly in the Mediterranean during the Suez crisis in 1956; and from 1958-60 commanded the Marine Barracks, Washington, D.C.—the oldest post in the Corps.

Upon completing the National War College in 1961, he was assigned as regimental commander, 6th Marines, followed by duty as assistant chief of staff, G-3, 2d Marine Division. During this period the Division deployed for the Cuban crisis in October 1962.

From 1963 to 1965, he served as commanding officer of the basic school, which trains the Marine Corps' new second lieutenants.

General Platt was promoted to brigadier general on November 1, 1965, while en route to Vietnam. Upon his arrival, he became assistant division commander, 3d Marine Division, at Chu Lai. While serving with the division, he commanded Task Force Delta in operations Harvest Moon, Double Eagle I, Double Eagle II, and Utah. In March 1966, he moved to Danang and became chief of staff for Lieutenant General Walt—commander of the Marine forces in Vietnam.

While serving in Vietnam, he was awarded three U.S. decorations—the Silver Star Medal, and a second and third Legion of Merit with Combat "V." He was also awarded three decorations by the Government of Vietnam—the National Order of Vietnam, and two Vietnamese Gallantry Crosses with Palm.

Detached in December 1966, General Platt reported to Headquarters Marine Corps in January 1967, and was assigned as Deputy Assistant Chief of Staff, G-1. Upon his promotion to major general on March 19, 1968, he assumed his current assignment.

A complete list of his medals and decorations includes: the Silver Star Medal, the Legion of Merit with two Gold Stars in lieu of second and third awards, the Bronze Star Medal with Combat "V," the Navy Commendation Medal with Combat "V," the Purple Heart Medal, the Presidential Unit Citation with two bronze stars, the Navy Unit Commendation Medal, the American Defense Service Medal with Fleet clasp, the American Defense Service Medal, the European-African-Middle Eastern Campaign Medal with one bronze star, the Asiatic-Pacific Campaign Medal with one silver star and three bronze stars, the World War II Vic-

tory Medal, the China Service Medal, the National Defense Service Medal with one bronze star, the Korean Service Medal with two bronze stars, the Vietnam Service Medal with three bronze stars, the United Nations Service Medal, the Korean Presidential Unit Citation, the Vietnamese National Order, two Vietnamese Gallantry Crosses with Palm, and the Republic of Vietnam Campaign Medal.

General Platt and his wife, the former Nina Fernandez of Northfield, Vt., have one daughter, Joanne Julie.

Mr. MAHON. You may proceed with the prepared statement which I believe is before us.

#### GENERAL STATEMENT

General PLATT. Thank you, Mr. Chairman.

Mr. Chairman and members of the committee, it is a privilege for me to present to you the Marine Corps military personnel program for fiscal year 1969, and the budget estimate which supports it.

As in prior years, our personnel program continues to be dominated by the need to sustain large forces committed to combat in Southeast Asia while at the same time ensuring that our uncommitted forces have the personnel resources necessary to maintain them at an acceptable level of combat readiness for contingencies.

#### FISCAL YEAR 1968 PERSONNEL PROGRAM

The demands and dynamics of these personnel requirements during the past year have caused certain revisions in the personnel program funded by the fiscal year 1968 appropriation.

Before presenting our fiscal year 1969 program, therefore, I would like to first briefly highlight these changes.

The most significant change was an increase in end strength. The original personnel plan for fiscal year 1968 provided for a begin strength of 286,624, an end strength of 294,914, and a man-year average of 295,586. The revised plan—which was approved by the Secretary of Defense in December—increased the end strength to 301,895 and the man-year average to 297,975. This increase consisted of approximately 7,000 enlisted marines; 5,000 for an increase in the allowance for hospitalized patients—a direct and regrettable reflection of the war; 1,000 for a force increase in Vietnam; and the remaining 1,000 for an increase in the allowance for recruits and trainees.

Other internal adjustments to the original plan included:

(a) Increased recruit input to sustain the required flow of replacements to Southeast Asia.

(b) Increased officer promotions in the grades of captain, major, and lieutenant colonel to meet our officer requirements; and

(c) Increased enlisted promotions in the top six grades to meet our requirements for noncommissioned officers, with the largest increases in the grades of sergeant and corporal.

#### FISCAL YEAR 1969 PERSONNEL PROGRAM

Starting from the modified fiscal year 1968 program, the fiscal year 1969 personnel program provides an additional strength authorization, a jump in man years designed to ensure an uninterrupted flow of replacements to Southeast Asia, and a marginal readiness posture

in certain units not committed to Vietnam. By marginal readiness, I mean the CONUS division forces will be manned at about 85 percent of their full combat strength. They can, however, be raised to full strength in the event of a contingency through emergency personnel actions such as involuntary extension of enlistments, which of course requires action by Congress, and cancellation of the policy which provides for 24 months between tours in Vietnam.

Essentially, fiscal year 1969 reflects a shift in emphasis from a manpower buildup phase to a sustaining phase. Strengths in fiscal year 1969 will grow from a beginning of 301,895 to an end of 306,408, with a man-year average of 314,904. To support this plan, we are requesting \$1.48 billion, an increase of \$56.2 million over the fiscal year 1968 adjusted authorization.

The officer plan for fiscal year 1969 provides for an increase of 951 officers over fiscal year 1968, with a proportionate distribution to all ranks from colonel to second lieutenant. The percentage of our total strength in the officer ranks increases from 8.35 percent to 8.53 percent.

To sustain the officer population we plan on procurement of approximately 3,600 officers during the year—about the same level as for fiscal year 1968.

Turning now to our enlisted plan, it provides for a 3,562 increase in end strength over that authorized in fiscal year 1968. To sustain our enlisted population we plan on approximately 85,000 enlisted accessions during the year—11,000 less than we took aboard in fiscal year 1968.

In fiscal year 1969 there will be grade distribution increases in every enlisted grade except private. The top six ratio will increase from 43.9 percent in fiscal year 1968 to 44.6 percent in fiscal year 1969. Actual promotions for fiscal year 1969, however, will be less than in fiscal year 1968—an indication of the shift from building up the total force to sustaining it.

In our efforts to maintain the highest possible degree of readiness in all deployed and CONUS forces, the volume and phasing of enlisted accessions during fiscal year 1969 have been planned first to satisfy Southeast Asia replacement requirements, and second, to provide input into CONUS forces. To do this requires an increase of 10,740 enlisted man-years in fiscal year 1969 over a level program.

#### NEW RECRUITS

The problem we are faced with is one of replacement flow. During fiscal year 1966, fiscal year 1967, and partially in fiscal year 1968, the inflow of new recruits required to reach our buildup end strength automatically provided a pool of Marines from which Southeast Asia replacements could be drawn. In fiscal year 1969, however, with the buildup essentially completed, the number of new accessions permitted within the authorized end strength is insufficient to sustain this replacement flow. Accordingly, an early release program to increase the fiscal year losses and thus permit a greater recruit input was incorporated into the plan. The net effect of this process is increased man-years, since we are in effect training a replacement for Southeast Asia while the Marine to be replaced is still there.

## RETENTION OF ENLISTED PERSONNEL

Retention of our enlisted Marines has also become a matter of concern. Current reenlistment rates for enlisted Marines are less than those we experienced before Vietnam. We are continuing the proficiency pay program at about the same level as last year, programming for 7,892 awards. In addition, the variable reenlistment bonus program will be continued to assist in the retention of trained marines in certain occupational specialties by providing an additional pay incentive for first-term reenlistments. The reenlistment rates for recipients of the higher levels of proficiency pay and VRB are above the Marine Corps average which indicates the programs are having a positive effect. This is particularly significant since highly trained and critically short skills are represented by this group.

## CONCLUSION

Mr. Chairman, gentlemen, although this requested appropriation is \$56.2 million higher in direct obligations than the revised fiscal year 1968 plan, it includes \$13.9 million as a direct result of the pay raise as well as funds required for 4,500 additional Marines.

Provision of the funds requested will permit us to fully support our Marines in combat and to maintain nondeployed forces in a marginally ready status throughout the fiscal year.

Mr. Chairman, this concludes my formal statement. I will be happy to answer any questions the committee may have.

## INDUCTING 5,900 DRAFTEES IN FISCAL YEAR 1968

Mr. MAHON. You are presently securing personnel through the Selective Service?

General PLATT. Yes, sir.

Mr. MAHON. You are taking 4,000 inductees in April and 1,900 in May of this year?

General PLATT. Yes, sir.

Mr. MAHON. When was the last time the Marine Corps used this procedure to acquire personnel?

General PLATT. During the most rapid period of our buildup from November of 1965 until April of 1966, we took aboard 19,500 inductees. We have gone back to Selective Service for 4,000 in April and 1,900 during the current month of May, as you mentioned.

Mr. MAHON. What do you expect from now on?

General PLATT. This plan provides for 7,000 recruits a month in fiscal year 1969, and, as far as we can see, I doubt that we will have to use it again. We cannot be absolutely positive of this.

Mr. MAHON. Do you get as well-motivated Marines through the Selective Service as you do otherwise?

General PLATT. Mr. Chairman, I can speak to that in two ways.

One, from personal experience, I could never tell the difference. Obviously, they do not reenlist at as high a rate at Marines who come in as volunteers.

In terms of performance, I certainly am not aware of any definitive data that indicates they perform more poorly than any other Marine.

Mr. MAHON. When a man is brought into the service through Selective Service and the Marines are in the market for additional man-

power, does that man have a right to indicate that he wants to enter the Marines? Does he have any voice in the matter at all?

General PLATT. Sir, I believe he does, but I would like to defer to one of my supporting witnesses to verify that.

Colonel KAIN. If he is in the draft quota and he indicates a preference for the Marine Corps, that preference is granted, provided, within the total mix of draftees for that particular month, it is permissible.

Mr. MAHON. Do most of them who are recruited express preference for the Marine Corps, or not?

General PLATT. Mr. Chairman, I cannot answer that, but I would be glad to try to answer it for the record.

(The information follows:)

So far as practicable, allocation of inductees to a particular service conforms to the registrant's preference of service. An equitable distribution is made on a daily basis by the commanders of the Armed Forces examining and entrance stations. The allocation to a particular service is made on its proportionate share of each mental and physical category. Individual preferences are adhered to within the capability of required distribution. A sample survey of Armed Forces examining and entrance stations located throughout the country (sample consisted of 10 of the 70 AFEES) indicated that during the month of April, of those inductees allocated to the Marine Corps, 44 percent had indicated the Marine Corps as their preference of service.

#### REASON FOR DECLINING REENLISTMENTS

Mr. MAHON. What is the explanation for your decline in reenlistments?

General PLATT. We believe that it is a combination of factors, one of which is the very definite probability that most of our men who reenlist will be returned to Vietnam for a second tour.

Second, I believe the duration of the conflict is related to it.

Third, in many of our skills, particularly the technical skills, we have some pretty severe competition from the civilian economy.

I think it is a combination of all three.

Mr. MAHON. Is it true that when there is an increased call through Selective Service, enlistments tend to increase, also?

General PLATT. Yes, sir.

Mr. MAHON. Have you found that to be true in 1968?

General PLATT. Yes, sir.

#### COST OF RECRUITING PROGRAM

Mr. MAHON. How much do you spend annually on your recruiting program in terms of personnel, advertising, and related costs?

General PLATT. I will have to furnish that for the record.

Mr. MAHON. All right.

(The information follows:)

During fiscal year 1967 the following actual recruiting costs were incurred:

Personnel .....	\$14, 615, 604
Advertising .....	699, 000
Other related costs.....	3, 257, 151
Total .....	18, 571, 755

## RETENTION RATE FOR AVIATORS

Mr. MAHON. What was your retention rate for aviators, fixed-wing versus rotary, in fiscal years 1966 and 1967, and what is your current predicted retention rate for 1968 and, if you have it, for 1969?

General PLATT. Sir, our actual experience on aviator retention as measured by those officers who stay on after their obligated service is up, indicates that for those who came in in fiscal 1962 and 1963, 45 percent stayed on. For those who came in in 1964, 51 percent have stayed on. This is as of December 31.

From there on in, our statistics get a little hazy, because we have a policy in effect where a regular Marine officer, naval aviator, who desires to resign is kept on for an additional year. So, we get into a difference in statistics.

Generally speaking, we anticipate that we will probably maintain and we hope to exceed that 51 percent that we had for those people who entered in 1964.

## USE OF WARRANT OFFICERS AS AVIATORS

Mr. MAHON. General, last year's testimony indicated a shortage of pilots in South Vietnam. It would appear that the Marine Corps combat and support operations are closer to those of the Army than they are to the Navy and Air Force. The Army makes extensive use of warrant officers as helicopter and light fixed-wing aircraft pilots with apparent good success. The Army advised us yesterday they experienced no morale problems even where they had a mix of commissioned officers and warrant officers.

It would appear that warrant officer retention might be significant when compared to commissioned officers with baccalaureate degrees. Do you merely follow Navy policy in not favoring the use of warrant officers as pilots, or is there any consideration of increasing the use of warrant officer pilots in the Marine Corps?

General PLATT. We tried it once, at least once that I know of. In 1961 we started a program with a top limit of 100, for purposes of evaluation. Eighty warrant officer pilots were appointed from Reserve officer aviators and enlisted pilots who applied. In 2 years the number decreased to 65 due to normal attrition and the lack of applicants.

Then in 1964 we included a warrant officer helicopter pilot program in our annual warrant officer selection process, with Marine Corps enlisted ranks being the sole procurement source. We only got nine applicants. Of those nine, only two were found qualified.

Currently we have 28 warrant officer pilots on active duty, and we have no intention to resume the pilot program.

As I am sure you are aware, we have very large numbers of fixed-wing aircraft. We are having no difficulty procuring naval aviators from among the people with baccalaureate degrees or enlisted marines. We take significant numbers of enlisted marines who can qualify in a test, which measures the equivalency of 2 years of college. Since both sources are so good and because the flight training program gives us the flexibility of utilizing a man either in fixed- or rotary-wing aircraft, it is present Marine Corps policy to continue that.

Mr. MAHON. Do you know why the Army experience is different than the Marine Corps in this regard?

General PLATT. I am afraid I could not speak to that.

## COMBAT LOSS RATE FOR AVIATORS

Mr. MAHON. I wonder if you would provide for the record your combat-related loss rate for aviators, fixed-wing and rotary, in fiscal 1968, and compare that with fiscal 1967.

General PLATT. Yes, sir, we will be glad to.  
(A classified statement was submitted.)

## OFFICER RATIO TO TOTAL STRENGTH

Mr. MAHON. Also for the record, provide the officer ratio to total strength, by fiscal year, similar to that furnished by the Navy on page 146 of last year's hearings.

GENERAL PLATT. Yes, sir.  
(The information follows:)

*Officer ratio to total strength*

Fiscal year:	Officer ratio (percent)	Fiscal year—Continued	Officer ratio (percent)
1969 (estimate) -----	8.53	1962 -----	8.83
1968 -----	8.35	1961 -----	9.12
1967 -----	8.27	1960 -----	9.50
1966 -----	7.84	1959 -----	9.15
1965 -----	9.07	1958 -----	8.84
1964 -----	8.88	1957 -----	8.68
1963 -----	8.84	1956 -----	8.87

## OFFICER-TO-ENLISTED RATIO

Mr. MAHON. General Platt, what is your rule of thumb officer-to-enlisted ratio in the Marine Corps?

General PLATT. Actually, in the 1969 figure, our percentage of the total Marine Corps officers is 8.53 percent. In 1968, it was 8.35. Roughly one officer for every 11 men.

Of course, as we expand, our officer build-up has lagged our enlisted build-up. The two are not correlated because of the long leadtime involved with officers.

We consider this ratio to be about right.

## SUBMARINE DUTY PAY

Mr. MAHON. We notice under "pay and allowances, officers and enlisted," you show a few marines listed for submarine duty pay. In what instances would the Marine Corps have men assigned to submarine duty?

General PLATT. There are marines from our force reconnaissance companies who go on submarines for training exercises for periods in excess of 90 days, or they could be the same marines involved in a development project.

## ABSENTEE RATE FOR SUBSISTENCE IN KIND

Mr. MAHON. Would you provide for the record, General, the absentee rate for subsistence in kind, by fiscal year, since 1965?

General PLATT. Yes, indeed.  
(The information follows:)

## MARINE CORPS ANNUAL ABSENTEE RATE FOR SUBSISTENCE IN KIND

[In percent]

Fiscal year	Conus	Overseas	Vietnam
1965.....	20.9	11.6	.....
1966.....	19.6	15.1	5.6
1967.....	22.5	16.3	4.4
1968 (July-February).....	22.4	20.1	4.7

Note: Overseas rates 1966, 1967, and 1968 exclude the Vietnam rate.

## PERMANENT CHANGE OF STATION TRAVEL

Mr. MAHON. In your justification book, page 3-16, I note that you expect to decrease permanent change of station travel by \$5.2 million in fiscal 1969, while total man-years for fiscal 1969 increase 16,929 over 1968. The reduction is primarily in accession travel because of fewer enlisted accessions, and in rotational travel to and from overseas because of the increased number of replacements being shipped directly from the west coast to Southeast Asia.

On the other hand, operational travel within CONUS and overseas increased. Is this increase the result of larger numbers of men being transferred from the east coast to the west coast to replace those being sent to Southeast Asia?

General PLATT. Yes, sir; generally speaking, it is. It is the turbulence within CONUS caused by the rotation of people overseas and back.

## PREDEPLOYMENT TRAINING

Mr. MAHON. Are men sent directly from continental United States to Southeast Asia, or are some further trained at Hawaii with your 1st Marine Brigade?

General PLATT. There is no training in Hawaii. People being sent to Southeast Asia, other than from installations that can handle the proper training program, go through our staging battalion at Camp Pendleton, Calif., where they receive predeployment training. From there they are flown directly out to Okinawa, and from there to Vietnam. It all takes place at Pendleton.

Mr. MAHON. What function does the 1st Marine Brigade perform?

General PLATT. The 1st Marine Brigade, sir, right now is not there. The one BLT it had left with the 27th Marines earlier this year. There is just the headquarters.

Mr. MAHON. In November of 1967, they were conducting air-ground combat team training there.

General PLATT. Yes; they were. That was BLT 1/27, basically, that left in February.

## SERVICEMEN'S GROUP LIFE INSURANCE RATE

Mr. MAHON. On page 3-19 of the justification book, you show a reduction of \$1.9 million in the servicemen's group life insurance program. With the increase in casualties, how can you show a reduction in this account?

General PLATT. Let me refer to the detail page. I think I have the answer to that.

The VA changed the rate. That is what caused that to happen. It dropped from \$31.77 to \$24.

General SIMMONS. However, the Veterans' Administration did increase the rate to 225 percent effective on April 1, 1968. On that basis, the 1969 budget before you would be deficient in the amount of about \$9.4 million.

Mr. MAHON. There is to be a new rate change in April?

General SIMMONS. April 1 of this year.

Mr. MAHON. What can you do to pay for this rate increase without additional funds?

General SIMMONS. I think we will have to wait to see what further rate changes may come about. It may go down again.

Mr. LIPSCOMB. Is that the best answer—

General SIMMONS. That is the best answer I can give. The rates have been fluctuating.

Mr. LIPSCOMB. What has been the history of the fluctuations?

Admiral GRIMM. As I recall it, it has gone up once, and then it came down, and now it is going up again.

Mr. LIPSCOMB. Over how many years?

Mr. ROBENHYMER. It started off at 9 percent total contributions.

Mr. LIPSCOMB. What year was that?

Mr. ROBENHYMER. At the very beginning of the servicemen's group life insurance when the program first started.

Mr. LIPSCOMB. What year was that?

Mr. ROBENHYMER. 1965, I think.

Mr. LIPSCOMB. Basing your 1969 funding needs on the possibility of a rate decrease is a mighty thin reed to hang your hat on for a request of almost \$10 million when you are even short of funds in your 1968 fiscal year program.

#### UNIFORMED SERVICE SAVINGS DEPOSITS

Mr. ADDABBO. You show an increase of \$311,000 in the interest on uniformed services savings deposits. Are deposits increasing at that rate, or have you instituted a different method of computing this account this fiscal year?

General PLATT. No, sir; I do not believe the method of computing the data has changed. I believe we anticipate it will be more widely used.

Let me correct that. I believe there is a shift to accrual accounting that has caused that. We do not anticipate deposits will go up. I am sorry.

Mr. ADDABBO. General, what would you do with these appropriated funds, say, at the end of 3 years, if withdrawals do not meet your expectations?

General SIMMONS. Under the provisions of the program, sir, when a man returns to the United States he must withdraw from it.

General PLATT. He has 90 days in which to withdraw, unless he is a casualty. It is mandatory.

Mr. ADDABBO. Have participants and deposits to this account increased recently?

General PLATT. No, sir. The last experience that we had on it, there is no significant recent increase, which surprises me, somehow, because it is a very good arrangement.

General SIMMONS. As of March 31, 1968, we had 12,448 Marines participating; and the total value of their deposits was \$7,253,874.

Mr. ADDABBO. Could you break that down, officer and enlisted, for the record?

General SIMMONS. Yes, sir.  
(The information follows:)

STATUS AS OF APR. 1, 1968

	Number	Amount
Officers.....	3,234	\$3,626,408
Enlisted.....	9,214	3,627,466
Total.....	12,448	7,253,874

#### DISCHARGES DUE TO UNDETECTED MENTAL AND PHYSICAL HANDICAPS

Mr. ADDABBO. A recent GAO report disclosed that during a 24-month period between July 1965 and July 1967, there were 40,172 men discharged shortly after induction because of physical handicaps that went undetected. This situation was said to have resulted in an unnecessary cost to the Government of \$20 million a year.

In the last 6 months of the GAO study, the auditors found the discharge rate for draftees soaring to 3.4 percent.

Of the 40,172 men, 2,799 were Marine Corps personnel. Would you comment on this overall situation?

General PLATT. All of our men come in, of course, through the Armed Forces entrance and examination stations, whether they are inductees or volunteers. Then at our recruit depots we have a category classification for those personnel who should not have been allowed to enter in the first place.

From July 1, 1967, to March 31 of this year, we had 475 such people out of 67,000, for a rate of .71 percent.

Mr. ADDABBO. Would you say this is the result of a generally poor job of screening men at the examining stations, or is this a fallout from Project 100,000?

General PLATT. No, sir; I would say there were probably mistakes made at the examining stations in medical examinations.

Mr. ADDABBO. Would part of this be due to the fact that you have a greater number coming through?

General PLATT. I do not think we have a soaring percentage. This seems fairly reasonable to me. I cannot really speak to it beyond that.

Mr. ADDABBO. Do you agree, General, with the GAO figure of 2,799 Marines?

General PLATT. I would like to check it for the record.

Mr. ADDABBO. Will you do that, please?

(The information follows:)

Marine Corps data on recruit discharges is maintained in four categories:

*Category I.*—Reason for discharge existed prior to enlistment and should have been detected by recruiting activity.

*Category II.*—Reason for discharge existed prior to enlistment and should have been detected by the medical examining facility.

*Category III.*—Reason for discharge existed prior to enlistment but would have been difficult to detect by the examining facility.

*Category IV.*—Not classified in categories above.

The following table portrays actual recruit discharges by category for fiscal year 1966 and fiscal year 1967:

	Fiscal year 1966	Fiscal year 1967	Total
Category I.....	87	54	141
Category II.....	538	628	1,166
Subtotal.....	625	682	1,307
Category III.....	1,647	2,094	3,741
Subtotal.....	2,272	2,776	5,048
Category IV.....	225	190	415
Total.....	2,497	2,966	5,463

Under Marine Corps category classifications, the above table indicates that 1,307 recruit discharges were in the reasonably detectable category.

#### PROJECT 100,000

Mr. ADDABBO. What is the percentage of category IV personnel you are required to take under Project 100,000?

General PLATT. Under Project 100,000, we are required to take 21 percent, of which one half or 10.5 percent, are the so-called new standard accessions.

Mr. ADDABBO. What were your discharge rates due to undetected mental and physical handicaps prior to initiation of Project 100,000 with the medical remedial program, and what is it running now?

General PLATT. I would have to furnish that for the record.

(The information follows:)

The discharge rate due to undetected mental and physical handicaps for the period July 1, 1965, through December 31, 1966, was .9 percent. This percentage relates to a total of 831 discharged from 91,844 accessions during the period.

Subsequent to initiation of Project 100,000, and specifically, for the period January 1, 1967, through December 31, 1967, the rate was .82 percent related to total discharges of 587 from accessions totaling 71,935.

Mr. ADDABBO. Has Project 100,000 caused an increase in the disciplinary barracks population?

General PLATT. We have no indication of a relationship between Project 100,000 and increased disciplinary problems.

#### PROJECT TRANSITION

Mr. ADDABBO. Is the Marine Corps participating in Project Transition?

General PLATT. Yes; we are.

Mr. ADDABBO. What is the estimated cost of this project in fiscal years 1968 and 1969?

General PLATT. I would like to furnish that for the record.

Admiral GRIMM. In 1969 \$1.3 million, and \$400,000 in 1968.

#### CIVILIANIZATION PROGRAM

Mr. ADDABBO. How many military personnel have been replaced by civilians under the civilianization program, and how many of these have been released for Southeast Asia or overseas duty as a direct result thereof?

General PLATT. There are two phases of that program. At first, 2,800 military were replaced by 2,500 civilians. That was completed on December 31, 1966.

In the current phase, which is to be completed at the end of the fiscal year, there are 620 military to be replaced by 522 civilians.

To answer the second part of your question, I cannot give a quantitative answer, but in view of the fact that we have some one-third of our corps in Vietnam, I think it is safe to say practically all of them are in Vietnam if they had enough time left to go on their enlistment.

Mr. ADDABBO. Was there any cutback in military billets?

General PLATT. Yes. You mean in total strength?

Mr. ADDABBO. Yes.

General PLATT. I think it was a straight transaction. We came up with the 2,800 military billets and we got the increased civilian billets in their place.

Mr. ADDABBO. You did not lose any strength by it?

Admiral GRIMM. He lost the difference as far as getting some work done.

Mr. ADDABBO. As a result of the civilianization program, can you point to a reduction of military personnel spaces and a related reduction in costs for the military personnel budget?

Admiral GRIMM. Their budget reduction was \$2 million, sir, in military personnel, Marine Corps; but it cost them \$2.3 million in O. & M., Marine Corps, to do it. It cost them \$300,000 to make this switch.

#### PUBLIC RELATIONS

Mr. ADDABBO. How many military and civilian personnel are engaged in public affairs, public information, and public relations work generally? You may supply that for the record.

(The information follows:)

We have 76 officers and 553 enlisted specialists in the informational field, and two civilians occupying public information specialist billets. These personnel serve at Headquarters, Marine Corps or at field activities. Field activities which exercise some public information functions are of two types:

(1) *Informational services sections.*—Authorized as part of the table of organization for major bases and commands of division and corps size. The activities of these sections include internal information, community relations, and to a minor degree, public information.

(2) *Public affairs branches.*—Authorized as a part of the headquarters of the six Marine Corps districts. The primary function of these offices is to support the officer and enlisted procurement programs of the regular Marine Corps and the Marine Corps Reserve. Community and internal relations, as well as some public information functions, comprise a minor portion of their scope.

It is difficult to determine specific totals for public information, relations or affairs, since very few of these personnel devote total time to that end alone. Notable exceptions are the Marine Corps staffed Combat Information Bureau in Da Nang, the purpose of which is to support national and international media representatives in their effort to inform the various publics about free world activities in Vietnam. A major portion of the informational services specialists serving with III Marine Air Force forces do devote the majority of their time to support of public information efforts.

Even they, however, continue to perform internal information activities by contributing to the production of the command newspaper the Sea Tiger and to the fleet home town news effort.

The other exception is the press-radio-TV portion of the Division of Information, Headquarters, Marine Corps. These personnel deal with the second largest

military press corps, located at the seat of government and, in effect, service the queries of this corps.

Mr. ADDABBO. What is the total cost of this effort in terms of personnel, advertising, and related endeavors?

You may supply that for the record.

(The information follows:)

The total cost of the public information, public affairs, and public relations effort in terms of—

(1) Personnel, is 76 officers, 553 enlisted, and two civilian information specialists, who devote an average of 30 percent or less of their time specifically to these efforts. The remaining 70 percent plus, is devoted to support of personnel procurement, community relations, and internal information programs.

(2) Advertising, is nothing. The Marine Corps uses public service time and space, exclusively.

(3) Related endeavors: It is almost impossible to determine numbers of personnel who might fall in this category under certain circumstances. For example, when a base holds an open house for the benefit of the public, almost all personnel on board have some duties in support of this function. Other examples might be cited—such as those involving training accidents; combat associated incidents; allegations of major deficiencies in equipment and procedures—wherein almost the full-time effort of large numbers of personnel, with duties not ordinarily in the public information/public relations field, must be necessarily pressed into service.

#### PROJECT 100,000

Mr. ADDABBO. Since Project 100,000 was initiated, has there been any study of a possible increase in the use of marihuana and other narcotics by the troops?

General PLATT. No, sir; there has been no such study.

Mr. ADDABBO. Do you know of any appreciable increase in the use of drugs by Marines since the institution of Project 100,000?

General PLATT. None that I know of. We are running a long-range study on the impact of the project on the Marine Corps, but it does not encompass that particular area of investigation.

#### RESERVE PERSONNEL, MARINE CORPS

Mr. ADDABBO. We now turn to "Reserve personnel, Marine Corps."

The "Reserve personnel, Marine Corps," fiscal year 1969 request is \$31.5 million, which is \$7.7 million less than funds proposed to be available in fiscal year 1968.

We shall insert the appropriate pages from the justification book in the record at this point.

(The pages follow:)

#### "RESERVE PERSONNEL, MARINE CORPS

"For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve and the Marine Corps platoon leaders class on active duty under section 265 of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, as authorized by law; [~~\$38,300,000~~] \$31,500,000."

DEPARTMENT OF THE NAVY  
RESERVE PERSONNEL, MARINE CORPS

Program and Financing Summary (in thousands of dollars)

	1967 actual	1968 estimate	1969 estimate
Identification Code 07-05-1108-0-1-051			
<u>Program by activities:</u>			
Direct program:			
1. Reserve component personnel.....	35,203	36,914	29,600
2. Reserve officer candidates.....	1,730	2,323	1,900
Total direct obligations.....	36,933	39,237	31,500
Reimbursable program:			
1. Reserve component personnel.....	141	195	131
2. Reserve officer candidates.....	.....	5	5
Total reimbursable program.....	141	200	136
10 Total obligations.....	37,074	39,437	31,636
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-114	-160	-131
14 Non-Federal sources <sup>1</sup> .....	-27	-40	-5
25 Unobligated balance lapsing.....	367	.....	.....
New obligational authority.....	37,300	39,237	31,500
New obligational authority:			
40 Appropriation.....	37,300	38,300	31,500

DEPARTMENT OF THE NAVY  
RESERVE PERSONNEL, MARINE CORPS

Program and Financing Summary (in thousands of dollars) -- continued  
Identification Code 07-05-1108-0-1-051

	1967 actual	1968 estimate	1969 estimate
New obligational authority -- continued			
44 Proposed supplemental for military pay act increases.....	.....	937	.....
Relation of obligations to expenditures:			
10 Total obligations.....	37,074	39,437	31,636
70 Receipts and other offsets (items 11-17).....	-141	-200	-136
71 Obligations affecting expenditures.....	36,933	39,237	31,500
72 Obligated balance, start of year.....	4,041	3,194	5,431
74 Obligated balance, end of year.....	-3,194	-5,431	-5,931
77 Adjustments in expired accounts.....	-364	.....	.....
90 Expenditures excluding pay increase supplemental.....	37,417	36,100	30,963
91 Expenditures from military pay act supplemental.....	.....	900	37
Expenditures are distributed as follows:			
01 Out of current authorizations.....	34,512	34,100	28,100
02 Out of prior authorizations.....	2,905	2,900	2,900
1 Reimbursements from non-Federal sources are derived from sale of clothing to regular Marine Corps personnel (10 USC 7601).			

DEPARTMENT OF THE NAVY  
RESERVE PERSONNEL, MARINE CORPS

Object Classification (in thousands of dollars)

Identification Code 07-05-1108-0-1-051	19 67 actual	1968 estimate	19 69 estimate
Direct obligations:			
11.7 Personnel compensation: Military.....	25,859	28,864	22,802
12.0 Personnel benefits, military.....	393	710	569
21.0 Travel and transportation of persons.....	4,736	4,074	3,939
25.1 Other services.....	32	32	32
26.0 Supplies and materials.....	5,877	5,501	4,102
42.0 Insurance claims and indemnities.....	36	56	56
Total direct obligations.....	36,933	39,237	31,500
Reimbursable obligations:			
26.0 Supplies and materials.....	141	200	136
99.0 Total obligations.....	37,074	39,437	31,636

Department of the Navy  
Reserve Personnel, Marine Corps

APPROPRIATION INTRODUCTION

( In thousands )

	1967 Actual	1968 Estimate	1969 Estimate
Total direct obligations	36,933	39,237	31,500
Net adjustments	+367	-0-	-0-
Appropriation Proposed Supplemental for military pay increase	37,300	38,300	31,500
	-0-	937	-0-

The mission of the Marine Corps Reserve is to provide trained units and qualified persons for active duty in the Marine Corps at time of war or national emergency and at such other times as the national security requires. The purpose of the appropriation "Reserve Personnel, Marine Corps" is to maintain an efficient, balanced Marine Corps Reserve component responsive to the initial mobilization requirements of the Marine Corps to expansion to a full mobilization force level.

The FY 1968 and 1969 total direct obligations shown above include the estimated effects of revised subsistence rates, the impact of the military pay raise approved for balance of FY 1968 and for a full year in FY 1969, and the increase for per diem payments to reservists as approved by P.L. 90-168.

The 1969 estimate provides for a continued level strength of 48,000.

Department of the Navy  
Reserve Personnel, Marine Corps

SUMMARY OF OBLIGATIONS

(In thousands)

	1967 Actual	1968 Estimate	1969 Estimate	Difference 1969 compared with 1968	Justi- fication Page
1 Reserve Component Personnel	35,203	36,914	29,600	-7,314	4-9
2 Reserve Officer Candidates	1,730	2,323	1,900	-423	4-15
Total Direct Obligations	36,933	39,237	31,500	-7,737	

Department of the Navy  
Reserve Personnel, Marine Corps

Groups	Drills	Paid Days of Active Duty for Training	1967 Actual		1968 Estimate		1969 Estimate	
			Begin	End	Average	End	Average	End
A	48	15	2,435	2,463	2,459	2,870	2,789	2,870
			41,682	40,900	41,683	41,350	43,800	44,950
B	24	15	222	212	186	130	130	130
			75	64	45	50	50	50
F	0	90-180	-	-	-	-	-	-
			4,179	4,877	3,185	3,600	435	-0-
Paid Drill Training (Organized)								
			2,657	2,675	2,645	3,000	2,919	3,000
			45,936	45,841	44,913	45,538	44,285	45,000
			48,593	48,516	47,558	48,000	47,204	48,000
D	0	15	669	669	669	1,271	1,271	1,271
			188	188	188	60	60	60
E	0	30	-	-	-	-	-	-
			1,373	1,373	1,373	275	400	400
Other Paid Status Sub-Total								
			669	669	669	1,271	1,271	1,271
			1,561	1,561	1,561	335	460	460
			2,230	2,230	2,230	1,606	1,731	1,731
Total Paid Status								
			3,326	3,344	3,314	4,190	4,190	4,271
			47,497	47,402	46,474	45,873	44,745	45,460
			50,823	50,746	49,788	50,063	48,935	49,731

Department of the Navy  
Reserve Personnel, Marine Corps

Total RPMC Summary - All Costs

	FY 1968 Number	FY 1968 Av Rate	Amount	Number	FY 1969 Av Rate	Amount	Difference Number	Difference Amount
1A - Training PGA	41,058	\$ 571.18	\$23,451,500	44,725	\$ 570.23	\$25,503,400	+3,667	\$+2,051,900
1B - Training PGB	180	1,036.11	186,500	180	1,183.33	213,000	-0-	+26,500
1C - Training PGD	1,331	640.87	853,000	1,331	602.25	801,600	-0-	-51,400
1C - Training PGE	275	360.36	99,100	400	333.50	133,400	+125	+34,300
1D - Training PGF	9,058	1,127.33	10,211,400	870	1,146.90	997,800	-8,188	-9,213,600
1E - School Training	2,700	576.37	1,556,200	2,610	586.47	1,530,700	-90	-25,500
1F - Special Training	593	212.65	126,100	593	253.96	150,600	-0-	+24,500
1G - Administration & Support			430,200			269,500		-160,700
Subtotal - Act 1			\$36,914,000			\$29,600,000		\$-7,314,000
2C - Junior ROTC	6,000	84.00	504,000	4,300	56.58	243,300		-260,700
2D - PLC or Res Off Cand	3,628	501.38	1,819,000	3,546	467.20	1,656,700		-162,300
Subtotal - Act 2			\$ 2,323,000			\$ 1,900,000		\$ -423,000
Total Obligations			\$39,237,000			\$31,500,000		\$-7,737,000

Department of the Navy  
Reserve Personnel, Marine Corps

(In thousands)  
1969 Estimate - 29,600  
1968 Estimate - 36,914  
1967 Actual - 35,203

Budget Activity 1: Reserve Component Personnel

Purpose and scope of work

Implementation of the Reserve program requires funds to finance pay and allowances (Basic pay, basic allowances for subsistence and unused leave pay); individual clothing and uniform gratuities; subsistence in kind; per diem travel, and other costs (death gratuities, disability and hospitalization benefits, subsistence while hospitalized, social security payments and Servicemen's Group Life Insurance premiums as applicable). Pay and allowances, travel and related costs for administrative personnel assigned to Reserve Headquarters under provisions of 10 U.S.C. 265 are also included.

Justification of funds

1. Troop and Organization - The Marine Corps Reserve continues to analyze its structure to make certain it reflects the changing needs of the Marine Corps to meet the mobilization force level addressed by the Force Tabs of Joint War Plans. This critical analysis will continue in the current year. In FY 1969, continuing study will be made to insure compatibility between Reserve units' organization and the mobilization needs of the Marine Corps. Further changes will be effected, as necessary, to enhance the responsiveness of the Marine Corps Reserve to fulfill its mission in partial or general mobilization; not only to improve the readiness of the Drill Pay Reserve but also to provide additional flexibility and simplicity in the mobilization planning of the Marine Corps.
2. Manpower - Drill pay end strength for Fiscal Year 1967 was 44,373, six-month trainee strength was 3,185, resulting in the total end strength of the Organized Marine Corps Reserve of 47,558. The Fiscal Year 1968 Manpower Program calls for a drill pay end strength of 44,420 and an Organized Marine Corps Reserve end strength of 48,000. Six-month trainee end strength will be 3,600 at the year's end. In FY 1969, the OMCR end strength will be 48,000.
3. Training - The Marine Corps Reserve Training Program has been designed to provide a progressive training cycle for units and individuals. The objective is to enhance the ability to effect rapid integration of units and individuals into the Marine Corps to meet the requirements of a fully mobilized Marine Corps. Training of reservists is accomplished through attendance at drills, annual training duty, schools and special training courses.

Department of the Navy  
Reserve Personnel, Marine Corps

Budget Activity 1: Reserve Component Personnel

Justification of funds -- continued

a. Inactive Duty for Training (Scheduled Drills)

(1) Drill Pay, 48-Drill Units (Pay Group A) - Scheduled drills provide for classroom training, practical application, and specialist training appropriate to the unit. Since FY 1960, scheduled drills have been conducted as multiple drills of a minimum of eight hours duration (which counts as two drills) or for a minimum of 16 hours, one weekend (which counts as four drills). This system of scheduling multiple drills provides greater opportunities for field training and special exercises, as well as realistic and more advanced unit and individual training. Selected personnel are encouraged to volunteer for additional training (either additional paid drills or short periods of active duty for training at the home training center) both for the purpose of improving their individual skills and increasing the mobilization readiness of the unit. Examples of the latter are performance of maintenance of major items of equipment and auditing and updating the individual mobilization packages. In FY 1969, it is planned to provide up to 36 extra drills for selected aviators. These drills are used to maintain the operational readiness concept of the 4th Division/Wing Team. They are required to maintain acceptable flight proficiency/safety standards. Certain ground reservists in the most difficult skills will receive additional drills to enhance their professional competence.

(2) Drill Pay, 24-Drill Units (Pay Group B) - The mission of 24-Drill Pay Units is to provide personnel trained in staff functioning and procedures including the employment of supporting arms and various assault concepts for the mobilization needs of the ground and aviation components of the Marine Corps. Training during drills includes the development of plans for 48-Drill units home area exercises and tactical supervision in the execution of these plans. In addition, the 24-Drill units will function as the higher echelon headquarters for infantry battalion field exercises during scheduled drills.

Department of the Navy  
Reserve Personnel, Marine Corps

Budget Activity 1: Reserve Component Personnel

Justification of funds - Continued

b. Annual Active Duty for Training

(1) Annual Active Duty for Training, 48-Drill Units (Pay Group A) - Each Organized Marine Corps Reserve unit undergoes annual training for approximately fourteen days, usually at an installation of the Regular Marine Corps. Such training includes unit speciality training, field problems, air-ground team exercises, organic weapons firing, marksmanship training, and techniques of amphibious warfare. The concept of this type of training is to apply field and simulated combat conditions to training in order to raise the combat readiness of the individuals in the speciality of the units involved and to provide experience to officers and noncommissioned officers in the employment of troops and material organic to the unit. Our training objective is the capability to fulfill successfully the reserve's urgent commitments.

In Fiscal Year 1968, 34 battalion and 99 company sized ground units and 77 aviation Reserve squadrons participated; in Fiscal Year 1969, approximately the same number of units will participate. In FY 1967 and prior years attendance at drills and annual training duty for 48-Drill reservists averaged approximately 91%. The FY 1968 budget was formulated on this attendance percentage. However, the implementation of Executive Order 11327 of 15 February 1967 has resulted in the average attendance increasing to 96% in FY 1968, and it is anticipated that this percentage will remain constant throughout FY 1969.

Integration of Reserve units, with each other and with Fleet Marine Force units, will make this year's training more profitable for units and individuals. Training will be conducted in the U. S. as well as in the Caribbean area and Hawaii.

Department of the Navy  
Reserve Personnel, Marine Corps

Budget Activity 1: Reserve Component Personnel

Justification of funds - continued

(2) Annual Active Duty for Training, 24-Drill Units (Pay Group B) - Staff Groups undergo annual training periods of approximately fourteen days at installations of the Regular Marine Corps. Training in staff procedures is emphasized, to include planning of amphibious assaults, air/ground exercises, and other military exercises. Practical application is employed by assigning these groups the responsibility of functioning as Marine Expeditionary Brigade and Marine Expeditionary Unit headquarters, to direct the tactical exercises of 48-drill units. Experience in staff functioning is also gained by assignment as umpires during exercises conducted by units of the regular establishment.

(3) Annual Active Duty for Training, Non-Drill (Pay Group D) - The number of trained personnel required for immediate mobilization is considerably greater than the drill-pay strength. For this reason, a significant number of Ready Reservists not in drill-pay status must be maintained in a high state of readiness to meet immediate mobilization requirements. This training is intended to provide refresher training to acquaint Ready Reservists with new weapons, doctrines, and techniques. Reserve Amphibious Warfare, and Command and Staff Courses, and other service schools specializing in amphibious warfare, staff techniques and critical military specialties are the primary sources for this training. In Fiscal Year 1969, 1,271 Ready Reserve officers, not in a drill-pay status, and 60 enlisted men will be provided training.

(4) Annual Active Duty for Training (Non-Drill Pay Group E) - Enlisted reservist who are not in a drill-pay status and have not performed two years of active duty perform thirty days of active duty training annually. These reservists are not affiliated with a drill-pay unit because of deactivation of Marine parent unit. This training is progressive and is designed to satisfy the minimum training requirements for assignment to a combat area upon mobilization. The Pay Group E reservist is assigned to military occupational specialty training. It is planned to utilize 275 billets in Fiscal Year 1968 and 400 billets in Fiscal Year 1969. Those personnel thus will be qualified, minimally, for mobilization. This large reduction from prior years, 1,373 billets in FY-67, is the result of compliance with Executive Order 11327 of 15Feb67, which influenced Class III reservist to join units.

Department of the Navy  
Reserve Personnel, Marine Corps

Budget Activity 1: Reserve Component Personnel

Justification of funds - Continued

(5) Six-Month Trainees (Pay Group F) - Public Law 88-110 established a program whereby non-prior service people can enlist in the Marine Corps Reserve for a period of six years, of which not less than four months must be spent on active duty. All trainees receive recruit training at a Marine Corps Recruit Depot, during which time they are integrated with Regular Marine Corps recruits. Aviation trainees selected for military occupational specialty training proceed to formal schools conducted by the Marine Corps and other services; and ground trainees to either technical, specialist, or military occupational specialty training. It is planned to have 9,058 complete this training cycle in Fiscal Year 1968 and 870 in Fiscal Year 1969. The reduction in FY-1969 is due to implementation of P. L. 88-110 wherein Pay Group F personnel now have a six year obligation in lieu of five years.

(6) Schools and Special Tours - This training program is designed to provide realistic training to individuals in appropriate type and level schools and training tours: 2,700 school tours are programmed in FY-1968 and 2,610 in FY-1969. Included in these tours is the newly formed Commissioning Program for Duty with the Officer Marine Corps Reserve; this program was initiated in FY 1968 to provide the Organized Marine Corps Reserve with vitally needed Lieutenants. 593 special training tours are programmed for both FY-1968 and 1969. Executive Order 11327 eliminates the requirement for 45-day Involuntary Training billets which were previously budgeted for in this category of reserve training.

(7) Comparison by Budget Project - See following page for a comparison of costs by budget project. For a ready reference showing a summary of average numbers, rates, and total costs by pay groups, see all costs summary preceding the narrative (page 4-8).

Department of the Navy  
Reserve Personnel, Marine Corps

Budget Activity 1: Reserve Component Personnel

Justification of funds - Continued

The projects included in this activity are: (In Thousands of dollars)

<u>Budget Project Number</u>	<u>Budget Project</u>	<u>FY 1967</u>	<u>FY 1968</u>	<u>FY 1969</u>
1A	Training - Pay Group A	\$22,014	\$23,451	\$25,503
1B	Training - Pay Group B	433	187	213
1C	Training - Pay Group D	867	853	802
1C	Training - Pay Group E	229	99	133
1D	Training - REP - Pay Group F	10,130	10,212	998
1E	School Training	740	1,556	1,531
1F	Special Training	282	126	151
1G	Administration & Support	<u>508</u>	<u>430</u>	<u>269</u>
	TOTALS	35,203	36,914	29,600

Department of the Navy  
Reserve Personnel, Marine Corps

(In thousands)  
1969 Estimate - 1,900  
1968 Estimate - 2,323  
1967 Actual - 1,730

Budget Activity 2: Reserve Officer Candidates

Purpose and scope of work

2C - Junior ROTC:

Provides for issue-in-kind of uniforms to 4,300 students who will be trained in 15 Marine Corps orientated Jr. ROTC units. Also provides for replacement clothing for 10 units established in FY 1967, and 68. The total cost of this program to RPMC in FY 1969 is \$243,300.

2D - Platoon Leader's Class

Provides for pay, subsistence, travel, and clothing for the platoon Leaders Class and the Woman Officers' Candidates Class. These personnel attend two periods of summer training and, upon completion of training and graduation from college, are commissioned in the Marine Corps Reserve and assigned to active duty for three years. Numbers to be trained represent 45-day billets to be utilized for pay and subsistence in summer training; travel numbers for actual round trips; clothing numbers include Marine Corps option NROTC students (whose other items of cost are funded elsewhere).

The projects included in this activity are: (In thousands of dollars)

Budget Project Number	Budget Project	FY 1967	FY 1968	FY 1969
2C	Junior ROTC	\$ -0-	\$ 504	\$ 243
2D	Platoon Leaders Class	<u>1,730</u>	<u>1,819</u>	<u>1,657</u>
	TOTAL	\$1,730	\$2,323	\$1,900

Department of the Navy  
Reserve Personnel, Marine Corps

	Number	FY 1968 Av Rate	Amount	Number	FY 1969 Av Rate	Amount	Difference Number	Difference Amount
1-A Training -- Pay Group A	41,058	\$571.18	\$23,451,500	44,725	\$570.23	\$25,503,400	+3,667	\$+2,051,900
1-A-1 - Pay & Allow; active duty for tng, Off.	2,588	445.75	1,153,600	2,677	457.49	1,224,700	+89	+71,100
1-A-2 - Pay & Allow; active duty for tng, Enl.	38,470	97.57	3,753,600	40,275	96.14	3,872,100	+1,805	+118,500
1-A-3 - Pay, in- active duty tng, Officers	2,588	1,456.22	3,768,700	2,677	1,404.97	3,761,100	+89	-7,600
1-A-4 - Pay, in- active duty tng, Enlisted	38,470	287.98	11,078,500	42,048	282.94	11,897,000	+3,578	+818,500
1-A-5 - Indiv. cloth- ing & uniform Grat., Off....			10,000			10,000	-	-
1-A-6 - Indiv. cloth- ing & uniform Grat., Enl....			530,800			584,700		+53,900
1-A-7 - Subsistence of enlisted pers.....			765,000			1,591,300		+826,300
1-A-8 - Travel, active duty for tng, Officers.....	1,392	87.14	121,300	1,939	93.14	180,600	+547	+59,300
1-A-9 - Travel, active duty for tng, Enlisted.....	30,347	74.80	2,270,000	31,844	74.80	2,381,900	+1,497	+111,900

Department of the Navy  
Reserve Personnel, Marine Corps

	FY 1968		FY 1969		Difference	
	No. Extra Drills	Cost	No. Extra Drills	Cost	No. Extra Drills	Cost
1-A-3 - Pay, Inactdntng,						
Off.....	17,090	522,000	17,090	522,000	-0-	-0-
PG A - Ground	500	11,200	500	11,200	-0-	-0-
PG A - Grd w/Avn						
Prog	350	8,000	350	8,000	-0-	-0-
PG A - Aviation	16,240	502,800	16,240	502,800	-0-	-0-
1-A-4 - Pay, Inactdntng,						
Enl.....	4,260	37,400	4,260	37,400	-0-	-0-
PG A - Ground	1,500	8,600	1,500	8,600	-0-	-0-
PG A - Grd w/Avn						
Prog	1,000	6,400	1,000	6,400	-0-	-0-
PG A - Aviation	1,760	22,400	1,760	22,400	-0-	-0-
Total extra drills	21,350	559,400	21,350	559,400	-0-	-0-
included above						



Department of the Navy  
Reserve Personnel, Marine Corps

	FY 1968		FY 1969		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
1-C Training -- Pay Group D	1,331	\$640.87	1,331	\$602.25	-0-	\$-51,400
1-C-1--Pay & Allow, active duty for training, off.....	1,271	528.72	1,271	514.16	-0-	-18,500
1-C-2--Pay & Allow, active duty for training, enl.....	60	146.67	60	166.67	-0-	+1,200
1-C-3--Individual clothing & uniform grat., off.....	174	50.00	174	50.00	-0-	-0-
1-C-4--Individual clothing & uniform grat., enl.....	60	68.33	60	75.00	-0-	+400
1-C-5--Subsistence of enlisted personnel.....	60	16.67	60	16.66	-0-	-0-
1-C-6--Travel, active duty for training, officers.....	1,218	124.79	1,218	96.88	-0-	-34,000
1-C-7--Travel, active duty for training, enlisted.....	60	106.67	60	98.33	-0-	-500

Department of the Navy  
Reserve Personnel, Marine Corps

	FY 1968		FY 1969		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
1-C Training -- Pay Group E	275	\$360.36	400	\$333.50	+125	\$+34,300
1-C-1--Pay & Allow, active duty for training, off.....						
1-C-2--Pay & Allow, active duty for training, enl.....	275	199.64	400	202.75	+125	+25,200
1-C-3--Individual clothing & uniform grat., off.....						
1-C-4--Individual clothing & uniform grat., enl.....	275	12.73	400	10.50	+125	+700
1-C-5--Subsistence of enlisted personnel.....	275	33.82	400	34.25	+125	+4,400
1-C-6--Travel, active duty for training, officers.....						
1-C-7--Travel, active duty for training, enlisted.....	275	114.18	400	86.00	+125	+3,000

Department of the Navy  
Reserve Personnel, Marine Corps

	FY 1968		FY 1969		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
1-D Training-REP-Pay Group F	9,058	\$1,127.33	870	\$1,146.90	-8,188	\$-9,213,600
1-D-1-Pay & Allow, active duty for training, officers..						
1-D-2-Pay & Allow, active duty for training, enlisted..	9,058	650.05	870	665.29	-8,188	-5,309,400
1-D-3-Individual clothing & uniform grat., officers.						
1-D-4-Individual clothing & uniform grat., enlisted.	9,200	171.17	944	157.63	-8,256	-1,426,000
1-D-5-Subsistence of enlisted personnel.....	9,058	208.56	870	208.51	-8,188	-1,707,700
1-D-6-Travel, active duty for training, officers.....						
1-D-7-Travel, active duty for training, enlisted.....	9,134	94.08	944	94.07	-8,190	-770,500

Department of the Navy  
Reserve Personnel, Marine Corps

	FY 1968		FY 1969		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
1-E School Training	2,700	\$576.37	2,610	\$586.47	-90	\$-25,500
1-E-1-Pay & Allow, active duty for training, officers.....	915	742.84	875	622.51	-40	-135,000
1-E-2-Pay & Allow, active duty for training, enlisted	1,785	295.52	1,735	296.83	-50	-12,500
1-E-3-Individual clothing & uniform grat., officers.....	120	300.00	80	300.00	-40	-12,000
1-E-4-Individual clothing & uniform grat., enlisted	1,132	21.29	1,082	18.30	-50	-4,300
1-E-5-Subsistence of enlisted personnel.....	1,785	55.07	1,735	54.18	-50	-4,300
1-E-6-Travel, active duty for training, officers.....	555	134.95	875	207.43	+320	+106,600
1-E-7-Travel, active duty for training, enlisted.....	1,785	64.82	1,735	87.43	+50	+36,000

Department of the Navy  
Reserve Personnel, Marine Corps

	FY 1968		FY 1969		Difference	
	Number	Av Rate	Number	Av Rate	Number	Amount
1-F Special Training	593	\$212.65	593	\$253.96	-0-	\$+24,500
1-F-1--Pay & Allow, active duty for training, Officers..	593	135.24	593	135.24	-0-	-0-
1-F-2--Pay & Allow, active duty for training, enlisted...						
1-F-3--Individual clothing and uniform grat., officers.						
1-F-4--Individual clothing and uniform grat., enlisted						
1-F-5--Subsistence of enlisted personnel.....						
1-F-6--Travel, active duty for training officers	593	77.40	593	118.72	-0-	+24,500
1-F-7--Travel, active duty for training, enlisted.....						

Department of the Navy  
Reserve Personnel, Marine Corps

	FY 1968		FY 1969		Difference Number	Difference Amount
	Number	Av Rate	Number	Av Rate		
1-G Administration and Support		\$430,200		\$269,500		\$-160,700
1-G-1--Pay and Allowances of officers.....	20	\$18,110.00	11	\$18,863.64	-9	-154,700
1-G-2--Permanent Change of Station Travel.....	8	12,000	4	6,000	-4	-6,000
1-G-3--Death Gratuities, officers	5	15,000	5	15,000	-0-	-0-
1-G-4--Death Gratuities, enlisted	10	10,000	10	10,000	-0-	-0-
1-G-5--Disability and hospitalization benefits, off.....	25	10,000	25	10,000	-0-	-0-
1-G-6--Disability and hospitalization benefits, enl.....	159	21,000	159	21,000	-0-	-0-

Department of the Navy  
Reserve Personnel, Marine Corps

	FY 1968		FY 1969		Difference	
	Number	Av Rate Amount	Number	Av Rate Amount	Number	Amount
2C - Junior ROTC	6,000	\$ 84.00 \$504,000	4,300	\$ 56.58 \$243,300	-1,700	\$260,700
2-C-1 Uniformed Issue In Kind (Initial Issue) (Replacement Issue)	4,800 1,200	100.00 480,000 20.00 24,000	2,030 2,270	81.62 165,700 34.18 77,600	-2,770 +1,070	-314,300 +53,600

Department of the Navy  
Reserve Personnel, Marine Corps

	FY 1968		FY 1969		Difference	
	Number	Av Rate Amount	Number	Av Rate Amount	Number	Amount
2D Platoon Leader's Class	3,628	\$501.38 \$1,819,000	3,546	\$467.20 \$1,656,700	-82	\$-162,300
2-D-1--Uniform issue in kind.....	3,863	60.21 232,600	3,630	52.89 192,000	-233	-40,600
2-D-2--Pay and Allowances (Summer Camp Tng).....	3,628	281.81 1,022,400	3,546	267.85 949,800	-82	-72,600
2-D-3--Subsistence of reserve officer candidates.....	3,628	55.95 203,000	3,546	54.51 193,300	-82	-9,700
2-D-4--Travel of Reserve officer candidates.....	3,285	109.89 361,000	3,236	99.38 321,600	-49	-39,400

Mr. ADDABBO. Colonel Greason, I see you just assumed your position as director of the Marine Corps Reserve on May 1, 1968.

Colonel GREASON. That is correct.

Mr. ADDABBO. Since this is your first appearance, we shall insert your biographical sketch in the record at this point, and you may proceed with your prepared statement.

(The material follows:)

#### BIOGRAPHY OF COL. EDWARD H. GREASON, USMC

Col. Edward H. Greason assumed duties as director, Marine Corps Reserve, Headquarters Marine Corps, May 1, 1968.

Edward Herman Greason was born January 11, 1920, at Wake Forest, N.C., and graduated from Wake Forest High School in 1937. He then entered Wake Forest College, graduating in 1940 with a B.S. degree in science.

He began his military career in 1935 as an enlisted man in the North Carolina National Guard. In November 1942, he accepted a commission as a second lieutenant in the Marine Corps Reserve and in January 1943 integrated into the regular Marine Corps.

After completing Officers' Candidate School and the Reserve Officer Course at Quantico, Va., Lieutenant Greason was assigned to duty at Marine Barracks, Norfolk Naval Shipyard, Portsmouth, Va.

Leaving Portsmouth, he was assigned to the First Marine Detachment to serve on the U.S.S. *New Jersey* when it was commissioned at Philadelphia, Pa. in early 1943.

Lieutenant Greason served aboard the U.S.S. *New Jersey* from May 1943 until May 1945 participating in numerous actions against the Japanese throughout the Pacific area, including the Battle of the Philippines Sea; capture of Saipan, Guam, and Southern Palau Islands; and operations at Leyte, Formosa, and Okinawa. While overseas, he was promoted to first lieutenant in September 1943.

Returning to the United States in June 1945, he served in a variety of assignments for nearly 8 years, including duty at Camp Pendleton, Calif., Quantico, Va., Camp Lejeune, N.C., FMF Pacific Headquarters and Headquarters Marine Corps. He was promoted to captain in April 1946, and to major in January 1951.

From December 1952 through November 1953, Major Greason served with the 1st Provisional Marine Casual Company and Support Company, 1st Combat Service Group in Korea.

Upon his return to the United States, he was assigned to Camp Lejeune, N.C., for duty with the 2d Marine Division where he served as the Battalion S-3, executive officer and commanding officer of the 3d Battalion, 6th Marines. He was promoted to lieutenant colonel in July 1957.

From June 1958 through June 1966, Lieutenant Colonel Greason served as commanding officer, Marine Barracks, U.S. Naval Activity, Naples, Italy; assistant chief of staff, G-1, 2d Marine Aircraft Wing, Cherry Point, N.C.; assistant chief of staff, G-1, 3d Marine Division, serving in Okinawa and the Republic of Vietnam; and attending the Armed Forces, Staff College, Norfolk, Va., and the Naval War College, Newport, R.I. He was promoted to the rank of colonel in December 1964.

Reporting to Headquarters, Marine Corps from the Naval War College in July 1966, Colonel Greason was assigned as head, Plans, Programs, and Training branch, Division of reserve, and subsequently as deputy director since October 1, 1967.

A complete list of his medals and decorations includes the Legion of Merit with Combat "V," the Bronze Star Medal with Combat "V," the Navy Unit Commendation, the American Campaign Medal, the Asiatic-Pacific Campaign Medal, the National Defense Service Medal with one bronze star, the Korean Service Medal with two bronze stars, the Armed Forces Expeditionary Medal, the Vietnam Service Medal, the United Nations Service Medal, the Philippine Liberation Medal, the Philippine Presidential Unit Citation, and the Korean Presidential Unit Citation.

Colonel Greason and his wife, the former Miss Marjorie Higgins, of Hurlock, Md., currently reside in Arlington, Va.

## GENERAL STATEMENT

Colonel GREASON. Mr. Chairman, members of the committee, it is my pleasure to appear before this committee to present the fiscal year 1969 budget submission for the appropriation "Reserve personnel, Marine Corps."

This appropriation provides for the pay, allowances, clothing, subsistence, travel, and all other related costs for Reserve personnel of the Ready Reserve, including 6-month trainees. It also includes costs for Reserve officer candidates; Reserve officers assigned to active duty with the Reserve program under the provisions of section 265, title 10, U.S.C.; and the junior ROTC program established under section 2031, title 10, U.S.C.

For fiscal year 1968, the 90th Congress appropriated \$38.3 million, and we are asking for an additional \$900,000 in the supplemental to fund the military pay raise approved by Public Law 90-207. For fiscal year 1969, we are requesting \$31.5 million which represents a net decrease of \$7.7 million from fiscal year 1968. The main reason for this decrease was the enactment of Public Law 88-110 in 1963. Prior to the enactment of this law, all those 6-month trainees who had satisfactorily participated in unit training for a period of 5 years were transferred to a "no training" category within the Ready Reserve.

## IMPLEMENTATION OF PUBLIC LAW 88-110

DOD directives issued in implementation of Public Law 88-110 provided that all members enlisted in the program after August 1, 1963, would attend drills and annual training duty for the full 6 years of their military obligation. The net effect of this action on the Marine Corps is a one-time reduction in the input of 8,188 six-month trainees in fiscal year 1969.

## INCREASED DRILL ATTENDANCE

Also reflected in this budget estimate is an increase in pay group A (unit training), due to Public Law 89-687 as implemented by Executive Order 11327 of February 15, 1967. This order caused an almost immediate increase in drill attendance. Prior to February 1967 the maximum average yearly drill attendance attained was 91 percent. By June 30, 1967, drill attendance average increased to 96 percent and, to date in fiscal year 1968 this average attendance rate has remained constant. Other areas affected by this Executive Order are 30-day active duty training tours and 45-day involuntary active duty training tours. These latter programs were reduced substantially since all-drill pay obligors, with few exceptions, were required to affiliate with a drill pay unit or be ordered to active duty.

## ORGANIZED MARINE CORPS RESERVE

This budget supports the Organized Marine Corps Reserve at a strength of 48,000 in a drill pay status. This strength was achieved during fiscal year 1966 and will be maintained through fiscal year 1969. The budget also includes funds for active duty training of individual reservists in the Ready Reserve who will be required to fill out units in the Organized Reserve and in the regular establishment on mobilization.

## SIX-MONTH TRAINEE PROGRAM

We have a sound training program designed to produce the strongest, most effective Reserve force possible at an economical cost.

Most significant is the 6-month trainee program which provides professionally trained marines to our Reserve units. For 6 months these marines attend regular recruit training, specialist training, and on-the-job training with units in the active Fleet Marine Forces. During this period of initial active duty for training, Reserves are indistinguishable from their regular counterparts, and upon return to their Reserve units they are able to concentrate immediately on unit specialty training, requiring only periodic refresher individual basic training.

Our units continue to conduct multiple drills of a minimum of 8 hours duration, and most of our units have expanded on this to train one full weekend per month. This extended amount of time allows the unit to participate in field training such as field firing exercises and combined tactical exercises, which is not possible at the training centers.

The annual 2 weeks' active duty for training for units of the OMCR continues to be the culmination of the year's programed training. Attendance is expected to average 96 percent.

## SUMMARY

To summarize, with the exception of the reduced number of 6-month training tours, the fiscal year 1969 budget of \$31.5 million provides for the continuation of all phases of the training programed in fiscal year 1968. The major increase over the fiscal year 1968 budget is in the pay group A (unit training), in the amount of \$2.1 million, primarily due to the increased drill attendance and the full year's cost of the military pay raise. The decrease of \$9.3 million for 6-month training tours is due to the reduction of input to initial active duty for training. The decrease of \$261 thousand for the junior ROTC program reflects a more realistic estimate based on experience gained after a year's performance of this program plus slightly reduced clothing costs.

The statutory role of the Marine Corps Reserve is to provide trained units and qualified individuals to be available for active duty in time of war or national emergency, and at such other times as the national security may require. The funds requested in this budget will provide the means to carry out this role by maintaining, in a combat ready status, a Marine Expeditionary Force similar to those in the active structure; and, as a secondary objective, produce combat ready units and trained individuals to reinforce the active Fleet Marine Force and supporting establishment.

While we are generally pleased with the program that this budget will support, we continually review and monitor every aspect of it, seeking ways to improve the state of training and mobilization readiness, with the constant goal of providing a highly trained, and effective Ready Reserve Force at an economical cost.

I shall be pleased to attempt to answer any questions about this budget and our program that you may have.

## IMPLEMENTATION OF PUBLIC LAW 88-110

Mr. ADDABBO. Colonel, you indicate that the main reason for the net decrease of \$7.7 million from fiscal year 1968 was Public Law 88-110 enacted in 1963, which permitted you to require that all 6-month trainees attend drills and annual training duty for the full 6 years of their military obligation. The net effect of this action is a one-time reduction in the input of 8,188 6-month trainees in fiscal year 1969.

Will you expand upon this explanation, Colonel?

Colonel GREASON. The decrease in the fiscal year 1969 RPMC budget estimate of \$7.7 million is primarily due to the enactment of Public Law 88-110 in 1963. Prior to the enactment of this law, all reservists with satisfactory participation in unit training for 5 years were transferred to a no-training category for the sixth year of their Reserve obligation. The directive issued by DOD in implementation of Public Law 88-110 provided that all Reserves enlisting after August 1, 1963, would attend drills and annual training duty for the full 6 years of their Reserve obligation.

The net result of this action is a one-time reduction in the recruiting program for the 6-month training.

Mr. ADDABBO. You will need this \$7.7 million in fiscal year 1970 and each year thereafter?

Colonel GREASON. Yes, sir.

## RESERVE STRENGTHS

Mr. ADDABBO. You state this budget request supports the organized Marine Corps Reserve at a strength of 48,000 in a drill pay status. This total strength is unchanged from last year.

In addition to the 48,000 how many men do you have in the Ready Reserve, in the Standby Reserve, and in the Retired Reserve?

Colonel GREASON. In the Ready Reserve we have 65,536; in the Standby Reserve, 25,781; and in the Retired Reserve, 10,058.

## NUMBER OF RESERVES ON FLYING DUTY

Mr. ADDABBO. How many men in the organized Reserves do you have on flying duty, and how does this compare with previous years?

Colonel GREASON. As of March 31, 1968, there were 759 Reserve Officers on flying duty with the Reserves. This figure is lower than previous years.

Mr. ADDABBO. Can you state for the record the reason for this cutback?

Colonel GREASON. No, sir, we have not cut them back. These are volunteer officers who have completed their tour with the active service and have come into the Reserve program.

Mr. ADDABBO. Have you any program to try to build it back to its original strength or to increase it?

Colonel GREASON. We are continually increasing our efforts on the recruiting of these prior service officers with the Fourth Marine Aircraft Wing.

## DEFICIENCIES IN NUMBER OF AIRCRAFT

Mr. ADDABBO. Do you have sufficient aircraft to maintain the Reserve aviators in a high state of readiness?

Colonel GREASON. There are deficiencies in the aircraft equipment of the 4th Marine Aircraft Wing, sir, in-flight refueling capability, electronic capability, and the all-weather fighter attack capability.

There are deficiencies in the helicopters, also. But there are programs in being to assist in the helicopter program in 1969 and 1970.

With the fixed-wing, we have nothing in our current assets to correct the situation.

Mr. ADDABBO. Have any of your aircraft been assigned to the Active Marine Corps for their use?

General SIMMONS. A-4's have moved into the regular inventory of the Navy and the Marines.

Mr. LIPSCOMB. How many?

General SIMMONS. We will have to supply that for the record, sir.

Mr. LIPSCOMB. Any others?

General SIMMONS. A-4's and F-88's.

We can supply the numbers for the record.

(The information follows:)

Beginning in 1966, 40 A-4B's, 32 F-88's and 26 F-8C's were transferred to the regular fleet units. The transferred aircraft were replaced with A-4A and F-8A aircraft on a one-for-one basis.

In January 1968, 36 A-4B's, 20 F-8A's, and 10 F-8B's were assigned from the joint Navy/Marine Corps Reserve usage pool to the Navy Reserve squadrons that were activated. Of these assigned, 12 A-4B's and 10 F-8A's have been returned. This is a net reduction of 24 A-4B's, 10 F-8A's and 10 F-8B's.

Mr. ADDABBO. If you had the equipment, would you have the men to use them in training?

Colonel GREASON. Yes, sir.

Mr. ADDABBO. Is the transfer out the reason for the shortage of equipment or men?

Colonel GREASON. That is not the complete reason. The deficiencies are that we have aircraft but they do not have capability compatible with those of the Regular Establishment, sir.

Mr. LIPSCOMB. If they had not withdrawn the aircraft from you, would you have had the capability?

Colonel GREASON. That capability is not as great as the aircraft within the Regular Establishment, sir. These are A-4B's. In the Regular Establishment it is A-4E's.

#### FOURTH MARINE DIVISION

Mr. ADDABBO. Would you describe the makeup of the 4th Marine Division in terms of units and manpower as well as the readiness posture of the Reserve division as a whole?

You may provide that for the record.

(The information follows:)

The Marine Corps Reserve has the mission of providing, upon mobilization, the IV MEF plus certain augment and round-out units for in-being Regular Forces.

IV MEF is a fully structured organization, identical to an Active Forces MEF. It is composed of the 4th Marine Division, supporting Force Troop units and the 4th Marine Aircraft Wing. The T/O strength of the division is 18,976; Force Troops 10,853; 4th MAW 14,583. Total strength is 44,412.

The Organized Marine Corps Reserve has an authorized strength ceiling of 48,000. Considering the fact that some of these personnel are untrained on-board and undergoing initial active duty for training, IV MEF can be manned at approximately 80 percent of T/O strength.

While there are some weaknesses in the IV MEF, mainly in the newly redesignated 4th Force Service Regiment, the remainder of IV MEF is at the highest state of readiness in its history. It is capable of being deployed into combat as a complete MEF, 60 days after mobilization.

Mr. LIPSCOMB. Do you have something there on the readiness posture of the Reserve division?

Colonel GREASON. Yes, sir. We feel the readiness posture of the 4th Marine Division is as high as it has ever been, and we feel that almost every unit within the 4th Division is as combat ready as we can get it, with the exception of a few recently redesignated units which have not yet reached their full unit capability. We are concentrating on these recently redesignated units through the utilization of formal schooling for the individuals, and also formal schooling for the entire unit at annual training duty.

#### DIFFERENCE IN COMPUTING MARINE CORPS PILOT REQUIREMENTS

Mr. LIPSCOMB. General, last year it was testified before this committee that the Marine Corps required 5,148 pilots in 1968. This year in his statement the Secretary of Defense testified that only 4,100 pilots would be needed for the same year. Can you explain this wide difference in estimates?

General PLATT. Sir, I am not sure that the basis for the computation was identical in both instances. We have an adequate number of pilots to meet our foreseen requirements in Vietnam.

Mr. LIPSCOMB. That is not the only mission the Marines have.

General PLATT. No.

Mr. LIPSCOMB. There is a difference of over 1,000 pilots between the two estimates. Is this a difference in calculating? How did the Secretary of Defense come out with such a low figure?

General PLATT. Yes, sir; there is a difference in calculating.

Mr. LIPSCOMB. What did he delete that you included?

General PLATT. If I may, I would like to refer that to Colonel Porter.

Colonel PORTER. The Secretary of Defense computation for fiscal year 1968 of 4,100 footnotes out the fact that some of the requirements are deferred pending activation of certain units. In the process of building up, we are able to meet our essential requirements now.

We have taken management actions because we do not have our requirements objectives at this time. However, in 1969 and 1970, we foresee an increase in inventory, and by the end of fiscal year 1971 we should be very close to our requirements objective.

Mr. LIPSCOMB. The Marine Corps or the Secretary of Defense requirements?

Colonel PORTER. The Marine Corps requirements objective.

Mr. LIPSCOMB. Are the Marines working, as the Navy is, in trying to get a uniform standard between the Secretary of Defense and the Marine Corps as to what pilot requirements are?

Colonel PORTER. We have pretty general agreement with them on our long-range requirements. We are very close to their numbers from fiscal year 1971 on out.

Mr. LIPSCOMB. That is a long way away.

What is your estimate of the pilot requirements for fiscal year 1969?

Colonel PORTER. In fiscal year 1969, our requirement objective is 4,942.

Mr. LIPSCOMB. What was the original request for pilots made to the Office of the Secretary of Defense for fiscal year 1969?

Colonel PORTER. We did not make a request in terms of number of pilots. We requested increases in training rates. We programed an output of 898 pilots during fiscal year 1969.

Mr. LIPSCOMB. What were you allowed?

Colonel PORTER. This is what we were allowed for production in fiscal year 1969. We believe this is the total number that we can effectively absorb and give predeployment training to within our Marine Corps structure.

Mr. LIPSCOMB. So, you were allowed your total original request by the Office of the Secretary of Defense. He did not reduce your pilot training requirements.

Colonel PORTER. There were several actions here.

Mr. LIPSCOMB. What was your original request to the Office of the Secretary of Defense? What did the Marines feel they needed in fiscal year 1969?

Colonel PORTER. I do not recall the precise figure back when we started negotiating with them on pilot requirements. There have been several steps here, the most recent being the pilot training rate of 898 for fiscal year 1969.

Mr. LIPSCOMB. Then you are telling us that the Marines are completely satisfied with what they were allowed in the budget as far as the Marine pilot training program is concerned?

Colonel PORTER. We are satisfied that we are getting as many pilots in fiscal year 1969 as we can absorb within our structure.

Mr. LIPSCOMB. What does the Marine Corps figure its total requirement will be for pilots in fiscal year 1969?

Colonel PORTER. Our requirements objective in 1969 is 4,942.

Mr. LIPSCOMB. And the Secretary of Defense says your total requirement is 4,472.

#### EXTENDED TOURS OF DUTY FOR PILOTS

Has the Marine Corps found it necessary to extend temporary tours of duty for pilots?

General PLATT. Yes, sir.

Mr. LIPSCOMB. Why do you have to do this?

General PLATT. In order to maintain our pilot inventory as high as we can to meet the imperatives of Southeast Asia.

Mr. LIPSCOMB. Do you feel you have a pilot shortage?

General PLATT. I would like to echo what Colonel Porter said, that we feel we are taking in all the new pilots that we can adequately absorb in 1969. We are undergoing certain management actions, such as we are not sending pilots to our middle level professional schools in order that we can keep them in the aircraft. A number of billets that would normally be filled by naval aviators, we are filling by ground officers during this period, in order to maintain our inventory of pilots at the highest possible level.

## METHODS OF COMPUTING PILOT SHORTAGE

Mr. LIPSCOMB. Perhaps last year's Marine testimony was not correct that you were 1,021 pilots short. The Secretary came up this year and said you were only 110 pilots short. You seem to indicate to me that he is right; that the Marine figure last year was wrong.

Even though you have to keep pilots in when they want to retire and you have to extend their duty, evidently as far as the Marines are concerned you feel you are in good shape pilotwise.

General PLATT. We would like to be in better shape than we are, sir.

Mr. LIPSCOMB. If you have a pilot shortage, we ought to know about it. If you are all right, I am glad to hear that.

Do you have a pilot shortage?

General PLATT. I think it depends on what you mean by shortage.

Mr. LIPSCOMB. I do not know. I am trying to find out. Last year Admiral Semmes testified that the Marine Corps had a pilot shortage of 1,021 pilots for this fiscal year 1968. It is in the record, page 154, part I. I am trying to determine how you suddenly got in such good condition. If you are not short of pilots you have done a tremendous job. If you are still short, you ought to tell us about it.

Mr. MAHON. There must be someone who can clarify this situation. Have you changed the ground rules, or what did you do, General? I think there is a better explanation than we have had.

General PLATT. I will undertake to try to explain it. I cannot speak to the testimony you are referring to, Mr. Lipscomb.

We have a requirement for pilots which would include such things as we would like to send pilots to professional schools, we would like to interchange them in certain billets, we would like to do a number of these things that we normally did before the war hit us all at once.

We had to forego these through management actions in order to keep the maximum number of pilots in the seats and flying the aircraft. The management actions would also include involuntarily extending for 1 year those regular officers who want to resign.

Mr. LIPSCOMB. How quickly are Marine Corps pilots rotated to Southeast Asia?

General PLATT. We maintain 24 months between tours for our pilots.

Mr. LIPSCOMB. Are you able to maintain that?

General PLATT. We have maintained this for all specialties, with the exception of about 20 enlisted men, and a number of marines who deployed with the 27th Marines.

Mr. LIPSCOMB. Are you going to be able to maintain that?

General PLATT. I would like to defer to Colonel Porter, who keeps the books on that.

Colonel PORTER. Our present projections indicate we will be able to maintain that rate.

Mr. MAHON. I would like to ask this question.

Admiral Semmes, the Director of Personnel of the Navy, testified last year about a shortage of over 1,000 pilots. If you had these additional pilots, General Platt, you might have been able to continue sending the pilots to professional schools, to interchange them in certain billets, and do the other things to which you have made reference.

These things are now being omitted by reason of what could be termed a pilot shortage, depending on a play on words, semantics, more or less.

Is that probably the answer to this thing?

General PLATT. Yes, Mr. Chairman, it is; and also the manning levels in certain of our CONUS squadrons would be higher in terms of pilot-seat ratios than they are today.

#### ABILITY TO SUPPORT OTHER CONTINGENCIES

Mr. LIPSCOMB. Are the Marines prepared, if the situation made it necessary, to support other contingencies?

General PLATT. With the emergency actions I outlined in my statement, sir, we are. That would include involuntary extension of terms of service, and falling off of the 24 months between tours in Vietnam for careerists. It would, of course, depend upon the size of the contingency, obviously, but I am assuming a sizable contingency.

Mr. LIPSCOMB. Would you say the Marine personnel strength is seriously stretched and tight?

General PLATT. Yes, sir, I would.

#### ACTIONS AFFECTING FISCAL YEAR 1969 BUDGET SINCE PREPARATION

Mr. LIPSCOMB. What actions have been taken since your budget was formulated in, I would imagine, late December, that affect your fiscal 1969 budget?

General PLATT. There have been a number of things, of course.

Mr. LIPSCOMB. Will you spell those out for the record?

General PLATT. Yes, sir; I will be glad to.

(The information follows:)

The impact of these actions, approved by the Secretary of Defense on May 3, 1968, is as follows:

The Marine Corps will begin fiscal year 1969 at a strength of 311,586 instead of 301,895.

Additional transportation and related costs of \$3.5 million will be incurred due to the RLT-27 deployment.

#### NAVY/MARINE CORPS PILOT SITUATION

Mr. LIPSCOMB. Also for the record, where we were discussing pilot shortages—Admiral Grimm, maybe you can do this—insert a chart similar to the one of last year entitled, “U.S. Navy/U.S. Marine Corps pilots, pilot situation, commander, lieutenant colonel and below.”

That is on page 154, part I of the hearings.

Admiral GRIMM. I will do that, sir.

(The material follows:)

#### U.S. NAVY/U.S. MARINE CORPS PILOTS, PILOT SITUATION COMMANDER/LIEUTENANT COLONEL AND BELOW

	Fiscal year 1967		Fiscal year 1968		Fiscal year 1969	
	U.S. Navy	U.S. Marine Corps	U.S. Navy	U.S. Marine Corps	U.S. Navy	U.S. Marine Corps
Requirement.....	16,856	5,002	16,992	5,010	16,809	4,942
Inventory.....	14,050	3,999	13,598	3,970	13,329	4,219
Difference.....	-2,806	-1,003	-3,394	-1,040	-3,480	-723

## ACTIONS AFFECTING FISCAL YEAR 1969 BUDGET SINCE PREPARATION

General PLATT. If I may, sir, I can offer three principal things that have taken place that have affected this budget.

One, of course, is the deployment of RLT-27.

The second is, we had an early release program pending for 1968 which has been canceled.

Also, we have been allowed to access additional recruits in 1968.

Those are the three main things that would carry over into 1969.

Mr. LIPSCOMB. Will you spell them out for the record?

(The information follows :)

The impact of these actions, approved by the Secretary of Defense on May 3, 1968, is as follows :

The Marine Corps will begin fiscal year 1969 at a strength of 311,586 instead of 301,895.

Additional transportation and related costs of \$3.5 million will be incurred due to the RLT-27 deployment.

Mr. LIPSCOMB. That is all I have, Mr. Chairman. Thank you.

Mr. MAHON. Gentlemen, thank you very much.

General PLATT. Thank you, Mr. Chairman.

WEDNESDAY, MAY 8, 1968.

## MILITARY PERSONNEL, AIR FORCE

## WITNESSES

MAJ. GEN. JOHN H. BELL, DIRECTOR OF PERSONNEL PLANNING,  
DCS/PERSONNEL

MAJ. GEN. L. D. CLAY, JR., DIRECTOR OF AEROSPACE PROGRAMS,  
DCS/PROGRAMS AND RESOURCES

BRIG. GEN. WILLIAM F. PITTS, DEPUTY DIRECTOR OF BUDGET,  
DCS/COMPROLLER

COL. THOMAS B. HOXIE, DEPUTY DIRECTOR OF MANPOWER AND  
ORGANIZATION, DCS/PROGRAM AND RESOURCES

COL. ROBERT A. O'DONNELL, CHIEF, BUDGET BRANCH, DIRECTOR-  
ATE OF PERSONNEL PLANNING

COL. EARL D. SEAL, CHIEF, PERSONNEL STANDARDS DIVISION,  
DIRECTORATE OF PERSONNEL PLANNING

ROBERT H. HENSHAW, MILITARY/CIVILIAN PERSONNEL BRANCH,  
DIRECTORATE OF BUDGET

Mr. WHITTEN. Gentlemen, we have with us today Air Force military personnel officials.

The Chair takes note of the fact that for fiscal year 1968 the Air Force was appropriated \$5,619,300,000.

Proposed revisions under the so-called net zero budget adjustments would decrease this amount by \$54.2 million. An expected supplemental request, however, would increase this account \$161,661,000 for a proposed net total of \$5,726,761,000 expected to be available in fiscal 1968.

The budget estimate for fiscal year 1969 is \$5,830 million, an increase of \$103,239,000 over funds proposed to be available in fiscal 1968.

## AIR FORCE MANPOWER PROGRAM

Mr. WHITTEN. Colonel Hoxie, I understand you have a prepared statement addressing total Air Force manpower, both military and

civilian, and you will be followed by General Bell who will support the Air Force military personnel budget request.

Since this is your first appearance before this committee, Colonel, we shall insert your biographical sketch in the record at this point.

(Biographical sketch follows:)

#### BIOGRAPHY OF COL. THOMAS B. HOXIE

Col. Thomas B. Hoxie was born on November 4, 1920, in Grand Rapids, Mich. He attended Michigan State University from 1938 to 1941, at which time he entered the U.S. Military Academy. He graduated and received his commission and aeronautical pilot rating on June 6, 1944. From that time until 1954, he served in various operational assignments at unit level in the B-24, B-29, and B-36 programs. From 1954 to 1957 he was Chief of Special Projects and Organization, Manpower Division, Directorate of Plans, Headquarters Strategic Air Command. From 1957 to 1960 he was assigned in the Office of the Assistant Secretary of Defense for Manpower, Personnel, and Reserve Affairs. He was graduated from the Air War College in 1961, and served as the director of manpower, 5th Air Force, Fuchu, Japan, until 1964. From 1964 to present, he has held various positions in the Directorate of Manpower and Organization, Deputy Chief of Staff for Programs and Resources, Headquarters USAF, and is presently the Deputy Director of Manpower and Organization. Colonel Hoxie is a senior pilot and has been awarded the Army Commendation Medal and the Purple Heart.

Mr. WHITTEN. You may proceed.

Colonel HOXIE. Thank you, Mr. Chairman.

#### GENERAL STATEMENT

Mr. Chairman, members of the committee, it is my pleasure to present the Air Force manpower program to this committee. My statement will cover the manpower resources, both military and civilian, made available by the annual budget and the Department of Defense (DOD) to accomplish the Air Force mission.

I will use essentially the same format in this statement as that used in previous years. First, I will review the fiscal year 1968 program presented last year and show the adjustments made to the program during the year. Then, from the revised end of fiscal year 1968 position, I will cover the program for fiscal year 1969.

In presenting the next budget year requirements, I will review for you the distribution of our military and civilian manpower resources by major programs, the impact of Southeast Asia (SEA) operations, the status of our civilian substitution program, actions to improve management, and significant changes in organization.

General Bell and other witnesses will follow me to discuss the effect of the manpower program on the military personnel budget.

In my discussion of the programs for this fiscal year and the coming budget year, I shall be referring to the various tables which are included in the statement. For your convenience, additional copies, which may be detached for ready reference, are attached to the back of the statement.

#### FISCAL YEAR 1968 MANPOWER PROGRAM

In the presentation before this committee last year, it was reported that the Air Force manpower program for fiscal year 1968 would decrease from about 1,249,000 at the end of fiscal year 1967 to around 1,243,000 at the end of fiscal year 1968. For your information, table I shows the fiscal year 1968 program presented to you last year. From

the last column you will note that we had programed for a decrease of around 5,600 which represented a decrease of 11,500 military and an increase of about 5,900 civilian authorizations. The civilian increases were programed largely as a result of phase II of the civilian substitution program.

TABLE I.—FISCAL YEAR 1968 MANPOWER PROGRAM PROJECTIONS PRESENTED DURING HEARINGS ON FISCAL YEAR 1968 BUDGET

	End fiscal year 1967 projection	End fiscal year 1968 projection	Net fiscal year 1968 change
<b>Military:</b>			
Officers.....	135,986	137,828	+1,842
Airmen/cadets.....	762,614	749,272	-13,342
Total military.....	898,600	887,100	-11,500
<b>Civilian:</b>			
Direct hire.....	319,462	325,796	+6,334
Indirect hire.....	30,700	30,229	-471
Total civilian.....	350,162	356,025	+5,863
Aggregate.....	1,248,762	1,243,125	-5,637

NOTES

- (a) Direct hire includes both United States and non-United States citizens who are paid by the United States directly.  
 (b) Indirect hire are non-United States personnel hired by contract with foreign governments. Determinations as to whether we will use direct hire is made by agreement with host country.

The next table, table II, shows the adjustments made to the fiscal year 1968 program. The first column shows the projection for end fiscal year 1968 that was made last year; the middle column shows the current projection for end fiscal year 1968. The aggregate indicates an end authorized strength of about 1,227,000. Of this number 883,000 are military and 344,000 are civilian. The reduction in military spaces by 4,000 is attributed primarily to the relocation of our forces from France which resulted in closure of nine dispersed operating bases. The reduction of 12,000 civilian spaces will cause reductions in a number of areas, and will require the deferral of a portion of our military to civilian conversion program until fiscal year 1969.

TABLE II.—MANPOWER PROGRAM PROJECTIONS FOR FISCAL YEAR 1968

	End fiscal year 1968 projected in fiscal year 1968 budget	Current end fiscal year 1968 projection	Net change to fiscal year 1968 program
<b>Military:</b>			
Officers.....	137,828	136,718	-1,110
Airmen.....	745,697	742,889	-2,808
Cadets.....	3,575	3,575	.....
Total military.....	887,100	883,182	-3,918
<b>Civilian:</b>			
Direct hire.....	325,796	316,856	-8,940
Indirect hire.....	30,229	27,394	-2,835
Total civilian.....	356,025	344,250	-11,775
Aggregate.....	1,243,125	1,227,432	-15,693

## FISCAL YEAR 1969 MANPOWER PROGRAM

Table III summarizes the Air Force manpower program for fiscal year 1969. The authorized military strength will be about 867,000 or 16,500 less than the adjusted fiscal year 1968 strength. This reduction is primarily due to changes in force structure and training requirements. The civilian authorizations of 347,000 show an increase of about 2,500. This increase is the result of changes in depot maintenance workloads, authorizations for the completion of the civilian substitution program, and miscellaneous increases which are largely offset by phasing down in Air Materiel Areas and base closures.

TABLE III.—MANPOWER PROGRAM AND PROJECTIONS FOR FISCAL YEAR 1969

	Current end fiscal year 1968 projection	End fiscal year 1969 projection	Net fiscal year 1969 change
<b>Military:</b>			
Officers.....	136,718	133,413	-3,305
Airmen.....	742,889	729,343	-13,546
Cadets.....	3,575	3,874	+299
<b>Total military.....</b>	<b>883,182</b>	<b>866,630</b>	<b>-16,552</b>
<b>Civilian:</b>			
Direct hire.....	316,856	318,906	+2,050
Indirect hire.....	27,394	27,800	+406
<b>Total civilian.....</b>	<b>344,250</b>	<b>346,706</b>	<b>+2,456</b>
<b>Aggregate.....</b>	<b>1,227,432</b>	<b>1,213,336</b>	<b>-14,096</b>

Table IV summarizes the transactions by program which account for the net changes between the fiscal year 1968 and fiscal year 1969 programs. I will now cover the significant changes in these programs.

TABLE IV.—ESTIMATED CHANGES IN THE MILITARY MANPOWER PROGRAM BETWEEN END OF FISCAL YEARS 1968 AND 1969

	Increases	Decreases	Net change
Strategic forces.....	+2,930	-19,881	-16,951
General purpose forces.....	+13,035	-3,605	+9,430
Intelligence and communications.....	+430	-1,822	-1,392
Airlift and sealift.....	+1,183	-3,305	-2,122
Guard and Reserve Forces.....	+134	-224	-90
Research and development.....	+332	-927	-595
Central supply and maintenance.....	+9	-435	-426
Training, medical, and other general personnel activities.....	+7,510	-12,334	-4,824
Administration and associated activities.....	+2,996	-3,312	-316
Military assistance activities.....	+734		+734
<b>Total.....</b>	<b>+29,293</b>	<b>-45,845</b>	<b>-16,552</b>

This comparison is presented in terms of a revised DOD program structure, which consists of 10 major programs rather than the nine used last year.

## STRATEGIC FORCES

Manpower for our strategic offensive forces continues to reflect an overall reduction. The major actions influencing these reductions are: (1) the programmed B-52 phasedown for a decrease of 3,900 spaces; and (2) a loss of 3,700 spaces through base transfer to other

commands and reductions in support functions associated with force changes. These decreases were offset somewhat by the establishment of an FB-111 combat crew training school for an increase of 900 spaces, and a 1,200-increase associated with added sortie rates for our continental U.S.-based B-52's and KC-135's. There were no significant manpower changes in our missile forces.

In the Strategic Defensive Forces the reduction in manned interceptors continues. A programmed phaseout of F-101 units accounts for a drop of 3,400 spaces. In activities associated with our air defense ground environment, there were reductions in surveillance radars, direction centers, combat centers, and backup interceptor control systems of approximately 5,700 spaces. An additional 2,500 spaces were decreased as a result of base closures, support for forces being reduced, and decreases in training aircraft. Changes in Spacetrack and over-the-horizon radar result in an increase of approximately 700 spaces.

#### GENERAL-PURPOSE FORCES

This year we continue our force modernization as the F-111 replaces the F-100 and F-105. This results in an increase of about 700 spaces. Added aircraft in the RF-101 and RF-4 systems constitute an increase of approximately 900 spaces. In the tactical air control area we added six air traffic regulation centers and made a minor change in communications maintenance. The increase here was approximately 700 spaces. We augmented our aerial port capability in Southeast Asia about 300 spaces, and also increased our overall support by nearly 5,000 spaces. Involved in the support increase are such items as the transfer of Homestead Air Force Base, Fla., from SAC to TAC; the buildup of our security police capability; support of added units in Southeast Asia; and the support associated with force structure changes. Our advanced flying training capability was expanded by about 1,000 spaces, and several adjustments in the command/organic support area reflect an increase of about 1,500 spaces. There were several other minor adjustments totaling a decrease of 700 spaces. This resulted in an overall increase of 9,400 spaces in our general-purpose forces.

#### INTELLIGENCE AND COMMUNICATIONS

The intelligence and communications program shows a decrease of about 1,400 spaces. Most of these are in communications in support of weather service and traffic control. The consolidation and modernization of communications facilities and the application of manning standards account for the remaining decreases.

#### AIRLIFT

The airlift forces authorized strength for end fiscal year 1969 reflects a net decrease of about 2,100 spaces. The continued phasedown of C-124 and C-133 aircraft accounts for a saving of 2,000 spaces. Reductions in support functions, advanced flying training, and airlift support services account for a decrease of 1,100 spaces. Application of the aerial port squadron standards to the fiscal year 1969 workload resulted in an increase of 1,000 spaces. Manpower requirements for

Project Combat Pacer continue this year. This is the project to fly our airlift aircraft at higher flying hour rates to support Southeast Asia and other priority DOD requirements. Last year this project was referred to as "Fast Fly."

#### GUARD AND RESERVE FORCES

The mobilization of certain Air Guard and Reserve units ordered by the President on January 25, 1968, added 15,000 officers and airmen to the active force for a period not to exceed 2 years. The Air National Guard accounted for 10,000 personnel with a total of 200 F-100 and 54 RF-101 aircraft. There are 5,000 personnel in the Air Force Reserve units with 40 C-124 and eight HC-97 aircraft.

The Secretary of the Air Force has ordered additional units to active duty effective May 13, 1968. This mobilization involves 4,000 personnel and 74 aircraft. The Air National Guard accounts for 2,500 personnel and 50 F-86H and eight C-121 aircraft. The Air Force Reserve units have 1,500 personnel and 16 C-119 aircraft.

These personnel are not reflected in our manpower totals because of the indefinite duration of their active duty and because the figures represent our end year position. These personnel are not reflected in the fiscal year 1969 budget.

#### PERSONNEL SUPPORT

In personnel support there is a decrease of 4,800 spaces due to reduced training requirements and military to civilian conversions. For the most part, this decrease reflects previously programmed actions. The major decreases are in basic military training, technical training, and professional training.

#### IMPACT OF SOUTHEAST ASIA ON MANPOWER PROGRAM

The Southeast Asia operations continue to dominate our manpower considerations. Many of the changes, both increases and decreases, which I mentioned under our major programs were influenced directly or indirectly by our mission to support U.S. objectives in Southeast Asia. The significant buildup of our forces in Vietnam and Thailand and in support of the conflict there occurred in fiscal years 1967 and 1968. Although there have been numerous minor adjustments programmed for the coming year, our overall authorizations for Southeast Asia remain essentially the same for the next budget year.

We continue to require a quick response capability in civil engineering. Since September 1965, under Project Prime BEEF—base engineering emergency forces—we have deployed over 1,800 people on temporary duty to Southeast Asia to handle emergency projects on facilities having a direct bearing on the combat capability of units. Prime BEEF teams with skills tailored for specific tasks have repaired, modified, or constructed such facilities as steel aircraft parking revetments, taxiways, shelters for casualty staging units, and electrical power supply systems.

Last year it was reported that we had deployed six Heavy Repair (Red Horse) squadrons to Southeast Asia. These permanently as-

signed squadrons are doing an outstanding job of repairing airfields damaged by enemy action and performing minor and emergency construction. These squadrons are not designed to replace Prime BEEF or to accomplish work which is normally done by construction agents and contractors.

Our rapid area maintenance (RAM) and rapid area supply support (RASS) teams which are made up from personnel in our Logistics Command depots for temporary duty worldwide were briefly mentioned last year as well.

The purpose of these teams, respectively, is to repair damaged aircraft and assist commanders in establishing new base supply accounts, warehousing, and in solving transportation problems.

The military resources associated with these activities have been withdrawn from the Logistics Command depot complex and formed into combat logistic support squadrons. When fully manned, these units will have approximately 1,200 personnel available to provide support in combat theaters.

Logistics Command will continue to rely on its civilian workforce, if required, to provide support in noncombat theaters.

#### ACTIONS TO DISCONTINUE, REDUCE, OR CONSOLIDATE ACTIVITIES

Actions to close bases and reduce or consolidate activities in the fiscal year 1969 budget result in manpower savings of 1,200 in fiscal year 1968 and 4,800 in fiscal year 1969. Together with prior years' savings the accumulated savings by end fiscal year 1969 will be almost 72,000 manpower spaces.

#### SUBSTITUTION OF CIVILIANS FOR MILITARY

Last year it was reported that we would convert 16,000 military spaces to 14,000 civilian authorizations in fiscal year 1968. While these authorization changes have been programed for completion by June 30, 1968, we have not been able to complete the program and a portion has been deferred until fiscal year 1969. We now estimate that we will be able to hire about 10,000 civilians in fiscal year 1968 and we hope to hire the remaining 4,000 in early fiscal year 1969. We also have a program to adjust authorizations in some critical skills in which there are inadequate military authorizations in the continental United States to support our annual oversea rotation requirements. In these skills, we are converting civilian positions to military in the continental United States when they become vacant through normal attrition. We are also considering the conversion in fiscal year 1969 of additional military positions in these imbalanced skills overseas if resources permit. It is important to improve the military balance between overseas and the continental United States in order to reduce training costs, improve morale and retention, and provide better qualified military personnel in the continental United States to satisfy our oversea rotation and contingency requirements.

#### EXTERNAL MANPOWER REQUIREMENTS

Our commitment to man activities outside the Air Force is in two categories. First, we will have approximately 14,700 military authorizations primarily in other Defense Department activities. These spaces

are in our Air Force ceiling and are reflected in table III. In addition, in fiscal year 1969, we will have approximately 1,500 military authorizations which are in other governmental agencies, such as the National Aeronautics and Space Administration and the Federal Aviation Agency. Funds for personnel in this category are reimbursable and not chargeable to our manpower ceilings, nor are they reflected in our manpower totals. Reimbursable spaces of 946 for fiscal year 1968 and 1,511 for fiscal year 1969 are included in the Secretary of Defense fiscal year 1969 military posture statement, however, and show total military authorizations as 884,128 in fiscal year 1968 and 868,141 in fiscal year 1969.

#### RATED OFFICER REQUIREMENTS

An increase in rated officer requirements was reported last year which was due primarily to increased aircraft utilization for support of Southeast Asia. Table V shows a reduction for fiscal year 1968 and a small increase for fiscal year 1969.

TABLE V.—RATED OFFICER REQUIREMENTS FOR FISCAL YEARS 1968-69

	Pilots	Navigators	Flight surgeons	Total
Current, fiscal year 1968.....	40,553	14,746	1,245	56,544
Projected, fiscal year 1969.....	40,352	15,055	1,226	56,633

The current pilot requirements for fiscal year 1968 have been reduced approximately 6,300 from that projected. This reduction is a result of a 6-month exercise with the Office of the Secretary of Defense. A critical review was made of each position requiring pilots, including war gaming a contingency more severe than we find ourselves in now in Southeast Asia. The result reduced the pilot requirements to the number shown in table V. The reductions were primarily in supervision, air crew ratios and air crew composition. The numbers required in these areas are still being studied by the Air Staff and OSD. Should an increase in requirements in any area be validated, we shall increase training to make inventories match requirements. To this end the Secretary of Defense has designated funds to buy long lead items to provide the capability to increase pilot production.

The projected increase in navigators for fiscal year 1969 is due to the program to convert 30 percent of the second seat requirements for F-4/F-111 aircraft from pilots to navigators. We are in the process of evaluating the crew composition to determine the most effective mix of pilots and navigators for these aircraft.

#### MANPOWER MANAGEMENT

A prime factor in our efforts to achieve the best possible utilization of Air Force resources is our management engineering program. This program uses industrial engineering techniques to develop manpower standards and improve management effectiveness. To date, our primary emphasis has focused on developing manpower standards.

The management engineering program now employs approximately 1,700 management engineering personnel engaged in the application of scientific management techniques. These personnel have developed

and are developing additional standards in both mission and support activities. This increased effectiveness of our in-house capability will help insure that the Air Force obtains maximum results for each manpower dollar spent.

We have developed and will implement this year a standard data system in commands, Air Force-wide. This will facilitate programing of manpower in accordance with management-engineered standards. As standards or requirements change, we can readily revise our resources allocation to reflect this change.

#### ORGANIZATION

During the past year, we have continued our efforts toward the never-ending task of improving organization. Our actions have been directed to both the combat and support areas.

Concerning our Southeast Asia operation, last year you were told about several major changes that had been made in the command and control structure. Of particular significance was the replacement of the 2d Air Division Headquarters with the 7th Air Force at Tan Son Nhut Airfield, Vietnam. During the past year, with force structure deployments fairly stabilized, further major changes were not needed. There were two significant but relatively minor changes. One was the organization of the 56th Air Commando Wing to improve command and supervision for counterinsurgency activities, and the other was the organization of the 1st Civil Engineering Group to direct and coordinate the activities of area Red Horse civil engineering squadrons.

In the general area of enhancing the capabilities of the tactical forces, the establishment of the Tactical Fighter Weapons Center and the Tactical Airlift Center was mentioned last year. Because of the importance of these centers in the Tactical Air Command, we made some changes to enhance their effectiveness. For example, we now have all of them reporting directly to Headquarters TAC; formerly some of them were assigned to numbered air forces. We have also relieved the centers of crew training and base-operating responsibilities so they can concentrate more fully on their primary mission.

Related to the objectives of the tactical centers, we are continuing to direct attention to enhancing further the mobility and flexibility of our tactical fighter squadrons. In addition to the relatively recent decentralization of flightline maintenance, phased/periodic maintenance, munitions load teams, and so forth, to these squadrons, we have taken action to decentralize also some field maintenance specialists. Currently, the 4th Tactical Fighter Wing is testing this more fully decentralized concept.

In the Air Force Systems Command several studies were directed at improving their management structure. Some major results which have already occurred are: consolidation of the Ballistic Systems Division and the Space Systems Division and elimination of the Headquarters Research and Technology Division. All the laboratories of the Research and Technology Division were assigned directly to Headquarters AFSC.

Many other changes were made primarily as a result of changing requirements or management improvements. For example, the follow-

ing major organizations were eliminated: the 20th and 21st Air Divisions in the Aerospace Defense Command and the Rome Air Materiel Area in Air Force Logistics Command. We will continue during the next year to be sensitive to the impact of organization on manpower requirements and effect changes whenever they can be identified as definite improvements.

## CONCLUSIONS

Mr. Chairman, this concludes my remarks on the Air Force manpower program. I shall be pleased to respond to any questions you may have; however, since General Bell's statement and mine are related, you may wish to hear him first.

TABLE I.—FISCAL YEAR 1968 MANPOWER PROGRAM PROJECTIONS PRESENTED DURING HEARINGS ON FISCAL YEAR 1968 BUDGET

	End fiscal year 1967 projection	End fiscal year 1968 projection	Net fiscal year 1968 change
<b>Military:</b>			
Officers.....	135,986	137,828	+1,842
Airmen/cadets.....	762,614	749,272	-13,342
Total, military.....	898,600	887,100	-11,500
<b>Civilian:</b>			
Direct hire.....	319,462	325,796	+6,334
Indirect hire.....	30,700	30,229	-471
Total, civilian.....	350,162	356,025	+5,863
Aggregate.....	1,248,762	1,243,125	-5,637

Note: Direct hire includes both U.S. and non-U.S. citizens who are paid by the United States directly. Indirect hire are non-U.S. personnel hired by contract with foreign governments. Determination as to whether we will use direct hire is made by agreement with host country.

TABLE II.—MANPOWER PROGRAM PROJECTIONS FOR FISCAL YEAR 1968

	End fiscal year 1968 projected in fiscal year 1968 budget	Current end fiscal year 1968 projection	Net change to fiscal year 1968 program
<b>Military:</b>			
Officers.....	137,828	136,718	-1,110
Airmen.....	745,697	742,889	-2,808
Cadets.....	3,575	3,575	-----
Total military.....	887,100	883,182	-3,918
<b>Civilian:</b>			
Direct hire.....	325,796	316,856	-8,940
Indirect hire.....	30,229	27,394	-2,835
Total civilian.....	356,025	344,250	-11,775
Aggregate.....	1,243,125	1,227,432	-15,693

TABLE III.—MANPOWER PROGRAM AND PROJECTIONS FISCAL YEAR 1969

	Current end fiscal year 1968 projection	End fiscal year 1969 projection	Net fiscal year 1969 change
<b>Military:</b>			
Officers.....	136,718	133,413	-3,305
Airmen.....	742,889	729,343	-13,546
Cadets.....	3,575	3,874	+299
Total military.....	883,182	866,630	-16,552
<b>Civilian:</b>			
Direct hire.....	316,856	318,906	+2,050
Indirect hire.....	27,394	27,800	+406
Total civilian.....	344,250	346,706	+2,456
Aggregate.....	1,227,432	1,213,336	-14,096

TABLE IV.—ESTIMATED CHANGES IN THE MILITARY MANPOWER PROGRAM BETWEEN END OF FISCAL YEARS 1968 AND 1969

	Increases	Decreases	Net change
Strategic Forces.....	+2,930	-19,881	-16,951
General Purpose Forces.....	+13,035	-3,605	+9,430
Intelligence and communications.....	+430	-1,822	-1,392
Airlift and sealift.....	+1,183	-3,305	-2,122
Guard and Reserve Forces.....	+134	-224	-90
Research and development.....	+332	-927	-595
Central supply and maintenance.....	+9	-435	-426
Training, medical, and other general personnel activities.....	+7,510	-12,334	-4,824
Administration and associated activities.....	+2,996	-3,312	-316
Military assistance activities.....	+734		+734
Total.....	+29,293	-45,845	-16,552

This comparison is presented in terms of a revised DOD program structure, which consists of 10 major programs rather than the nine used last year.

TABLE V.—RATED OFFICER REQUIREMENTS FOR FISCAL YEARS 1968-69

	Pilots	Navigators	Flight surgeons	Total
Current fiscal year 1968.....	40,553	14,746	1,245	56,544
Projected fiscal year 1969.....	40,352	15,055	1,226	56,633

#### MANPOWER MANAGEMENT

Mr. WHITTEN. I earlier announced we would go right into the general statement for Military Personnel, Air Force.

Several questions arise, however, which I shall address to you at this time, Colonel.

Regarding manpower management, you state on page 17 that approximately 1,700 management engineering personnel are now employed in this program. Are these all civilian personnel?

Colonel HOXIE. No, sir. These are a mix of both military and civil service.

Mr. WHITTEN. What is the ratio?

Colonel HOXIE. I do not have the answer to that question, sir. I would like to provide it for the record.

Mr. WHITTEN. You may do so.  
(Information requested follows:)

#### MANPOWER MANAGEMENT

As of April 1, 1968, the Air Force had 428 officers, 965 airmen, and 345 civil service employees for a total of 1,738 personnel in the management engineering program. This is a ratio of 1 civilian to 4.03 military personnel.

Mr. WHITTEN. Has there been any increase in the number of civilian personnel associated with this program in 1967 and 1968?

Colonel HOXIE. No, sir. There will be a little leveling off and a minor reduction due to a standardization program we have in effect at the present time.

Mr. WHITTEN. Are there any increases in civilian personnel projected for fiscal 1969?

Colonel HOXIE. Yes sir; an increase of approximately 2,500 civilians in fiscal year 1969. They are mainly concerned or associated with increased in-house engine overhaul in AFLC.

#### STANDARDS FOR INTELLIGENCE POSITIONS

Mr. WHITTEN. Why have you not as yet established standards for intelligence positions?

Colonel HOXIE. As you know, sir, this is a continuing program. We started on it some 6 years ago. We are trying to take the functions to be covered in an order of priority.

My answer to your question would be that we have not reached that point where we can approach the intelligence function at this time. We have tried to take our critical areas first on a matter of priority.

Mr. LIPSCOMB. What is more critical than intelligence?

Colonel HOXIE. Well, if we are to talk priorities, sir, I would like to talk direct combat support, maintenance, for example. We have a tremendous effort in the maintenance effort because you can measure it and also because it constitutes a tremendous portion of our entire resource.

I do not know if that addresses your question or not, sir.

Mr. WHITTEN. If I may pursue that point. By taking 6 years attempting to establish standards for intelligence positions, a layman would wonder why the war did not last 150 years.

Colonel HOXIE. This leaves the impression that there were no standards in intelligence to begin with when in fact we do have standards in the function. The management engineering program is designed to establish standards where none exist and to refine standards that do exist.

Mr. WHITTEN. I called that to your attention because that is the impression you leave.

Colonel HOXIE. It leaves the impression there was no prior standardization of the intelligence function per se.

Mr. WHITTEN. That makes it worse. You started off with some standards so you should be able to modify them quicker than if you had no prior standards.

Colonel HOXIE. I am saying we had a modicum of standardization and we hope to improve upon it when we reach that in our program.

Mr. LIPSCOMB. That is not very good. We have recently been looking into this area. One of the things that shows up the greatest is the lack of standards. This is causing a great problem within the intelligence community, not just the Air Force. It seems to go through the entire system. This seems to be quite serious.

I am not talking to priorities now, but you said you are going to things of higher priority. I cannot think of anything that is not of a higher priority right at the moment than intelligence.

Colonel HOXIE. I cannot disagree with what you say, sir. Intelligence is a high priority function. We do feel we have a reasonable level of standardization in the function. It can be improved upon by exact measurement standards, although as you can recognize this is a difficult area to get exactly measured workloads because it varies with the circumstances of the environment in which you find yourself, whereas maintenance is fairly easy.

Mr. LIPSCOMB. You are talking to just one area, major workloads. That is not the only standard we are talking about.

The record that you have established here is that you do not have correct standards. We do not think you have many standards at this point. You may have some.

We are concerned about this area. I would rather have some testimony on the record that you recognize it and you will do something about it rather than that you will put it off until  $x$  number of years.

General CLAY. When General Thomas testified, he pointed out they were going through a very detailed review in trying to zero in and establish prime standards.

When we mentioned priority, I do not think it was indicated in terms of priority of mission. I think what we have done is to establish our MET reviews and the priorities of those things which are amenable.

We have, and we have something we can measure in the maintenance and engineering areas. You can measure an output.

In the intelligence field it has been very difficult to try to make a specific measurement of the goal and they have been working on this process very hard and diligently.

We do have standards right now. We do man intelligence organizations based on our own review of the requirement and the type people necessary to fill that requirement.

I think the management review now is to find out how we would measure it to see that this is the most effective application for people we have. It is underway, sir.

I would be the first to admit that there is a lot of work to be done in that area, sir.

Mr. WHITTEN. That is very courageous of you to be the first to admit it but when the colonel acknowledged you have been working on it 6 years—I speak from recollection so I may be wrong—but the state of the present record is that 175 different groups are involved in intelligence. They refer to it as the “intelligence community.” We had the Bay of Pigs and the Tet offensive. I believe investigation shows we had 517 linear feet of intelligence reports which were 8 days behind in analysis.

You say you have been working on intelligence standards for 6 years. If that does not leave you in a bad fix so far as the record is

concerned, I don't know what does. Being courageous does not help you much. This is serious.

General CLAY. Yes, sir.

Mr. WHITTEN. Being in a war and telling us that for 6 years you have been trying to work up standards for intelligence personnel is serious. That is ridiculous.

Colonel HOXIE. May I address the record for the purpose of the status of our intelligence standards program in the manpower field? (The information follows:)

#### STANDARDS FOR INTELLIGENCE PERSONNEL

The USAF manpower spaces authorized in the intelligence function are now covered by either command standards or command manpower criteria. Also, the DIA consolidated intelligence program (CIP) results in an annual review of intelligence manpower authorizations by the major commands, air staff, DIA, and ultimately OSD. Each program element applicable to the intelligence function is evaluated in terms of DIA tasking. At the present time SAC, AFSC, and PACAF are engaged in the development of new manpower standards for approximately 7,000 of the manpower spaces in the intelligence function. Further, TAC recently developed manpower criteria for the WS-430B photo processing equipment being introduced into USAFE, PACAF, and TAC. These criteria cover another 1,800 of the manpower spaces in the intelligence function. In summary, the Air Force now controls manpower authorizations for the intelligence function through the medium of both the consolidated intelligence program and the application of command standards and criteria. Further, improved control is anticipated through the development and application of Air Force standards, with the expectation that over 30 percent of the total intelligence manpower resources will be covered. Air Force manpower resources for the intelligence function are now controlled and are being subjected to further study.

#### ACCOMPLISHMENTS IN STANDARDS AREA

Mr. WHITTEN. Let us start from the beginning and see what you have been doing for 6 years.

Colonel HOXIE. For 6 years we have been working in the standards area against a total average end strength of about 800,000, I will say, military.

We have standards applied now, management engineering standards, against about 365,000 of that total.

In addition to that, we have a refined maintenance standards system which covers another 260,000, so for all intents and purposes we are approximately two-thirds through the way, and we hope to accomplish the residual within the forthcoming year or two.

Mr. WHITTEN. I presume you had some intelligence standards to begin with. I believe you said you did.

Colonel HOXIE. Yes, sir.

Mr. WHITTEN. What were your standards when you started out 6 years ago and what progress have you made? Are you just trying to change your standards, perfect your standards, weed out requirements which are nonessential, or set up good standards? The record leaves you in bad shape unless it is better developed.

Colonel HOXIE. You just answered what I would say, sir. We have had standards in the Air Force of some nature since I can remember. It is the constant improvement situation which we are embarked upon.

Our management engineering standards program was one of the latest types of programs which was instituted to further refine the

standards already existing, and we are two-thirds of the way through as far as we are concerned with this latest approach to refining standards in the Air Force.

Mr. WHITTEN. That is an ambiguous word, too. What do you mean by "refining" standards?

Colonel HOXIE. Well, years ago, sir, I can remember when we used to take a look at our maintenance requirement and we would say "If it has four engines it needs three men per engine in order to maintain it." That was a standard.

Mr. WHITTEN. Now you need three computers and two men to read the computer, don't you?

Colonel HOXIE. No, sir. We have now gotten to the point where we measure the output of the work required to keep that airplane in the air and we translate that in terms of a refined standard.

Mr. WHITTEN. The peacetime Air Force has time for those things. During a war we usually do not have that kind of time.

Have you been conducting this review since we got into the war in Southeast Asia?

Colonel HOXIE. I don't believe I understand the question, sir.

Mr. WHITTEN. I say in peacetime you have time to refine standards and run it through the books and computers. We are at war now. Have you given any thought as to whether we had better move ahead and fight the war and let some of these peacetime developments come along when we have more time for them?

Colonel HOXIE. I would say consideration was given to it. I will also say we consider it a high priority program in the Air Force, this refinement of our standards, to get maximum utilization out of the resources made available to us by the Congress.

Mr. WHITTEN. Your illustration had to do with maintenance, refining the standards according to experience in the number of breakdowns, and the number of engines, and so on. I can understand the need for this effort.

Colonel HOXIE. We consider it an important program and we feel we should continue with it.

Mr. WHITTEN. You might proceed because I do not want you looking as bad as you do in the record now.

You may expand on your answer for the record.

Also list what the standards have been during the period.

Colonel HOXIE. Sir, I would like to provide a statistical table with exact figures of our progress in this program since its inception for the record.

(The information follows:)

MANAGEMENT ENGINEERING PROGRAM STANDARDS  
MANPOWER AUTHORIZATIONS COVERED BY STANDARDS

	1963	1964	1965	1966	1967	April 1968
Annual.....		108,670	2,774	7,141	5,671	19,743
Cumulative.....	191,172	299,842	302,616	309,575	315,428	335,171

AUTHORIZATIONS REDISTRIBUTED AS A RESULT OF APPLICATION OF STANDARDS

Annual.....	4,100	2,710	2,684	7,154	7,808	585
Cumulative.....	9,189	11,899	14,583	21,737	29,545	30,130

The above tables illustrate the growth of the management engineering program since the current method of recording progress began in late 1963. There were 191,172 authorizations covered by standards at that time. The annual figures in the table represent the net increase of spaces covered by the standards. Authorizations redistributed as a result of the application of standards represent the net total of additions as well as deletions in activities affected by the standards.

Since the Air Force became a separate military service in 1947, there has been a need to define manpower needs in order to predict the requirements for assigned missions and to distribute this resource for maximum effectiveness.

Prior to the management engineering program, the Air Force developed manpower criteria for these purposes. These were largely derived on the basis of professional estimates and supporting historical data wherever available. No organic capability within the Air Force existed to refine them or to maintain them in a current status.

The expansions and contractions of the Air Force through the late 1950's emphasized the need for more valid manpower standards and criteria. A number of private industry and government practices in this area indicated that the quantification tools of modern management such as work sampling, time study, and other related industrial engineering techniques were particularly valuable for deriving reliable standards. After a successful pilot test, the program was initiated with a small cadre to organize and implement this approach.

During the initial growth of the program, it was necessary to develop techniques and procedures for use in the Air Force environment, as well as to select and train officers and enlisted personnel. The job of developing 100 percent coverage with current standards will never be achieved in the Air Force any more than in private industry. New weapon systems and new concepts for their development and use generate changes in the supporting manpower required and hence the need for new standards. Although these are developed in a peacetime working environment, they provide a point of departure for allocating personnel within combat areas.

Mr. WHITTEN. That would be good but I want to know what the problem was when you started, what standards you put into effect, and whether this is a longtime effort.

In the present state of the record you do not list a single solitary requirement. I am sure you have those but I am just telling you for your own protection what you should do.

#### MANPOWER ALLOCATION AND ACCOUNTING SUBSYSTEM

You state on page 17 that the Air Force will implement this year standard data system in commands, Air Force-wide, which will facilitate programing of manpower in accordance with management engineering standards.

Is this the phase 2 base level data automation standardization program?

Colonel HOXIE. The manpower allocation and accounting subsystem, which is what we are referring to, provide a standard computer system for use by all major commands to account for manpower authorization accounts for manpower authorizations distributed to units by location and job detail.

The advantages of the system for manpower managers include improved control of manpower resources, a larger, more varied data base, a more responsive system for data information. It replaces 21 unique data systems and it improves our interface with the personnel data system.

The implementation Air Force-wide was completed April 1968.

Mr. WHITTEN. I have listened for a long time and I still do not know whether it is phase 2 or not.

Colonel HOXIE. This is phase 2 of the manpower allocation and accounting subsystem and not phase 2 of the leave data standardization programs.

Mr. WHITTEN. We have heard a lot of discussion of Mr. McNamara's viewpoint, his efficiency determinations, his placing certain things ahead of other things that some people thought were more important. Any man who places himself in that position to a certain degree becomes controversial.

However, many people believe we have paid more attention to reviews, studies, new systems, and fighting a war by computers and efficiency experts than to winning the war.

Is this a carryover of Mr. McNamara's thinking, this approach you have been discussing here?

Was this set up during his service?

Colonel HOXIE. We instituted this system during Mr. McNamara's tenure of duty, yes, sir.

Mr. WHITTEN. Do you have a directive from him telling you to do this?

Colonel HOXIE. Not that I can specifically refer to, no, sir. This is part of the internal Air Force action to improve our operation.

Mr. WHITTEN. What progress have you made in measureable improvement?

You have been working on this for 6 years. I presume you have improved.

How would you go about measuring this improvement?

Colonel HOXIE. One way of measuring the utilization of our resources, and I suspect this is what you refer to, how well we do in utilization of our resources in manpower, in the case of our standards we have redistributed some 30,000 manpower spaces during this period. We have had 22,000 reductions result through the application of these improved methods, and we have had some 8,000 additions.

We have had some areas which were over-worked where the standards indicated increases were required.

I do not know whether that responds to your question or not, sir.

The way we measure our results is by this type of statistic.

#### DISTRIBUTION OF NEW CIVILIAN PERSONNEL

Mr. LIPSCOMB. On page 6 of your statement, table 3 of your manpower program and projections, you show total civilians 346,706, an increase of 2,456.

Colonel HOXIE. Yes, sir.

Mr. LIPSCOMB. For the record can you set forth how these are distributed between operation and maintenance, R.D.T. & E., and so on?

Colonel HOXIE. Yes, sir, we can show it for the record.

(Information requested follows:)

#### DISTRIBUTION OF MANPOWER

The distribution of the increase in civilian personnel in fiscal year 1969 by appropriation is:

Operations and maintenance.....	526
Research, development, test and evaluation.....	909
Air Force industrial fund.....	988
Military assistance program.....	33
Total .....	2,456

## BREAKOUT OF MANAGEMENT ENGINEERING PERSONNEL

Mr. LIPSCOMB. Can you describe how 1,700 management engineering personnel are used in the program?

Colonel HOXIE. Yes, sir. I will describe it in general terms and give you a detailed breakout for the record.

Mr. LIPSCOMB. All right.

(The information follows:)

The 1,738 personnel in the management engineering program are assigned to 147 management engineering teams on operating locations at Air Force bases throughout the world and at the headquarters of the 19 commands which supervise their efforts. The day-to-day work of these personnel is directed toward systematically improving the distribution and utilization of our Air Force manpower resources by developing and maintaining manpower standards and criteria, developing and improving the necessary systems and procedures to effectively implement these manpower determinants, and providing management engineering services, such as methods improvement studies from which solutions to management problems may be derived. The following is a breakout of management engineering personnel as of April 1, 1968:

	Teams	Command headquarters	Total
Number.....	1,499	239	1,738
Percent.....	86.3	13.7	100

Colonel HOXIE. At our own headquarters here in Washington within the manpower directorate we have a management engineering division. These people are responsible for developing the Air Force-wide program in terms of functions to be studied, when they are to be studied. They review the results of the studies, come up with the approved standards and apply these standards.

Below these headquarters most of the 1,700 personnel are engaged in operational management engineering teams scattered geographically throughout the CONUS and our overseas areas, located on our bases, performing the work sampling necessary to come up with the standard in a specified function laid out by this headquarters.

Therefore, of the 1,700 I would say that 90 percent of those individuals are operating types out in the field working on a day-to-day basis.

Mr. LIPSCOMB. Do you also engage consultants and procure studies for this purpose?

Colonel HOXIE. No, sir. To date I know of no instance where we have used consultants or contracts to assist in our efforts in this area. We do it completely in-house.

## JUSTIFICATION MATERIAL

At this point, we shall insert appropriate pages from the justification book into the record.

(Justification pages referred to follow:)

## "MILITARY PERSONNEL, AIR FORCE

"For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere, cadets, and aviation cadets; [\$5,619,300,000] \$5,830,000,000."

DEPARTMENT OF THE AIR FORCE  
 MILITARY PERSONNEL, AIR FORCE  
 Program and Financing (in thousands of dollars)

	19 67 actual	1968 estimate	19 69 estimate
<u>Program by activities:</u>			
Direct Program:			
1. Pay and allowances of officers.....	1,554,837	1,640,368	1,642,138
2. Pay and allowances of enlisted.....	3,062,692	3,262,315	3,361,844
3. Pay and allowances of cadets.....	7,378	8,194	8,800
4. Subsistence of enlisted personnel.....	315,403	335,144	330,523
5. Permanent change of station travel.....	445,825	446,677	451,019
6. Other military personnel costs.....	23,871	34,063	35,676
Total direct program.....	5,410,006	5,726,761	5,830,000
Reimbursable program:			
1. Pay and allowances of officers.....	5,713	6,000	7,600
2. Pay and allowances of enlisted.....	3,508	3,700	6,100
4. Subsistence of enlisted personnel.....	17,965	18,100	18,100
5. Permanent change of station travel.....	145	200	200
Total reimbursable program.....	27,331	28,000	32,000

DEPARTMENT OF THE AIR FORCE  
MILITARY PERSONNEL, AIR FORCE  
Program and Financing (in thousands of dollars)

	19 67 actual	19 68 estimate	19 69 estimate
Total obligations.....	5,437,336	5,754,761	5,862,000
<u>Financing:</u>			
Receipts and reimbursements from:			
Federal funds.....	- 14,026	- 14,370	- 18,370
Non-Federal sources <u>1/</u> .....	- 13,304	- 13,630	- 13,630
Unobligated balance lapsing.....	9,194	.....	.....
<u>New obligational authority</u>	5,419,200	5,726,761	5,830,000
<u>New obligational authority:</u>			
Appropriation.....	5,500,800	5,619,300	5,830,000
Proposed transfer to other accounts.....	.....	- 54,200	.....
Transferred to other accounts.....	- 81,600	.....	.....
Appropriation (adjusted)	5,419,200	5,565,100	5,830,000
Proposed supplemental for military pay act increases.....	.....	161,661	.....
<u>1/</u> Reimbursements from non-Federal sources are derived from sales of meals and clothing to service members (10 U.S.C. 4621).			

DEPARTMENT OF THE AIR FORCE  
 MILITARY PERSONNEL, AIR FORCE  
 Program and Financing (in thousands of dollars)

	1967 actual	1968 estimate	1969 estimate
Relation of obligations to expenditures:			
Total obligations.....	5,437,336	5,754,761	5,862,000
Receipts and other offsets (items 11-17).....	- 27,331	- 28,000	- 32,000
Obligations affecting expenditures.....	5,410,006	5,726,761	5,830,000
Obligated balance, start of year:			
Appropriation.....	83,525	220,372	267,133
Contract authorization.....	40,323	1,559	1,559
Obligated balance, end of year:			
Appropriation.....	- 220,372	- 267,133	- 317,133
Contract authorization.....	- 1,559	- 1,559	- 1,559
Adjustment in expired accounts.....	- 36,949	.....	.....
Expenditures excluding pay increase supplemental.....	5,274,973	5,518,339	5,780,000
Expenditures from military pay act supplemental.....	.....	161,661	.....

DEPARTMENT OF THE AIR FORCE  
 MILITARY PERSONNEL, AIR FORCE  
 Program and Financing (in thousands of dollars)

	19 67 actual	19 68 estimate	19 69 estimate
Expenditures are distributed as follows:			
Out of current authorizations.....	5,189,737	5,540,000	5,650,000
Out of prior authorizations.....	85,236	140,000	130,000
Status of Unfunded Contract Authorization			
Unfunded balance, start of year.....	40,323	1,559	1,559
Administrative cancellation of unfunded balance.....	- 38,764	....	....
Unfunded balance, end of year.....	- 1,559	- 1,559	- 1,559
Appropriation to liquidate contract authorization.....	....	....	....

DEPARTMENT OF THE AIR FORCE  
MILITARY PERSONNEL, AIR FORCE  
Object Classification (in thousands of dollars)

	19 67 actual	19 68 estimate	19 69 estimate
Direct obligations:			
11.7 Personnel compensation: Military.....	3,721,217	3,957,974	4,021,787
12.1 Personnel benefits, military.....	1,149,318	1,232,204	1,270,093
21.0 Travel and transportation of persons.....	183,160	179,850	180,166
22.0 Transportation of things.....	214,126	213,498	210,649
25.1 Other services.....	23,744	24,126	23,741
26.0 Supplies and materials.....	113,203	113,195	109,427
41.0 Grants, subsidies, and contributions.....	7	6	6
42.0 Insurance claims and indemnities.....	3,001	3,578	3,731
43.0 Interest and dividends.....	2,230	2,330	10,400
Total direct obligations.....	5,410,006	5,726,761	5,830,000
Reimbursable obligations:			
11.7 Personnel compensation: Military.....	7,539	8,012	11,300
12.1 Personnel benefits, military.....	1,682	1,788	2,500
21.0 Travel and transportation of persons.....	67	92	92
22.0 Transportation of things.....	78	108	108
26.0 Supplies and materials.....	17,965	18,000	18,000
Total reimbursable obligations.....	27,331	28,000	32,000
Total obligations.....	5,437,336	5,754,761	5,862,000

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969

APPROPRIATION: Military Personnel, Air Force

SUMMARY OF MILITARY PERSONNEL STRENGTH

	FY 1967 Actual		FY 1968 Planned		FY 1969 Planned	
	Man- Years	End Strength 30 June 1967	Man- Years	End Strength 30 June 1968	Man- Years	End Strength 30 June 1969
<u>DIRECT PROGRAM</u>						
Officers.....	132,524	134,932	136,520	136,718	135,799	133,413
Enlisted.....	763,880	758,198	750,990	742,889	736,911	729,343
Academy Cadets.....	<u>3,050</u>	<u>3,361</u>	<u>3,200</u>	<u>3,575</u>	<u>3,414</u>	<u>3,874</u>
Subtotal.....	899,454	896,491	890,510	883,182	876,124	866,630
<u>REIMBURSABLE PROGRAM</u> 1/						
Officers.....	459	485	449	410	564	564
Enlisted.....	<u>479</u>	<u>450</u>	<u>524</u>	<u>536</u>	<u>947</u>	<u>947</u>
Subtotal.....	938	935	973	946	1,511	1,511
<u>TOTAL PROGRAM</u>						
Officers.....	132,983	135,417	136,769	137,128	136,363	133,977
Enlisted.....	764,359	758,648	751,514	743,425	737,858	730,290
Academy Cadets.....	<u>3,050</u>	<u>3,361</u>	<u>3,200</u>	<u>3,575</u>	<u>3,414</u>	<u>3,874</u>
TOTAL	900,392	897,426	891,483	884,128	877,635	868,141

1/ Military personnel assigned to agencies outside of Department of Defense on a reimbursable basis under the provisions of 10 USC 8230 (Air Force)

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(In thousands of dollars)

APPROPRIATION: Military Personnel, Air Force

SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM

Title	FY 1967 Actual (2)	FY 1968 Estimate (3)	FY 1969 Estimate (4)
Pay and Allowances of Officers . . . . .	\$1,554,837	\$1,640,368	\$1,642,138
Pay and Allowances of Enlisted Personnel . . . . .	3,062,692	3,262,315	3,361,844
Pay and Allowances of Cadets . . . . .	7,378	8,194	8,800
Subsistence of Enlisted Personnel . . . . .	315,403	335,144	330,523
Permanent Change of Station Travel . . . . .	445,825	446,677	451,019
Other Military Personnel Costs . . . . .	23,871	34,063	35,676
Total Direct Obligations . . . . .	\$5,410,006	\$5,726,761	\$5,830,000

DEPARTMENT OF THE AIR FORCE  
 JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
 (In thousands of dollars)

APPROPRIATION: Military Personnel, Air Force PROGRAM: Pay and Allowances of Officers

SUMMARY OF REQUIREMENTS BY PROJECT

Title	FY 1967 Actual (2)	FY 1968 Estimate (3)	FY 1969 Estimate (4)
Basic Pay . . . . .	\$1,079,250	\$1,140,139	\$1,144,487
Incentive Pay . . . . .	164,020	165,017	162,712
Special Pay . . . . .	22,367	26,164	26,475
Basic Allowance for Quarters . . . . .	127,580	133,295	132,918
Basic Allowance for Subsistence . . . . .	76,294	78,324	78,025
Station Allowances, Overseas . . . . .	13,983	18,067	16,000
Uniform Allowance . . . . .	4,256	3,830	2,870
Family Separation Allowance . . . . .	6,622	7,084	7,077
Separation Payments . . . . .	24,078	30,593	28,041
Social Security Tax - Employer's Contribution . . . . .	36,387	37,855	43,533
Total Direct Obligations	\$1,554,837	\$1,640,368	\$1,642,138

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(Amount in thousands of dollars)

APPROPRIATION: Military Personnel, Air Force      PROGRAM: Pay and Allowances of Officers

PROJECT: Basic Pay (Cont'd).

Grade	FY 1968 Estimate		FY 1969 Estimate	
	Man-Years	Average Rate	Man-Years	Average Amount
General	13	\$25,228	13	\$25,453
Lt. General	40	22,047	40	22,381
Maj. General	159	19,911	159	20,178
Brig. General	213	17,314	213	17,546
Colonel	6,543	14,675	6,499	15,025
Lt. Colonel	16,247	12,294	16,565	12,442
Major	29,416	9,907	28,636	10,052
Captain	44,649	7,916	42,209	8,007
1st Lieutenant	17,536	5,683	21,972	5,606
2nd Lieutenant	20,011	3,903	18,278	3,945
Sub-Total	134,827		134,584	
Warrant Officer (W-4)	1,467	9,192	1,204	9,451
Warrant Officer (W-3)	26	7,854	11	8,060
Warrant Officer (W-2)				
Sub-Total	1,493	\$ 13,689	1,215	\$ 11,468
Total	136,320	\$1,140,139	135,799	\$1,144,487

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(Amount in thousands of dollars)

APPROPRIATION: Military Personnel, Air Force      PROGRAM: Pay and Allowances of Officers

PROJECT: Incentive Pay for Hazardous Duty (Cont'd)

Grade	FY 1968 Estimate		FY 1969 Estimate	
	Man-Years	Average Rate	Man-Years	Average Rate
General	10	\$1,980	10	\$1,980
Lt. General	36	1,980	37	1,980
Maj. General	142	1,980	146	1,980
Brig. General	193	1,920	183	1,920
Colonel	4,813	2,940	4,752	2,940
Lt. Colonel	10,443	2,940	10,431	2,940
Major	19,776	2,814	19,222	2,814
Captain	19,528	2,308	18,365	2,308
1st Lieutenant	5,759	1,726	6,502	1,726
2nd Lieutenant	5,443	1,232	5,947	1,232
Warrant Officer (W-4)	5	1,965	5	1,965
Sub-Total	66,148	\$162,972	65,600	\$160,408

DEPARTMENT OF THE AIR FORCE  
 JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
 (Amount in thousands of dollars)

PROGRAM: Pay and Allowances of Officers

APPROPRIATION: Military Personnel, Air Force

PROJECT: Incentive Pay for Hazardous Duty (Cont'd)

	FY 1968 Estimate		FY 1969 Estimate	
	Man-Years	Statutory Rate	Man-Years	Statutory Rate
<u>Non-Rated Non-Crew Members</u>				
Flight Medical Officers	564	\$ 745	679	\$ 897
Student Flight Nurses	54	71	35	46
Other Flying Support	<u>535</u>	<u>706</u>	<u>635</u>	<u>838</u>
Sub-Total	1,153	\$ 1,522	1,349	\$ 1,781
Total Flying Duty Pay		\$164,494		\$162,189

DEPARTMENT OF THE AIR FORCE  
 JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
 (Amount in thousands of dollars)

APPROPRIATION: Military Personnel, Air Force PROGRAM: Pay and Allowances of Officers

PROJECT: Incentive Pay for Hazardous Duty (Cont'd)

Other Hazardous Duty

	FY 1968 Estimate		FY 1969 Estimate	
	Man-Years	Statutory Rate	Man-Years	Statutory Rate
Parachute Jumping	88	\$ 116	88	\$ 116
High and Low-Pressure chamber inside observer, human acceleration or deceleration, experimental subject and test subject in thermal stress experiments	151	200	151	200
Demolition Duty	<u>157</u>	<u>207</u>	<u>157</u>	<u>207</u>
Sub-Total	396	\$ 523	396	\$ 523
Total Incentive Pay for Hazardous Duty		\$165,017		\$162,712





DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(Amount in thousands of dollars)

PROGRAM: Pay and Allowances of Officers

APPROPRIATION: Military Personnel, Air Force

PROJECT: Basic Allowances for Quarters (Cont'd)

With Dependents

Grade	FY 1968 Estimate		FY 1969 Estimate	
	Man-Years	Statutory Rate	Man-Years	Statutory Rate
General	172	\$2,412.00	174	\$2,412.00
Colonel	3,465	2,041.20	3,453	2,041.20
Lt Colonel	10,332	1,890.00	10,527	1,890.00
Major	17,699	1,740.60	17,298	1,740.60
Captain	23,468	1,560.60	22,540	1,560.60
1st Lieutenant	7,444	1,440.00	9,508	1,440.00
2nd Lieutenant	<u>1,712</u>	<u>1,321.20</u>	<u>6,851</u>	<u>1,321.20</u>
Sub-Total	70,299	\$115,365	70,351	\$115,392
Warrant Officers (W-4)	939	1,740.60	768	1,740.60
Warrant Officers (W-3)	18	1,560.60	8	1,560.60
Warrant Officers (W-2)	-	-	-	-
Sub-Total	957	\$ 1,662	776	\$ 1,349
Sub-Total with Dependents	71,256	\$117,027	71,127	\$116,741



DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(Amount in thousands of dollars)

APPROPRIATION: Military Personnel, Air Force      PROGRAM: Pay and Allowances of Officers

PROJECT: Basic Allowances for Quarters (Cont'd)

Grade	FY 1968 Estimate		FY 1969 Estimate	
	Man-Years	Average Rate	Man-Years	Average Rate
Inadequate Family Housing				
Colonel	24	\$ 673.20	22	\$ 673.20
Lt. Colonel	60	616.80	57	616.80
Major	77	591.00	71	591.00
Captain	121	561.00	110	561.00
1st Lieutenant	53	548.40	65	548.40
2nd Lieutenant	<u>14</u>	<u>391.20</u>	<u>11</u>	<u>391.20</u>
Sub-Total	349	\$ 202	336	\$ 194
Warrant Officer (W-4)	<u>3</u>	<u>480.60</u>	<u>3</u>	<u>480.60</u>
Sub-Total	3	1	3	1
Sub-Total Inadequate Family Housing	352	<u>203</u>	339	<u>195</u>
Total Basic Allowance for Quarters		\$133,295		\$132,918

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(In thousands of dollars)

PROGRAM: Pay and Allowances of Officers

APPROPRIATION: Military Personnel, Air Force

PROJECT: Basic Allowances for Subsistence (Cont'd)

Grade	FY 1968 Estimate		FY 1969 Estimate	
	Man-Years	Amount	Man-Years	Amount
General	13	\$ 8	13	\$ 8
Lt. General	40	23	40	23
Maj. General	159	91	159	91
Brig. General	213	122	213	122
Colonel	6,543	3,759	6,499	3,734
Lt. Colonel	16,247	9,335	16,565	9,518
Major	29,416	16,901	28,636	16,453
Captain	44,649	25,654	42,209	24,252
1st Lieutenant	17,536	10,075	21,972	12,624
2nd Lieutenant	20,011	11,498	18,278	10,502
Sub-total	134,827	\$77,466	\$134,584	\$77,327



DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(In thousands of dollars)

APPROPRIATION: Military Personnel, Air Force      PROGRAM: Pay and Allowances of Enlisted Personnel

SUMMARY OF REQUIREMENTS BY PROJECT

Title	FY 1967 Actual (2)	FY 1968 Estimate (3)	FY 1969 Estimate (4)
Basic Pay .....	\$ 2,171,168	\$ 2,307,297	\$ 2,356,873
Incentive Pay .....	31,209	32,888	32,491
Special Pay .....	67,362	74,610	78,029
Proficiency Pay .....	40,746	49,401	51,701
Reenlistment Bonus .....	44,959	61,387	79,482
Basic Allowance for Quarters .....	388,156	392,228	397,072
Family Separation Allowance .....	26,344	28,642	29,017
Station Allowances, Overseas .....	39,304	42,616	42,360
Clothing Allowances .....	89,188	84,230	83,052
Separation Payments .....	71,047	87,758	103,351
Social Security Tax - Employer's Contribution .....	93,209	101,258	108,416
Total Direct Obligations	\$ 3,062,692	\$3,262,315	\$3,361,844

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(Amount in thousands of dollars)

Grade	FY 1968 Estimate		FY 1969 Estimate	
	Man-Years	Average Rate	Man-Years	Average Rate
Chief Master Sergeant	6,513	\$ 7,579.00	6,950	\$ 7,752.00
Senior Master Sergeant	13,131	6,417.00	13,907	6,553.00
Master Sergeant	42,635	5,475.00	44,997	5,578.00
Technical Sergeant	81,129	4,660.00	84,930	4,709.00
Staff Sergeant	148,987	3,900.00	156,746	3,940.00
Sergeant	176,159	2,833.00	187,032	2,875.00
Airman First Class	202,759	1,870.00	165,028	1,845.00
Airman	66,967	1,309.00	62,676	1,339.00
Airman Basic	<u>12,710</u>	<u>1,188.00</u>	<u>14,645</u>	<u>1,172.00</u>
TOTAL	750,990	\$2,307,297	736,911	\$2,356,873

APPROPRIATION: Military Personnel, Air Force  
PROJECT: Basic Pay (Cont'd)

PROGRAM: Pay and Allowances of Enlisted Personnel

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(Amount in thousands of dollars)

APPROPRIATION: Military Personnel, Air Force

PROJECT: Incentive Pay

PROGRAM: Pay and Allowances of  
Enlisted Personnel

	FY 1968 Estimate		FY 1969 Estimate	
	Man-Years	Average Rate	Man-Years	Average Rate
<u>Flying Duty-Crew Members</u>				
Chief Master Sergeant	207	\$ 1,260.00	210	\$ 1,260.00
Senior Master Sergeant	674	1,260.00	682	1,260.00
Master Sergeant	3,294	1,250.00	3,335	1,250.00
Technical Sergeant	5,783	1,169.00	5,854	1,169.00
Staff Sergeant	8,855	1,087.00	8,764	1,087.00
Sergeant	4,542	872.00	4,398	872.00
Airman First Class	1,968	693.00	1,362	693.00
Airman	596	619.00	492	619.00
Airman Basic	<u>13</u>	<u>623.00</u>	<u>13</u>	<u>623.00</u>
Sub-Total	25,932	\$ 27,315	25,110	\$ 26,754
<u>Non-Crew Members</u>	<u>6,087</u>	<u>\$ 660</u>	<u>6,223</u>	<u>\$ 660</u>
Total Flying Duty Pay	32,019	\$31,332	31,333	\$ 30,861

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(Amount in thousands of dollars)

PROJECT:	APPROPRIATION: Military Personnel, Air Force Incentive Pay (Cont'd)	PROGRAM: Pay and Allowances of Enlisted Personnel	FY 1968 Estimate		FY 1969 Estimate	
			Man-Years	Statutory Rate Amount	Man-Years	Statutory Rate Amount
Other Hazardous Duty						
Parachute Jumping	598 - \$		660.00	\$ 395	621	\$ 660.00
High and Low-Pressure chamber inside observer, human acceleration or deceleration experimental observer and test subject in thermal stress experi- ments	625		660.00	412	629	660.00
Demolition Duty	1,135		660.00	749	1,219	660.00
Sub-Total	2,358		\$ 1,556	\$ 1,556	2,469	\$ 1,630
Total Incentive Pay for Hazardous duty	34,377		\$32,888		33,802	\$ 32,491

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(Amount in thousands of dollars)

APPROPRIATION: Military Personnel, Air Force		PROGRAM: Pay and Allowances of Enlisted Personnel					
PROJECT: Special Pay (Cont'd)		FY 1968 Estimate		FY 1969 Estimate			
<u>Duty at Certain Places</u>		<u>Man-Years</u>	<u>Statutory Rate</u>	<u>Man-Years</u>	<u>Statutory Rate</u>	<u>Amount</u>	
<u>Grade</u>			<u>Amount</u>				
Chief Master Sergeant		1,133	\$ 270.00	\$ 306	1,107	\$ 270.00	\$ 299
Senior Master Sergeant		2,734	270.00	738	2,670	270.00	721
Master Sergeant		9,502	270.00	2,565	9,280	270.00	2,505
Technical Sergeant		17,559	240.00	4,214	18,908	240.00	4,538
Staff Sergeant		39,308	192.00	7,547	38,390	192.00	7,371
Sergeant		42,469	156.00	6,625	39,838	156.00	6,215
Airman First Class		52,728	108.00	5,694	51,496	108.00	5,561
Airman		1,267	96.00	121	1,238	96.00	119
Airman Basic		-	96.00	-	-	96.00	-
Sub-Total		166,700		\$ 27,810	162,927		\$ 27,329
Other Special Pay		60,000		46,800	65,000		50,700
Total Special Pay				\$ 74,610			\$ 78,029

DEPARTMENT OF THE AIR FORCE  
 JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
 (Amount in thousands of dollars)

APPROPRIATION: Military Personnel, Air Force  
 PROJECT: Proficiency Pay

PROGRAM: Pay and Allowances of  
 Enlisted Personnel

Estimate - FY 1969 ..... \$ 51,701  
 Estimate - FY 1968 ..... 49,401  
 Actual - FY 1967 ..... 40,746

PART I - PURPOSE AND SCOPE

These funds will provide for proficiency pay for enlisted members who are designated as being specially proficient in a military skill. This special pay is in accordance with provisions of 37 U.S.C. 307.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimate is based on the number of individuals programmed to occupy skills for which proficiency pay is authorized.

	FY 1968 Estimate		FY 1969 Estimate	
	Man-Years	Average Rate	Man-Years	Average Rate
P-2	51,745	\$ 720.00	48,974	\$ 720.00
P-1	<u>33,733</u>	<u>360.00</u>	<u>45,668</u>	<u>360.00</u>
Total	85,478	\$ 49,401	94,642	\$ 51,701

DEPARTMENT OF THE AIR FORCE  
 JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
 (Amount in thousands of dollars)

Grade	FY 1968 Estimate		FY 1969	
	Number	Average Rate	Number	Average Rate
Chief Master Sergeant	281	\$ 251.00	231	\$ 255.00
Senior Master Sergeant	1,095	251.00	1,039	255.00
Master Sergeant	5,058	319.00	5,400	322.00
Technical Sergeant	15,575	441.00	17,929	445.00
Staff Sergeant	29,694	600.00	34,275	606.00
Sergeant	18,403	796.00	20,476	806.00
Airman First Class	1,070	754.00	806	763.00
Airman	8	523.00	-	-
Airman Basic	1	523.00	-	-
Sub-Total Reenlistees	71,185	\$42,104	80,765	\$48,403
Over 2 years extendees	4,000	\$ 790.00	4,000	\$ 800.00
Variable Reenlistment Bonus	25,140	\$ 641.00	23,249	\$ 839.00
Total Reenlistment Bonus	100,325	\$61,387	118,014	\$79,482

APPROPRIATION: Military Personnel, Air Force  
 PROGRAM: Pay and Allowances of Enlisted Personnel

PROJECT: Reenlistment Bonus (Cont'd)

DEPARTMENT OF THE AIR FORCE  
 JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
 (Amount in thousands of dollars)

Grade	FY 1968 Estimate		FY 1969 Estimate	
	Number	Statutory Rate	Number	Statutory Rate
Chief Master Sergeant	2,768	\$ 1,440.00	3,118	\$ 1,440.00
Senior Master Sergeant	6,652	1,440.00	7,322	1,440.00
Master Sergeant	24,037	1,378.80	26,134	1,378.80
Technical Sergeant	50,531	1,321.20	54,084	1,321.20
Staff Sergeant	97,148	1,260.00	103,826	1,260.00
Sergeant				
Over 4 years service	45,407	1,260.00	42,718	1,260.00
Under 4 years service				
With 1&2 dependents	31,359	1,064.70	29,555	1,087.20
With 3 dependents	3,369	1,260.00	3,325	1,260.00
Airman First Class				
With 1 dependent	26,759	705.60	21,122	720.00
With 2 dependents	9,964	1,064.70	7,865	1,087.20
With 3 dependents	4,245	1,260.00	1,501	1,260.00
Airman				
With 1 dependent	7,099	705.60	7,020	720.00
With 2 dependents	645	1,064.70	564	1,087.20
With 3 dependents	128	1,260.00	125	1,260.00

APPROPRIATION: Military Personnel, Air Force  
 PROJECT: Basic Allowance for Quarters (Cont'd)

PROGRAM: Pay and Allowances of  
 Enlisted Personnel

With Dependents

Grade	FY 1968 Estimate		FY 1969 Estimate	
	Number	Statutory Rate	Number	Statutory Rate
Chief Master Sergeant	2,768	\$ 1,440.00	3,118	\$ 1,440.00
Senior Master Sergeant	6,652	1,440.00	7,322	1,440.00
Master Sergeant	24,037	1,378.80	26,134	1,378.80
Technical Sergeant	50,531	1,321.20	54,084	1,321.20
Staff Sergeant	97,148	1,260.00	103,826	1,260.00
Sergeant				
Over 4 years service	45,407	1,260.00	42,718	1,260.00
Under 4 years service				
With 1&2 dependents	31,359	1,064.70	29,555	1,087.20
With 3 dependents	3,369	1,260.00	3,325	1,260.00
Airman First Class				
With 1 dependent	26,759	705.60	21,122	720.00
With 2 dependents	9,964	1,064.70	7,865	1,087.20
With 3 dependents	4,245	1,260.00	1,501	1,260.00
Airman				
With 1 dependent	7,099	705.60	7,020	720.00
With 2 dependents	645	1,064.70	564	1,087.20
With 3 dependents	128	1,260.00	125	1,260.00

DEPARTMENT OF THE AIR FORCE  
 JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
 (Amount in thousands of dollars)

PROGRAM: Pay and Allowances of  
 Enlisted Personnel

APPROPRIATION: Military Personnel, Air Force

PROJECT: Basic Allowance for Quarters (Cont'd)

With Dependents Grade	FY 1968 Estimate		FY 1969 Estimate	
	Number	Statutory Rate Amount	Number	Statutory Rate Amount
Airman Basic				
With 1 dependent	1,004	\$ 705.60	1,157	\$ 720.00
With 2 dependents	127	1,064.70	146	1,087.20
With 3 dependents	76	1,260.00	88	1,260.00
Sub-Total with Dependents	311,318	\$372,357	309,670	\$376,072

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(Amount in thousands of dollars)

APPROPRIATION: Military Personnel, Air Force  
PROJECT: Basic Allowance for Quarters (Cont'd)

PROGRAM: Pay and Allowances of Enlisted Personnel

Without Dependents	FY 1968 Estimate		FY 1969 Estimate	
	Number	Statutory Rate	Number	Statutory Rate
Grade		Amount		Amount
Chief Master Sergeant	35	\$ 1,022.40	38	\$ 1,022.40
Senior Master Sergeant	111	1,022.40	122	1,022.40
Master Sergeant	559	900.00	608	900.00
Technical Sergeant	1,178	842.40	1,271	842.40
Staff Sergeant	4,974	842.40	5,390	842.40
Sergeant				
Over 4 years service	2,250	842.40	2,634	842.40
Under 4 years service	6,761	705.60	7,903	720.00
Airman First Class	5,138	705.60	4,040	720.00
Airman	1,869	705.60	1,917	720.00
Airman Basic	<u>565</u>	<u>705.60</u>	<u>652</u>	<u>720.00</u>
Sub-Total	23,440	\$ 17,843	24,575	\$ 18,990
Without Dependents				



DEPARTMENT OF THE AIR FORCE  
 JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
 (Amount in thousands of dollars)

APPROPRIATION: Military Personnel, Air Force  
 PROJECT: Basic Allowance for Quarters (Cont'd)

PROGRAM: Pay and Allowances of Enlisted Personnel

Inadequate Housing

Grade	FY 1968 Estimate		FY 1969 Estimate	
	Number	Average Rate	Number	Average Rate
Airman				
With 1 dependent	49	\$ 331.20	51	\$ 345.60
With 2 dependents	4	355.50	5	378.00
With 3 dependents	1	288.00	1	288.00
Airman Basic				
With 1 dependent	-	-	-	-
With 2 dependents	-	-	-	-
With 3 dependents	-	-	-	-
Sub-Total Inadequate Housing	3,624	\$ 2,028	3,490	\$ 2,010
Total Basic Allowance for Quarters	338,382	\$ 392,228	337,735	\$ 397,072

DEPARTMENT OF THE AIR FORCE  
 JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
 (In thousands of dollars)

APPROPRIATION: Military Personnel, Air Force      PROGRAM: Pay and Allowances of Cadets

SUMMARY OF REQUIREMENTS BY PROJECT

Title	FY 1967 Actual	FY 1968 Estimate	FY 1969 Estimate
(1)	(2)	(3)	(4)
Academy Cadets . . . . .	\$ 7,378	\$ 8,194	\$ 8,800
Total Direct Obligations	\$ 7,378	\$ 8,194	\$ 8,800

DEPARTMENT OF THE AIR FORCE  
 JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
 (In thousands of dollars)

APPROPRIATION: Military Personnel, Air Force                      PROGRAM: Subsistence of Enlisted Personnel

SUMMARY OF REQUIREMENTS BY PROJECT

TITLE	FY 1967 Actual	FY 1968 Estimate	FY 1969 Estimate
(1)	(2)	(3)	(4)
Basic Allowances for Subsistence ....	\$202,000	\$221,463	\$218,784
Subsistence in Kind .....	113,403	113,681	111,739
TOTAL DIRECT OBLIGATIONS .....	\$315,403	\$335,144	\$330,523





DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969

APPROPRIATION: Military Personnel, Air Force      PROGRAM: Subsistence of Enlisted Personnel  
PROJECT:      Subsistence in Kind (Cont'd)

	FY 1968 Estimate	Total	FY 1969 Estimate	Total
	CONUS	O/S	CONUS	O/S

I. Personnel

A. Average Enlisted Strength	497,447	253,543	484,670	252,652	737,322
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B. Less number provided for elsewhere (man-year equivalent):

1. On monetary allowances	322,926	111,147	434,073	317,048	109,124	426,172
2. Special Rations	4,636	1,343	5,979	4,196	1,392	5,588
3. Movements	2,655	5,256	7,911	3,054	5,364	8,418

C. Number entitled to be subsisted in messes	167,230	135,797	303,027	160,372	136,772	297,144
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	FY 1968 Estimate		FY 1969 Estimate		
	Gross Man-Years	% Absent	Gross Man-Years	% Absent	
Ashore (CONUS)	167,230	32.7	112,546	32	109,053
Ashore (O/S)	<u>135,797</u>	19.3	<u>109,588</u>	19	<u>110,785</u>
	303,027		222,134		219,838

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(Amount in thousands of dollars)

APPROPRIATION: Military Personnel, Air Force      PROGRAM: Subsistence of Enlisted Personnel

PROJECT: Subsistence in Kind (Cont'd)

	FY 1968 Estimate			FY 1969 Estimate		
	Man-Years	Average Rate Per Day	Amount	Man-Years	Average Rate Per Day	Amount
<b>II. Subsistence in Messes:</b>						
Ashore (CONUS)	112,546	\$1.32	\$483.12	109,053	\$1.32	\$481.80
Ashore (O/S)	109,588	1.34	490.44	110,785	1.34	489.10
Sub-Total	222,134		\$108,119	219,838		\$106,728
<b>III. Special Rations:</b> (Snack Meals, Pre-Cooked Meals, etc.)						
Ashore (CONUS)	4,636	\$2.03	\$742.98	4,196	\$2.03	\$740.95
Ashore (O/S)	1,343	1.54	563.64	1,392	1.54	562.10
Sub-Total	5,979		\$4,201	5,588		\$3,891

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(Amount in thousands of dollars)

APPROPRIATION: Military Personnel, Air Force      PROGRAM: Subsistence of Enlisted Personnel  
PROJECT: Subsistence in Kind (Cont'd)

	FY 1968 Estimate			FY 1969 Estimate		
IV. Operational Rations:	Quantity	Average Rate	Amount	Quantity	Average Rate	Amount
Food Packet - In Flight	146,376	.95	\$ 139	160,000	.95	\$ 152
Food Packet - Abandon Air Craft	21,649	4.85	105	19,175	4.85	93
Survival - Arctic	61,765	.68	42	60,000	.68	41
Survival - Tropic	35,135	1.11	39	35,500	1.11	39
Pre-Stocked Water and Rations	86,667	.75	65	86,000	.75	65
Sub-Total	351,592		\$ 390	360,675		\$ 390

	Average Rate			Average Rate		
V. Augmentation Rations:	Man Years	Per Day	Per Annum	Man Years	Per Day	Per Annum
Missile Crew Feeding	1,421	.25	\$ 130	1,793	.25	\$ 164
Cold Climate	351	.14	18	244	.14	12
Combat Alert Crew Feeding	3,884	.14	199	3,454	.14	176
Sub-Total	5,656		\$ 347	5,491		\$ 352

VI. Other Programs:		
New Food Item Program	\$ 624	\$ 378
Total Subsistence in Kind	\$ 113,681	\$ 111,739

DEPARTMENT OF THE AIR FORCE  
 JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
 (In thousands of dollars)

APPROPRIATION: Military Personnel, Air Force      PROGRAM: Permanent Change of Station  
 Travel

SUMMARY OF REQUIREMENTS BY PROJECT

Title	FY 1967 Actual	FY 1968 Estimate	FY 1969 Estimate
(1)	(2)	(3)	(4)
Accession Travel . . . . .	\$ 14,881	\$ 12,772	\$ 13,053
Training Travel . . . . .	21,675	18,304	19,640
Operational Travel Between Duty Stations . . . . .	47,665	44,589	45,488
Rotational Travel to and from Overseas . . . . .	322,083	331,264	329,204
Separation Travel . . . . .	33,937	35,874	39,830
Travel of Organized Units . . . . .	5,584	3,874	3,804
Total Direct Obligations . . . . .	\$ 445,825	\$ 446,677	\$ 451,019

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
(Amount in thousands of dollars)

APPROPRIATION: Military Personnel, Air Force      PROGRAM: Permanent Change of Station  
Travel

SUMMARY OF PROGRAM REQUIREMENTS BY TYPE MOVE

	FY 1967 Actual		FY 1968 Estimate		FY 1969 Estimate	
	No. Moves	Amount	No. Moves	Amount	No. Moves	Amount
Accession Travel	142,413	\$ 11,586	118,850	\$ 9,860	132,847	\$ 10,725
Training Travel	210,443	14,232	153,663	10,760	177,403	12,400
Operational Travel Between Duty Stations	83,434	10,921	82,745	8,849	84,445	9,214
Rotational Travel to and from Overseas	339,963	115,295	372,368	124,123	378,840	125,026
Separation Travel	122,370	12,953	123,800	12,045	143,382	13,923
Travel of organized Units	14,247	1,876	7,712	1,171	7,662	1,178
Total Military Member Moves	<u>912,870</u>	<u>166,863</u>	<u>859,138</u>	<u>166,808</u>	<u>924,579</u>	<u>172,466</u>
Associated Dependent Moves	(458,302)	273,655	(442,897)	273,456	(448,650)	270,972
Reenlistment Travel Payments	( 58,968)	5,307	( 71,252)	6,413	( 84,237)	7,581
Total Program Requirements	912,870	\$445,825	859,138	\$446,677	924,579	\$451,019

DEPARTMENT OF THE AIR FORCE  
 JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1969  
 (In thousands of dollars)

APPROPRIATION: Military Personnel, Air Force                      PROGRAM: Other Military Personnel Costs

SUMMARY OF REQUIREMENTS BY PROJECT

Title	FY 1967 Actual	FY 1968 Estimate	FY 1969 Estimate
(1)	(2)	(3)	(4)
Apprehension of Air Force Deserters, Absentees, and Escaped Military Prisoners	\$ 260	\$ 352	\$ 348
Interest on Uniformed Services Savings Deposits . . . . .	2,230	2,330	10,875
Death Gratuities . . . . .	3,001	3,602	3,731
Servicemen's Group Life Insurance . . . . .	18,380	27,779	20,722
Total Direct Obligations . . . . .	\$23,871	\$34,063	\$ 35,676

Mr. WHITTEN. General Bell, I believe you have a prepared statement in support of Military Personnel, Air Force. You may proceed.

General BELL. Thank you, Mr. Chairman.

#### GENERAL STATEMENT

Mr. Chairman and members of the committee, it is my pleasure to appear before you once again to present the Air Force military personnel appropriation request for fiscal year 1969. These funds support the Air Force direct military personnel programs. I will use essentially the same format as I used in last year's presentation.

Before presenting the fiscal year 1969 budget program, I like to compare the current fiscal year 1968 operating program with the fiscal year 1968 budget program approved by this committee last year. The approved budget program for fiscal year 1968 reduced the military personnel strength from a beginning strength of 898,600 to an end strength of 887,100, a decrease of 11,500. Since presenting the program last year, further force structure changes permitted an additional reduction of 4,000. The planned end strength for fiscal year 1968 is now 883,182.

#### MILITARY PERSONNEL BUDGET PROGRAM FOR FISCAL YEAR 1969

The military personnel picture for fiscal year 1969 is again one of a declining strength. The budget reduces military personnel from a beginning strength of 883,182 to an end strength of 866,630, a decrease of approximately 16,500. The strength reduction in fiscal year 1969 is due to force structure changes. The estimated cost of this program for fiscal year 1969 is \$5.830 billion including a full year cost of the first increment of the military pay bill enacted during the first session of this Congress.

While referring to the pay bill, I would like to add that Air Force military personnel are most appreciative of the recognition of their needs and their contribution to national security.

#### GUARD AND RESERVE FORCES

Certain Air Guard and Reserve units were ordered to active duty by the President for a period not to exceed 2 years. These personnel are not reflected in our fiscal year 1968 and fiscal year 1969 end strength, they are not included in this budget submission.

I will now cover pay and allowances of officers.

#### PAY AND ALLOWANCES OF OFFICERS

I reported to you last year that the officer strength would be 137,828 at the end of fiscal year 1968. This prediction was based on the same level of commitments that existed in fiscal year 1967. Our revised end fiscal year 1968 officer strength will be 136,718 or a decrease of 1,110 officers which is a result of force changes. Our officer strength level planned for fiscal year 1969 will be 133,413. The 3,305 reduction from the fiscal year 1968 level is also due to changes in force structure.

## LOSSES

The number of officer losses each year is normally a function of the level of procurement in prior years and the aging of our force. These factors influence the number of voluntary and mandatory separations and retirements. Table I outlines these losses. To meet our current rated requirements and to maintain an acceptable level of experience in the support and technical skills, we took the following actions in late 1967 to reduce officer losses: (1) personnel policies were changed to permit Reserve officers to remain on active duty, on a voluntary basis, beyond 20 years (These are Reserve officers who would otherwise have retired); (2) policies were altered to permit Reserve captains who were twice passed over for promotion to major to remain voluntarily on active duty for the duration of the conflict in Southeast Asia, and (3) an involuntary selective retention program was implemented to retain Regular officers in certain critical skill areas, particularly rated personnel. I should like to point out that the latter is the only involuntary program we have implemented and that it is limited to Regular officers. Under current policy, these officers may be extended up to one year beyond their requested date of separation. This involuntary retention program is based upon assessment of each individual officer's particular qualifications, his current duty assignment, his personal circumstances and the projected requirement for his qualifications. This program will affect about 900 officers during fiscal year 1968 and approximately 1,200 in fiscal year 1969. Most of these officers will be pilots and navigators.

TABLE I.—OFFICER LOSSES

	Fiscal year 1967	Fiscal year 1968	Fiscal year 1969
Type of loss:			
End of obligation.....	2,032	3,364	4,618
Career separation (between 6 through 18 years).....	1,400	888	1,108
Retirements (20 years +).....	4,589	4,768	4,074
Attrition.....	1,461	1,662	1,512
Medics (all types).....	2,507	2,861	3,214
Other losses including warrant officers.....	1,000	1,173	376
Total.....	12,989	14,716	14,902

Officer losses for fiscal year 1968 and fiscal year 1969 are estimated to be approximately 14,700 and 14,900 respectively. Fiscal year 1967 losses were 12,989. The fact that losses for fiscal year 1968 and fiscal year 1969 level off at about 15,000 is due to those actions previously mentioned which defer losses of officers during the Southeast Asia conflict. Officer losses would increase by almost 4,000 and 2,500 respectively for fiscal years 1968 and 1969 were it not for these actions.

## GAINS

To offset losses in fiscal year 1969, we will procure 11,597 officers from several sources as indicated in table II. For line officer procurement the AFROTC is scheduled to provide 4,800, the officer training school 3,428, and the service academies 722. In addition, we will procure 2,647 new officers to satisfy our requirements for medical, chaplain, and legal personnel. We will also continue to provide an opportunity for qualified and deserving airmen to enter the officer ranks.

To provide this opportunity, we have included in the Officer Training School quota some 385 spaces for enlisted members who will earn baccalaureate degrees under the airman education and commissioning program. An additional 200 spaces are set aside in the Officer Training School for noncommissioned officers who complete their baccalaureate degree requirements through the bootstrap commissioning program. As indicated in table II, new officer procurement drops sharply in fiscal year 1969. Two factors causing this drop bear brief discussion. First, as I mentioned earlier, it was necessary to implement management actions which would cause the retention of some of our experienced officers in critical skills, especially those skills associated with our requirements in support of Southeast Asia. Any officer retained into fiscal year 1969 as a result of these actions causes a one-for-one reduction in new officer procurement, because we cannot exceed the established officer strength. Second, the officer ceiling for fiscal year 1969 will be 3,305 officers lower than the fiscal year 1968 strength; therefore, officer procurement levels have necessarily been adjusted downward. Low procurement levels in fiscal year 1969 will tend to reduce the experience level of the force in the mid-seventy time frame; however, we are investigating ways to minimize this adverse impact.

TABLE II.—OFFICER GAINS

	Fiscal year 1967	Fiscal year 1968	Fiscal year 1969
Source:			
Academies.....	540	625	722
AFROTC.....	5,454	4,700	4,800
Officer training school.....	7,412	6,465	3,043
Airmen education and commissioning program.....	325	370	385
Recall and direct appointment.....	278	267	125
Line officers.....	(154)	(152)	(29)
Legal officers.....	(56)	(12)	(5)
Chaplains.....	(68)	(103)	(100)
Medics.....	3,276	3,228	2,522
Other.....	351	847	
Total.....	17,636	16,502	11,597

I would like to turn now to our officer promotion programs.

## PROMOTIONS

Table III reflects the Air Force field grade promotion programs for fiscal year 1967 through fiscal year 1969.

TABLE III.—OFFICER FIELD GRADE PROMOTIONS

Grade	Actual, 1967	Fiscal year program, 1968	Program, 1969
Colonel.....	1,044	1,073	760
Lieutenant colonel.....	2,924	4,012	2,753
Major.....	12,728	4,657	3,737

The large number of promotions to major in fiscal year 1967 was the result of the enactment of Public Law 89-606 which provided the Air Force the flexibility needed to manage our temporary promotion program. We were able to roll back the promotion phase point to major from the 13th to the 11th year and to promote several thousand

captains. Although the number of promotions to major is smaller in fiscal year 1968 and fiscal year 1969, it still provides the promotion opportunity and phase point achieved through Public Law 89-606. The same is true for promotion to lieutenant colonel and colonel. The drop in the number of promotions to colonel for fiscal year 1969, as compared to the 2 prior years, is due to reductions in total officer strength. However, the number of selections to colonel for the fiscal year 1969 temporary promotion program is estimated at 850 which compares favorably to selection board results in 1967 and 1968. There will be some carryover of promotions into fiscal year 1970.

Table IV reflects the current Air Force active duty promotion phase points and opportunity for officers considered in the primary zone. Earliest phase points for the secondary zone are also shown. Our current estimates indicate that through June 30, 1972—when Public Law 89-606 expires—we will be able to maintain favorable promotion opportunity for our officers.

TABLE IV.—CURRENT PHASE POINTS AND OPPORTUNITY

To	Opportunity (percent)	Primary zone (years)	Secondary zone (year)
First lieutenant.....	(1)	1½	
Captain.....	(1)	3½	
Major.....	2 85	11	7th
Lieutenant colonel.....	2 75	17	10th
Colonel.....	50	22	3 12th

<sup>1</sup> Fully qualified.

<sup>2</sup> Fully qualified promotion opportunity for medical, dental, veterinary, and chaplain promotion categories.

<sup>3</sup> To be promoted to colonel in the 12th year, an officer would have to have received secondary zone promotion to major and lieutenant colonel.

## RATED OFFICER PROGRAMS

My remarks to this point have addressed the total officer force. I would like now to discuss the status of our rated officer production, our most critical personnel resource. Table V compares the fiscal year 1967, 1968, and 1969 rated officer production programs.

TABLE V.—UNDERGRADUATE JET PILOT PRODUCTION  
PROGRAMED PRODUCTION

	Fiscal year 1967	Fiscal year 1968	Fiscal year 1969
USAF.....	2,768	3,119	3,247
USMC.....		12	163
ANG.....	133	145	135
MAP.....	158	72	85
NASA.....	3		10
Total.....	3,062	3,348	3,640

Without the increased pilot production approved in November 1966 and the pilot retention measures which I referred to earlier, the pilot inventory would have been reduced significantly. The Regular Air Force pilot training production programed in fiscal years 1968 and 1969 is 3,119 and 3,247 respectively. This production compares to 2,768 in fiscal year 1967. We will also train through undergraduate pilot training 72 pilots for the military assistance program in fiscal year 1968, another 85 in 1969, and 120 in fiscal year 1970. There will be 145

pilots trained for the Air National Guard in fiscal year 1968, and 135 for fiscal year 1969. Twelve pilots will be produced for the U.S. Marine Corps in fiscal year 1968, increasing to 163 in fiscal year 1969, and 175 annually from fiscal year 1970 through fiscal year 1973.

In addition to our efforts to keep pilots on active duty, we are continuing to return to active flying status, and to hold in cockpit and other flying positions, many of the older pilots who normally would be excused. These measures were made necessary because of the increased voluntary loss rates among pilots. For example, the voluntary quit-rate of pilots with less than 15 years of service increased from 3.7 percent in fiscal year 1965, to 5.1 percent in fiscal year 1966 and 6.9 percent in fiscal year 1967. The increasing loss rates are attributed primarily to the personnel turbulence caused by activities in Southeast Asia and the immediate availability of more remunerative civilian employment, especially in the commercial aviation industry. A survey of 1,780 recently separated pilots indicates that the majority of our voluntary losses are to the commercial aviation field. Family separation, long workweeks, better civilian pay, and the uncertainties of military life were the major reasons given by this group for leaving the Air Force.

An important factor in the management of our rated officer resource is the judicious use of the flight waiver provisions of section 614, Public Law 90-96. We are requesting that the waiver provisions be continued without change in the fiscal year 1969 Appropriation Act. As you know, the waived group of pilots and navigators is comprised primarily of officers who are over 45 years of age with 22 years or more rated service and who are performing managerial rather than cockpit duties. They remain, however, a rated resource.

The return of much of the waived aircrew resource to active flying duties has permitted us to accommodate temporarily the losses mentioned earlier, with minimum operational degradation. Last year we forecast 6,645 pilots would be in a waived status by end fiscal year 1968. Due to the increased requirements associated with Southeast Asia activities, we now forecast a decline to 5,202 pilots in waived status at end fiscal year 1968 and 4,974 by the end of 1969. The level of leadership and management experience in support and technical skills drops appreciably when waived pilots are returned to active flying. These are majors and lieutenant colonels in middle- and upper-management positions. We cannot replace the pilots in technical areas with equivalent experienced nonrated officers for two basic reasons: (1) we have onboard all of the officers allowed by our approved budget programs, and (2) many technical skills are highly marketable so individual reservists with the desired skills are not readily available except on an involuntary recall basis.

I will now discuss the pay and allowance of airmen.

#### PAY AND ALLOWANCES OF AIRMEN

In the budget presentation last year, the projected airman end strength was 759,250 for fiscal year 1967 and 745,697 for fiscal year 1968. Our actual end strength for fiscal year 1967 was 758,198, roughly 1,000 below the program. The end strength for fiscal year 1968 has been adjusted downward and is now programed for 742,889. In fiscal

year 1969 the airman strength is programed to drop an additional 13,546, leaving a projected end strength of 729,343.

## LOSSES

With respect to losses, we anticipate that 133,705 airmen will leave the Active Forces during fiscal year 1969. Table VI details these losses. This includes a planned 3-month voluntary early release program for approximately 18,000 first-term airmen who would otherwise not have been released until 1970. This action will permit some leveling of procurement and training loads and minimize the impact caused by an unusually high procurement during fiscal year 1966 for the Southeast Asia buildup. The total nonreenlistment separations will be 88,351 of which 18,000 will be early release separations. The balance of the separations will be accounted for as follows: retirements, 19,854; attrition, 21,661; and transfer to officer status, 3,428.

TABLE VI.—AIRMAN LOSSES

	Fiscal year 1967	Fiscal year 1968	Fiscal year 1969
Total losses.....	122,341	117,968	133,705
Attrition.....	23,076	22,275	21,661
Retirement.....	16,407	19,063	19,854
To officer status.....	7,796	6,835	3,428
To reimbursable status.....			411
Voluntary early release.....			18,000
Other losses.....	3,257	102	
Nonreenlistment.....	71,805	69,693	70,351
1st term.....	(63,470)	(58,210)	(57,674)
Career.....	(8,335)	(11,483)	(12,677)

## GAINS

Since the fiscal year 1969, airman end strength is lower than the beginning strength, it will not be necessary to replace all of the 133,705 losses. The gains required to meet our end strength objective are 120,159. This will be met mainly through recruitment of non-prior-service volunteers. Table VII shows a comparison of fiscal year 1967, 1968, and 1969 gains to the Air Force.

TABLE VII.—AIRMAN GAINS

	Fiscal year 1967	Fiscal year 1968	Fiscal year 1969
Total gains.....	127,626	102,659	120,159
Nonprior service.....	109,438	88,130	107,847
WAF.....	2,001	2,900	4,000
Prior service.....	5,247	5,000	5,000
Officer training school.....	7,129	5,767	2,782
Academy preparatory.....	130	148	230
Other.....	3,681	714	300

The only other item of significance pertaining to the airman procurement program is the increase in WAF procurement from 2,900 in fiscal year 1968 to 4,000 in fiscal year 1969. In line with the President's policy on equal opportunity for women, we have increased the WAF airman

strength from 5,000 at end fiscal year 1967 to 8,000 by end fiscal year 1969.

#### REENLISTMENTS

We are continuing to experience a low reenlistment rate for our first-term airmen. In fiscal year 1967, 11,144 first-term airmen reenlisted. This represented 16.8 percent of the first-term airmen eligible for reenlistment. We anticipated an 18.5-percent rate in fiscal year 1968 producing 11,821 first-term reenlistments. As a result of the recent pay increase and an increased top six grade ceiling, along with the continuing favorable impact of the variable reenlistment bonus and proficiency pay, we expect the fiscal year 1969 first-year reenlistment rate to increase to 19.1 percent for 12,642 reenlistments.

Total reenlistments, including career airmen, were 62,449 for fiscal year 1967. We are forecasting 76,002 total reenlistments during fiscal year 1968 and 87,837 during fiscal year 1969. The higher number in fiscal year 1969 is due to a larger number of those eligible to reenlist and the continued improvement in our major airman incentive programs.

TABLE VIII.—AIRMAN SEPARATIONS AND REENLISTMENTS

	Fiscal year 1967 actual	Fiscal year 1968 current program	Fiscal year 1969 budget
Airman separations eligible to reenlist.....	124,720	137,838	152,918
1st term.....	66,405	63,897	66,188
Career.....	58,315	73,941	86,730
Reenlistments.....	62,449	76,002	87,837
1st term.....	11,144	11,821	12,642
Career.....	51,305	64,181	75,195
Percent reenlisted.....	50.1	55.1	57.4
1st term.....	16.8	18.5	19.1
Career.....	88.0	86.8	86.7

#### PROMOTIONS

Enlisted promotions are directly related to grade authorizations approved by the Office of the Secretary of Defense. For fiscal year 1969, an increase was approved in the top six grades to 507,944, the highest since controls were established in December 1956. This will make the fourth consecutive year in which increases to our grade ceilings have been approved. Promotions to and within the top six grades in fiscal year 1969 will be approximately 44,000 more than in fiscal year 1968 and will total about 215,000, the highest since the Korean War. In summary, promotion opportunities for our airmen and noncommissioned officers will be the best they have had during the past 10 years. In this connection, we appreciate the interest shown by the Congress in enlisted promotions.

#### PROFICIENCY PAY

The proficiency pay law is responsive to Air Force needs for a technical differential pay. Notwithstanding an increasing civilian demand

for these skills, the Air Force is retaining airmen in the proficiency pay specialties at a higher rate than it retains airmen in less technical skills. We believe that considerable significance should be attached to this fact. Currently, approximately 78,000 airmen (a little more than 10 percent of the total strength) are receiving this special pay, an increase of approximately 5,000 over fiscal year 1967. This increase, authorized by the Office of the Secretary of Defense, is a step forward; however, our continuing goal is to get proficiency pay also authorized for aircraft maintenance personnel. The single most critical specialty of the aircraft maintenance area, which includes crew chiefs, flight chiefs, and line chiefs, has a career population of 32,000 as opposed to a desired career strength of 43,000. During the last 2 years, the career inventory has dropped from 38,000 to the current 32,000. This low retention emphasizes the need for proficiency pay.

We are continuing to pay the P-1 \$30 rate and P-2 \$60 rate but would like to have the capability of using rates approaching the maximum authorized by Congress (P-1 \$50, P-2 \$100 and P-3 \$150). In view of the large population in technical skills which cannot be accommodated at the increased rates under existing budgetary ceilings; we believe we can do the best job in retaining skilled people by spreading the proficiency pay dollar to as many technicians as possible.

#### VARIABLE REENLISTMENT BONUS

The Variable Reenlistment Bonus which supplements the proficiency pay incentive has had a desirable effect on first-term reenlistment of highly trained specialists. Although the program has been in effect a relatively short time of 2 years, we are able to report that the reenlistment rate among those benefiting from the bonus is higher than for those not covered. We are expanding the use of lump-sum payments and fully expect that this will increase the retention effectiveness of the bonus. For fiscal year 1969, we have programed full Variable Reenlistment Bonus payments at time of reenlistment to 35 percent of recipients.

We consider the bonus, proficiency pay, and the promotion program to be our three major enlisted career incentives.

#### PAY AND ALLOWANCES OF CADETS

I will now discuss the pay and allowances of cadets. To explain the changes that occurred since our last year's presentation, I have included the following table.

TABLE IX.—ACADEMY ENROLLMENT

	Fiscal year 1967	Fiscal year 1968	Fiscal year 1969
Graduates.....	524	603	689
New entries.....	1,035	1,200	1,359
End strength.....	3,361	3,575	3,874

We are continuing to expand the Air Force Academy Cadet Wing in accordance with Public Law 88-276, March 3, 1964. In fiscal year 1969, the graduation class should reach a total of 689. The strength should also be at an alltime high of 3,874.

You may be interested to know that the flight indoctrination program for first classmen (seniors) began on January 8, 1968, with 223 cadets entered in the program. Each qualified cadet will receive 36 hours of flying time in T-41 aircraft. Flight operations are conducted at Peterson Field, Colorado Springs, using the Academy Airfield and Butts Army Field at Fort Carson, Colo., as auxiliary fields.

#### MOVEMENT—PERMANENT CHANGE OF STATION

Southeast Asia activities continue to be the most dominant factor affecting the permanent change of station move program. The large input of nonmarried personnel in the force in fiscal year 1966 to meet Southeast Asia requirements coupled with a decrease in the enlisted retention rate has resulted in a younger airman force. This in turn has caused a reduction in the number of families, the average family size and, consequently, a decline in the number of dependents moving in both fiscal year 1968 and 1969.

Table X updates the information that we furnished last year and provides a 5-year comparison of military strength, PCS moves and the number of personnel moving.

TABLE X.—COMPARISON OF STRENGTH, PCS MOVES AND PERSONNEL MOVING  
(Numbers in thousands)

Fiscal year	Air Force end strength	Permanent change-of-station moves	Military individuals moving once or more during the year
1965.....	823.6	618.7	510.6
1966.....	886.4	860.7	666.6
1967.....	896.5	912.9	713.5
1968.....	883.2	859.1	712.9
1969.....	866.6	924.6	755.4

#### PCS MOVE PROGRAM—FISCAL YEAR 1968

For fiscal year 1968 the total number of military moves now forecast, 859,138 is 13,253 more than we predicted a year ago. This is due to increased support of Southeast Asia which generated a substantial increase in overseas rotational moves. Notwithstanding this increase in moves, overall costs have decreased from \$450.1 to \$446.7 million because fewer dependents are involved.

Table XI reflects a comparison of fiscal years 1967, 1968, and 1969 moves by type.

TABLE XI.—COMPARISON BY TYPE OF PCS MOVE

Type of move	Fiscal year 1967	Fiscal year 1968	Fiscal year 1969
Accession.....	142,413	118,850	132,847
Training.....	210,443	153,663	177,403
Operational reassignment.....	83,434	82,745	84,445
(Individual).....	(36,775)	(35,310)	(35,693)
(Unit action).....	(46,659)	(47,435)	(48,752)
Overseas rotational.....	339,763	372,368	378,840
Separation.....	122,370	123,800	143,382
Organized units.....	14,247	7,712	7,662
Total.....	912,870	859,138	924,579

## PCS MOVE PROGRAM—FISCAL YEAR 1969

Military moves for fiscal year 1969 are programed to increase by 65,441 compared with fiscal year 1968 and associated costs are estimated to increase by \$4 million to \$451.0 million. The 65,441 increase in fiscal year 1969 is primarily attributable to increased procurement and separations. These actions automatically generate higher accession, training and separation moves. Compared with fiscal year 1968, accession moves are programed to increase by 13,997 because of higher procurement of airmen. This increase in procurement is accompanied by an increase in training moves of 23,740.

In the operational reassignment category there is a slight increase in total moves programed due to a small increase in the number of units programed to be activated, inactivated and reorganized.

Overseas rotational moves are programed to increase slightly (+6,472) because of the need to replace the increased number of personnel sent to Southeast Asia in fiscal year 1968. As each man returns he is replaced, resulting in a double rotational move for each space each year.

Separation moves are programed to increase substantially (+19,582) because of the airman early release rollback from fiscal year 1970 into fiscal year 1969 and the increased number of officers and airmen predicted to complete their service obligations. In regard to unit moves, 3,512 are associated with the redeployment of Air Force units from Germany in fiscal year 1969.

## CONCLUSION

In conclusion, Mr. Chairman, we plan to make the most effective and economical utilization of all our people in accomplishing our worldwide commitments.

This completes my statement. I am prepared to discuss my presentation in any further detail you desire.

Mr. MAHON. Thank you, General Bell.

## 1968 RESERVE CALLUPS

I would like to begin our discussion this morning with mobilization actions thus far this year.

In January of 1968, 9,100 Air National Guard personnel and 4,800 Air Force Reserve personnel were mobilized. A total of 302 aircraft were involved. An additional 2,200 Air National Guard and 1,300 Air Force Reserve personnel were ordered on active duty in April, and will report for duty in May 1968. This action involves 74 more aircraft. These personnel are not reflected in your manpower tables and are not budgeted for in fiscal years 1968 and 1969. How are you supporting these personnel and their aircraft?

General BELL. The money is currently coming out of the existing funds provided under the fiscal year 1968 military personnel Air Force appropriation.

Mr. MAHON. How about the aircraft? I refer now to the additional aircraft.

General BELL. From the maintenance point of view they are being provided support from the personnel that normally perform that function which have been brought on duty with the organization concerned.

Mr. LIPSCOMB. How are you supporting this if they were not in last year's budget? We know you are getting the money from some place. The question is from where and how.

General PITTS. If I may respond to that, Mr. Lipscomb. We are paying for them out of current funds in anticipation of a supplemental. These callups were not foreseen when we drew up the budget so we are paying these people in anticipation of a supplemental, and if there were not to be a supplemental we would have to resort to financing actions such as provided for under the authorities of section 612(c) of the general provisions to the fiscal year 1968 DOD Appropriation Act, and R.S. 3732, 41 U.S.C. 11.

Mr. LIPSCOMB. How are you doing it now without that authority or do you already have that authority?

General PITTS. We are paying it out of current funds and, as you well know, sir, we can do that only for a certain period of time.

As I stated earlier, we anticipate that a supplemental will be approved.

If this supplemental is not forthcoming we would have to resort to deficit financing under the authorities I mentioned earlier.

Mr. LIPSCOMB. How long can you hold out in fiscal year 1968?

Mr. HENSHAW. Probably until June, sir. This includes consideration of the need for a pay raise supplemental, too.

Mr. LIPSCOMB. June what?

Mr. HENSHAW. About the first of June I believe for the O. & M. funds and during the last week of June for the military personnel Air Force appropriation.

General PITTS. General Crow used May 25 when we were here on O. & M., sir.

#### RECENT ACTIONS AFFECTING FISCAL YEAR 1969 ESTIMATES

Mr. LIPSCOMB. How about fiscal year 1969?

General PITTS. Again, sir, we will have to expend the funds for which we have not budgeted. We do not know the level of activity. As a matter of fact, we have information as of this morning that there is a contemplated action not to mobilize certain units that were alerted for callup on May 13 and possibly release some personnel called up earlier. As a result of this our activity level might go down.

For that activity that is continued at a level above what we had programmed for in the budget, we will have to examine our programs and priorities and attempt to accommodate it through reprogramming. If the level of activity is above our ability to reprogram, we would have to come in for a supplemental in fiscal year 1969.

Mr. LIPSCOMB. Are you saying you are aware now that your budget for fiscal 1969 is such that you must anticipate reprogramming funds?

General PITTS. No, sir. I said we do not know the level of activity at this time. We cannot foresee it so that we cannot put a price tag on it right now.

If activity levels are above the program that we budgeted for—

Mr. LIPSCOMB. You know that is the case at this moment.

General PITTS. As of right now; yes, sir. However, I do not know what those levels will be, and we can always accommodate some increase by reprogramming.

Mr. LIPSCOMB. Would you set forth in the record the actions that have occurred since you finalized your budget in December which affect the fiscal 1969 budget in personnel?

General PITTS. I shall provide that for the record, sir.  
(Information requested follows:)

ACTIONS AFFECTING FISCAL YEAR 1969 MILITARY PERSONNEL, AIR FORCE BUDGET

A number of events affecting the fiscal year 1969 Military Personnel, Air Force, requirements have transpired since the fiscal year 1969 President's budget was developed. Significant changes include the two callups of Air Force Reserve and Guard personnel, revised B-52 aircraft utilization and personnel deployments to Korea. A preliminary cost estimate related to these items and specifically associated with unforeseen fiscal year 1968 actions is approximately \$120 million. When combined with two other cost changes, a reduction of \$4.4 million in airlift rates due to CAB action and an increase of \$26 million for Servicemen's Group Life Insurance premiums, the current estimated impact of recent changes upon this appropriation in fiscal year 1969 is about \$142 million. On an overall basis, however, this would be offset in part by reductions in Air National Guard and Reserve personnel appropriations.

Mr. LIPSCOMB. Do you have any idea what that figure is at the moment?

General PITTS. I do not.

B-52 PHASEDOWN

Mr. MAHON. Last year we discussed under strategic forces a decrease of 2,500 spaces in fiscal 1967 and an additional decrease of 2,500 spaces in fiscal 1968 as a result of the B-52 phasedown.

At that time General Harrison indicated there would be a continued reduction until 1971.

For fiscal 1969, Colonel Hoxie indicated a decrease of 3,900 spaces for the B-52 phasedown.

Does this mean that the phasedown has been speeded up?

General CLAY. No, sir; slowed down, overall. In the program we are looking at right now we were going to deactivate in fiscal 1969 four B-52 squadrons. Originally it was five squadrons, but because of the slippage of the FB-111 in the 1969 budget we retained one to offset that.

The fiscal year 1969 program originally called for four squadrons to inactivate in the fourth quarter.

The Office of the Secretary of Defense has recommended that this be moved up and they would be phased out at the end of the first quarter, in fiscal year 1969, which would save roughly three-quarters of the costs for those four wings. That is now in the fiscal year 1969 budget.

From the Air Force viewpoint we have been discussing the problem with OSD. It is still an open question at the moment and a firm decision has not been made so far as I know as of today, whether or not we will go ahead with the 1969 inactivation of the four units or carry them on.

The Air Force has recommended strongly we retain these units to the Office, Secretary of Defense, and they are reviewing this aspect.

Mr. LIPSCOMB. Since the beginning of the phasedown of the B-52's how many spaces have been cut from the B-52 program?

Colonel HOXIE. In the phasedown of the three squadrons in 1968 we had a reduction of 5,385. This also included a reduction in the alert

status of those units dropping the residual units to 43 percent, and that figure is included within the 5,385.

Mr. LIPSCOMB. Did you start in 1968? What about 1967?

Colonel HOXIE. Yes, sir; three squadrons in 1968.

Mr. LIPSCOMB. What occurred in 1967?

General CLAY. In the B-52 C through F models we had a 23-squadron force in fiscal year 1966. We dropped to a 20-squadron force in fiscal year 1967. It is a 17-squadron force of C through F's in fiscal year 1968 and drops to 13 in fiscal year 1969.

Colonel HOXIE. I will provide the aggregate spaces for the record. (Information requested follows:)

#### B-52 PHASEDOWN

Three squadrons were phased out in fiscal year 1967, three in fiscal year 1968, and four are programed to phase out in fiscal year 1969. Manpower reductions associated with the phasedown of these units are as follows:

	Fiscal year 1967	Fiscal year 1968	Fiscal year 1969
<b>Aircrew and direct support personnel:</b>			
Officers.....	-537	-537	-728
Airmen.....	-1,956	-1,956	-3,376
<b>Total.....</b>	<b>-2,493</b>	<b>-2,493</b>	<b>-4,104</b>
<b>Base operating support personnel:</b>			
Officers.....	-50	-50	-82
Airmen.....	-348	-348	-574
Civilians.....	-150	-150	-246
<b>Total.....</b>	<b>-548</b>	<b>-548</b>	<b>-902</b>
<b>Grand total.....</b>	<b>-3,041</b>	<b>-3,041</b>	<b>-5,006</b>

Mr. LIPSCOMB. What is happening to these highly trained elite crews?

General CLAY. Basically these are the resources that move into the FB-111 program.

Mr. LIPSCOMB. Where are they now? How have they been dispersed?

You do not have a very big FB-111 program now?

General CLAY. No, sir. It is just now starting. We will bring in the first unit. It will not be a complete squadron in \_\_\_\_\_ but we will bring in \_\_\_\_\_ aircraft to start the initial program. Then it builds up rapidly according to the program we now have for the FB-111.

#### DISPOSITION OF B-52 CREWS

Mr. LIPSCOMB. What has happened to these highly trained crews up to this time?

General BELL. Mr. Lipscomb, as people become available from these and similar organizations they are reassigned wherever requirements might dictate. And many of the crews undoubtedly have gone to Southeast Asia after having gone through a CCTS organization which are those specialized flying organizations which provide additional training in a particular weapons system.

They are not lost to the Air Force but they are used wherever they may be required, wherever the priority is highest, and many of them undoubtedly, because of the high priority, have been rotated through the system to go to Southeast Asia in a completely different weapons system.

Mr. LIPSCOMB. But the crews in fact have been split up?

General BELL. That is right.

Mr. LIPSCOMB. You have lost these highly qualified knowledgeable crews that were able to keep these B-52's flying the way they so effectively did?

General BELL. Their integrity as a crew unit is not maintained.

Mr. LIPSCOMB. How are you keeping crews available for the B-52's which have gone into active storage?

General CLAY. We are not, sir, in one sense. The active storage program which we are talking about in terms of the B-52 C's and F's, we are not authorized additional crews or flying hours. We are putting those airplanes into active units but we are not authorized additional crews for those while they are in active storage.

Mr. LIPSCOMB. Suppose there were a need to reactivate to active status those aircraft that are in so-called active storage? How would you put it together?

General BELL. Crews would be formed from existing resources, depending again on priorities.

If it were decided that the most urgent thing we had to do within the next 30 days was to reconstitute crews we would identify through our airmen and officer records those people who possess those skills and reassemble them.

#### MAINTAINING AN ADEQUATE B-52 FORCE

Mr. LIPSCOMB. Our B-52 strategic air capability has been significantly reduced in the last 2 to 3 years; is that correct?

General BELL. I would have to defer that question to General Clay.

General CLAY. Our B-52 capability will be reduced? Was that the question, Mr. Lipscomb?

Mr. LIPSCOMB. Yes.

General CLAY. Yes, sir. In terms of the total force, the B-52 force will be reduced by four squadrons through the next year. That is the B-52 C through F models.

However, we are retaining without change the B-52G and B-52H models, the latest models, in the force throughout the period into the mid-seventies. Of course, during that period, sir, while we are phasing out the B-52C through B-52F, we are bringing in other weapons systems in the form of the Minuteman and the FB-111 to offset this transition period. We are retaining a number of the B-52's in active storage. The actual program that will be in active storage will be either ——— depending upon whether we phase out in first quarter or last quarter fiscal year 1969 the four squadrons we just talked about.

Mr. LIPSCOMB. Would you say the B-52 squadrons have been reduced in capability further than this committee and the Senate felt they should have been as written in last year's report of both the Senate and the House?

General CLAY. No, sir; I do not believe so. I believe, if I can recall the intent——

Mr. LIPSCOMB. Do we have a ——— force now as was appropriated for by the Congress?

General CLAY. I did not understand the question. I do not have the report in front of me. Actually, the total force as we phase down

UE-wise, sir, will go down to a total UE in units of ——— airplanes by end fiscal year 1969. However, you would add to that the ——— some airplanes that we will put in active storage. So, the net number of airplanes available would be about the same.

Mr. LIPSCOMB. Do you happen to have a committee report in front of you?

General CLAY. A committee report?

Mr. LIPSCOMB. Yes, sir.

General CLAY. No, sir; I do not.

Mr. LIPSCOMB. I am sorry; I do not, either.

General CLAY. My understanding of the committee report, Mr. Lipscomb—I would have to check for accuracy—is that the Congress did provide funds to retain B-52 aircraft in active capacity, but not necessarily retain the units or the squadrons associated with them.

General PITTS. I have a copy of the report here, sir.

Mr. LIPSCOMB. What did the committee say in the report?

General PITTS. In the front of the report it is stated:

#### SUMMARY OF ADDITIONS AND DECREASES

Additions. Continuation of B-52 strength, \$11.9 million.

Is that the sum you were referring to?

Mr. LIPSCOMB. We also stated in the report what we did.

General PITTS. The language?

Mr. LIPSCOMB. Yes.

General PITTS. All right, sir. If I might read from the report, sir:

#### STRATEGIC FORCES

Again this year the committee has provided funds above the budget estimate for the continuation of 600 B-52 aircraft during the fiscal year 1968 as opposed to the budgeted reduction of 45 aircraft in the total force. The amounts provided are based on the further continuation of the 600 into fiscal year 1969. As was stated last year in House Report 1652, it is the opinion of the committee that under circumstances existing in Southeast Asia and with the general uncertainty which accompanies that situation and added unrest elsewhere since that date, that it might not now be wise to discontinue any further numbers of manned strategic aircraft. To replace the older B-52's and B-58's which are programed to be phased out of the force by 1971, this bill provides for the second year's procurement of the FB-111 bomber.

It goes on into the AMSA.

Mr. LIPSCOMB. Would you say that language in the report was rather clear?

General CLAY. Yes, sir.

Mr. LIPSCOMB. Has the Air Force been able to maintain exactly what we have said in the report, a continuation of 600 B-52 aircraft during fiscal year 1968? Also, we said:

It is the opinion of the committee that under circumstances existing in Southeast Asia and with general uncertainty which accompanies the situation, the general unrest elsewhere since that date, it might not now be wise to discontinue any further numbers of manned strategic aircraft.

General CLAY. Yes, sir.

Mr. LIPSCOMB. Have you done this?

General CLAY. Through our NOA program we have done that through fiscal year 1968, sir. We have maintained——

Mr. LIPSCOMB. But you have still put aircraft in active storage.

General CLAY. Yes, sir. I am differentiating here between active storage and inactive storage, as we discussed the other day. As we go beyond the 1969 period, we start having problems associated with the active storage program because of the difference in aircraft models. It just is not economical to operate G's and H's, for example, with the C through F. You end up with a different supply system, a different maintenance system, a different crew requirement, and things of that nature, which does not make it a very economical trade-off.

Mr. LIPSCOMB. From the study of the slippage and delay of the FB-111 program you have found it necessary, I understand, instead of deactivating four, to deactivate only three. Is that correct?

General CLAY. Sir, we are going to retain in the program one squadron by inactivating four of the five squadrons originally scheduled for inactivation this year.

Mr. LIPSCOMB. Besides that, is there any further study going on to find out exactly what somebody is doing to our B-52 strategic force? I am particularly concerned with this period of time until we have some assurance that we will have an FB-111 force.

General CLAY. Yes, sir; that is under continual review. Any changes immediately impact on the overall program, requiring a look at our B-52 program.

Mr. LIPSCOMB. You are assuring us that we are not blindly going into this deactivation and active storage, and so forth?

General CLAY. No, sir; we are not. Any time there is any change in the program in the strategic force, be it in the Minuteman or the FB-111 or any area that we are looking at that might have some possible modification, immediately we go back to the B-52 retention aspect of the program.

Mr. LIPSCOMB. You are looking at it from both ends, not only cost effectiveness but the military effectiveness and capabilities?

General CLAY. Yes, sir.

#### DISPOSITION OF MILITARY SPACES RESULTING FROM B-52 DEACTIVATION

Mr. LIPSCOMB. You are going to try to explain in the record what happened to our military spaces?

Colonel HOXIE. Yes, sir.

(The information follows:)

Under the current Department of Defense programing and budgeting system, manpower spaces associated with force reductions are withdrawn from the Air Force manpower ceiling simultaneously with the phase out of units. Personnel affected are reassigned to other units.

#### MILITARY SPACE INCREASES ASSOCIATED WITH ADDED B-52 SORTIES

Mr. MAHON. Colonel Hoxie, you also mentioned a fiscal 1969 increase of 1,200 military spaces in strategic offensive forces, which is associated with added sortie rates for B-52's and KC-135's based in the continental United States. Will you explain the necessity for this increase, General Clay?

Colonel HOXIE. If you will permit, I can respond to that, I believe.

To support our pilot requirements in Southeast Asia under the current tour policy established by OSD and the Air Force, we require

continuous flow of pilots through the weapons systems being utilized in Southeast Asia.

We have utilized SAC pilot resources as fillers for the Southeast Asia requirements. This then impinges on SAC to the extent they have to increase training in B-52 and KC-135 people to replace pilots going to Southeast Asia. Those increased sortie rates and increased flying hours are represented by the 1,200-some-odd additional manpower spaces that I mentioned here, primarily in the maintenance area.

MR. MAHON. Colonel, is this a movement of both men and aircraft to Southeast Asia from the continental United States?

Colonel HOXIE. In the case of the individuals, sir, the actual flow as they depart from a SAC unit without aircraft, they report to an RTU or CCTS in F-4's, RF-4's, and so forth, and receive their training and proceed to a filler already in place with its aircraft in Southeast Asia.

#### REDUCED PILOT REQUIREMENTS IN FISCAL YEAR 1968

MR. MAHON. In his statement, Colonel Hoxie indicated that current pilot requirements for fiscal 1968 had been reduced about 6,300 from that projected as a result of a 6-month review by the Office of the Secretary of Defense. The Secretary of Defense has designated funds to provide the capability to increase pilot production if needed.

How much money has been set aside for this purpose, and are you talking about military personnel funds in this regard?

General CLAY. No, sir; it is long leadtime items. Actually, we have money set aside in the 1969 budget to do two things, sir. One is to provide an increase at the nine bases now in our undergraduate pilot training (UPT) program. That money in the 1969 budget amounts to \$7.8 million. That would give an increase of approximately 200 UPT graduates, capacity increase, from the nine bases.

In addition to that, there is \$65 million identified in the 1969 budget associated with opening a 10th UPT base, and in that we require the capacity.

There are studies now being made to see whether or not that is the most efficient way to accomplish the task. For example, perhaps by adding additional runways at the other nine bases we might be able to achieve a capacity growth that would be cheaper and perhaps more effective than opening a 10th base. That study has not been completed yet. It is being looked at.

However, the money has been provided, and it is identified in the budget pending the outcome of the studies we are making now. The total moneys provided in the 1969 budget would provide a capacity increase of 625 UPT graduates, 200 of them associated with expansion of the current nine-base capacity, 425 associated with the opening of a 10th base.

MR. MAHON. Did the Air Force fully agree with the 6,300 pilot reduction?

Colonel HOXIE. Yes, sir.

General CLAY. Yes, sir.

## INCREASING PILOT LOSS RATE

Mr. MAHON. General Bell, you indicate that pilot production will increase in fiscal years 1968 and 1969 over fiscal 1967 pilot production. Your pilot loss rate increased from 3.7 percent in fiscal 1965 to 5.1 percent in fiscal 1966 and 6.9 percent in fiscal 1967.

What do you project this loss rate to be in fiscal 1968 and 1969?

General BELL. As a result of the action that we have taken to prevent loss of Regular Air Force officers who are pilots through a program that we refer to as the stop loss program, the loss rate for fiscal year 1968 and in future years, so long as the requirement remains, will be considerably reduced.

In other words, it is within the authority of the Secretary of the Air Force to prevent a Regular Air Force officer from either retiring or resigning. We have seen fit to exercise that authority in order to lower the loss rate for critically needed skills, principally pilots and navigators. There are others included.

Mr. MAHON. Do you have any predictions as to your probable loss rate, then, in view of this, in fiscal years 1968 and 1969?

General BELL. I have, sir, the anticipated loss rate for fiscal year 1968 with the stop loss program established.

Colonel Turner, do you have that figure?

I would like to say 818. May I insert that figure for the record?

Mr. MAHON. Certainly. In percentages, similar to the other fiscal years.

General BELL. It is 885, forecast for fiscal year 1968, a rate of 4.5 percent. We predict a loss of 880 pilots during fiscal year 1969, a rate of 5.4 percent.

General CLAY. On the question you asked, do we agree with the pilot figure, the answer is yes. However, I would like to point out there is a caveat in there which could change the figures. That is the crew ratio of the F-4/F-111 force. The figures in the tables that we are talking about now are based on a crew ratio initially of 2, or two pilots, going to 1.7 in 1969, going to 1.35 to 1 in 1970, and 1 to 1 in 1971; that is, one pilot and one navigator being the crew.

That problem is being studied right now. There is a caveat that, obviously, these figures will be modified, depending upon what is to be the crew ratio which we think represents the optimum mix.

With that understanding of that caveat, sir, we agree with these numbers.

## PILOT COMBAT LOSSES

Mr. MAHON. General Bell, could you provide us with some data on your combat-related loss rate for aviators for fiscal year 1968, and compare that with fiscal year 1967, please?

General BELL. Yes, sir. The combat pilot losses for fiscal year 1967 totaled 298. For fiscal year 1968 through March, it totaled 222.

I can insert for the record the breakout by month, if you would like that information.

Mr. MAHON. Thank you. Would you, please?

(The information follows:)

## PILOT COMBAT LOSSES FOR FISCAL YEAR 1967 AND FISCAL YEAR 1968 (THROUGH MARCH 1968)

Month	Fiscal year 1967	Fiscal year 1968 through March
July.....	26	23
August.....	26	35
September.....	36	16
October.....	24	35
November.....	21	35
December.....	20	26
January.....	29	20
February.....	11	13
March.....	27	19
April.....	28	-----
May.....	24	-----
June.....	26	-----
Total.....	298	222
Average/month.....	25	25

Mr. MAHON. I believe you have touched on this earlier, but in connection with the pilot retention problem, have you had to extend pilot time in South Vietnam in fiscal year 1968?

General BELL. We have not extended the tour length in Southeast Asia. It remains 12 months.

## HELICOPTER AND LIGHT FIXED-WING AIRCRAFT PILOTS

Mr. MAHON. How many helicopter pilots and light fixed-wing aircraft pilots do you have in the Air Force at the present time?

General BELL. I cannot provide the number of helicopter pilots or the number of pilots currently employed as helicopter pilots. I will insert that for the record.

(The information follows:)

## NUMBER OF PILOTS CURRENTLY EMPLOYED IN HELICOPTERS AND LIGHT FIXED-WING AIRCRAFT

The Air Force does not categorize pilots as fixed-wing and helicopter pilots; they are trained in specific weapon systems to meet requirements. However, at the present time, out of the total pilot inventory, 895 pilots are performing duty in light fixed-wing aircraft and 989 pilots are in helicopter duty.

## USE OF WARRANT OFFICERS AS PILOTS

Mr. MAHON. In that general connection, the Army utilizes both commissioned officers and warrant officers as aviators with apparent good success and without morale problems. Will you provide the reason the Air Force does not consider the use of warrant officers as helicopter pilots, General Bell?

General BELL. Would you like me to discuss it now?

Mr. MAHON. Yes; would you, please?

General BELL. I think it is a question of philosophy, sir. The Air Force is an organization whose weapons systems are designed to be employed in the aerospace environment. I believe it logical to recognize that as men develop throughout their careers it becomes important that they have a firsthand knowledge to manage the organization that is exercising weapons in a particular environment such as aerospace.

There would be a certain incongruity if the Air Force utilized one

category of personnel to employ the weapons systems and kept them at a level that would preclude their advancement to top management.

I am sure the Army is enjoying a high order of success in the utilization of warrant officers who will remain in that role, but their primary role, as the Army's, is not in the environment of space.

The Air Force philosophy is that of having its commissioned officers represent the highest quality talent that we are capable of incorporating or getting in our officer corps. So, after serving, shall we say, an apprenticeship period of time as a pilot for whatever period of time that might be, we desire the individual to possess the potential of growing in the technological area in which the Air Force operates.

Mr. MAHON. From your statement, then, General Bell, I gather that the Air Force has given this thought in the past.

General BELL. That is correct, sir. We have given this problem a great deal of very careful consideration.

### MEDICAL STAFFING

#### RETURN RATE FOR DOCTORS AND NURSES

Mr. MAHON. Turning to medical staffing, at the moment how is your retention rate for nurses and physicians in fiscal year 1968 compared with previous years?

General BELL. We are bringing on board approximately 1,000 physicians a year, and they remain for the most part for a period of 2 years. The retention rate among highly qualified specialists is 1.2 percent. We have a retention of less highly qualified doctors of approximately 12 percent. Many of those who comprise the 12 percent take advantage of the opportunity provided by the Air Force of meeting their residencies at either civilian institutions or within the framework of the Air Force medical program. For each year they attend school they have imposed upon them a 3-year commitment.

#### TOTAL NUMBERS OF DOCTORS AND NURSES

We currently have on board 4,163 doctors and 4,050 nurses. The retention rate among nurses is in comparison quite good. The remuneration and the benefits that accrue to a nurse in the Air Force are quite equitable to what accrues to them in civilian life. Consequently, we enjoy that relative advantage, and the retention rate for nurses is much higher than for doctors.

If you would like, I can insert for the record specific tables comparing the various years.

Mr. MAHON. I was going to ask that you update the chart on page 325 of last year's hearings concerning medical staffing, if you will, please.

General BELL. We will, sir.  
(The information follows:)

#### MEDICAL PROGRAM

The following table summarizes the programmed strengths of the professional and technical staff in support of the Air Force medical program at end fiscal years 1968 and 1969:

	Fiscal year 1968	Fiscal year 1969
Medical staff:		
Physicians.....	4,296	4,344
Dentists.....	2,036	1,875
Veterinarians.....	397	402
Nurses.....	4,247	4,059
Dieticians, therapists, et cetera.....	1,056	1,048
Technicians.....	23,630	23,764

The Air Force does not anticipate any difficulty in achieving medical, dental, and veterinarian officer strengths. Past experience indicates that a sufficient number of these professional people volunteer for active service upon completion of their education or internships and expiration of draft deferments for military duty. They choose to serve and gain professional experience in their respective career fields rather than accept general military assignments.

Mr. MAHON. Will you have to draft physicians and dentists in fiscal 1969?

General BELL. No, sir.

#### RECRUITING PROGRAM

Mr. MAHON. With respect to recruiting, General Bell, would you provide for the record how much money is being expended annually for your recruiting program in terms of personnel, advertising, and related expenses?

General BELL. I will be very happy to, sir.  
(The information follows:)

#### RECRUITING COSTS

In fiscal year 1968 we will expend approximately \$23.6 million for our recruiting program and about \$24.3 million in fiscal year 1969. Details are as follows:

[Dollars in millions]

Appropriation	Fiscal year 1968	Fiscal year 1969
Military personnel, Air Force.....	\$18.1	\$18.8
Operations and maintenance, Air Force.....	5.5	5.5
(Civilian personnel).....	(1.5)	(1.5)
(Support).....	(3.0)	(3.0)
(Advertising).....	(1.0)	(1.0)
Total.....	23.6	24.3

#### RATIO OF MILITARY TO CIVILIAN PERSONNEL

Mr. MAHON. Colonel Hoxie, if you will, please update the table on page 324 of last year's hearings concerning the ratio of military to civilian personnel.

Colonel HOXIE. Yes, sir, we will.  
(The information follows:)

## RATIO OF MILITARY TO CIVILIAN BY SERVICE

	Air Force	Army	Navy	Marine Corps
End of fiscal year 1968:				
Military.....	883,182.0	1,534,800.0	767,633.0	301,895.0
Civilian.....	344,250.0	439,681.0	417,714.0	20,812.0
Military-civilian ratio.....	2.57:1.0	3.49:1.0	1.84:1.0	14.51:1.0
Percent of civilian personnel of total.....	28.0	22.3	35.2	6.4
End of fiscal year 1969:				
Military.....	866,630.0	1,507,568.0	793,983.0	306,408.0
Civilian.....	346,706.0	443,654.0	413,203.0	20,263.0
Military-civilian ratio.....	2.50:1.0	3.40:1.0	1.92:1.0	15.12:1.0
Percent of civilian personnel of total.....	28.6	22.7	34.2	6.2

## OFFICER RATIO TO TOTAL STRENGTH

Mr. MAHON. We would also like to have a chart similar to that furnished on page 310 of last year's hearings, indicating your officer ratio to total strength, by fiscal year.

General BELL. We have that information and will insert it in the record, sir.

(The information follows:)

## OFFICER RATIO TO TOTAL STRENGTH

## OFFICER AUTHORIZATIONS VERSUS TOTAL MILITARY

Fiscal year	Officers	Total military	Officer ratio percentage
1956.....	143,000	975,000	14.7
1957.....	141,200	920,700	15.3
1958.....	133,000	875,000	15.2
1959.....	132,600	850,000	15.6
1960.....	128,700	825,000	15.6
1961.....	128,700	822,900	15.6
1962.....	134,622	883,330	15.2
1963.....	132,949	868,644	15.3
1964.....	133,029	855,844	15.5
1965.....	131,141	823,633	15.9
1966.....	130,285	886,350	14.7
1967.....	134,932	896,491	15.1
1968.....	136,718	883,182	15.5
1969.....	133,413	866,630	15.4

Note: These are actual end-year strengths for years through fiscal year 1967.

## PAY AND ALLOWANCES

## SPECIAL PAY

Mr. MAHON. Turning now to "Pay and allowances," during the testimony last year special pay for fiscal year 1968 was estimated at \$58,425,000. This year your estimate for fiscal 1968 is \$74,610,000. What is the reason for the \$16.2 million difference between last year's estimate and your current estimate in this pay category for fiscal 1968?

Colonel O'DONNELL. Is that officers or airmen?

Mr. MAHON. It is for enlisted personnel and it appears on page 288 of last year's hearings.

General PITTS. Would you state those figures again, sir?

Mr. MAHON. During the testimony last year, special pay for fiscal year 1968 was estimated at \$58,425,000. This year your estimate for fiscal 1968, the same year, is \$74,610,000.

General BELL. The special pay increase is for hostile-fire pay of the increased number of enlisted people in Southeast Asia.

#### VARIABLE REENLISTMENT BONUS

Mr. MAHON. How many men will receive the variable reenlistment bonus in fiscal year 1968, and how many according to your fiscal 1969 estimates?

General BELL. Colonel Seal, do you have that data?

Colonel SEAL. In 1968 we plan to make a total of 25,140 awards. In 1969 we are estimating 33,249 personnel will receive the variable reenlistment bonus.

I will provide the detailed breakout of both of these to distinguish between the carryover awards and the new awards for the current fiscal year.

Mr. MAHON. Is that the reason for your projected increase in fiscal 1969?

Colonel SEAL. Yes, sir. The majority of variable reenlistment bonus payments are made over a 4-year period. The program began in fiscal year 1966. Fiscal year 1969 adds the fourth year to the program. The increase results from personnel becoming eligible for the first time for the variable reenlistment bonus in 1969.

Mr. MAHON. Thank you.

(The information follows:)

#### VARIABLE REENLISTMENT BONUS

The numbers of new and carryover Variable Reenlistment Bonus awards are shown in the following chart:

	Fiscal year			
	1966	1967	1968	1969
New awards.....	5,013	18,976	21,194	38,184
Carryover awards for.....	0	5,013	13,946	25,065
Fiscal year 1966 reenlistments.....	0	(5,013)	(5,013)	(5,013)
Fiscal year 1967 reenlistments.....	0	0	(8,933)	(8,933)
Fiscal year 1968 reenlistments.....	0	0	0	(11,119)
Total awards.....	5,013	13,989	25,140	33,249

<sup>1</sup> Includes 43 lump-sum awards.

<sup>2</sup> Includes 75 lump-sum awards.

<sup>3</sup> Includes 2,864 lump-sum awards.

#### SUBSISTENCE IN KIND

Mr. MAHON. Please update the table appearing on page 305 of last year's hearings concerning absentee rates.

(The information follows:)

#### AIR FORCE DINING HALLS ABSENTEE RATES

[In percent]

Fiscal year	CONUS		Overseas	
	Projected	Actual	Projected	Actual
1966.....	28.9	31	14.8	17
1967.....	32.7	32	19.3	19
1968.....	32.7	132	19.3	119

<sup>1</sup> Dec. 31, 1967.

## PERMANENT CHANGE OF STATION TRAVEL

Mr. MAHON. With respect to permanent change of station travel, you indicate there will be 13,253 more permanent change-of-station moves in fiscal year 1968 than was predicted at this time last year. This is brought about by an increase in overseas rotational moves in support of Southeast Asia.

Why is it these moves could not be predicted at this time last year?

General BELL. I believe, sir, in large part it is due to the fact that many of the contingencies that have occurred subsequently were not foreseen at the time the budget was prepared for last year—increased operational requirements that have developed in Southeast Asia which at the time the prediction was made concerning the budget had not yet been established or developed.

## IMPACT OF RESERVE AND NATIONAL GUARD CALLUPS

Mr. MAHON. I assume that the Reserve and National Guard callup in 1968 will have an impact on this account in both fiscal 1968 and 1969. Have you any estimates in that regard, General Bell?

General BELL. I do not have an estimate concerning the number of PCS moves that will be directly connected with the callup. However, you are quite correct in saying it will have an impact.

General PITTS. I have some figures, sir, if you would like me to provide them at this point, on the costs of the Reserve callup in 1968 and estimated 1969. I will provide that for the record.

(The information follows:)

## FUNDING IMPACT OF AIR FORCE RESERVE AND AIR NATIONAL GUARD CALLUP

The initial callup was effected on January 25, 1968. In April 1968 a subsequent callup was announced for May 13, 1968. Subsequently, the May 13 callup was modified. The following tables provide the costs of the two callups as envisaged after the April announcements; the subsequent adjustment, and the revised cost estimate.

The costs do not include permanent change-of-station travel. An estimate of these costs will not be possible until decisions are made concerning the basing of the various units.

## INITIAL COST ESTIMATE OF THE JAN. 25, 1968, AND MAY 13, 1968, CALLUPS

[In millions of dollars]

Appropriation	Fiscal year 1968	Fiscal year 1969
Operations and maintenance, Air Force.....	+9.3	+36.9
Military personnel, Air Force.....	+34.9	+107.4
Aircraft procurement, Air Force.....	+5.0	+3.9
Operations and maintenance, Air National Guard.....	-7.9	-40.5
National Guard personnel, Air Force.....	-4.0	-11.8
Reserve personnel, Air Force.....	-2.0	-7.1
Total.....	+35.3	+88.8

## ADJUSTMENTS DUE TO MODIFICATION OF THE MAY 13, 1968, CALLUP

Operations and maintenance, Air Force.....	0	-1.1
Military personnel, Air Force.....	- .8	-7.2
Aircraft procurement, Air Force.....	0	0
Operations and maintenance, Air National Guard.....	0	+ .8
National Guard personnel, Air Force.....	0	+1.0
Reserve personnel, Air Force.....	0	+ .1
Total.....	- .8	-6.4

## REVISED COST ESTIMATE

Operations and maintenance, Air Force.....	+9.3	+35.8
Military personnel, Air Force.....	+34.1	+100.2
Aircraft procurement, Air Force.....	+5.0	+3.9
Operations and maintenance, Air National Guard.....	-7.9	-39.7
National Guard personnel, Air Force.....	-4.0	-10.8
Reserve personnel, Air Force.....	-2.0	-7.0
Total.....	+34.5	+82.4

## OPERATIONAL TRAVEL BETWEEN DUTY STATIONS

Mr. MAHON. The cost of operational travel between duty stations for fiscal year 1969 is estimated at \$45,488,000, an increase of \$899,000 over fiscal year 1968 estimates. Each year the committee expresses its concern over travel costs, and particularly to this portion of the permanent change of station account. Can we be assured that you are doing everything you can to maintain travel costs to a minimum and that all such travel is absolutely necessary?

General BELL. You can be assured of that. I realize, and others as well realize, it is an extremely difficult problem and a very expensive one. No body appreciates that fact more than those of us who are in the service and who are subjected to the expense and inconvenience of these individual moves.

The moves are predicated and are made in response to the mission as dictated by operational requirements, wherever they may occur.

## TRAVEL OF ORGANIZED UNITS

Mr. MAHON. General Bell, will your travel of organized units for fiscal year 1969 be affected by the callup of National Guard and Reserve units in 1968?

General BELL. That is correct, sir, they will be.

Mr. MAHON. Have you any information indicating the amount of money involved in this regard?

General BELL. I do not have. Perhaps General Pitts may have a figure on that. I think he very well might not, in view of the fact that I

do not believe it has yet been determined exactly where these organizations may be located.

Of course, that would affect the overall cost involved.

Mr. MAHON. If you can, perhaps you could provide something for the record.

General PITTS. On the cost of the moves attendant with units that are called up as units and moved as units; is that right?

Mr. MAHON. Yes, that is correct.

General PITTS. We will provide that for the record on that, sir.  
(The information follows:)

#### IMPACT OF GUARD AND RESERVE CALLUP ON TRAVEL BUDGET

The Air Force is conducting a study to determine the basing of these forces. The impact on travel requirements will not be available until these determinations have been reached.

#### PROPOSED CIVIL AERONAUTICS BOARD RATE REDUCTION

Mr. MAHON. I understand there is a pending Civil Aeronautics Board (CAB) action to reduce Military Airlift Command rates. Where does this CAB action stand at the present time and, if it is approved, what effect will it have on the permanent change of station travel account of the Air Force and of the other services?

General BELL. I believe there will be a reduction of approximately \$4.5 million experienced, should that change take place.

Mr. MAHON. Is that for the Air Force alone?

General BELL. That is for Air Force alone, sir.

Mr. MAHON. Have you any idea what it will be for the other services?

General BELL. I do not, sir.

General PITTS. I have some figures here.

For the Army, the total in O. & M., military personnel, \$16,920,000. For the Navy, a total of \$4.6 million. General Bell's statement was correct as regards military personnel, about \$4.5 million, but the total for Air Force, to include O. & M., R. & D., procurement, et cetera, is \$10.7 million; for a grand total in DOD of \$32.5 million.

Mr. MAHON. Do you know whether this reduction will be forthcoming in fiscal 1969?

General PITTS. That is correct, for 1969; yes, sir.

Mr. HENSHAW. July 1, 1968, is the effective date. I have no information that indicates it will be implemented earlier.

General PITTS. I can put this table in the record.

(The table follows:)

## CAB rate reduction fiscal year 1969

[Thousands of dollars]

Army :	
Operations and maintenance.....	\$4, 182
Military personnel.....	12, 738
Subtotal .....	<u>16, 920</u>
Navy :	
Operations and maintenance, Navy.....	2, 300
Operations and maintenance, Marine Corps.....	300
Military personnel, Navy.....	1, 000
Military personnel, Marine Corps.....	1, 000
Subtotal .....	<u>4, 600</u>
Air Force :	
Operations and maintenance.....	5, 833
Military personnel.....	4, 421
Research, development, test and evaluation.....	102
Procurement .....	240
Military assistance program.....	124
Subtotal .....	<u>10, 720</u>
Other Department of Defense.....	43
Non-Department of Defense.....	188
Subtotal .....	<u>231</u>
Total .....	<u>32, 471</u>

## OTHER MILITARY PERSONNEL COSTS

## UNIFORMED SERVICES SAVINGS DEPOSITS

MR. MAHON. Under the category of other military personnel costs, your fiscal year 1968 estimate for interest on uniformed services savings deposits is about \$2.3 million. For fiscal year 1969, this increases to \$10.9 million. Does this mean deposits are increasing to this extent, or are you using a different method of computation?

General BELL. I believe that refers to the latter assumption on your part. It is a different method of computation.

Perhaps General Pitts ought to address himself to this, but I think it is simply a question that in fiscal year 1968 the moneys that were programed were to accommodate only the interest actually paid; and for fiscal year 1969 it also includes interest accruals.

MR. MAHON. Will this account continue to increase substantially each year, or will it eventually level off? Do you have any predictions in that regard?

General PITTS. I can make the prediction that it will continue to increase. I recently returned from Taiwan, and can speak from first-hand experience. It was an objective of mine as commander to encourage troops to use this program for two reasons. One, to get them in a savings program and, second, to help the international balance-of-payments problem which this directly impacted.

During the tenure I was out there, a little over 1 year, we had substantial gains in deposits by servicemen during that time. Increasing numbers participated, and the amounts deposited increased up to, in many instances, the full amount authorized by law.

Mr. MAHON. Are they required to withdraw those funds when they return to the continental United States?

General PITTS. They do not have to withdraw them, but at the end of 3 months after they return, interest reverts from 10 percent to 4 percent on the deposits.

Mr. MAHON. I wonder if you would provide for the record, then, how many officers and how many enlisted personnel are participating in the uniformed services savings deposit program.

General PITTS. Yes, sir, I will.

(The information follows:)

#### UNIFORMED SERVICES SAVINGS DEPOSIT PROGRAM

As of March 31, 1968, there were 37,021 enlisted personnel participating in the uniformed services savings deposit program with an estimated \$40,776,000 on deposit. In addition, 15,748 participating officers had approximately \$48,800,000 on deposit.

#### PROJECT 100,000

Mr. MAHON. A recent GAO report disclosed that during a 24-month period between July 1965 and July 1967, there were 40,172 men discharged shortly after induction because of physical handicaps that went undetected. This situation was said to have resulted in an unnecessary cost to the Government of \$20 million a year.

In the last 6 months of the GAO study, the auditors found the discharge rate for draftees soaring to 3.4 percent. Of the 40,172 men, 3,298 were Air Force personnel.

Would you comment on this overall situation, General Bell? Is this the result of a generally poor screening job at the examining stations, or is this a fallout from Project 100,000?

General BELL. No, sir, it is not a fallout of Project 100,000. The Air Force personnel, as you know, along with other military personnel, are given a physical examination at the AFEES prior to induction, AFEES being an acronym referring to Armed Forces entrance examination station.

During the 6-month period of October 1967 through March of 1968, my figures indicate that 1.5 percent of our accessions for a total of 761 men were discharged for medical reasons.

An explanation of why some disqualifying defects are not discovered at the AFEES is some ailments, such as asthma or epilepsy, would not normally be discovered unless the applicant told the doctor that he had a past history of the ailment. Physical examinations given at the AFEES are acceptable for a 1-year period, and that means, of course, that some ailments can develop in the interim period.

Steps are being taken to reduce the number of these individuals who are given an examination and then subsequently are found unfit for duty. There is a mutual effort going on between the Department of Defense and the surgeon of the USAREC—I do not know the exact name of those letters—to individually evaluate each case. They fall into four categories:

Category A would be to determine whether the condition could not have been detected at the AFEES.

B, it might have been detected at the AFEES.

C, it should have been detected by the examining physician.

D, it was an obvious and inexcusable omission.

I take the time to mention that, sir, because it indicates an awareness on the part of the Department of Defense of the problem and the action they are taking to resolve it.

Mr. MAHON. If we take your 6-month figure of 761 and project it for a 2-year period, it would appear that it is still running at the same rate as disclosed by the GAO report during the 2 fiscal years they studied. It would seem that some further effort should be made in solving this problem.

General BELL. I agree with you, sir. The study is aimed at improving the operating procedures. It has been undertaken by service representatives and with OSD to accomplish this very objective.

Mr. MAHON. How long were the 761 personnel in the service before these physical defects were detected?

General BELL. I am not able to respond to that question, sir. I do not know how long prior to discharge the individuals entered service. I would assume the majority of them probably were detected during the basic military training phase, which is of 6 weeks' duration.

Mr. MAHON. I think it would be of interest if you could provide for the record a breakout of these 761 men in the appropriate categories, if you will.

General BELL. We will do that, sir.

(The information follows:)

The average length of time in the Air Force of those men who were discharged for medical reasons before completing basic training during the 6-month period from October 1967 through March 1968 was 1 month. The breakout by mental category is:

Mental category	Number completing basic training	Medical discharges	Percent
I.....	3,377	37	1.1
II.....	17,182	215	1.3
III.....	16,648	251	1.5
IV.....	7,056	163	2.3
Other.....	7,751	95	1.2
Total.....	52,014	761	1.5

#### MEDICAL DISCHARGE RATES

Mr. MAHON. Do you have any statistics on your discharge rate due to undetected mental and physical handicaps prior to initiation of Project 100,000, and what it is running now? I realize you have indicated you do not feel this is a fallout of Project 100,000.

General BELL. I do have some statistics which I believe would be responsive to your question.

Mr. MAHON. Could we have that inserted in the record?

General BELL. I will insert them in the record, sir.

(The information follows:)

#### DISCHARGE RATE

The following statistics compare the medical discharge rates of mental category I, II, and III with mental category IV during and prior to Project 100,000.

## MEDICAL DISCHARGE RATES DURING BASIC TRAINING

	Phase I project 100,000, October 1966- September 1967	Phase II project 100,000, October 1967- March 1968	Prior rates, July 1966- December 1966
Category I, II, III:			
Number.....	86,762	37,202	48,404
Discharged.....	1,496	503	847
Percent.....	1.7	1.4	1.7
Category IV:			
Number.....	14,284	7,056	5,449
Discharged.....	399	163	122
Percent.....	2.8	2.3	2.2

## ACCEPTANCE UNDER MINIMUM STANDARDS

Mr. MAHON. Would you also provide for the record the degree and/or nature of mental and physical handicaps below minimum standards the Air Force is now accepting under Project 100,000?

General BELL. We will provide that for the record.

(The information follows:)

Personnel having one of the following defects which have been determined by medical diagnosis to be susceptible of correction within 6 weeks may volunteer and be accepted for enlistment:

1. Pilonidal cyst or sinus.
2. Hemorrhoids.
3. Undescended testicle, unilateral.
4. Undescended testicle and inguinal hernia, same side.
5. Hernia of the abdominal cavity.
6. Hydrocele.
7. Hydrocele and inguinal hernia, same side.
8. Varicocele.
9. Orthopedic fixture at site of old fracture.
10. Simple goiter.
11. Deviated nasal septum.
12. External otitis.
13. Hyperdactylia (hands and feet),
14. Over maximum weight by not more than 20 percent.
15. Under minimum weight by not more than 10 percent.

Mental standards for enlistment in the Air Force have not been lowered below the minimum passing score of 10 on the Armed Forces qualification test (AFQT) specified by the Military Selective Service Act of 1967. However, prior to Project 100,000 we did not accept for enlistment non-high-school graduates who did not score above 30 on the AFQT. Since Project 100,000 began, we have lowered mental standards for enlistment. We now accept non-high-school graduates scoring AFQT 10 who are able to pass an aptitude test.

## COMPARISON BY MENTAL CATEGORY

Mr. MAHON. Also, in connection with that information, will you furnish some statistics on the number of personnel accepted by the Air Force in each category since the start of Project 100,000, and compare these with a year prior to the initiation of the project?

General BELL. We will, sir.

(The information follows:)

The following are numbers of men, by mental category, who were enlisted in the Air Force since the start of Project 100,000. Fiscal year 1966 figures are given for comparison purposes:

	Project 100,000 (October 1966-March 1968)		Fiscal year 1966	
	Number	Percent	Number	Percent
Mental Category:				
I.....	10,469	7.9	13,129	8.2
II.....	51,390	38.7	66,562	41.3
III.....	49,597	37.3	70,779	43.9
IV.....	21,411	16.1	10,659	6.6
Total.....	132,867	100.0	161,129	100.0

#### PERCENTAGE OF CATEGORY IV PERSONNEL ACCEPTED

Mr. MAHON. What is the percentage of category IV personnel you are required to accept under Project 100,000?

(The information follows:)

In phase I (October 1966-September 1967) of Project 100,000 the Air Force was required to accept 15 percent of male nonprior accession from the mental category IV group. In phase II (October 1967-September 1968) this was increased to 17 percent.

#### USE OF CATEGORY IV PERSONNEL

Mr. MAHON. General Bell, would you discuss what use you can make of category IV personnel obtained under Project 100,000? Can they be trained in skills and become useful military men?

General BELL. I will be very happy to discuss what utilization we can make of category IV personnel.

Specifically in answer to your question, they can be trained and developed to become useful members of the Military Establishment. In handling this rather complicated and large project, you probably are familiar with the fact that one of the techniques we are employing is to establish control groups so we can measure the progress of the category IV against a like number of other Air Force inducted personnel who are representative of a cross-section of the Air Force population, enlistees who are category I, II, and III.

I think the single most interesting point that I might make to you which would be indicative of the quite gratifying progress which is being made with these young men is to point out that in the case of the category IV men, 19 percent have been upgraded to a skill level of five within 8 months. The control group representing categories I, II, and III have progressed within the same period of time to the five skill level at a 26-percent rate. The disparity there is not as much as some people had anticipated.

These men are capable of learning. It takes more time, more effort. It costs more. But definite progress is being made in the implementation of this program.

The overall impact on the units concerned cannot yet be told because of the insufficient time in which the project has been established.

Mr. LIPSCOMB. Also, the question included what use can you make of category IV personnel. You have told us they are capable of being trained. It takes more time, more effort. It costs more. What use can you make of them?

General BELL. Very well, sir.

They can be used in the area of ground vehicle maintenance, in food service, as clerks, and as attendants.

Mr. LIPSCOMB. Of these 19 percent in category IV that you are talking about that did get upgraded; have you any analysis of to what use you put the men?

General BELL. I can provide for the record very specific career fields to which these men are assigned, Mr. Lipscomb. I do not have that specific data available now, but we can provide the career fields open to these airmen as well as a break out of the specific fields in which they are presently assigned.

(The information requested follows:)

Initially, Project 100,000 personnel could train into 31 career fields. We now have 71 career fields open to these airmen. The following table indicates the duty assignments of all Project 100,000 personnel (excluding students) as of May 31, 1968.

AFSC	Title	Number of men on the job as of May 31, 1968
221X0	Photogrammetric cartographic specialist	0
23230	Photographer	38
233X4	Still photographic laboratory specialist	0
234X0	Precision photo processing specialist	0
235X0	Photographic instrumentation specialist	0
236X0	Motion picture camera specialist	3
236X1	Still photographic camera specialist	0
271X0	Air operations specialist	35
291X0	Communications center specialist	72
361X0	Outside wire and antenna systems installation and maintenance specialist	49
361X4	Cable splicing specialist	53
362X1	Telephone switching equipment repairman, electro/mech	0
362X4	Telephone equipment installer	14
363X0	Communications and relay center equipment repairman, electro/mech	0
402X0/A	Aerospace photographic systems repairmen	0
421X3	Aerospace ground equipment repairmen	1
422X1	Instrument and environmental systems repairmen	2
43430	Maintenance analysis	2
443X0G	Missile mechanic (LGM-30A/B, LGM-30A/M)	0
471X1	Automotive repairmen	75
471X2	Special vehicle repairmen	41
471X2	Special vehicle repairmen	41
531X0	Machinist	8
532X0	Metal processing specialist (welder)	58
535X0	Corrosion control specialist	52
536X0	Nondestruction inspection specialist	7
542X0	Electrician	26
542X1	Electric power line specialist	3
543X0	Electrical power production specialist	40
544X0	Cryogenic fluids production specialist	9
545X0	Refrigeration and air conditioning specialist	15
547X0	Heating system specialist	27
551X0	Pavements maintenance specialist	356
551X1	Construction equipment operator	69
552X0	Carpentry specialist	3
552X3	Masonry specialist	0
552X4	Protective coating specialist	111
552X5	Plumbing specialist	93
553X0	Site development specialist	1
554X0	Real estate and cost management analysis technician	1
563X0	Water and waste processing specialist	101
566X0	Engineering entomology specialist	9
571X0	Fire protection specialist	285
582X0	Fabric, leather, and rubber products repairman	73
60230	Pass and household goods specialist	12
603X0	Vehicle operator	40
605X0	Air passenger specialist	94
605X1	Airfreight specialist	201
622X0	Cook	183
631X0A	Fuel specialist	236
645X0	Inventory management specialist	56
647X0	Materiel facilities specialist	520
701X0	Chaplain services specialist	3
702X0	Administration specialist	997
732X0/A	Personnel specialist	28
811X0	Security policeman	1,432
90010	Medical helper	233

AFSC	Title	Number of men on the job as of May 31, 1968
901X0	Aeromedical specialist.....	8
902X0	Medical service specialist.....	50
902X2	Operating room specialist.....	1
903X0	Radiology specialist.....	1
904X0	Medical laboratory specialist.....	0
906X0	Medical administration specialist.....	14
907X0	Preventive medicine specialist.....	1
908X0	Veterinary specialist.....	0
913X0	Physical therapy specialist.....	1
913X1	Occupational therapy specialist.....	0
913X2	Orthopedic appliance specialist.....	0
914X1	Psychiatric ward specialist.....	0
915X0	Medical materiel specialist.....	2
981X0	Dental specialist.....	34
982X0	Dental laboratory specialist.....	0

#### SIMPLIFICATION OF TECHNICAL TRAINING COURSES

For your information, sir, we have rewritten 31 technical training courses so the language employed has been more simplified than they were originally written. Originally, our technical training manuals and courses of study were designed to be understood, used and assimilated by young men with a high school education. In an effort to make this program a success, we have rewritten 31 of these courses in simplified language.

We have deleted certain portions of the theoretical training and substituted for the theoretical training firsthand on-the-job training which facilitates their learning as opposed to the difficulties that some of these people have in learning from reading.

Mr. LIPSCOMB. Are these Project 100,000 men in the same classes with your regular inductees and enlistees?

General BELL. Yes, sir.

Mr. LIPSCOMB. You are rewriting the courses to the Project 100,000 level?

General BELL. That is correct, sir.

Mr. LIPSCOMB. Does that mean that you are training all men to the lowest level?

General BELL. I would not like to put it that way. I understand your question. I believe that any training manual can be improved. The training manual concerned or the course concerned perhaps using new training techniques in the case of these 31 has been designed to optimize the learning process, regardless of the aptitude of the individual who might be exposed to it.

Mr. LIPSCOMB. Let me put it this way: It has been my understanding that the military trains to the average soldier. You know basically what the average soldier can absorb and learn in his training, and you previously based your instruction course on that.

Now you imply that you are changing your courses to accommodate Project 100,000 men of mental category IV and V. This does not seem a sound nor economical procedure.

I will cite you an example which we have discussed previously in this committee.

I received an allegation from a soldier who was being trained. He said that they took 8 weeks for the course, and it was drawn out and repetitions and they could have done it in half the time.

In an official explanation from the base, I was told the course was based upon the lowest level, and it is true that men who could learn faster found themselves repeating and not progressing as rapidly, and they found it was hard to keep them interested.

You are doing the same thing. How can you justify bringing your course level down? That is what you are saying you now do. You say any course can be improved, but you do not improve it by lowering it to the lowest level.

General BELL. I understand your point of view, Mr. Lipscomb.

Mr. LIPSCOMB. It is not a point of view. I think it is a very practical consideration of an actual situation.

General BELL. I would say the course is being improved and should facilitate the learning process even for the smarter boys. I do not know of courses having been extended in length.

Mr. LIPSCOMB. I did not say that.

General BELL. I am making the observation.

Mr. LIPSCOMB. You have reduced your standards.

General BELL. I cannot agree with that, sir.

Mr. LIPSCOMB. Why did you rewrite the 31 manuals? Because they were out of date and not giving you the kind of men you wanted? They were too difficult? Why did you rewrite your manuals?

General BELL. In the interest of clarity so that the more dull individual could learn, and also, in the process of this particular technical training course, to insure that where those areas exist that the more retarded individual could not learn from reading, adjustments could be made so he might learn through actual doing.

Mr. LIPSCOMB. No matter how much you are in favor of Project 100,000—

General BELL. I did not say that, sir.

Mr. LIPSCOMB. I know that.

No matter how much someone is in favor of Project 100,000, we still have to maintain a high level of training for the fully capable men who will come into the service.

General BELL. I certainly agree with you, sir.

Mr. LIPSCOMB. Project 100,000 is some kind of experiment. In fact, Project 100,000 was put into effect after Congress on two occasions took specific action against a program called STEP, special training enlistment program. This is the way somebody, namely, the former Secretary of Defense, got around congressional action.

The whole thought is that if you are going to have a program like this and if everybody were for it, you then should provide some way to train these men and make them active and useful to the Department of Defense without bringing down the standards of the Air Force, the Army, and the Navy.

General BELL. I would agree with that, sir.

Mr. LIPSCOMB. I will say your testimony does not indicate that. If you have found it necessary, in order to train these men, to revise 31 technical training courses manuals, and the chances are there will be many, many more by the time the program is in full operation, you are reducing your standards. If you improve your manuals to bring about a higher caliber of training, then you are not accommodating Project 100,000.

General BELL. Sir, if I may say so, it seems that you are not taking into consideration the possibility that in the restructuring of the course, improved techniques of training might have been introduced that facilitate the learning process for everybody concerned.

Then the thing that follows there is, of course, we are taking too long, perhaps, to train the smarter lads. But the example of using closed-circuit television in order for the less gifted boy to see a particular function performed could assist him in learning more rapidly or learning something that he would not learn if he were forced to attempt to read it from a book.

That is, I think, the primary point I am attempting to make. This is being done.

#### SPECIFIC TECHNICAL TRAINING COURSES REVISED

Mr. LIPSCOMB. I will not ask you to comment, but what you are doing is exactly what is happening in many areas of the educational system. I do not think it has to be done this way.

Do you have any idea what the 31 manuals were?

General BELL. The 31 technical training courses?

Mr. LIPSCOMB. That you rewrote.

General BELL. No, sir, but I will provide a list for the record. (The information follows:)

The 31 technical training courses which we revised are listed below :

#### *Course number and title*

- 3ABR70130-1, Chaplain Services Specialist
- 3ABR70230, Administrative Specialist
- 3ABR73230-1, Personnel Specialist
- 3ABR47131, Automotive Repairman
- 3ABR47132, Special Vehicle Repairman
- 3ABR53130, Machinist
- 3ABR53230, Metals Processing Specialist
- 3ABR57130-1, Fire Protection Specialist Course
- 3ABR58230, Fabric, Leather and Rubber Products
- 3ABR63130A, Fuels Specialist
- 3ABR81130, Security Policeman
- 3ABR64530-1, Inventory Management Specialist
- 3ABR64730-1, Materiel Facilities Specialist
- 3ABR29130, Communications Center Specialist
- 3ABR36130, Outside Wire and Antenna Systems Installation Maintenance Specialist
- 3ABR36134, Cable Splicing Specialist
- 3ABR36234, Telephone Equipment Installer-Repairman
- 3ABR54230-1, Electrician
- 3ABR54231, Electric Power Line Specialist
- 3ABR54330, Electrical Power Production Specialist
- 3ABR54530, Refrigeration and Air Conditioning Specialist
- 3ABR55130, Pavements Maintenance Specialist
- 3ABR55234, Protective Coating Specialist
- 3ABR55235, Plumbing Specialist
- 3ABR56330, Water and Waste Processing Specialist
- 3ABR60530, Air Passenger Specialist
- 3ABR60531, Air Freight Specialist
- 3AQR90010, Medical Helper
- 3ABR90230, Medical Service Specialist
- 3ABR98130, Dental Specialist
- 3ABR42133, Aerospace Ground Equipment Repairman

## PERSONNEL INVOLVED IN PROJECT 100,000

Mr. LIPSCOMB. This brings up the question how many personnel, military and civilian, are involved in Project 100,000.

General BELL. An additional 122 spaces, and it will increase to 184.

Mr. LIPSCOMB. For the entire project, civilian and military?

General BELL. That is my understanding of it. I will check it and be sure that the record reflects the correct figure. I do not know of additional civilian personnel having been authorized for inclusion in the program.

Mr. LIPSCOMB. How did you redo these 31 manuals? Did that take personnel and funds?

General BELL. It did, indeed, but I believe it was done within the existing resources, including funds and personnel.

Mr. LIPSCOMB. Thirty-one technical courses does not amount to much by itself in relation to the entire \$73 billion budget, but does this mean the money for training manuals was overstated last year, that you were able to find funds to do this?

General PITTS. No, sir. I am not prepared to make that statement.

General BELL. It is a "redirection of the effort" of people employed who were constantly working in that area, Mr. Lipscomb.

## COST OF REVISING TECHNICAL TRAINING COURSES

Mr. LIPSCOMB. Would you insert in the record not only the manuals and technical courses that were revised, but also the total cost involved in revising these 31 technical training courses and the related manuals?

General BELL. I will, sir.

I can add at this juncture that the overall cost of Project 100,000 is \$1.5 million.

Mr. LIPSCOMB. For what? Air Force?

General BELL. I am only speaking for the Air Force.

Mr. LIPSCOMB. Was this budgeted for last year, for fiscal year 1968?

General BELL. Not for fiscal year 1968, I do not believe, sir. I would defer to General Pitts on that.

General PITTS. I do not know the answer to that question, sir, but I will find out and insert it in the record at the same point as we are providing the answer—

Mr. LIPSCOMB. When did you get the order to go ahead with Project 100,000?

General PITTS. I am not knowledgeable about that.

General BELL. It became effective in October of 1966, sir, for Phase I, which had to do primarily with the induction and acceptance of a certain percentage of people.

It has subsequently been developed into this more formalized program.

## COST OF PROJECT 100,000

Mr. LIPSCOMB. Also, as you develop this, would you put in an estimate of how the \$1.5 million was to be used in the Air Force, breaking it down?

General BELL. Yes, sir.

(The information follows:)

The total cost of Project 100,000 during the period October 1966 through November 1967 is estimated to be \$1,500,000. There was no provision in the fiscal year 1968 budget for the portion chargeable to that year. The total includes approximately \$438,000 for the revision of both technical courses and manuals.

IMPORT OF SIMPLIFYING TECHNICAL TRAINING COURSES

Mr. MAHON. General, I am not quite sure that I understood your discussion as to the import of simplifying technical training courses and directing them toward the category IV people who are received under Project 100,000.

Was it good or bad for the non-Project 100,000 group?

General BELL. In my judgment, sir, it was good.

Mr. MAHON. It was just an overall improvement, then?

General BELL. I think that is a fair and accurate statement, Mr. Chairman.

Mr. MAHON. I am told if you have students in a class at school, some of them brilliant and some very weak, and if you pitch your course to the very weak students, then the brilliant students get restless, impatient, and lose interest, and this is bad.

How do you equate that with what you are telling me?

General BELL. Mr. Chairman, I quite agree with you. I think perhaps I might have been remiss in not making this point earlier.

Bear in mind that the courses that we put these young men into are not courses in which we put our brilliant men. Our brighter lads go into electronics courses and courses of that type. We do not have category IV people in those courses simply because they do not have the mental equipment to accommodate the problem. So, we put them in the more simple courses, courses in which normally less gifted people are assigned. That is how I would equate the point that you are making.

Mr. MAHON. That is an interesting observation. We are all interested in humanity and the people of our country, and it is important to our Nation to raise the level of competence and ability of all the people. I can see sociological reasons for Project 100,000.

Maybe it is not fair to ask this question, but has the Air Force accepted the proposal to upgrade and train its quota of Project 100,000 personnel enthusiastically, or with reluctance?

General BELL. When this program was introduced, I think it would be accurate to say that we were opposed to it. Like most human beings, we are always apprehensive of the unknown. For obvious and understandable reasons, we in the Air Force, being human beings, are, shall we say, selfish and would like to accrue to ourselves the highest order of talent that we are capable of getting into the Air Force.

When I say we in the Air Force were not enthusiastic about it, perhaps I should qualify that to the extent that I am speaking for my level.

In any event, as a result of the information that we have found as we go along in this program, many of the apprehensions, I think, have fallen by the wayside. I believe it accurate to say that really the Air Force—and this is probably true of the other services as well—is indeed making a significant contribution to a lot of otherwise handicapped young men. It is a rather disturbing and touching thing to visit Lackland Air Force Base and to see a lot of young American

males who cannot read. You and I, I guess, are not accustomed to being exposed to people who do not possess elementary skills.

I frankly was quite impressed and felt good as a citizen to see this contribution being made in this case by the military to accommodate *x* numbers of people who could not progress and were taken out of the regular established training courses for the purpose of being given extra training at extra cost, sir, in order to equip them to be prepared to do a job and, hopefully, become a better citizen in the long run.

Mr. MAHON. There are people who would argue this is a noble undertaking but probably should not be an undertaking of the military.

General BELL. That would certainly be an understandable position, Mr. Chairman.

One of the things that, as a personnel programmer and planner, I must concern myself with is to insure that as we get downstream we do not accrue to ourselves a disproportionate share of these people who would prove a burden.

Currently, category IV people represent 8 percent of the personnel on board.

Mr. LIPSCOMB. You indicted our educational system.

General BELL. Sir, I am willing to be on the record on that point. I think it ought to be indicated.

Mr. LIPSCOMB. You indicted the educational system; but at the same time I do not know how you make the point that this is a responsibility of the military, unless you are getting away from the historical point and well-founded one, that the military is organized to perform a military mission.

General BELL. Sir, I have not made the point. I did not mean to imply it was a military mission.

Mr. LIPSCOMB. The thing is, if the social reforms that appear to be necessary are combined with our military mission, and the reason we have an Army, Navy, and Air Force—

General BELL. Sir, I would like to make the record clear on that point. I have not in any way meant to address myself to the basic philosophy of whether it should or should not be a part of the military.

Mr. LIPSCOMB. If you take a look at what is going on today, the military are involved in equal rights in contracts, they are getting deeply involved in the housing area. You are assigning military officers and personnel in all kinds of areas which are not military missions.

Even though the goals are worthy and necessary, we are losing some of our fundamental concepts here. This is not the place to debate it, but at the same time, we do not want to see a relaxation of the goals of the military to maintain the finest, best equipped, best trained military force in the world.

General BELL. I could not agree more with you, sir.

Mr. LIPSCOMB. In a time of stress and emergency when you take qualified men to work on Project 100,000, you have to have second thoughts about it.

Mr. MAHON. We will resume at 2 o'clock, gentlemen.

## AFTERNOON SESSION

Mr. WHITTEN. Before we adjourned we were discussing Project 100,000.

CATEGORY IV PERSONNEL REPRESENT NO SIGNIFICANT DISCIPLINARY PROBLEM

Now we would like to know if an analysis of category IV personnel has been made to determine whether they represent a potential disciplinary problem.

General BELL. Mr. Chairman, I do have some figures on that.

In general terms I think it is accurate to say that no significant problem from a disciplinary point of view is anticipated with category IV personnel.

I have some figures here which support that contention. For example, in calendar year 1967 a total of 11,862 category IV personnel were taken aboard; 0.57 percent created a disciplinary problem.

In comparison to that—

Mr. WHITTEN. But if they were in civilian life, it would not be your problem; would it?

General BELL. It would not be my problem, sir.

In comparison to that, other categories, including categories I, II, and III, we see that out of 10,306 taken aboard during the same period of time the disciplinary rate was 0.14. In other words, the rate is higher for category IV people, but insignificantly so.

Putting it another way, out of the total of 11,862 category IV people, 68 misbehaved to where they received disciplinary action.

Categories I, II, and III, 15 out of 10,306 created disciplinary problems.

DISCIPLINARY BARRACKS POPULATION SINCE FISCAL YEAR 1966

Mr. WHITTEN. Provide us with some statistics on the disciplinary barracks population, by fiscal year, since fiscal year 1966.

(Information requested follows:)

DISCIPLINARY BARRACKS POPULATION

The number of Air Force military personnel in confinement is as follows:

Type	June 30, 1966	June 30, 1967	Dec. 31, 1967
Base level confinement.....	508	480	400
U.S. disciplinary barracks, Fort Leavenworth, Kans.....	68	55	49
Federal institutions.....	9	7	7
Total.....	585	542	456

PROJECT TRANSITION

Mr. WHITTEN. What is the extent of the Air Force involvement in Project Transition?

General BELL. Let me preface my response, sir, by first saying that in my judgment the applicability of Project Transition to the Air Force is probably less than to the other two services. The reason I say that is this: You are familiar with the purpose of Project Transition.

We in the Air Force enjoy two things:

No. 1, 96 percent of our enlisted inventory has a high school diploma or its equivalent.

No. 2, 95 percent of the skills or functional areas performed in the Air Force have a direct relationship to civilian life. In other words, there are fewer people in the Air Force who would feel a need for or would request participation in Project Transition.

#### FISCAL YEAR 1969 COST OF PROJECT TRANSITION

In fiscal year 1969, in order to implement this program we have requested \$4.1 million in the fiscal 1969 budget.

The breakout of that \$4.1 million is \$2.7 million for operating funds and \$1.4 million for manpower spaces.

There is programmed a total of 719 people, 20 officers and 487 airmen and 212 civilians.

We anticipate a small number, less than 5 percent, actually requiring training and who do not possess a skill directly transferable to civilian life.

However, I think that I should also point out to you that even though a relatively small number require the training, because the opportunity is being presented to them, an appreciably larger number will take advantage of the opportunity to enhance their existing skills or to acquire an additional skill.

#### VOCATIONAL TRAINING OFFERED

Mr. WHITTEN. It would be well to show for the record a description of the types of training and the relative number in each type.

(Information requested follows:)

For the month of March 1968, Transition reports show the number of individual airmen participating in vocational training courses as follows:

<i>Source</i>	<i>Participants</i>
Military formal technical courses.....	507
Military on-the-job training.....	169
Military correspondence courses.....	438
MDTA (Manpower Development and Training Act) courses.....	9
Postal service courses.....	97
State and local government agency courses.....	33
Industry courses.....	17

These courses furnish such types of training as: typesetting, air conditioning, IBM office machine repair, mail carrier, postal clerk, computer programing, automatic data processing machine operator, machinist, welding, draftsman, etc.

Mr. WHITTEN. Does the Air Force consider it has a responsibility and obligation to train men in skills which will prepare them for civilian occupations?

General BELL. It makes a contribution to better qualify men getting out of the service to participate productively in civilian life.

#### FISCAL YEAR 1968 COST OF PROJECT TRANSITION

Mr. WHITTEN. What is the estimated cost of this project in fiscal year 1968?

(Information requested follows:)

Project Transition costs by appropriation for fiscal year 1968 are as follows:

	<i>Millions</i>
"Military personnel," Air Force-----	\$1.1
"Operation and maintenance," Air Force-----	2.3
Total -----	\$3.4

#### CIVILIANIZATION PROGRAM

Mr. WHITTEN. I understood that for some reason you changed the name of the civilianization program. What is the new name?

Colonel HOXIE. The Air Force name for the program is "Mix Fix."

Mr. WHITTEN. In January and February of 1968 the General Accounting Office issued reports indicating that the major objective of the civilianization program is not being realized. Colonel Hoxie's statement indicates that stated goals will not be met in fiscal 1968.

What is the problem in fully implementing this program?

Colonel HOXIE. Sir, in fiscal year 1968, in accordance with the OSD established guidance and a general belt tightening throughout the Air Force, there were certain economy actions taken. One of those actions fell in the area of the civilian substitution program in that it is easier not to spend money if you do not already have yourselves committed to spend it.

We had approximately 9,500 of the civilian spaces given to us in place of the military which had not yet been filled.

In the line with the DOD policy of belt tightening we will not fill all those positions in fiscal year 1968. We deferred hiring some of them until fiscal year 1969.

Mr. LIPSCOMB. Were all of those 9,500 spaces filled by military personnel?

Colonel HOXIE. They were at one time; yes, sir.

Mr. LIPSCOMB. What were they at the time of the economy move? How many spaces were just plain unfilled?

Colonel HOXIE. As far as the civilian authorizations were concerned none of them were filled with civilians.

As far as military spaces are concerned I do not have the exact answer as to the number of people who had been attrited out at the particular point and time. We removed the authorizations for the people at end of fiscal year 1967.

General PITTS. If I may add to that, we will make the reductions in the military spaces by end fiscal 1968 but we will not hire back all the civilians authorized in the civilian substitution program.

Mr. LIPSCOMB. One of the points of the audit was that there were military spaces that were to be civilianized but those military spaces had not even been filled by a military person for some period of time. But your spaces in the civilian end were set up and you were going to finally fill them with a civilian so you did not gain a thing.

How many of those 9,500 spaces in the military have not been filled?

Colonel HOXIE. I might defer to General Bell, sir.

General BELL. If I understand your question, Mr. Lipscomb, you asked why spaces authorized for conversion from military to civilian under Project Mix Fix were not filled with military people?

Mr. LIPSCOMB. You said in the economy move you canceled out 9,500 positions on the civilian side.

Colonel HOXIE. Yes, sir.

Mr. LIPSCOMB. This must mean that you had 9,500 positions in the military that were going to be civilianized.

Colonel HOXIE. Yes, sir.

Mr. LIPSCOMB. The idea of civilianization is to cancel out the military billets and pass them to the civilian.

How many of the military positions were not filled?

Colonel HOXIE. Again, addressing this to the authorization standpoint, the military positions were removed on a phased basis during fiscal year 1968. The authorizations for people were removed.

As to how long it took the people filling those jobs to be attrited to other jobs, I will defer to General Bell.

Mr. LIPSCOMB. Let me read you the GAO comments on this. Perhaps it will make it clearer.

The results of our review of 3,544 civilianization actions indicated that, one, about 30 percent of military positions involved had been vacant for varying periods of time prior to their being converted to civilian positions; two, about 44 percent of the actions resulted in the retention of military personnel positions at the same installation; and, three, about 26 percent of the actions resulted in reassignment of military personnel to other military installations or to sea duty.

It is the first part—"about 30 percent of military positions involved had been vacant for varying periods of time prior to their being converted to civilian positions"—in which I am interested. You didn't do anything, but you could have canceled out those military billets.

Mr. WHITTEN. The point being made here, if I may state my understanding, is this: Under the guise and in the name of substituting civilians for military, it develops that in only 26 percent of the cases did that happen. In some cases, you hired extra civilians for military spaces you had vacant.

In other cases, you hired civilians and kept the military man at the same installation. In only 26 percent of the cases did you do what Congress thought was intended, and that is to replace the military man with a civilian and permit the military man to perform military duties overseas.

Do not hire a civilian to fill a vacant military space. Don't hire a civilian and keep the military man there doing the same thing.

If I understand the report of the General Accounting Office, that is about what it amounts to.

Do you have comment?

Colonel HOXIE. I would like to address the first two categories. Forty-four percent of the spaces identified for conversion had not had a military body in them all the time.

Mr. LIPSCOMB. For varying periods.

Colonel HOXIE. That is right. This again is a question of the manning of the Air Force.

These positions from a manpower standpoint were valid job requirements to be done.

As to whether they were filled at all times with individuals depends entirely upon the status of our manning in the Air Force. I would assume that possibly they were vacant because of the status of manning in the Air Force at that particular time.

I can address it only in general terms, sir.

Mr. WHITTEN. I am repeating only your own answer. What you are saying is that due to the war you pulled military people out and sent them on prior to getting somebody to take their places.

Colonel HOXIE. That is correct, sir.

Mr. WHITTEN. You hope to be able to hire about 10,000 civilians in fiscal year 1968 instead of the 14,000.

Does this take into consideration the 9,500 you mentioned you had not filled?

Colonel HOXIE. Yes, sir. They interplay with each other.

Mr. WHITTEN. How many military spaces will be converted by 10,000 civilian hirings by both officers and enlisted men?

Colonel HOXIE. I will answer in total terms and supply the breakdown.

Our end strength for fiscal 1968 was reduced by 17,000 military. We were given back 14,000 civilians. Therefore, the military spaces have been withdrawn from our documents.

Mr. WHITTEN. You show an increase of only 2,500 civilian authorizations in fiscal 1969. How many civilians do you plan to hire in fiscal year 1969 as a result of the civilianization program and how many military spaces will be converted as a result thereof?

Colonel HOXIE. At the present time, sir, we do not have anything in the program other than the 14,000 conversions we originally talked about. We hope to complete hiring of 14,000 in fiscal year 1969.

#### SAVINGS UNDER THE PROGRAM

Mr. WHITTEN. As a result of this civilianization program, can you point to a reduction of military personnel spaces and a related reduction in costs for the military personnel budget? Have you been able to cut out any and do you show savings?

Colonel HOXIE. In both programs, in the military substitution phase 1 and phase 2, we withdrew more military than we replaced civilians. The difference could be considered as a saving.

Mr. WHITTEN. Can you estimate that for the record in dollars?

General PITTS. Yes, sir. The total savings in the reduction of military manpower spaces will be \$214.5 million. That breaks down into \$43.2 million for officers and \$171.3 million for enlisted airmen. This is offset by the increase in the civilian hirings, of course. There was a \$47 million savings net between the offsetting actions.

Mr. WHITTEN. Is that reflected in your budget request?

General PITTS. Yes, sir.

Mr. LIPSCOMB. Maybe you can explain what has happened in the past year. Last year General Harrison testified before this committee:

On the basis of a preliminary report it is more expensive for a civilian to do the job that a serviceman does. We estimate that, as a result of this military substitution program in which civilians are being substituted for military, it will cost between \$4 and \$5 million more per year.

That is on page 323 of last year's hearing.

General PITTS. The only answer to that is that they hired fewer civilians. That would be my only answer.

I have the figures here costed out on a reduction in military spaces and the hiring of civilians. My figures show a net saving of \$47.2 million, a reduction in our estimate based on these actions.

Mr. LIPSCOMB. What do you include?

General PITTS. Reductions in officer personnel and enlisted personnel for a total military reduction, and I included in there the hiring of the 31,000 civilians as an offsetting factor which comes down to a net savings in the estimate for \$47.2 million.

Those numbers again were 3,438 officers, 32,472 enlisted men—this is for the total program now, 1968 and 1969, phase 1 and phase 2—and this ends in June of 1968.

The total reduction in military personnel is 359,000 and a savings for that military reduction of \$214.5 million.

Against that we have the hiring of 31,000 civilians which will cost \$185.6 million in civilian personnel pay.

There is a reduction in support costs for the military people of \$18.3 million and those factors net out to a reduction of \$47.2 million.

Mr. LIPSCOMB. Did you include retirement and all that into your computation?

General PITTS. Just reductions in hirings and supporting costs.

Mr. LIPSCOMB. There is quite a difference between the 2 years.

General PITTS. Yes, sir.

Mr. LIPSCOMB. Could you insert your computation in the record?

General PITTS. I shall insert it; yes, sir.

(Information requested follows:)

#### SUBSTITUTING CIVILIAN FOR MILITARY PERSONNEL—COST REDUCTION

The requested computation which reflects the estimated impact of the civilianization program on the fiscal year 1969 budget is as follows:

#### MILITARY/CIVILIAN CONVERSION (DOLLAR AMOUNTS IN MILLIONS)

	Phase I (January 1966 to June 1967)		Phase II (full year) (July 1967 to June 1968)		Total	
	Number	Cost	Number	Cost	Number	Cost
Officer.....	-3,000	-\$37.7	-438	-\$5.5	-3,438	-\$43.2
Enlisted.....	-17,000	-89.7	-15,472	-81.6	-32,472	-171.3
Subtotal.....	-20,000	-127.4	-15,910	-87.1	-35,910	-214.5
Civilians.....	+17,000	+101.7	+14,018	+83.9	+31,018	+185.6
Support cost.....		-10.2		-8.1		-18.3
Reductions.....	-3,000	-35.9	-1,892	-11.3	-4,892	-47.2

The estimated civilian personnel costs are based upon the programed reduction in strength at an average salary of \$5,983 which is lower than the average cost in the budget. This factor recognizes that these civilian jobs, where grade level is determined locally, will be below the average Air Force grade level.

The estimated reduction in military personnel cost is based upon average salaries which are slightly below the fiscal year 1969 budget average cost per officer and airman. This pricing recognizes that military personnel grades are centrally controlled and administered, and further, that if the 35,910 military spaces were in the fiscal year 1969 budget, neither the percentage of individuals by grade nor the average cost would be significantly reduced.

#### CONVERSION OF CIVILIAN POSITIONS TO MILITARY

Mr. WHITTEN. It would appear that you are converting certain civilian positions to military in the continental United States in those cases where there are inadequate military authorizations to support your annual overseas rotational requirements.

Does this mean in some instances you are filling authorized civilian spaces with military personnel and, in effect, increasing military personnel without an increase in military authorized spaces?

This appears to be the civilian substitution program in reverse?

General BELL. I think not, sir. The point you make is a good one. From the military personnel point of view you touch upon a problem that essentially results in this dilemma.

As you know, we are required to send people overseas, send military people overseas, and in order to employ them gainfully and not keep them overseas indefinitely we need spaces for them at home.

In some functional areas that we civilianize it then places the military personnel programmer in the very difficult position of finding a place at home to keep this reservoir gainfully employed and to permit him to stay home long enough before he is forced to go back overseas.

Mr. WHITTEN. In other words, during this period when we are not engaged in a worldwide war you are having to do some make work in the United States just to keep your military men busy?

General BELL. No, sir.

Mr. WHITTEN. I think my conclusion is a very proper one from the words you used.

General BELL. Then I used the wrong words if I gave you that impression.

Mr. WHITTEN. You said you had to have some spaces here so the military men could come home.

General BELL. To be used by military as opposed to civilians.

Mr. WHITTEN. That clears it up now.

How many such conversions do you hope to make in fiscal years 1968 and 1969?

Supply that answer for the record.

(Information requested follows:)

#### CONVERSION OF CIVILIAN POSITIONS TO MILITARY—ANNUAL OVERSEAS ROTATIONAL REQUIREMENTS

The program to improve the unsatisfactory CONUS rotation base through manpower actions is, of necessity, a long range, slow moving process. At present, conversion of CONUS civilian authorizations to military is dictated and controlled by the policy of converting through normal attrition of civilian incumbents. The program is monitored at Headquarters, USAF, through a quarterly review and analysis of skills which show an unsatisfactory CONUS base for oversea rotation requirements. Progress is measured in terms of improvement of the rotation base for each skill, rather than by the absolute number of conversions made. Therefore, a reporting system has not been established to track individual conversions or numbers of conversions of skills.

#### PUBLIC RELATIONS ACTIVITIES

Mr. WHITTEN. Colonel Hoxie, how many military and civilian personnel at headquarters and at field activities, including airbases and air stations, are engaged in public affairs, public information, and public relations work generally?

(Information requested follows:)

## PUBLIC AFFAIRS, AND PUBLIC INFORMATION PERSONNEL ENGAGED IN PUBLIC RELATIONS ACTIVITIES

	Fiscal year 1968	Fiscal year 1969
Officers.....	353	352
Enlisted.....	729	716
<b>Total military.....</b>	<b>1,082</b>	<b>1,068</b>
U.S. citizen employees.....	468	460
Foreign national, direct hire.....	30	30
Foreign national, indirect hire.....	36	33
<b>Total civilians.....</b>	<b>534</b>	<b>523</b>
<b>Total personnel.....</b>	<b>1,616</b>	<b>1,591</b>

Mr. WHITTEN. What is the total cost of this effort in terms of personnel, advertising, and related endeavor?  
(Information requested follows:)

## COST OF PUBLIC RELATIONS, PUBLIC AFFAIRS, AND PUBLIC INFORMATION

The cost of such activities by appropriation is as follows:

Appropriation:	Fiscal year 1969
Military personnel, AF.....	\$7,966,000
Operations and maintenance, AF.....	4,030,000
<b>Total.....</b>	<b>11,996,000</b>

## CONTRACTOR PERSONNEL OVERSEAS

Mr. WHITTEN. From time to time, members of this committee have traveled to Southeast Asia and have noted a significant number of contractor personnel, particularly in South Vietnam, who appear to be doing work normally done by military personnel, such as installations, maintenance, and sometimes operation of military equipment.

What is the total number of contractor personnel used by the Air Force in Southeast Asia, by country, at the present time and the category of work being performed?

(Information requested follows:)

## CONTRACTOR PERSONNEL OVERSEAS

Category	Thailand	South Vietnam	Total
Transportation.....	191	129	320
Security.....	4,700	0	4,700
Civil engineer.....	574	784	1,358
Supply.....	379	82	461
School.....	42	0	42
Maintenance.....	2,531	286	2,817
<b>Total.....</b>	<b>8,417</b>	<b>1,281</b>	<b>9,698</b>

Note: For contract period fiscal year 1968.

## REVIEW OF MILITARY COMPENSATION

Mr. WHITTEN. The Office of the Secretary of Defense provided the committee with a copy of volume I of the Report of the First Quadrennial Review of Military Compensation dated November 1, 1967. Volume I relates only to active duty compensation to the Armed

Forces and does not address itself to retired compensation and survivor benefit systems. The report preface indicates that Military Compensation Policy Board individual members, under whose guidance the report was prepared, may have certain reservations about some of the details in the report. Many of the recommendations have broad and far-reaching implications.

What is your initial reaction to this report?

General BELL. The Department of the Air Force agrees that the recommendations of the study provide both an approach and an important first step in achieving fair and equitable military pay, and generally supports the recommendations of volume I of the report. It is believed that the enactment of the recommendations will provide a means for improving the effectiveness of military compensation in achieving our management goals.

Mr. WHITTEN. According to the report, the recommendations would increase the amount of military pay but would offer a reasonable prospect of substantial increases in retention of military personnel.

If all the recommendations in the report were fully implemented, the full-year DOD budget would be increased by an estimated \$1,339,600,000. When increased Federal income tax collections, estimated at \$879,200,000, are subtracted, the net new Government cost is an estimated \$460,400,000. This does not take into consideration the implied military pay increases as a result of the comparability pay increases for the civilian system presently proposed for fiscal years 1969 and 1970.

What additional costs would accrue to the Air Force military personnel budget as a result of the report recommendations and do you believe such costs are reasonable in light of the stated intangible return in investment?

General BELL. It is estimated that the Air Force military personnel budget would be increased on conversion to the military pay system proposed by OSD by approximately \$351 million. When increased Federal tax collections, estimated at \$230 million, are subtracted, the new Government cost would be \$121 million. These conversion costs estimates are based on salary rates that were effective October 1, 1967, and on the average man-year force strengths for fiscal year 1968.

The cost of implementation of the proposed pay system is believed to be a small price in view of the need to achieve a greater degree of equity in military pay in relation with that of persons with similar qualifications who are employed by civil service. It seems reasonable to expect that comparable levels of pay for military personnel will improve morale and result in substantially increased retention as the lag between military and civil service pay, identified by the study, is closed and a more favorable degree of parity with civilian income levels is achieved.

#### COST IMPLICATIONS OF PROPOSED LEGISLATION

Mr. WHITTEN. I assume you have computed the cost implications of proposed legislation which would make permanent the authority to grant special 30-day leave for military personnel who extend tours of duty in hostile-fire areas and increase per diem allowance for military personnel. The committee would like to have the benefit of that data for the record.

(Information requested follows:)

COST IMPLICATION OF PROPOSED LEGISLATION

The estimated cost implication in fiscal year 1969 related to the following items of proposed legislation is \$27 million.

(a) 30-day leaves for military personnel who extend tours of duty

	<i>Cost (millions)</i>
Appropriation:	
Military personnel, Air Force.....	-\$1.1
Operation and maintenance, Air Force.....	+1.5
<b>Total</b> .....	<b>+ .4</b>

Under authority granted by Public Law 89-735, this policy is currently in effect and cost adjustments providing for continuation have been considered in the fiscal year 1969 budget estimate.

(b) Increased per diem allowances

	<i>Cost (millions)</i>
Appropriation:	
Military personnel, Air Force.....	+\$1.4
Operation and maintenance, Air Force.....	+25.2
<b>Total</b> .....	<b>+26.6</b>

The fiscal year 1969 budget estimate does not contain increased fund requirements for this item of proposed legislation.

CIVILIANIZATION PROGRAM

Mr. LIPSCOMB. How many military spaces have you actually converted to civilian?

General PITTS. Phase 1, which we completed, consisted of a reduction of 20,000 military spaces and a hiring of 17,000 civilian spaces to replace them for a net reduction of 3,000 personnel.

Phase 2, we are in the process of implementing this and as Colonel Hoxie testified that entails a reduction of 15,910 military spaces broken down into 438 officers and 15,472 enlisted, and a hiring of civilian substitutes to the number of 14,018 for a net reduction by end of June 1968 of 1,892 personnel.

This phase 2 is the program we have deferred completion on. We will achieve the reduction of the 15,910 military spaces by June 30, 1968. We are now working toward a goal of hiring up to 10,000 of the 14,018 civilian personnel by June of 1968. If we could achieve that goal of 10,000, that would leave a total of 4,018 civilian personnel to hire in fiscal year 1969 to complete phase 2 of the mix-fix program.

Mr. LIPSCOMB. Is it possible for the Air Force to demonstrate how the Active Air Force combat units have received direct services from those military billets that have been civilianized?

General PITTS. I think we can show where we have hired people in jobs that are not essential to have a military man in them and thus free up a man who can be put into a job requiring a military skill.

Mr. LIPSCOMB. What I would like to find out is what happened to that man. Has he gone into the Active Air Force combat units and filled another job or has he just been transferred around?

General BELL. I think I can be fully responsive to that question. Of course, I cannot advise you on each case, but as these men are made

available as a result of their positions having been civilianized they would be reassigned in accordance with the priorities that exist for their skills at that time. It is not a question of their not being utilized.

Mr. LIPSCOMB. Not being utilized but what we are trying to demonstrate is this—has the civilianization program been of benefit to the services? Have the men you have released from nonmilitary duty gone into a military capacity? Can you demonstrate this? Or has a clerk moved from one place to another place?

General BELL. I would say the latter.

Mr. LIPSCOMB. You would?

General BELL. Yes, sir. A mechanic who had his job civilianized at Bolling Field was reutilized at another geographical location either in Southeast Asia or in California or Pennsylvania or wherever. It simply reduced our overall military ceiling and from a long-range point of view reduced the procurement that we would normally program into the force to accommodate normal military attrition.

Mr. LIPSCOMB. I hope it has been well thought out not only for now when you are having trouble with your manpower ceilings, but also for the future when you want a professional military force available after this emergency.

Do you think civilianizing a lot of positions now will affect you in any way in the future?

General BELL. I think it will, sir—adversely.

Mr. LIPSCOMB. So do I.

General BELL. So do I, sir. At this point we are all right but I am trying to be as precisely correct—

Mr. LIPSCOMB. Because we are in a time of stress. We need men and we need civilians, too, because of the expansion of all of our military functions. We have lots of things to do.

General BELL. When I said “adversely” I was alluding primarily to the imbalance created between overseas billets and stateside billets.

Mr. LIPSCOMB. Earlier this morning there was a question asked about the increase in civilian personnel projected for fiscal year 1969. The record shows there is just short of 2,500. Where is the money coming from to pay for this increase in personnel?

Colonel HOXIE. This is what is in the budget for fiscal year 1969, sir. I have to assume that the budget figures include the pay of these additional personnel.

Mr. LIPSCOMB. Perhaps in the industrial fund?

Colonel HOXIE. I am sorry, sir. I didn't fully understand the question. Yes, sir; in the industrial fund.

General PITTS. I have the figures here. Whereas there is an increase in end strength of civilian personnel there is an actual reduction in man-years and the latter is what we cost for the budget. Let me go back and say that the end strength of direct-hire civilian personnel goes from a total of 316,856 by end fiscal year 1968 to a total of 318,906, or a rise of approximately 2,050 civilian personnel by end fiscal 1969.

Direct-hire man-years, however, decrease from 323,646 in fiscal 1968 to a total of 320,948 at end fiscal year 1969, and as a result of this latter action, the dollar amounts in the budget are about level. Fiscal 1968 was \$2,495.3 million; that is for 1968. Fiscal 1969 is \$2,493,900,000, or a reduction of about \$1.4 million.

Mr. LIPSCOMB. That is because you are doing some switching in your financing through the industrial fund.

General PITTS. I think so; yes, sir.

Mr. LIPSCOMB. In view of the fact we talked about the Air Force manpower program I thought we should have something in the record here. We also have it in O. & M.

General PITTS. Yes, sir. Does that answer the question?

Mr. LIPSCOMB. Yes.

That is all I have.

Mr. RHODES. I have no questions.

Mr. WHITTEN. Gentlemen, we thank you for a fine presentation.

General BELL. Thank you, Mr. Chairman.

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WEDNESDAY, MAY 8, 1968.

RESERVE PERSONNEL, AIR FORCE  
and  
NATIONAL GUARD PERSONNEL, AIR FORCE

WITNESSES

MAJ. GEN. TOM E. MARCHBANKS, JR., CHIEF, AIR FORCE RESERVE,  
HEADQUARTERS, U.S. AIR FORCE

MAJ. GEN. WINSTON P. WILSON, CHIEF, NATIONAL GUARD  
BUREAU

MAJ. GEN. L. D. CLAY, JR., DIRECTOR OF AEROSPACE PROGRAMS,  
DCS/PROGRAMS AND RESOURCES

BRIG. GEN. WILLIAM F. PITTS, DEPUTY DIRECTOR OF BUDGET,  
COMPTROLLER OF THE AIR FORCE

Mr. WHITTEN. We now have the Reserve Personnel, Air Force, and National Guard Personnel, Air Force.

We have with us today Maj. Gen. Tom E. Marchbanks, Jr., Chief, Air Force Reserve, and Maj. Gen. Winston P. Wilson, Chief, National Guard Bureau.

General Marchbanks, since this is your first appearance, we shall insert your biographical sketch into the record along with the appropriate justification pages supporting your budget estimates.

(The information follows:)

"RESERVE PERSONNEL, AIR FORCE

"For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 265 or 8033 of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Air Reserve Officers' Training Corps, as authorized by law; [\$72,300,000] \$75,800,000."

DEPARTMENT OF THE AIR FORCE  
RESERVE PERSONNEL, AIR FORCE

Program and Financing (in thousands of dollars)

Identification code: 07-05-3700-0-1-051	19 67 actual	19 68 estimate	19 69 estimate
<u>Program by activities:</u>			
Direct program:			
1. Reserve component personnel .....	54,675	61,860	63,900
2. Reserve officer candidates .....	9,597	11,340	11,900
Total direct obligations .....	64,272	73,200	75,800
Reimbursable program:			
1. Reserve component personnel .....	18	20	20
10 Total obligations .....	64,290	73,220	75,820
<u>Financing:</u>			
14 Receipts and reimbursements from: Non-Federal sources <u>1/</u>	-18	-20	-20
25 Unobligated balance lapsing .....	6,528	.....	.....
New obligational authority .....	70,800	73,200	75,800
<u>1/</u> Reimbursement from non-Federal sources derived from sale of meals to officers from enlisted messes (10, USC, 9621).			

DEPARTMENT OF THE AIR FORCE  
RESERVE PERSONNEL, AIR FORCE

Program and Financing (in thousands of dollars)

Identification code: 07-05-3700-0-1-051	19 67 actual	19 68 estimate	19 69 estimate
New obligational authority:			
40 Appropriation .....	70,800	72,300	75,800
41 Proposed transfer to other accounts .....	.....	-1,000	.....
43 Appropriation (adjusted) .....	70,800	71,300	75,800
44 Proposed supplemental for military pay increase .....	.....	1,900	.....
Relation of obligations to expenditures:			
10 Total obligations .....	64,290	73,220	75,820
70 Receipts and other offsets (items 11-17) .....	-18	-20	-20
71 Obligations affecting expenditures .....	64,272	73,200	75,800
72 Obligated balance, start of year .....	9,302	6,350	14,550
74 Obligated balance, end of year .....	-6,350	-14,550	-22,350
77 Adjustments in expired accounts .....	-2,855	.....	.....
90 Expenditures excluding pay increase supplemental ....	64,369	63,200	67,900
91 Expenditures from military pay act supplemental .....	.....	1,800	100
Expenditures are distributed as follows:			
01 Out of current authorizations .....	58,065	58,650	60,450
02 Out of prior authorizations .....	6,304	6,350	7,550

DEPARTMENT OF THE AIR FORCE  
RESERVE PERSONNEL, AIR FORCE

Object Classification (in thousands of dollars)		19 67 actual	19 68 estimate	19 69 estimate
Identification code: 07-05-3700-0-1-051				
Direct obligations:				
11.7	Personnel compensation, military personnel .....	44,963	51,300	53,000
12.1	Personnel benefits, military personnel .....	9,362	10,700	11,150
21.0	Travel and transportation of persons .....	2,613	3,300	4,050
22.0	Transportation of things .....	3	15	20
25.1	Other services .....	4	5	5
26.0	Supplies and materials .....	7,300	7,840	7,535
42.0	Insurance claims and indemnities .....	27	40	40
	Total direct obligations .....	64,272	73,200	75,800
Reimbursable obligations:				
26.0	Supplies and materials (total reimbursable obligations).	18	20	20
99.0	Total obligations .....	64,290	73,220	75,820



DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FY 1969

APPROPRIATION: RESERVE PERSONNEL, AIR FORCE PROGRAM 720: Reserve Personnel

PERSONNEL SUMMARY

Pay Group	Authorized Days Paid Drills	Authorized Days of Active Duty for Tng	FY 1967 (Actual)		FY 1968 (Current Year)		FY 1969 (Budget Request)			
			Begin	End	Average	End	Average	End		
A	48	15	Off	8,103	8,232	8,353	8,595	8,975	8,577	8,550
			Enl	31,416	30,581	31,752	33,559	34,980	33,219	33,030
B	24	15	Off	2,296	2,286	2,328	2,354	2,390	2,390	2,390
			Enl	1,777	1,674	1,610	1,767	1,970	1,970	1,970
F	-0-	4 mos minimum	Enl	1,419	1,605	2,222	1,668	1,440	1,793	1,900
Drill Pay + Non-Prior Service			Off	10,399	10,518	10,681	10,949	11,365	10,967	10,940
			Enl	34,612	33,860	35,584	36,994	38,390	36,982	36,900
			Total	45,011	44,378	46,265	47,943	49,755	47,949	47,840
D	-0-	15	Off	3,185	2,652	2,652	3,045	3,045	2,650	2,650
			Enl	310	223	223	335	335	225	225
E	-0-	30	Off	72	57	57	75	75	75	75
			Enl	98	461	461	95	95	95	95
Total Paid Participants			Off	3,257	2,709	2,709	3,120	3,120	2,725	2,725
			Enl	408	684	684	430	430	320	320
			Total	3,665	3,393	3,393	3,550	3,550	3,045	3,045
Total Paid Participants			Off	13,656	13,227	13,390	14,069	14,485	13,692	13,665
			Enl	35,020	34,544	36,268	37,424	38,820	37,302	37,220
			Total	48,676	47,771	49,658	51,493	53,305	50,994	50,885



DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FY 1969

APPROPRIATION: RESERVE PERSONNEL, AIR FORCE      PROGRAM 780: Reserve Officer Candidates

SUMMARY OF REQUIREMENTS BY PROJECT (In Thousands)

Project No.	Title	FY 1967 Actual	FY 1968 Estimate	FY 1969 Estimate
	(1)	(2)	(3)	(4)
781	Senior ROTC .....	\$ 8,019	\$ 8,591	\$ 8,278
782	Scholarship Program .....	1,314	1,990	2,697
783	Junior ROTC .....	264	759	925
<b>TOTAL PROGRAM REQUIREMENTS (OBLIGATIONS) .....</b>		<b>\$ 9,597</b>	<b>\$ 11,340</b>	<b>\$ 11,900</b>

95-397 775

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FY 1969

APPROPRIATION: RESERVE PERSONNEL, AIR FORCE PROGRAM 780: Reserve Officer Candidates

PROGRAM INTRODUCTION (Cont'd)  
Enrollment - Senior ROTC (excluding Scholarship Program)

	FY 1967			FY 1968			FY 1969		
	Begin	End	Average	Begin	End	Average	Begin	End	Average
Aerospace Studies 100	35,029	26,250	30,397	28,128	21,082	24,409	34,850	25,890	30,180
Aerospace Studies 200	23,009	17,909	20,386	17,325	13,484	15,350	20,150	15,211	17,738
Aerospace Studies 300	5,544	4,819	4,962	3,537	3,074	3,166	4,870	4,181	4,488
Aerospace Studies 400	5,952	1,424	4,593	4,835	1,363	4,395	4,430	1,704	4,039
Total .....	68,634	50,402	60,338	53,825	39,003	47,320	64,300	46,986	56,445

Enrollment Scholarship Program

Aerospace Studies 100	-0-	-0-	-0-	-0-	-0-	-0-	150	150	150
Aerospace Studies 200	-0-	-0-	-0-	586	556	569	850	850	850
Aerospace Studies 300	822	819	789	1,339	1,334	1,295	1,430	1,430	1,430
Aerospace Studies 400	1,100	297	1,050	977	263	933	1,570	400	1,570
Total .....	1,922	1,116	1,839	2,902	2,153	2,797	4,000	2,830	4,000

Total Enrollment

Aerospace Studies 100	35,029	26,250	30,397	28,128	21,082	24,409	35,000	26,040	30,330
Aerospace Studies 200	23,009	17,909	20,386	17,911	14,040	15,919	21,000	16,061	18,588
Aerospace Studies 300	6,366	5,638	5,751	4,877	4,408	4,461	6,300	5,611	5,918
Aerospace Studies 400	6,152	1,721	5,643	5,812	1,626	5,328	6,000	2,104	5,609
Total .....	70,556	51,518	62,177	56,727	41,156	50,117	68,300	49,816	60,445

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FY 1969

APPROPRIATION: RESERVE PERSONNEL, AIR FORCE      PROGRAM 780: Reserve Officer Candidates

PROGRAM INTRODUCTION (Cont'd)

Students Attending Field Training

Fiscal Year 1967

Fiscal Year 1968

Fiscal Year 1969

Senior ROTC (excluding Scholarship Program): Four Week Field Training (for 4 year Program Cadets):

2,115 students during July 1966 for 16 days	2,311 students during July 1967 (202 for 1 day and 2,109 for 15 days)	1,785 students during July 1968 for 13 days
1,870 students during July-Aug 1966 for 28 days	1,858 students during July-Aug 1967 for 28 days	1,784 students during July-Aug 1968 for 28 days
2,606 students during June 1967 (2,109 for 13 days, 295 for 21 days, and 202 for 27 days)	1,785 students during June 1968 for 15 days	1,786 students during June 1969 for 16 days.

Senior ROTC (excluding Scholarship Program): Six-Week Field Training (for 2-year Program Cadets):

401 students during July 1966 for 23 days	426 students during July 1967 for 22 days	1,000 students during July 1968 for 27 days
399 students during Aug-Sep 1966 for 42 days	909 students during Aug-Sep 1967 for 42 days	600 students during Aug-Sep 1968 for 42 days
426 students during June 1967 for 20 days	1,000 students during June 1968 for 15 days	1,000 students during June 1969 for 23 days

Scholarship Program: Four-Week Field Training (for 4-year Program Cadets):

416 students during July 1966 for 16 days	472 students during July 1967 (32 for 1 day and 440 for 15 days)	715 students during July 1968 for 13 days
395 students during July-Aug 1966 for 28 days	322 students during July-Aug 1967 for 28 days	715 students during July-Aug 1968 for 28 days
517 students during June 1967 (440 for 13 days, 45 for 21 days, and 32 for 27 days)	715 students during June 1968 for 15 days	715 students during June 1969 for 16 days

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FY 1969

APPROPRIATION: RESERVE PERSONNEL, AIR FORCE      PROGRAM 780: Reserve Officer Candidates  
PROJECT 781: Senior ROTC  
Estimate - FY 1969.....\$8,278,000  
Estimate - FY 1968.....\$8,591,000  
Actual - FY 1967.....\$8,019,160

PART I - PURPOSE AND SCOPE

The funds requested will provide for the military personnel costs for students enrolled in the Senior Air Force Reserve Officers' Training Corps (except the scholarship program). The estimate includes funds for a subsistence allowance, uniforms, pay and allowances and subsistence while attending field training, and travel to and from field training.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Summary Comparison of FY 1967, FY 1968 and FY 1969 Fund Requirements

<u>Sub-Project</u>	<u>FY 1967</u>	<u>FY 1968</u>	<u>FY 1969</u>
Subsistence Allowance .....	\$ 3,756,266	\$ 4,442,127	\$ 4,182,087
Uniforms, Issue-in-Kind .....	254,639	234,000	198,870
Uniforms, Commutation in-Lieu .....	2,648,206	2,437,609	2,421,315
Pay and Allowances - Field Training .....	785,635	794,906	821,168
Subsistence in-Kind .....	209,799	219,461	225,766
Travel .....	364,615	466,219	429,210
Total Project 781 - Fund Requirement	\$ 8,019,160	\$ 8,591,322	\$ 8,278,416
Rounded to .....		\$ 8,591,000	\$ 8,278,000

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FY 1969

APPROPRIATION: RESERVE PERSONNEL, AIR FORCE

PROGRAM 780: Reserve Officer Candidates

PROJECT 782: Scholarship Program

Estimate - FY 1969.....\$2,697,000  
Estimate - FY 1968.....\$1,990,000  
Actual - FY 1967.....\$1,313,529

PART I - PURPOSE AND SCOPE

Funds requested will provide for military personnel costs for students enrolled in the Air Force ROTC Scholarship Program authorized by P.L. 88-647. During FY 1969, scholarships will be offered to 4,000 selected students. This estimate includes funds for a subsistence allowance, uniforms, pay and allowance and subsistence while attending summer field training, and travel. The travel authorization covers initial travel to the educational institution in which matriculated, travel to and from field training, and travel on discharge.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Summary Comparison of FY 1967, FY 1968 and FY 1969 Fund Requirements

Sub-Project	FY 1967	FY 1968	FY 1969
Subsistence Allowance .....	\$ 947,784	\$ 1,477,830	\$ 2,032,427
Uniforms, Commutation-in-Lieu .....	128,234	222,547	244,150
Pay and Allowances - Field Training .....	133,607	142,729	227,878
Subsistence-in-Kind .....	24,526	33,420	52,003
Travel .....	79,378	113,895	140,922
Total Project 782 - Fund Requirement ...	\$ 1,313,529	\$ 1,990,421	\$ 2,697,410
Rounded to .....		\$ 1,990,000	\$ 2,697,000

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FY 1969

APPROPRIATION: RESERVE PERSONNEL, AIR FORCE      PROGRAM 780: Reserve Officer Candidates

PROJECT 783: Junior ROTC

Estimate - FY 1969.....\$225,000  
Estimate - FY 1968.....\$759,000  
Actual - FY 1967.....\$263,972

PART I - PURPOSE AND SCOPE

The funds requested will provide for issue-in-kind uniforms for students enrolled in the Junior ROTC program at secondary educational institutions.

PART II - JUSTIFICATION OF FUNDS REQUESTED

During FY 1969 it is estimated that there will be 120 units of the Air Force Junior ROTC with an average student enrollment of 157 per unit. A 10% sizing factor is used for the new 55 units. Since insignia are not stock funded, early procurement action is required to insure availability when needed. Therefore, this estimate includes insignia requirements for the new units to be created in FY 1970.

	Number of Uniforms Required		Cost per Uniform		Requirement
	Zone I	Zone II	Zone I	Zone II	
New Units.....	55	3,324	\$67.07	\$94.13	\$ 726,978
Old Units .....	65	3,572	\$11.40	\$16.00	\$ 132,768
Insignia .....					\$ 64,789
Total Project 783 - Fund Requirements .....					\$ 924,535
Rounded to .....					\$ 925,000

## BIOGRAPHY OF MAJ. GEN. TOM E. MARCHBANKS, JR.

Maj. Gen. Tom E. Marchbanks, Jr. was born in San Benito, Tex., on June 27, 1922. He attended Texas A. & M. College from 1939 to 1942. In March 1942, he entered the pilot training program and received his commission and wings in January 1943. He completed twin-engine instructor pilot training and was transferred to Lackland Army Air Field, Waco, Tex., in February 1943, serving as squadron commander in the pilot training program. In November 1944, General Marchbanks was assigned to the 8th Air Force, 601st Bomber Squadron, in England, where he served as squadron operations officer and squadron commander. In June 1945, he was assigned to the Central Instructors School, Randolph AFB, Tex., as operations officer. His next assignment was to Kelly AFB, Tex., where he served as assistant to the base commander until his release from active duty in June 1946. During the subsequent period until the Korean conflict, General Marchbanks served as operations officer in the pilot training wing, Air Force Reserve, Brooks AFB, Tex. He was recalled to active duty for the Korean conflict and served with the 5th Air Force in Korea as squadron commander and director of combat operations, 67th Tactical Reconnaissance Group. General Marchbanks became an active member of the 433d Troop Carrier Wing, Air Force Reserve, upon its activation in 1953. On June 26, 1962, he was named commander of the wing and served in that capacity until his present assignment as Chief of Air Force Reserve. General Marchbanks is a command pilot and has been awarded, among other decorations, the Distinguished Flying Cross with one Oak Leaf Cluster, and the Air Medal with seven Oak Leaf Clusters.

Mr. WHITTEN. The Reserve Personnel, Air Force, fiscal year 1969 budget request is \$75.8 million, which includes \$11.9 million for the Air Force ROTC program. This total request is a net increase of \$2.6 million over funds proposed to be available in fiscal year 1968.

General Marchbanks, you may proceed with the reading of your statement.

General MARCHBANKS. Thank you, sir.

## GENERAL STATEMENT

Mr. Chairman and members of the committee, as Chief, Air Force Reserve, I am most pleased for this opportunity to appear before you for the first time to discuss the requirements of the Air Force Reserve personnel appropriation for fiscal year 1969.

We realize and are appreciative of the interest you have in our Reserve components and know you are well aware of the recent Air Force Reserve mobilization. On January 25, 1968, the President ordered to active duty two wings and five groups of C-124 military airlift elements as a precautionary measure to strengthen our forces following the *Pueblo* incident. At the same time one aerospace rescue and recovery squadron, equipped with HC-97 aircraft, was called to active duty. While previous mobilizations of Reserve Forces have each produced laudatory results, this one surpassed its predecessors by far. The response was instantaneous and gratifying. Within 24 hours these individuals had gathered from all over the country and mustered 97.8 percent present for duty with the remaining few accounted for. More important than that is the fact that all of the Air Force Reserve flying units mobilized, which were assigned to the Military Airlift Command, were ready for flying missions and, in fact, began to accomplish them. The five communications flights organic to the airlift groups were assigned to the Air Force Communications Service for duty. These units represent a programmed end drill pay strength of 5,057 for fiscal year 1968, and 5,072 for fiscal year 1969. These strengths are included in the request we are presenting today.

Before presenting our request, however, I would like to review some of our Reserve accomplishments of the past calendar year—accomplishments which have probably been more important than ever because of our worldwide commitments.

#### ACCOMPLISHMENTS

Air Force Reserve flying units have completed the most productive and meaningful year in their long history of contributions to our national defense. Our crews and support personnel have been utilized to fly critical cargo to various parts of the world including Southeast Asia while performing their training missions as part of the Military Airlift Command system. The Tactical Airlift Command units have been used in many ways to meet tactical airlift requirements in support of our Active Forces. Included were important joint exercises assisting in the training of Army and Marine Corps combat troops. The readiness of our aerospace rescue and recovery units has been demonstrated often as they responded to requests for help in performing actual search and recovery missions. The accomplishments of our dedicated reservists are numerous and I should like to spend a few moments with you on some of their more noteworthy contributions. May I point out first that these accomplishments, while of great value to the active Air Force, were produced mostly as a part of that training regimen so essential to keep our Reserve units combat ready.

Our Air Force Reserve units participated in six "joint exercises" during fiscal year 1967. Seventy-three aircraft (C-119s & C-124s) were used in airlift and air mobility exercises for these important exercises. The units flew more than 300 missions in support of programs that spread from the CONUS to Alaska and Hawaii. One example was "Exercise Normandy" conducted at Fort Bragg, N.C. in May 1967. Here, Air Force Reserve crews airdropped 1,361 troops in a field exercise for the Army's 82d Airborne Division. Our Air Force Reserve also responded to Tactical Air Command requirements and furnished C-119 aircraft and crews to support the Airborne Jump School, Fort Benning, Ga., and the Airborne Division at Fort Campbell, Ky.

#### AIRLIFT FOR MAC AND OTHER AGENCIES

While the Active Air Force was increasingly preoccupied with Southeast Asia, Air Force Reserve airlift units contributed significantly to fulfillment of Air Force obligations. Reserves crews in C-124 aircraft flew 18,253 hours airlifting cargo and passengers directly to Southeast Asia.

Air Force reserve crews flew to most of the European countries, the Canal Zone, Africa, South America, Australia, Okinawa, and Japan. We completed 3,743 missions, airlifting 13,506 tons of cargo plus priority support personnel.

The Air Force Reserve performed 10,537 missions in support of other agencies throughout the defense structure. More than 94,000 passengers and 14,800 tons of cargo were moved for the Major Air Commands, Southern Command Europe, NASA, Army, Navy, Marine Corps, and the U.S. Coast Guard.

## SUPPORT AT ACTIVE AERIAL PORTS

Air Force Reserve military airlift support squadrons, (mobile en route) assisted MAC by working alongside and with their active duty counterparts during their regular weekend and summer encampment training. The support squadrons are organized at active aerial port locations and train with the facilities of the active force. For example, from January through September 1967, Reservists of the 3d and 4th Squadrons contributed more than 13,400 man-hours to augment aerial port activities at Travis AFB, Calif. This augmentation has been of particular value in expediting the movement of vital traffic for Southeast Asia. During the Middle East crisis in June 1967, the 5th squadron played an important role in processing U.S. military dependents at McGuire AFB, who were evacuated from Wheelus AB, Libya.

## SUPPORT OF SPECIALIZED OPERATIONAL MISSIONS

Air Force Reserve rescue and recovery units provided support for project "Hi-Cat" when the operational area was over 200 nautical miles from a land mass. Project "Hi-Cat" was an Air Force systems command project in which WU-2 aircraft were flown at 40,000 to 70,000 feet to obtain data on high altitude, clear-air turbulence. Between November 1966 and April 1967, reserve aircraft flew 51 missions in support of this project.

## SUPPORT OF CIVIL DISASTERS

In the summer of 1967, the tactical airlift forces of our Air Force Reserve made emergency deliveries to Army units fighting forest fires in Idaho. Later in the summer, these same forces transported food, blankets, and sandbags to stricken areas in Texas and to Acapulco, Mexico, in the wake of floods created by Hurricane Beulah. Because of the heavy snowstorms and ensuing floods in Arizona last December, reserve airlift forces conducted numerous rescue missions for the relief of Navaho Indian families and Mexican nationals, airdropped tons of hay to save thousands of starving cattle, and airdropped needed snow-removal equipment. These are but a few examples of Air Force Reserve production which have become so meaningful to the Air Force and the Nation and which lends reality to training.

I will now review the developments in the fiscal year 1968 program.

## FISCAL YEAR 1968 RESERVE PROGRAM

In the fiscal year 1968 Appropriation Act, the Air Force Reserve was authorized \$72.3 million, which included \$11.3 million for the Air Force ROTC. These funds supported a drill pay strength of 50,530, including the retention of eight C-119 tactical airlift groups previously scheduled for inactivation. The revised drill pay strength for end fiscal year 1968 is now 49,755, a decrease of 775 spaces. This reduction is due primarily to the following:

- (a) Reduction in the unit manning document (UMD) for the C-124 military airlift units.

(b) Conversion of three C-119 tactical airlift groups to one C-130A tactical airlift group; one C-130A combat crew training squadron (CCTS); and one C-141 military airlift group (associate).

(c) Activation of one military airlift support squadron (mobile en route).

At Ellington AFB, Tex., the 924th Tactical Airlift Group (C-119) will convert to C-130A aircraft. The 925th will convert to a C-130A training squadron (CCTS). This unit will assume the C-130A (CCTS) training function for the active and reserve forces. Such training will be transferred from the active force CCTS school at Sewart AFB, Tenn. Initially, only aircrews for the active force will be trained. At a later date, this unit will provide a reserve operated CCTS to transition Air Reserve Forces aircrews into the C-130 when their units begin these conversions.

The third tactical airlift group (C-119) at March AFB will move to Norton AFB, Calif., without equipment, reorganize and be redesignated to a C-141 military airlift group (associate). Under this concept, reservists will fly and perform maintenance on the equipment of the active force units. The objective of the associate unit program is for reservists to provide aircrew, maintenance support, and aerial port augmentation of the active force units, so that full utilization of MAC's airlift force can be achieved under various conditions of heightened tensions, up to and including full mobilization.

During this same period, an additional military airlift support squadron (mobile en route) will be activated at Norton AFB, Calif. Personnel who are excess to the requirements of the associate airlift group to be formed at Norton AFB, Calif., will be used to form the new military airlift support squadron. This brings to seven the number of such units to be gained by MAC in the event of mobilization.

With these program adjustments and the funds associated with the military pay increase, the total funds now required for fiscal year 1968 is \$73.2 million, including \$11.3 million for the AFROTC.

#### RESERVE PERSONNEL BUDGET PROGRAM FOR FISCAL YEAR 1969

For fiscal year 1969, we are requesting \$63.9 million for the Air Force Reserve and \$11.9 million for the Air Force ROTC program for a total of \$75.8 million.

The appropriation request will provide support for the following:

(a) 47,840 Air Force reservists participating in drill pay status. This includes 40,500 in units, 5,440 in the individual program, and 1,900 in the non-prior-service program (ref. table 1).

(b) 3,045 Air Force reservists who are paid only for their annual active duty tours.

(c) 152,700 active duty man-days for special training tours.

(d) 128,200 active duty man-days for service school training tours.

(e) 68,300 beginning student enrollment in the AFROTC, which includes 4,000 in the scholarship program. An enrollment of 18,840 in 120 units is programed for the junior ROTC program.

TABLE I.—AIR FORCE RESERVE DRILL PAY STATUS

	End fiscal year 1968	End fiscal year 1969
Total drill pay.....	49,755	47,840
Units.....	42,895	40,500
Individuals.....	5,420	5,440
Nonprior service.....	1,440	1,900

The decrease of 1,915 personnel in drill pay status during fiscal year 1969 is due primarily to the following:

- (a) Inactivation of four C-119 tactical airlift groups.
- (b) Conversion of four C-119 tactical airlift groups to C-141 military airlift units (associate).
- (c) Increase in C-119 tactical airlift groups drill pay manning authorization from an average of 82 to 90 percent.
- (d) Increase in the authorized manning of the support-type units from an average of 71 to 77 percent.

#### UNIT PROGRAM

The force structure changes during fiscal year 1969 (table II) will consist of inactivating four C-119 tactical airlift groups during the first quarter fiscal year 1969; the conversion of four C-119 groups to three C-141 military airlift groups (associate) during the first quarter, and one squadron during the fourth quarter fiscal year 1969.

Reservists being excessed by the inactivation and conversion of C-119 units will be encouraged to participate in other Reserve units.

TABLE II.—AIR FORCE RESERVE, UNIT FORCE STRUCTURE

	End fiscal year 1967	End fiscal year 1968	End fiscal year 1969
C-119 Tactical Airlift Groups.....	21	18	10
C-124 Military Airlift Groups.....	19	19	19
C-141 Military Airlift Groups/Squadron (Associate).....		1/1	4/5
C-130 Tactical Airlift Groups.....		1	1
C-130 Tactical Airlift Squadron (CCTS).....		1	1
Aerospace Rescue and Recovery Squadrons.....	5	5	5
Non-flying units.....	188	191	191

The number and type of flying units are as indicated in table II. The nonflying units include medical service and aeromedical evacuation squadrons and flights, aerial port squadrons, air postal groups, airlift support squadrons (mobile en route), maintenance and supply squadrons (mobile), and a censorship squadron. All of these units have a wartime mobilization assignment to major air commands, and receive the same training, supervision, and inspection as the active force units.

Reserve units are programmed for 40,500 drill pay spaces for end fiscal year 1969. These spaces support an overall unit average manning of 91 percent, which is a 5-percent increase during the year.

#### INDIVIDUAL PROGRAM

For end fiscal year 1969, the individual reserve program will have 1,080 reservists in 48 drill pay status; 4,360 in 24 drill pay status; and

3,045 who will be paid for active duty training only. These individuals are assigned to and trained in their mobilization augmentation positions in major air commands.

The specialty training program, initiated as a test in fiscal year 1966 for individual skill training, after evaluation, was discontinued September 30, 1967. Those personnel assigned to this program have been reassigned to the individual augmentee program.

#### AIR FORCE ROTC

The objective of the Air Force Reserve Officer's Training Corps program is to provide junior officers in response to the needs of the Air Force. Over one-fourth of our Air Force junior officers are educated and commissioned through the AFROTC program.

In fiscal year 1969, the Air Force ROTC program will be offered in 175 colleges and universities. Approximately 170 of these will offer a flight instruction program to Air Force ROTC pilot candidates.

In fiscal year 1969, the total enrollment of AFROTC cadets is programed at 68,300. Of this total, 56,000 will be in general military (basic) course and the remaining 12,300 in the professional officer (advanced) course. This will enable us to bring 4,800 Air Force ROTC commissioned officers to extended active duty during fiscal year 1969.

Under the ROTC scholarship program, 2,000 scholarships were awarded in fiscal year 1967, and 3,031 in fiscal year 1968. The Air Force plans to award 4,000 grants in fiscal year 1969, 5,000 in fiscal year 1970, and 5,500 in 1971, the maximum authorized by Public Law 88-647. Scholarships were awarded to sophomores for the first time in fiscal year 1968, and freshmen will be awarded grants for the first time in fiscal year 1969.

The Air Force Junior ROTC program was implemented in fiscal year 1967 at 20 locations. In fiscal year 1968, this program was expanded to 65 units, and 120 units are programed for fiscal year 1969. The 120 units will be located in 34 States with an enrollment of 18,840.

#### CONCLUSION

Mr. Chairman, this concludes my presentation on the Air Force Reserve and ROTC programs.

Thank you.

#### SAVINGS RESULTING FROM RESERVE CALLUPS

Mr. WHITTEN. General Marchbanks, your statement indicates that in January of 1968, two wings and five groups of C-124 military airlift elements and one aerospace reserve and recovery squadrons equipped with HC-97 aircraft were ordered to active duty. These units represent a programed end drill pay strength of 5,057 for fiscal year 1968 and 5,072 for fiscal year 1969. These men are included, however, in the budget request you are presenting today.

How much will your fiscal 1968 funds and fiscal 1969 budget estimates be reduced as a result of the callup?

General PIRTS. The savings for Reserve personnel by end 1968 will be \$1.9 million, and the fiscal 1969 savings will be \$6.6 million.

Mr. WHITTEN. It is my understanding that thus far in 1968 a total of 6,500 Air reservists have been mobilized, involving 64 aircraft. This includes both the January and April callups. What additional effect, therefore, will the April 1968 Air Reserve callup have on the fiscal 1968 and 1969 budgets in terms of end strengths and funding reductions?

General PITTS. Is that the May callup, sir, to which you refer?

Mr. WHITTEN. Yes.

General PITTS. In fiscal 1968 that will be \$100,000 savings and in fiscal 1969 it will be \$500,000.

At this point—

Mr. WHITTEN. How about the end strength?

General PITTS. End strength will be a reduction of 1,295 personnel in fiscal year 1968, and 1,375 in fiscal year 1969, sir.

#### COST OF RETAINING EIGHT AIRLIFT UNITS

Mr. WHITTEN. Your statement indicates that eight C-119 tactical airlift groups, previously scheduled for inactivation, would be retained through fiscal 1968. In addition, you mentioned conversion of two C-119 tactical airlift groups to C-130A aircraft and a third to C-141 aircraft. Are any of the eight C-119 groups included in the three conversion actions?

General CLAY. Sir, three conversions are included.

Mr. WHITTEN. What are the additional costs involved in retaining these eight airlift units through fiscal year 1969?

General PITTS. Cost for retaining the four Air Force Reserve units is \$10.1 million, and \$7.5 million for the four Air National Guard units.

#### RECENT ACTIONS AFFECTING FISCAL YEAR 1969 ESTIMATES

Mr. Chairman, at this point I might make the statement I made this morning. There have been some actions taken today which impact on these figures we have been providing to you. Those actions which are being taken right now will defer the mobilization of some of the units alerted for the May 13 callup and a possible demobilization of some personnel called up on January 25. Those actions are in progress today. We do not know the impact.

Mr. WHITTEN. Back to inactive?

General PITTS. Yes, sir. Some of the personnel called to active duty in January may be put back on inactive duty; in other words, demobilized.

General MARCHBANKS. Demobilized, Mr. Chairman.

Mr. WHITTEN. By the time these hearings are released we will take a new look at this thing so your testimony will be in accord with the situation as it then exists.

Mr. LIPSCOMB. We cannot have it both ways. You might as well put in the figures as of today. Most of the testimony which has been before the committee for days now has been on a budget figured last December.

General PITTS. That is right.

Mr. LIPSCOMB. Statements have been directed to a budget which hardly exists any more. You might as well put in the figures as they exist today and that will be an advance from the poor reports we have had in the past 3 days.

General PITTS. I think we have been trying to indicate that some of these actions are happening after we put this budget together. This action happened today before we came over here.

I do not know which units might be mobilized now and which units will not be called up on May 13, so it is impossible for me to give you an accurate estimate.

You are entirely correct. The figures we gave you are as they were before we came over here today.

Mr. LIPSCOMB. But the testimony before the committee is on the budget which is before us. By the time the Congress passes it, it will have little relationship.

General PITTS. I understand your point, sir.

Mr. LIPSCOMB. Continued activation of these eight units can be put in as we know it now.

Mr. WHITTEN. Proceed as you have done and call our attention to the fact that certain actions are in process of change.

General PITTS. All right, sir.

Mr. WHITTEN. My suggestion would be that you supply here the figures that were prepared in justification of the original budget as submitted, with such notice as to the present situation including changes and those things which perhaps will be affected, and then, in addition to the figures which you came prepared to present, which should stay in the record, you should modify them in line with whatever other changes occur.

If that is required in the operation and maintenance area make the same change there at the proper place and call attention to that fact here.

(The information follows.)

#### CHANGES IN FIGURES IN BUDGET AND COSTS AS OF TODAY

[In millions of dollars]

	Fiscal year 1969		
	Drill strength		Cost
	Average	End	
Reserve personnel, Air Force appropriation: As reflected in President's budget.....	47,949	47,840	\$75.8
Adjustments:			
Requirement to retain 4 C-119 groups.....	+2,647	+3,145	+3.2
Units mobilized in January 1968.....	-5,070	-5,072	-6.6
Units mobilized in May 1968 (adjusted).....	-821	-840	- .8
Revised estimate May 13, 1968.....	44,705	45,073	\$71.6
National Guard personnel, Air Force appropriation: As reflected in President's budget.....	84,578	84,332	\$96.0
Adjustments:			
Requirement to retain 4 airlift groups.....	+2,168	+2,704	+2.3
Units mobilized in January 1968.....	-9,375	-9,378	-9.6
Units mobilized in May 1968 (adjusted).....	-961	-946	-1.2
Revised estimate May 13, 1968.....	76,410	76,712	\$87.5

## SUPPORT PROVIDED BY FISCAL YEAR 1968 BUDGET

On page 7 of your statement you indicate the support to be provided by the fiscal year 1969 budget request. Will you provide a similar tabulation for fiscal year 1968 reflecting your most current estimates? (Information requested follows:)

The fiscal year 1968 fund requirement of \$73.2 million, included with the fiscal year 1969 President's budget request, will provide support for the following:

- a. 49,755 Air Force reservists participating in drill pay status. This includes 42,395 in units—5,420 in the individual program, and 1,440 in the nonprior service program.
- b. 3,550 Air Force reservists who are paid only for their annual active duty tours.
- c. 131,273 active duty mandays for special training tours.
- d. 106,069 active duty mandays for service school training tours.
- e. 56,700 beginning student enrollment in the AFROTC, which includes 3,031 in the scholarship program. An enrollment of 8,550 in 65 units is programmed for the Junior ROTC program.

## TACTICAL AIRLIFT GROUPS RETAINED IN FISCAL YEAR 1969

Mr. WHITTEN. You stated that four C-119 tactical airlift groups are scheduled for inactivation, and are not included in your fiscal 1969 budget estimates. In addition, four C-119 tactical airlift groups were, or are being converted to C-141 military airlift units. Are these the same eight units we discussed previously as having been retained through fiscal 1968?

General MARCHBANKS. No, sir; these are not all the same.

Mr. WHITTEN. Can you for the record supply the number that are and the number that are not?

(Information requested follows:)

Of the eight C-119 units that were retained by Congress in fiscal year 1968, three were converted to new missions during fiscal year 1968, two will continue as C-119 units, and three were scheduled to be inactivated in the first quarter of fiscal year 1969. These three are thus included in the four previously scheduled for inactivation in fiscal year 1969.

## COST OF RETAINING TACTICAL AIRLIFT GROUPS IN FISCAL YEAR 1969

Mr. WHITTEN. Will you provide the designations, locations, number of aircraft, and strength of the four groups scheduled for inactivation, as well as the costs required for the retention of these units through fiscal year 1969?

General MARCHBANKS. Yes, sir.

(Information requested follows:)

The four Air Force Reserve tactical airlift groups scheduled for inactivation in fiscal year 1969 are as follows:

Location	Number of aircraft	Strength	
		End fiscal year 1968	To retain in fiscal year 1969
908th Brookley AFB, Alabama.....	16 C-119.....	699	766
927th Selfridge AFB, Michigan <sup>1</sup> .....	do.....	736	800
930th Bakalar AFB, Indiana <sup>1</sup> .....	do.....	728	800
931st Bakalar AFB, Indiana.....	do.....	699	76
Total.....		2,862	3,145

<sup>1</sup> Includes Wing Headquarters.

Estimated additional costs to retain the above four units through fiscal year 1969 by appropriation:

	<i>Millions</i>
Reserve personnel, Air Force.....	\$3.2
Military personnel, Air Force.....	.1
Operation and maintenance, Air Force.....	6.8
Total.....	10.1

#### RESERVE FORCE STRUCTURE

Mr. WHITEN. Will you also provide similar information for the flying units listed in table II on page 9 of your statement?  
(Information requested follows:)

*Air Force Reserve unit force structure by end fiscal year 1969 as included in the President's budget*

<i>Designation and location</i>	<i>Number of aircraft</i>
<i>Air Force Reserve tactical airlift groups:</i>	
906 Group, Clinton County AFB, Ohio.....	16 C-119
907 Group, Clinton County AFB, Ohio.....	16 C-119
910 Group, Youngstown MAP, Ohio.....	16 C-119
914 Group, Niagara Falls IAP, N.Y.....	16 C-119
928 Group, Chicago O'Hare IAP, Ill.....	16 C-119
922 Group, Kelly AFB, Tex.....	16 C-119
926 Group, New Orleans, La.....	16 C-119
913 Group, Willow Grove NAS, Pa.....	16 C-119
933 Group, Gen. B. Mitchell Field, Wis.....	16 C-119
934 Group, Minneapolis-St. Paul IAP, Minn.....	16 C-119
<i>Air Force Reserve military airlift groups:</i>	
901 Group, L. G. Hanscom Field, Mass.....	8 C-124
905 Group, Westover AFB, Mass.....	8 C-124
*938 Group, Hamilton AFB, Calif.....	8 C-124
940 Group, McClellan AFB, Calif.....	8 C-124
*941 Group, McChord AFB, Wash.....	8 C-124
*921 Group, Kelly AFB, Tex.....	8 C-124
932 Group, Scott AFB, Ill.....	8 C-124
935 Group, Richards-Gebaur AFB, Mo.....	8 C-124
936 Group, Richards-Gebaur AFB, Mo.....	8 C-124
915 Group, Homestead AFB, Fla.....	8 C-124
*918 Group, Dobbins AFB, Ga.....	8 C-124
942 Group, March AFB, Calif.....	8 C-124
945 Group, Hill AFB, Utah.....	8 C-124
*904 Group, Stewart AFB, N.Y.....	8 C-124
909 Group, Andrews AFB, Md.....	8 C-124
911 Group, Greater Pittsburgh, Pa.....	8 C-124
916 Group, Carswell AFB, Tex.....	8 C-124
917 Group, Barksdale AFB, La.....	8 C-124
937 Group, Tinker AFB, Okla.....	8 C-124

*Air Force Reserve unit force structure by end fiscal year 1969 as included in the President's budget—Continued*

	<i>Number of aircraft</i>
<b>Air Force Reserve military airlift (associate C-141) groups :</b>	
844th Group, Norton AFB, Calif.....	-----
943d Group, Norton AFB, Calif.....	-----
903d Group, McGuire AFB, N.J.....	-----
912th Group, Dover AFB, Del.....	-----
939th Group, McChord AFB, Wash.....	-----
<b>Air Force Reserve airlift groups (C-130) :</b>	
924th Group, Ellington AFB, Tex.....	8 C-130
<b>Air Force Reserve tactical airlift squadrons (CCTS) :</b>	
925 Group, Ellington AFB, Tex.....	-----
<b>Air Force Reserve aerospace rescue and recovery squadrons :</b>	
301st Squadron, Homestead AFB, Fla.....	6 HU-16
302d Squadron, Luke AFB, Ariz.....	6 HU-16
303d Squadron, March AFB, Calif.....	8 HC-97
304th Squadron, Portland AFB, Oreg.....	6 HU-16
*305th Squadron, Selfridge AFB, Mich.....	8 HC-97

\*Units called to active duty in January 1968.

Mr. WHITTEN. Do you have sufficient aircraft to maintain your Reserve units in a high state of readiness in fiscal 1969?

General MARCHBANKS. Yes, sir.

JUNIOR ROTC OPERATIONAL UNITS

Mr. WHITTEN. In fiscal year 1968, the Air Force Junior ROTC program was expanded to 65 units, and 120 units are programed for fiscal year 1969. Will you update the list appearing on pages 261 and 262 of last year's hearings?

General MARCHBANKS. Yes, sir; we can supply that for the record. (Information requested follow:)

AIR FORCE JUNIOR ROTC OPERATIONAL UNITS—FISCAL YEAR 1969

ALABAMA	CALIFORNIA
Lee High School, Montgomery	Anderson Union High School, Anderson
S. R. Butler High School, Huntsville	Arcadia High School, Arcadia
	Black-Fox School, Los Angeles
ALASKA	Compton Union High School, Compton
A. J. Dimond High School, Anchorage	El Dorado High School, Placentia
East Anchorage High School,	Fairfield High School, Fairfield
Anchorage	Manuel Dominquez Senior High School,
West Anchorage High School,	Compton
Anchorage	Moreno Valley High School, Sunnymead
	Novato High School, Novato
ARIZONA	Oakdale Joint Union High School,
Salpointe High School, Tucson	Oakdale
	Stagg Senior High School, Stockton
	Valencia High School, Placentia
ARKANSAS	COLORADO
Blytheville Senior High School,	Central High School, Aurora
Blytheville	Hinkley High School, Aurora
Central High School, Little Rock	Poudre High School, Fort Collins
Fayetteville High School, Fayetteville	Roy J. Wasson High School, Colorado
Texarkana Senior High School,	Springs
Texarkana	

## CONNECTICUT

Danbury High School, Danbury

## FLORIDA

Bay County High School, Panama City  
 Choctawhatchee Senior High School,  
 Fort Walton Beach  
 Eau Gallie High School, Eau Gallie  
 Florida Air Academy, Melbourne  
 Melbourne High School, Melbourne  
 Niceville Senior High School, Niceville  
 Pensacola High School, Pensacola  
 Rutherford High School, Panama City  
 Satellite High School, Satellite Beach  
 Deland High School, Deland

## GEORGIA

Forest Park Senior High School, Forest  
 Park  
 The Marist School, Atlanta  
 Thomas J. Elder High School, Sanders-  
 ville  
 Wayne County High School, Jesup

## IDAHO

Moscow High School, Moscow

## ILLINOIS

Champaign Centennial High School,  
 Champaign  
 Champaign Central High School,  
 Champaign  
 La Salle-Peru Township High School,  
 La Salle  
 Warren Township High School, Gurnee

## INDIANA

Highland Senior High School, Highland

## KENTUCKY

Danville High School, Danville  
 Daviess County High School, Owens-  
 boro  
 Henry Clay High School, Lexington  
 Trinity High School, Louisville  
 Westport Road High School, Louisville

## LOUISIANA

Bolton High School, Alexandria.  
 The Holy Cross School, New Orleans.

## MAINE

Biddeford High School, Biddeford.

## MARYLAND

Oxon Hill Senior High School, Upper  
 Marlboro.

## MASSACHUSETTS

Technical High School, Springfield.

## MICHIGAN

Carl Brablie High School, Roseville.  
 Lakeview High School, Saint Clair  
 Shores.  
 Marquette Senior High School, Mar-  
 quette.  
 Southfield Senior High School, South-  
 field.

## MISSISSIPPI

Biloxi High School, Biloxi.  
 R. E. Hunt High School, Columbus.  
 S. D. Lee High School, Columbus.

## MISSOURI

Jefferson City Senior High School, Jef-  
 ferson City.  
 Ruskin Senior High School, Hickman  
 Mills.  
 Saint Charles Senior High School, Saint  
 Charles.

## NEBRASKA

Bellevue Senior High School, Bellevue.

## NEVADA

Rancho High School, North Las Vegas.

## NEW MEXICO

Clovis High School, Clovis.  
 Mayfield High School, Las Cruces.  
 Robert H. Goddard High School, Ros-  
 well.

## NORTH CAROLINA

Ashley High School, Gastonia.  
 Ben. L. Smith High School, Greensboro.  
 E. E. Smith High School, Fayetteville.  
 Independence High School, Charlotte.  
 James B. Dudley High School, Greens-  
 boro.  
 Needham Broughton High School,  
 Raleigh.  
 Second Ward High School, Charlotte.  
 Southern Wayne High School, Dudley.  
 Walter M. Williams High School, Bur-  
 lington.  
 West Carteret High School, Morehead  
 City.  
 Fayette Senior High School, Fayette-  
 ville.

## OHIO

Fairborn High School, Fairborn.  
 Kenmore High School, Akron.  
 Pleasant View High School, Grove City.  
 Newark Senior High School, Newark.  
 Rutherford B. Hayes High School, Del-  
 aware.  
 Walter E. Stebbins High School, Day-  
 ton.  
 Warren G. Harding High School, War-  
 ren.  
 Warren Western Reserve High School,  
 Warren.

## OKLAHOMA

Sooner High School, Bartlesville.

## OREGON

Marshfield Senior High School, Coos Bay.

## PENNSYLVANIA

Bethel Park Senior High School, Bethel Park.

Great Valley Senior High School, Malvern.

Hopewell High School, Aliquippa.

Louis E. Dieruff High School, Allentown.

North Allegheny High School, Pittsburgh.

## SOUTH CAROLINA

Edmunds High School, Sumter.

Gordon H. Garrett High School, Charleston Heights.

Lincoln High School, Sumter.

McClenaghan High School, Florence.

## TENNESSEE

Clarksville High School, Clarksville

Hillcrest High School, Memphis.

Mitchell Road High School, Memphis.

## TEXAS

Arlington High School, Arlington.

Holy Cross High School, San Antonio.

John H. Reagan High School, Austin.

Richfield High School, Waco.

Sam Houston High School, Arlington.

Sherman High School, Sherman.

## UTAH

Orem High School, Orem.

Provo High School, Provo.

## VIRGINIA

Crestwood High School, Chesapeake.

E. C. Glass High School, Lynchburg.

Great Bridge High School, Chesapeake.

Robert E. Lee High School, Springfield.

William Flemming High School, Roanoke.

## WASHINGTON

Clarkston Senior High School, Clarkston.

J. M. Weatherwax High School, Aberdeen.

## ADEQUACY OF EQUIPMENT

Mr. WHITTEN. We keep hearing denials throughout the years that we have been robbing the Reserve units, and we are told that they are adequately equipped.

Some of our colleagues have public hearings and information seeps out that this committee has been a bit optimistic in that the Reserve units may not have been maintained in the shape they should have been.

Historically, we have kept up a good front about not robbing our Reserve units. Tell us what the facts have been and where we are now.

General MARCHBANKS. In equipment status we are never exactly where we would like to be. We have to realize that on a priority basis the priorities must go to the support of our action in Southeast Asia.

The equipment we have, even though it is not what we want, is good equipment and none has been withdrawn from us in support of Southeast Asia. We would like more sophisticated equipment so we could sophisticate our skills somewhat. I think when we get that we can do that.

We do have skill holding equipment now even though it is old.

Mr. WHITTEN. Do you have means whereby the Reserve can plead for equipment or do you take what is given out to you?

General MARCHBANKS. Air Forcewide we are making do, generally speaking. We do have approaches through force structure requirements to make our needs known. Whether or not they can be made known on a priority basis is something else, though.

Mr. WHITTEN. We have in Congress, and we have had since I have been here, a common practice that a service or a department cannot request from this committee funds that are not in the budget.

My experience has been that usually somebody who knows us well enough brings their problems in this regard to our attention. I am now asking you to supply the committee with the requests you have made in the way of modernization of equipment or the procurement of new supplies and equipment, which have been denied by the Air Force or OSD.

General MARCHBANKS. Yes, sir. In general, Mr. Whitten, the Air Force and OSD have provided the Air Force Reserve with adequate supplies and equipment consistent with the weapons systems we possess. However, as I previously stated, we do want more modern weapons systems but recognize the problem the active force has. Southeast Asia priorities have and will continue to receive attention first. When SEA priorities decrease, the Air Force will provide us fall-out equipment. Of course, this is not as soon as we would like, but we must accede to higher priorities and requirements.

Not only are we maintaining our proficiency with the equipment we now have but, as I said in my statement, we are performing many significant missions for the Air Force daily.

#### ADEQUACY OF TRAINING WITH EQUIPMENT USED IN SOUTHEAST ASIA

Mr. LIPSCOMB. Have all the Reserve units that are being called up or which have been called up been trained in the operation and maintenance of the equipment presently in use in Southeast Asia?

General MARCHBANKS. The Reserve units have been trained and equipped with the equipment that we have.

Mr. LIPSCOMB. That does not answer the question.

General MARCHBANKS. The answer would be no, then.

General CLAY. Reserve units called up? For example, the C-124 units.

General MARCHBANKS. That is what I responded to.

Mr. LIPSCOMB. Certainly on the C-124 you can say they are trained in the operation and maintenance of the equipment presently being used in Southeast Asia. This is a broad question.

General MARCHBANKS. It is a very broad question. You see, we are flying our flights to Southeast Asia in the 124 and they are trained in that equipment.

Mr. LIPSCOMB. The only way you can answer it is "in sum" or "in most" or "in limited amounts."

General MARCHBANKS. I would say limited amounts.

Mr. LIPSCOMB. How about the communications gear?

General MARCHBANKS. Of the type we are using; yes.

Communications is like any other type of equipment. If you are not using that peculiar brand you have a general knowledge of the field and you upgrade it as you become acquainted with the equipment.

The same way with the aircraft.

Mr. LIPSCOMB. If everything is OK all you have to do is to tell us. If you are concerned about anything and need support, tell us that.

General MARCHBANKS. I am concerned and will continue to be concerned about equipment, as everyone else in the Air Force is. Perhaps we in the Reserve Forces are more concerned because historically we get our equipment from the active Air Force in forms of fallout and advancement of the current weapons systems.

This is being currently employed in Southeast Asia so the attrition aircraft which we would normally expect to get at the termination of hostilities is being used up.

I think we are putting our problem off to the end of Southeast Asia when we will have a terrific equipment problem, not only in the Reserve Forces but in the Active Forces.

Mr. WHITTEN. Thank you, General.

#### NATIONAL GUARD PERSONNEL, AIR FORCE

Mr. WHITTEN. We will now turn to "National Guard personnel, Air Force," fiscal year 1969 budget request which totals \$96 million. This represents an increase of \$6.6 million over funds proposed to be available in fiscal year 1968.

General Wilson, we shall insert in the record the appropriate justification pages supporting your budget estimates.

(Justification pages follow:)

#### "NATIONAL GUARD PERSONNEL, AIR FORCE

"For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under sections 265, 8033, or 8496 of title 10 or section 708 of title 32, United States Code or while undergoing training or while performing drills or equivalent duty, as authorized by law: **[\$87,600,000]** \$96,000,000: *Provided*, That obligations may be incurred under this appropriation without regard to section 107 of title 32, United States Code."

DEPARTMENT OF THE AIR FORCE  
NATIONAL GUARD PERSONNEL, AIR FORCE

Program and Financing (in thousands of dollars)

Identification code: 07-05-3850-0-1-051		19 67 actual	19 68 estimate	19 69 estimate
<u>Program by activities:</u>				
	Direct program: Reserve component personnel .....	84,136	89,400	96,000
	Reimbursable program: Reserve component personnel .....	100	110	110
10	Total obligations .....	84,236	89,510	96,110
<u>Financing:</u>				
Receipts and reimbursements from:				
11	Federal funds .....	.....	-10	-10
14	Non-Federal sources <u>1/</u> .....	-100	-100	-100
25	Unobligated balance lapsing .....	64	.....	.....
	<u>New obligational authority</u> .....	84,200	89,400	96,000
<u>New obligational authority:</u>				
40	Appropriation .....	84,200	87,600	96,000
41	Proposed transfer to other accounts .....	.....	-1,000	.....
43	Appropriation (adjusted) .....	84,200	86,600	96,000
44	Proposed supplemental for military pay act increases.	.....	2,800	.....
<u>1/</u>	Reimbursements from non-Federal sources derived from sale of meals to officers from enlisted messes (10 USC, 9621).			

DEPARTMENT OF THE AIR FORCE  
NATIONAL GUARD PERSONNEL, AIR FORCE

Program and Financing (in thousands of dollars)

Identification code: 07-05-3850-0-1-051		19 67 actual	19 68 estimate	19 69 estimate
Relation of obligations to expenditures:				
10	Total obligations .....	84,236	89,510	96,110
70	Receipts and other offsets (items 11-17) .....	-100	-110	-110
71	Obligations affecting expenditures .....	84,136	89,400	96,000
72	Obligated balance, start of year .....	12,162	11,657	16,057
74	Obligated balance, end of year .....	-11,657	-16,057	-18,057
77	Adjustments in expired accounts .....	-59	.....	.....
90	Expenditures excluding pay increase supplemental .....	84,583	82,900	93,300
91	Expenditures from military pay act supplemental .....	.....	2,100	700
Expenditures are distributed as follows:				
01	Out of current authorizations .....	72,796	73,700	78,300
02	Out of prior authorizations .....	11,787	11,300	15,700

DEPARTMENT OF THE AIR FORCE  
NATIONAL GUARD PERSONNEL, AIR FORCE

Object Classification (in thousands of dollars)

Identification code: '07-05-3850-0-1-051	1967 actual	1968 estimate	1969 estimate
Direct obligations:			
11.7 Personnel compensation, military .....	67,075	71,130	75,440
12.1 Personnel benefits, military .....	8,290	8,480	8,910
21.0 Travel and transportation of persons .....	3,077	2,370	4,090
22.0 Transportation of things .....	16	360	600
26.0 Supplies and materials .....	5,628	7,010	6,910
42.0 Insurance claims and indemnities .....	50	50	50
Total direct obligations .....	84,136	89,400	96,000
Reimbursable obligations:			
26.0 Supplies and materials (total reimbursable obligations).	100	110	110
99.0 Total obligations .....	84,236	89,510	96,110

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FY 1969

APPROPRIATION: NATIONAL GUARD PERSONNEL, AIR FORCE      PROGRAM 520: National Guard Personnel

SUMMARY OF REQUIREMENTS BY PROJECT (In Thousands)

Program No.	Title	FY 1967 Actual	FY 1968 Estimate	FY 1969 Estimate
	(1)	(2)	(3)	(4)
521	Training, Pay Group A .....	\$ 61,293	\$ 69,089	\$ 69,948
522	Training, Pay Group F .....	10,572	9,173	12,634
523	School Training .....	5,787	6,740	8,843
524	Special Training .....	5,002	2,809	2,987
525	Administration and Support .....	1,582	1,699	1,698
TOTAL PROGRAM REQUIREMENTS (OBLIGATIONS).....		\$ 84,236	\$ 89,510	\$ 96,110

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FY 1969

APPROPRIATION: NATIONAL GUARD PERSONNEL, AIR FORCE      PROGRAM 520: National Guard Personnel

PERSONNEL SUMMARY

Pay Group	Authorized Drills	Authorized Active Duty for Tng.	Authorized Paid Days of Active Duty for Tng.	FY 1967 (Actual)		FY 1968 (Current Year)		FY 1969 (Budget Request)		
				Begin	Average	End	Average	End	Average	End
A	48	15	Off	10,220	10,260	10,566	10,704	10,927	11,435	11,410
			Enl	64,878	67,967	69,486	70,778	70,644	68,522	67,898
F	-0-	4 mos minimum	Enl	4,785	4,313	3,706	3,923	4,214	4,621	5,024
			Total Paid Participants	Off	10,220	10,260	10,566	10,704	10,927	11,435
			Enl	69,663	72,280	73,192	74,701	74,858	73,143	72,922
			Total	79,883	82,540	83,756	85,405	85,785	84,578	84,332

DEPARTMENT OF THE AIR FORCE  
JUSTIFICATION OF ESTIMATES FOR FY 1969

APPROPRIATION: NATIONAL GUARD PERSONNEL, AIR FORCE PROGRAM 520: National Guard Personnel

PROJECT 525: Administration and Support

Estimate - FY 1969.....\$1,698,000  
Estimate - FY 1968.....\$1,699,000  
Actual - FY 1967.....\$1,582,523

PART I - PURPOSE AND SCOPE

This project provides for costs associated with Air National Guard personnel performing active duty authorized by Sections 265, 8033 and 8496, Title 10, USC, and Section 708, Title 32, USC; for death gratuity payments to beneficiaries of Air National Guard military personnel; for disability and hospitalization benefits to Air National Guard military personnel injured in line of duty, except as covered by orders issued prior to disability; and for the Federal Government's contribution to Servicemen's Group Life Insurance.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The following is a comparison by fiscal year of costs, and the computation of requirements included in this estimate:

	<u>FY 1967 (Actual)</u>	<u>FY 1968 (Estimate)</u>	<u>FY 1969 (Estimate)</u>
Pay & Allowances of Officers.....	\$1,251,610	\$1,351,645	\$1,367,149
Permanent Change of Station Travel.....	20,274	24,615	24,615
Death Gratuities, Officers.....	36,000	39,000	39,000
Death Gratuities, Enlisted.....	13,543	15,000	15,000
Disability & Hospitalization Benefits, Off.	70,742	75,522	76,264
Disability & Hospitalization Benefits, Enl.	49,263	52,025	52,476
Servicemen's Group Life Insurance.....	<u>141,091</u>	<u>141,606</u>	<u>123,070</u>
Total Requirements .....	\$1,582,523	\$1,699,413	\$1,697,574
Rounded to .....		\$1,699,000	\$1,698,000

Mr. WHITTEN. General Wilson, you may now proceed with your prepared statement.

#### GENERAL STATEMENT

General WILSON. Mr. Chairman and members of the committee, once again, it is my privilege to appear before this committee to present the Air National Guard personnel requirements for fiscal year 1969.

The highlights of the past year's accomplishments and our program for the coming fiscal year is included in my presentation in support of the Air National Guard operations and maintenance appropriation. Therefore, in this statement I will concentrate primarily on our fiscal 1969 program and budget request for Air National Guard personnel.

#### PROGRAMED STRENGTH

The programed strength for the Air National Guard in fiscal year 1969 is 84,332 personnel—ending—with an average of 84,578. This compares to an average strength of 85,405 and ending strength of 85,785 programed in fiscal year 1968. The drill strength does not consider mobilization but is lower in fiscal year 1969 because of the inactivation of 4 airlift units. However, latest indications are that these units will be retained. We are requesting \$96 million in the National Guard personnel, Air Force appropriation to support the drill strength that I have just mentioned. This will provide pay and allowances of officers and airmen on active duty training, unit training assemblies, special tours of active duty in support of active force exercises, clothing, subsistence, travel, and other personnel expenses.

The fiscal year 1969 appropriation request of \$96 million compares with \$89.4 million for fiscal year 1968, a difference of \$6.6 million.

Gentlemen, I will next discuss the scope of the Air Guard activity to include an explanation of the difference in cost between fiscal year 1969 and fiscal year 1968.

#### ANNUAL FIELD TRAINING

This annual field training program is, of course, legislative in nature. It provides that each guardsman perform 15 days field training each year. This program is designed to integrate the training of the individual with the training of the unit to which he belongs. As a noteworthy example of field training, I offer a brief description of several ANG exercises executed as part of the field training program.

#### GUARD STRIKE

This exercise was conducted under field conditions, consisting of elements of seven tactical fighter wings; three tactical reconnaissance wings; two air refueling wings; one air commando group, two weather flights functioning as a weather central; one tactical control group and one communication group. Personnel from at least 30 States participated in the exercise, all organized under an Air National Guard Tactical Air Force (Provisional) Headquarters. The purpose of this exercise was to deploy forces during the annual field training period and make effective use of a complete tactical air control system by the application of U.S. Air Force command and control criteria principles

and practices. Sorties flown, 2,505; 2,271 were effective; 4,645 flying hours were logged.

Approximately 9,000 ANG personnel participated in Guard Strike I. The exercise surpassed all expectations of excellence.

#### SENTRY POST

This was an exercise similar in purpose to Guard Strike I. Approximately 6,000 personnel received training in Sentry Post I in the deployment and operation of a complete tactical air control system. Though somewhat smaller in scope than Guard Strike I, Sentry Post I was equally effective in training personnel and demonstrating to the tactical evaluators from the Air Force that the Air National Guard is capable of fielding complete tactical weapons systems when needed. The Sentry post exercise was also a complete success.

The annual field training program is \$0.2 million higher in fiscal year 1969 than in fiscal year 1968 because of the full-year impact of the military pay increase, effective October 1, 1967.

#### UNIT TRAINING ASSEMBLIES

This program like field training, is legislatively designed. It provides that each guardsman participate in 48 drills each year; further, each guardsman on current flying status performs 36 additional drills each year. These are referred to as AFTP's or additional flying training periods. During these drills, the guardsman has the opportunity to increase his skill level which contributes to the overall combat effectiveness of his unit.

The unit training assembly program is \$0.7 million higher in fiscal year 1969 than in fiscal year 1968 because of the full-year impact of the military pay raise.

#### NONPRIOR SERVICE BASIC AND TECHNICAL TRAINING PROGRAM

The air guardsman receives his initial basic training at Lackland Air Force Base along with recruits of the regular establishment. Hence, the stringent and rapid pace established for the regulars is equally applicable to the guardsmen. Within the last year, over 19,000 individuals were upgraded by OJT; over 24,700 individuals were enrolled in correspondence courses. The program has resulted in an overall increase in skill manning from 61.2 percent as of December 31, 1966, to 69 percent as of December 31, 1967. Further, we take maximum advantage of formal training for nonprior service personnel by seeking and filling the maximum number of Air Training Command school quotas commensurate with the requirements of the job, the individual's ability to progress, and the availability of approved funds. About 70 percent of the recruits enter technical training schools immediately upon completion of basic military training. The remainder are required to complete their active duty through home station on-the-job training.

During the current year, we will enter 11,015 nonprior service individuals into training. For fiscal year 1969, however, we will enter 11,852 into training. Notwithstanding a slight decrease in overall drill

strength, this increase is necessary to offset a decrease in the availability of prior service individuals. There is a net increase of \$3.4 million in the program accounted for by the increased input of 837 basics over fiscal year 1968, increased man-days as the result of a revised monthly phasing by Air Training Command, the full-year impact of the military pay raise, and increased commercial transportation requirements.

#### SCHOOL TRAINING

This program is designed to enhance the skills of air guardsmen through attendance at formal courses of instruction offered by Air Training Command. These courses include flight training, service schools, and technical schools. At the officer level we have taken maximum advantage of the professional schooling offered by the command and Staff College and Air War College, keeping in mind at all times the skill requirements, the individual's potential, and the availability of funds.

The flight training program reflects an increase of \$1.9 million over the current year. This represents an increase in advance flying training due to higher level of prior service pilot procurement that will require qualification or requalification in Guard aircraft, aircraft conversions, the full-year impact of the military pay raise and additional travel costs due to the equalization of per diem payments for ANG personnel on active duty for training on the same basis as full-time active duty personnel.

The cost of service and technical schools in fiscal year 1969 is \$0.2 million higher than in fiscal year 1968 because of the equalization of per diem payments for ANG personnel on active duty for training on the same basis as full-time active duty personnel.

#### SPECIAL TRAINING

This program provides the air guardsman with training not included in field training, unit training assemblies, or formal schooling. It includes, but is not limited to, overwater training flights for personnel in our airlift units, readiness training, simulator training, physiological training, and so forth.

The special training program is \$0.2 million higher in fiscal year 1969 than in fiscal year 1968 because of the full-year impact of the military pay increase, and additional costs generated by the equalization of per diem payments for ANG personnel on the same basis as full-time active duty personnel.

#### ADMINISTRATION AND SUPPORT

This program provides for the pay and allowances of ANG officers serving under sections 265, 8033, 8496 of title 10, United States Code as well as section 708 of title 32, United States Code, death gratuities paid to Air Guard survivors, disability pay and the employers' contribution to the service group life insurance program. Fiscal year 1969 and fiscal year 1968 costs are comparable.

## SUMMARY AND CONCLUSION

In summary, I have covered the highlights of our fiscal year 1969 military personnel requirements generally by a brief comparison with fiscal year 1968. The trust and support of this committee over the past years has permitted the Air National Guard to progress to its present high state of readiness.

I trust that our accomplishments will warrant the continued confidence and support of the committee.

This concludes my statement. I will now endeavor to answer any questions you may have.

## DECREASE IN NUMBER OF PRIOR-SERVICE PERSONNEL

Mr. WHITTEN. General, your programed fiscal year 1969 average strength is 84,578, which is 1,827 less than the average strength for fiscal 1968. The fiscal 1969 budget request, however, is \$6.6 million more than fiscal 1968.

You state this is due to the full-year impact of the military pay increase of October 1967, equalization of per diem costs, the advanced flight training, and other reasons.

General WILSON. That is right.

Mr. WHITTEN. What is the reason for the decrease in the availability of prior-service individuals causing an increased impact of 837 basics over fiscal year 1968?

General WILSON. This is a relatively small number. Our program has been running around 11,000 non-prior-service personnel annually.

Also some units have been given an increase in authorized strength.

## MONTHLY PHASING OF STUDENTS BY AIR TRAINING COMMAND

Mr. WHITTEN. What was the nature of the revision in the monthly phasing of students by the Air Training Command which will result in increased man-days during fiscal 1969?

General WILSON. May I submit that for the record?

Mr. WHITTEN. Yes.

(The information follows:)

The nature of the monthly phasing of students is a constant and continual revision as classes and courses change. Changes in fiscal year 1968 that impact fiscal year 1969 are shown in the following table:

Time period	Fiscal year 1968 number of original entries	Revised number of entries	Net change
January-June 1968.....	5,757	6,252	+495

This rephasing which enters more students in the latter half of fiscal year 1968 creates an additional cost in fiscal year 1969 to provide for 17,980 man-days.

Mr. WHITTEN. In the foregoing regard, are you referring to flight training, service schools, and technical schools operated by the Air Training Command?

General WILSON. Yes, sir.

## SERVICEMEN'S GROUP LIFE INSURANCE PROGRAM

Mr. WHITTEN. Is the Air National Guard contribution to the servicemen's group life insurance program at the same rate as the regular Air Force?

General WILSON. Yes, sir.

Mr. WHITTEN. Did the Veterans' Administration increase your rates on April 1, 1968?

General WILSON. I am not familiar with that. I will have to check on it.

(Information requested follows:)

On April 1, 1968, the Veterans' Administration increased the employer's contribution to the servicemen's group life insurance from 100 to 225 percent or from \$2 per month to \$4.50 per month.

Mr. WHITTEN. What impact will the increase have on the fiscal year 1969 budget request?

(Information requested follows:)

The increase in the employer's contribution to the servicemen's group life insurance will cost in fiscal year 1969, \$154,000 more than the amount contained in fiscal year 1969 President's budget.

## IMPACT OF NATIONAL GUARD MOBILIZATION

Mr. WHITTEN. Thus far in 1968, a total of 12,500 Air National Guard have been mobilized, involving a total of 312 aircraft. You testified last year that the Air National Guard had about 3,700 pilots fully qualified in the aircraft they were then flying. As a result of the mobilization, how many fully qualified pilots do you have left?

General WILSON. 447 pilots were ordered to active duty from slightly over 4,000. We have remaining in the units around 3,600, sir.

## PILOT TRAINING

Mr. WHITTEN. Last year you testified that the Air National Guard has a requirement for 328 new pilots a year, but that the Air Force would train only 145 new pilots during fiscal 1968. How many new pilots will be trained in fiscal year 1969?

General WILSON. We should have an output in fiscal year 1969 of 145 pilots, sir.

## SAVINGS RESULTING FROM MOBILIZATION

Mr. WHITTEN. General Wilson, you indicate in your statement that the programmed drill strength for fiscal year 1969 does consider the mobilization. How much can your fiscal 1968 funds and the fiscal 1969 budget request be reduced as a result of the callups in 1968?

General WILSON. The savings in this appropriation for fiscal 1968 are computed to be \$4 million. For fiscal 1969 the savings will amount to \$10.8 million based on the January mobilization and the adjusted May mobilization.

## RETENTION OF FOUR AIRLIFT GROUPS IN FISCAL YEAR 1969

Mr. WHITTEN. You state that the fiscal year 1969 drill strength is lower than fiscal 1968 because of the inactivation of four airlift units, but that latest indications are that these units will be retained. What

are the designations, locations, numbers, and types of aircraft, and strength of these units, and what is the current information as to their possible retention?

General WILSON. Mr. Nitze sent the chairman of this committee a letter dated April 4, stating that the four Air National Guard units would be retained in the program.

The four units are the 195th Airlift Group in Van Nuys, Calif.; the 111th Airlift Group in Willow Grove, Pa.; the 105th Airlift Group at White Plains, N.Y., each with eight C-97 type aircraft assigned, and the 170th Airlift Group at McGuire AFB, N.J., with eight C-121 aircraft assigned. The programmed fiscal 1969 end strength for these four units is: 381, 783, 779, and 761 personnel, respectively.

Mr. WHITTEN. What are the annual costs involved?

General WILSON. \$7.5 million. For ANG O. & M. the cost is \$5.1 million; for ANG personnel, \$2.3 million; and for Air Force military personnel, \$0.1 million.

#### AIRLIFT SUPPORT OF THE WAR EFFORT

Mr. WHITTEN. Are these units believed to be of real value in the war effort?

General WILSON. There is no question about that. Our airlift units have been flying on the order of 110 to 125 flights a month outside the U.S. limits. This has been done in assisting the MAC system in meeting the overall requirements.

Mr. WHITTEN. What is the outlook as to the possible retention of these units beyond fiscal 1969?

General WILSON. Under the letter Mr. Nitze sent over these were put into a 5-year force structure with a change of mission. Three of the Guard units were to go into Tactical Support Group and one was to go into the C-141 associate program.

#### FISCAL YEAR 1968 AIR NATIONAL GUARD ACCOMPLISHMENTS

Mr. LIPSCOMB. General Wilson, I think the committee is aware of the tremendous job that these units have been doing, particularly during this period.

For the record, could you submit a statement setting forth just exactly the accomplishments in the past year?

General WILSON. Of these four units?

Mr. LIPSCOMB. Of the National Guard.

General WILSON. I would be glad to. We are not only working for the Air Force in the airlift but we have other missions, such as at the present time we have tankers which have been stationed in Europe for over a year on a volunteer basis to provide refueling support to the active Air Force Fighter Force.

Mr. LIPSCOMB. It would be interesting to a reader of the record to see the tremendous job that the National Guard has done.

General WILSON. We will be happy to supply that.

(Information requested follows:)

During the past year, there have been a number of outstanding Air National Guard accomplishments. The most important are as follows:

## MOBILIZATION

On January 25, 1968, the President ordered to active duty eight Tactical Fighter Groups and three Tactical Reconnaissance Groups comprising 88 federally recognized Air National Guard units. The Tactical Fighter Groups had been 100-percent manned and wartime operationally capable since January 1, 1966, under the concept "Combat Beef" then referred to as "Beef Broth." Seventy-one of the 88 units were assigned to Tactical Air Command, 11 of the units (Communications) to Air Force Communications Service, and six weather units to Military Airlift Command. Nine thousand one hundred and seventy-eight personnel were called to active duty including 447 pilots. The mobilization effort was completely successful. At 2400 on the day of mobilization, 99.6 percent of the personnel had reported to their units and were present and accounted for. The remaining 0.4 percent were accounted for, but were not present because they were in transit to their respective units due to a distance factor, were hospitalized, or were otherwise temporarily delayed because of occupational reasons. The good will, the spirit, and the dedication of all these personnel was most gratifying; though in many instances, the order to active duty meant separation from family, and a decrease in their level of income. We are extremely proud of these people.

On 13 May 1968, the President ordered additional ANG units to active duty. Two F-86 units and one C-121 Aeromedical Evacuation Group responded to the call. It is a little early to evaluate the results of this call, however, there is every indication that this second mobilization will be as successful as the first.

## AEROMEDICAL EVACUATION PROGRAM

In August 1965 select airlift units were called upon to augment the MAC aeromedical evacuation program designed for expedient airlift of patients between units and hospitals and between hospitals. Air Guard participation has met every expectation. For example; from July 1 through December 31, 1967, the ANG flew 52 trips (all offshore) and transported 1,281 patients in addition to 3,073 passengers. 1,178 flying hours were logged over a period of 198 trip days. The results of this augmentation were so successful that the fiscal year 1968 program has included the conversion of one airlift unit to a newly designated Aeromedical Evacuation Group which formalizes and establishes an ANG unit with the exclusive mission of evacuating and transporting the sick and wounded. We are proud that this is one of the units mobilized May 13, 1968. Three additional airlift units will convert to the same mission in fiscal year 1969.

## TEWS

The "TEWS" mission is another ANG accomplishment worthy of comment. At the request of the active establishment, one airlift unit was converted and designated as a tactical electronic warfare unit early in fiscal year 1968—an approved and formalized "first" for the ANG. The exclusive mission of this unit is to provide a highly specialized electronic support force. This capability may be utilized as necessary in support of U.S. military contingencies worldwide.

## GUARD STRIKE

Guard Strike was planned and executed as a joint National Guard exercise conducted largely under field conditions, consisting of elements of seven tactical fighter wings; three tactical reconnaissance wings; two air refueling wings; one air commando group, two weather flights functioning as a weather central; one tactical control group; and one communication group. Personnel from at least 30 States participated in the exercise, all organized under an Air National Guard Tactical Air Force (Provisional) Headquarters. The purpose of this exercise was to deploy forces during the annual summer field training period and make effective use of a complete tactical air control system by the application of USAF command and control criteria principles and practices; 2,505 sorties were flown, 2,271 were effective; 4,645 flying hours were logged. Approximately 9,000 Air National Guard personnel participated in Guard Strike I. The exercise surpassed all expectations of excellence.

## SENTRY POST

Sentry Post was an exercise similar in purpose to Guard Strike I. Approximately 6,000 personnel received training in Sentry Post I in the deployment and operation of a complete tactical air control system. Though somewhat smaller in scope than Guard Strike I, Sentry Post I was equally effective in training personnel, and in demonstrating to the tactical evaluators from the Air Force that the Air National Guard is capable of fielding complete tactical weapons systems when needed. The Sentry Post exercise was also a complete success.

## "CREEK PARTY"

This mission is coded "Operation Creek Party," and calls for the Air National Guard to maintain five KC-97 aircraft, on a continuing basis, at Rhein-Main Airbase, Germany.

The five tankers are used to support the refueling requirements of the Air Force fighter and reconnaissance units assigned to USAFE. In addition to a normal 5-day week operation, one tanker is kept on a 30-minute scramble alert during periods of inclement weather. In support of this program, over 250 Air National Guard officers and 3,500 airmen have been involved. Over 3,500 flying hours have been logged, 8.5 million pounds of fuel have been off-loaded and over 5,000 hookups have been provided.

## JCS EXERCISES

Since June 1967 our tactical units participated in three Joint Chiefs of Staff directed exercises. One exercise took place in Alaska, one in Hawaii, and one was a NATO exercise in Turkey. The exercises in Hawaii and Alaska were supported by Guard KC-97L tanker aircraft. To support these exercises, our F-100 units flew 970 hours and our KC-97's flew 600 hours. Approximately 2,500 Air Guard officers and airmen were utilized in support of these exercises. Our F-100, F-84 and F-86 units flew another 2,000 hours providing close air support missions and firepower demonstrations for the Army.

## AIRLIFT SUPPORT

In fiscal year 1966, the 25 airlift units of the Air National Guard made 2,016 flights to overseas destinations. Of this number, 555 were to SEA. The fiscal year 1967 performance was even more impressive with a total of 2,538 overseas flights, 858 of which were to SEA.

The fiscal year 1968 program for the first half of the fiscal year was greatly diminished. However, in February 1968, the augmentation of the airlift role of the regular establishment was resumed with acceleration. It is still too early to completely assess fiscal year 1968 results; however, the overall record, in my opinion, is a remarkable accomplishment for a part-time airman and represents the epitome of the true American who stands ready to serve when needed.

## ADC RUNWAY ALERT

All 22 of our fighter-interceptor units provide 24-hour-a-day air defense alert. The Air National Guard has been performing this function on a routine basis since 1955. This type of augmentation to the active establishment is one of the ideal missions for the Air National Guard, and has produced outstanding results for Aerospace Defense Command. Optimum returns from the training dollar has been an additional result of this effective and productive employment of a Reserve component to help carry a part of the active load.

## EFFECTIVENESS OF UNITS AND PERSONNEL

All of our organizations are tested by the same standards that apply to like units in the active establishment, through the media of operation readiness inspections (ORI's) and general inspections. During fiscal year 1967, our units received a total of 64 ORI's and 582 general inspections, and attained a passing rate of 98 percent. We also have a program in the Air National Guard for testing our response capabilities. Each unit is required to perform two test surprise alerts during the year. I need not dwell on the results; the response capability evidenced by the recent mobilization represented the ultimate test of the Air National Guard to respond when called.

Since the quality of productive effort is determined by the quality of personnel, strict attention is continually focused on the individual guardsman in terms of physical fitness and job qualification. The Air National Guard criteria for an individual's physical capability is the same as the active establishment. The application of these stringent physical standards has required the separation, from the Air National Guard, of a small number of limited service personnel in order to ensure a force of individuals who could serve worldwide without physical restrictions. Constant screening is accomplished to maintain a physically qualified force.

Job qualification as well as physical fitness is of paramount importance. Criteria is established by the active establishment and is rigid by any standard.

The Air Guardsman receives his initial basic training at Lackland Air Force Base along with recruits of the regular establishment. Hence, the stringent and rapid pace established for the regulars is equally applicable to the guardsmen. Within the last year, over 19,000 individuals were upgraded by OJT; over 24,700 individuals were enrolled in correspondence courses. The program has resulted in an overall increase in skill manning from 61.2 percent as of December 31, 1966, to 69 percent as of December 31, 1967.

#### POSSIBLE MISSION CHANGE FOR AIRLIFT GROUPS RETAINED

Mr. LIPSCOMB. You mentioned that when Secretary Nitze on April 4 submitted this new proposal to Congress, there was anticipated some future change in mission.

General WILSON. That is correct, sir.

Mr. LIPSCOMB. Is this under evaluation, or is this a firm change?

General WILSON. It is under evaluation at the present time. Based on Mr. Nitze's proposal, the Air Force is submitting their evaluation to OSD regarding how these units should be retained, and in what mission..

Mr. LIPSCOMB. The missions as set forth in the letter of April 4 are being looked at to see if that really fits into the structure of the Guard?

General WILSON. Yes, sir. We feel they are valid missions. The tactical air support mission represents a definite requirement of the Air Force, and the associate unit for McGuire, N.J., is a definite mission requirement.

Mr. LIPSCOMB. I think it was very worthwhile.

General WILSON. We certainly appreciate the help this committee gave us, sir.

Mr. WHITTEN. Did I understand you say you are glad to let the record show what a wonderful job the Congress has done?

General WILSON. Absolutely, sir. You have done a fantastic job.

Mr. WHITTEN. I wondered if I heard you right. The committee agrees with you.

#### FISCAL YEAR 1968 AIR FORCE RESERVE ACCOMPLISHMENTS

General MARCHBANKS. I think it might be equally appropriate to recognize the job the Air Force Reserve did in the last year. I suggest that be placed with the National Guard record.

Mr. WHITTEN. The committee is certainly in accord with your suggestion. I wanted to stress again the wonderful record of the National Guard, and I also want to emphasize the past record of the Reserves.

As you well know, the committee takes pride in the service the Air Reserve and Air National Guard has rendered, and has been instrumental in trying to see that it stays that way.

(The information follows:)

The Air Force Reserve, during the past year, has continued to respond professionally to Air Force requirements, satisfying those needs identified by the Air Force. Among the important achievements are the following:

#### MOBILIZATION

The January 25, 1968, Presidential order brought eight Air Force Reserve units to active duty. This included two wing headquarters, five C-124 military airlift groups, and one HC-97 aerospace rescue and recovery squadron. Included in the mobilization were 801 officers and 4,046 airmen, of which 289 were pilots. These units provided 40 aircraft. The success of the mobilization attests to the readiness of the units and the individuals. Within 24 hours 97.8 percent of the personnel were processed to active duty with the balance accounted for either being in transit, flying training missions away from their home station, hospitalized, or temporarily delayed because of acceptable personal reasons. More important than the percentage was the fact that this mobilization was without prior notice and many of the dedicated reservists involved had to proceed from civilian lives to Air Force routines on very short notice. Despite this the mobilization was orderly and expedient and within 24 hours of mobilization the first Air Force Reserve aircraft were performing in the Military Airlift Command system carrying cargo to Southeast Asia and other parts of the world. The dedication and willingness exhibited by the members of the Air Force Reserve who were mobilized was also reflected in attitudes displayed by families and employers of the reservists. In many cases individuals experienced significant reductions in earnings. Despite the financial pressures being experienced by many mobilized reservists, morale remains at a very satisfactory level.

The second mobilization during this period of increased requirements took place on May 13, 1968, after a pre-mobilization announcement which was made on April 11. This allowed sufficient time for the individuals involved to arrange their personal affairs. Mobilized during this latest callup was one C-119 tactical airlift group minus some support elements, one aeromedical evacuation squadron, one medical service squadron, and three aerial port squadrons. Total personnel involved were 133 officers and 600 airmen. In addition, because further evaluation permitted the Department of Defense to reduce the announced callup by eliminating certain units, those who would have found hardship in not being called to active duty were permitted to volunteer for transfer to a unit being mobilized. This resulted in six officers and 13 airmen joining the tactical airlift unit prior to its mobilization.

#### UTILIZATION OF MOBILIZED UNITS

From January 26 to May 3, 1968, the C-124 military airlift units brought to active duty completed 441 missions for the Military Airlift Command with 109 to Southeast Asia delivering 10,668.6 tons of cargo with 1,867.2 tons to Southeast Asia and airlifted 3,283 passengers. They flew a total of 12,733.9 hours covering 17,850,216 ton-miles and 2,435,680 passenger-miles. The aerospace rescue and recovery unit completed 200 missions for a total of 1,326.5 flying hours.

#### UTILIZATION OF NONMOBILIZED UNITS

Military and tactical airlift and aerospace rescue and recovery units of the Air Force Reserve continued to respond to Air Force requirements performing productive missions as a byproduct of training. During the July 1, 1967 to March 31, 1968 period the C-124, C-119, HC-97 and HU-16 units completed a total of 11,076 missions of which 402 were to Southeast Asia and 1,334 to other overseas areas delivering 23,193 tons of cargo and 53,303 passengers. Air Force Reserve crews flew a total of 65,228 hours covering 48,698,000 ton-miles and 28,791,000 passenger-miles. In support of tactical exercises during this period the Air Force Reserve airdropped 88,726 paratroops. During the crisis over the *Pueblo*, from February 12 to 29, 1968, Air Force Reserve C-124 flying crews volunteered to fly additional missions for the Military Airlift Command, making 56 trips to Southeast Asia. They airlifted a total of 860 tons. In the same time frame, volunteer airlift missions were provided by the Air Force Reserve to

offshore island support, releasing active duty aircraft for more important missions. The C-119's of the reserve flew 20 trips and carried 133 tons of cargo. Additional support was supplied by nonflying elements of the Air Force Reserve resulting in support of active Air Force programs in such areas as medical services, aerial port, postal, Judge Advocate General area representation, Chaplain area representation, aeromedical evacuation, and other activities.

#### ASSOCIATE UNIT PROGRAM

In March 1968 the first of five military airlift associate units was established at Norton AFB, Calif. These units will train on MAC C-141 aircraft and be closely associated with their active duty counterparts. It is anticipated the first all-Air Force Reserve aircrew will pilot a C-141 on an airlift mission to Southeast Asia in September.

#### C-130 COMBAT CREW TRAINING SCHOOL (CCTS)

Earlier this year the 924th Tactical Airlift Group, Ellington AFB, Tex., began conversion from the C-119 to the C-130 four-engine turbo-prop Hercules. The mission of the flying squadron of the unit will be to train active duty and eventually Reserve aircrews in the C-130. The group will also become the first Air Force Reserve C-130 unit to support the Tactical Air Command.

#### TACTICAL AIR SUPPORT

In April 1968 the Air Force announced the retention of four C-119 tactical airlift groups and a programmed conversion to a tactical air support mission. When these units are trained they will supply forward air controllers to work with Army Reserve units. One of the four announced was mobilized with its C-119 aircraft on May 13.

#### HUMANITARIAN ACTIVITIES

Throughout the year Air Force Reserve units were called upon to assist during natural disasters in various parts of the country. Noteworthy among these efforts was the airlift of tons of hay to feed starving cattle during severe blizzards in Arizona and surrounding areas last December. The 2-week effort resulted in 160 sorties airlifting 858 tons of hay which helped save an estimated 500,000 head of cattle. The Air Force reservists also delivered supplies to stranded Hopi and Navaho Indians and snow removal equipment to assist in rescue operations. Aerospace rescue and recovery assistance was supplied when aid was required for a seriously ill Greek seaman aboard a Liberian tanker 600 miles off Miami, Fla. The reservists provided medical supplies and paramedic assistance. Reserve paramedics also provided rescue assistance to a mother and her baby who were stranded on Mt. Helens, Wash., after the crash of a small aircraft.

#### FOREIGN AIRCREW TRAINING

Air Force Reserve C-119 air crews have been responsible for training 21 South Vietnamese and four Greek counterparts in the operation of that aircraft and also ferried seventeen C-119's to Southeast Asia. Reservists also ferried six C-130's and six HU-16's to Southeast Asia stations.

#### OPERATION GARDEN PLOT

During civil disturbances in April 1968 the Air Force Reserve was asked to supply essential airlift support transporting troops and supplies to hard-hit areas. This resulted in 359 sorties accomplished during an 8-day period. Over 5,989 troops and 1,654 tons of cargo was delivered by the C-119's and C-124's in 3,292 flying hours. The Air Force Reserve flew 35 percent of the sorties required for this exercise.

#### FLYING SAFETY

During the busiest year in its history the tactical airlift C-119's of the Air Force Reserve completed an accident-free year of flying. None of the 21 groups recorded an accident during 1967. Of those, seven have an accident-free record for their nearly 10 years of flying boxcar operations.

## SPECIAL AWARDS

During the past year Air Force Reserve units and individuals were the recipients of many special awards emphasizing proficiency in training and performance. Among them were:

The Loening Trophy for overall excellence which went to the 940 Military Airlift Group, McClellan AFB, Calif.

The 302 Aerospace Rescue and Recovery Squadron, Luke AFB, Ariz., received one of seven U.S. Air Force Zero Defects awards.

The 913 Tactical Airlift Group, Willow Grove NAS, Pa., received the Air Force Flying Safety Award for 12 years of accident-free operations and the 349th Military Airlift Wing, Hamilton AFB, Calif., a similar award for the third consecutive year.

The 90th Aerial Port Squadron was selected the Outstanding Air Force Reserve Aerial Port Squadron by the Military Airlift Command.

## CIVIL AIR PATROL

The Civil Air Patrol, which is the civilian auxiliary to the U.S. Air Force, receives support and guidance from the Office of Air Force Reserve. During calendar year 1967 CAP completed 316 search and rescue missions in the continental United States and Alaska. A total of 11,137 sorties were flown covering 20,686 hours. CAP was credited with saving 13 lives, evacuating 30 persons, and assisting 46 others. CAP also participated in 10 disaster relief operations, among which were "Operation Haylift" in Arizona and "Hurricane Beulah" in south Texas. CAP also continued to educate many of the Nation's youth in aerospace values.

## GENERAL

Air Force Reserve flying organizations are rigidly tested for performance capability and combat readiness by the same criteria which applies to the active force. Operations Readiness Inspections (ORI's) result in designated "C" ratings indicating the degree to which the unit is combat ready. As of April 30, 1968, of 11 C-124 units, eight were C-1 or C-2; of 20 C-119 units, 16 were C-1 or C-2; all three HU-16 units were C-1 or C-2. During calendar year 1967 Air Force Reserve flying units received a total of 24 ORI's and enjoyed a passing rate of over 90 percent. The Air Force Reserve is also quite cognizant of the need to maintain individual physical capability levels which would permit quick response in the event of mobilization. The ability to maintain this has been reflected in the January 26, 1968, mobilization when less than 0.67 percent of those reporting to duty were found to possess medical problems which disqualified them from active duty.

On-the-job training as well as other training is essential in upgrading the abilities of individuals associated with Air Force Reserve programs. During calendar year 1967, 8,386 Air Force Reservists were upgraded through OJT performances and participation in correspondence course training. The overall increase in skill manning during the year went from 46 to 49 percent.

Members of the Air Force Reserve have continually demonstrated their dedication to the programs and to the need for a viable Air Force Reserve to support our national defense efforts. Reservists, particularly in flying units, have responded to sudden requirements by volunteering for missions many of which required separation from home and job for periods of time. This dedication has resulted in the rapid perfection of many existing programs within the Air Force Reserve. Much credit for this ability to respond should go to both the families and the employers of Air Force Reservists whose understanding and support has permitted the members of the Air Force Reserve to respond expediently and regularly.

Mr. WHITTEN. It is called to my attention that one of the Air Guard units recently called to active duty was the 171st Aeromedical Airlift Group in Pittsburgh. Was that one of the units previously scheduled to be inactivated?

General WILSON. That is one that was scheduled to be inactivated in 1968 and, thanks to the Congress, it was maintained in being.

Mr. WHITTEN. And it is rendering a good account of itself?

General WILSON. Yes, sir. It is going on active duty May 13, to assist in the aeromedical mission in the ZI as well as offshore on the east coast.

ARMY AND AIR FORCE NATIONAL GUARD UNITS

Mr. WHITTEN. Provide a total assets inventory, by type and design of unit and location, for the total Air National Guard. Also include in this table Army National Guard units having aircraft.

General WILSON. We will be glad to, sir.

(The information follows:)

AIR FORCE  
MILITARY AIRLIFT COMMAND

Unit designation	Location	Mission category	TMS	Number of aircraft
1				
105-MAG	White Plains, N.Y.	Airlift	C-97G	9
106-MAG	Brooklyn, N.Y.	do	C-97G	9
109-MAG	Schenectady, N.Y.	do	C-97G	9
116-MAG	Dobbins AFB, Ga.	do	C-124C	8
145-MAG	Charlotte, N.C.	do	C-124C	8
165-MAG	Savannah, Ga.	do	C-124C	8
166-MAG	New Castle, Del.	do	C-97G	9
118-MAG	Nashville, Tenn.	do	C-124C	8
164-MAG	Memphis, Tenn.	do	C-124C	8
172-MAG	Jackson, Miss.	do	C-124C	8
133-MAG	Minneapolis, Minn.	do	C-97G	9
157-MAG	Pease AFB, N.H.	do	C-97/C-124	7/6
170-MAG	McGuire AFB, N.J.	do	C-121C	10
137-MAG	Oklahoma City, Okla.	do	C-97/C-124	4/5
138-MAG	Tulsa, Okla.	do	C-97/C-124	6/6
139-MAG	St. Joseph, Mo.	do	C-97G	9
153-MAG	Cheyenne, Wyo.	do	C-121G	8
195-MAG	Van Nuys, Calif.	do	C-97G	8
115-MAG	do	do	C-97G	8
151-MAG	Salt Lake City, Utah	do	C-97G	9
161-MAG	Phoenix, Ariz.	do	C-97G	9
171-AMEG <sup>1</sup>	Pittsburgh, Pa.	do	C-121G	8
111-MAG	Willow Grove, Pa.	do	C-97G	9
167-AMEG	Martinsburg, W.Va.	do	C-121C	8

AEROSPACE DEFENSE COMMAND

101-FG	Bangor, Maine	ADC	F-89J	20
103-FG	Bradley, Conn.	ADC	F-102A	18
112-FG	Pittsburgh, Pa.	ADC	F-102A	19
114-FG	Sioux Falls, S. Dak.	ADC	F-102A	21
115-FG	Madison, Wis.	ADC	F-102A	17
119-FG	Fargo, N. Dak.	ADC	F-102A	20
120-FG	Great Falls, Mont.	ADC	F-102A	18
124-FG	Boise, Idaho	ADC	F-102A	19
125-FG	Jacksonville, Fla.	ADC	F-102A	18
132-FG	Des Moines, Iowa	ADC	F-89J	20
141-FG	Spokane, Wash.	ADC	F-102A	21
142-FG	Portland, Oreg.	ADC	F-102A	20
144-FG	Fresno, Calif.	ADC	F-102A	18
147-FG	Houston, Tex.	ADC	F-102A	23
148-FG	Duluth, Minn.	ADC	F-102A	17
149-FG	San Antonio, Tex.	ADC	F-102A	18
154-FG	Oahu, Hawaii	ADC	F-102A	24
158-FG	Burlington, Vt.	ADC	F-102A	20
159-FG	New Orleans, La.	ADC	F-102A	21
162-FG	Tucson, Ariz.	ADC	F-102A	19
163-FG	Ontario, Calif.	ADC	F-102A	17
169-FG	Columbia, S.C.	ADC	F-102A	19

AIR FORCE—Continued  
TACTICAL AIR COMMAND

Unit designation	Location	Mission category	TMS	Number of aircraft
<sup>1</sup> 02-TFG	Logan IAP, Mass.	Tac Ftr	F-84F	25
104-TFG	Barnes AP, Mass.	Tac Ftr	F-84F	25
174-TFG <sup>2</sup>	Hancock MAP, Syracuse, N.Y.	Tac Ftr	F-86H	27
108-TFG	McGuire AFB, N.J.	Tac Ftr	F-105B	28
177-TFG <sup>2</sup>	NAFEC Atlantic City, N. J.	Tac Ftr	F-100C/F	23
192-TFG	Byrd Fld, Richmond, Va.	Tac Ftr	F-84F	25
113-TFG <sup>2</sup>	Andrews AFB, Md.	Tac Ftr	F-100C/F	24
107-TFG <sup>2</sup>	Niagara Falls AP, N.Y.	Tac Ftr	F-100C/F	23
175-TFG <sup>2</sup>	Martin AP Baltimore, Md.	Tac Ftr	F-86H	27
121-TFG <sup>2</sup>	Lockbourne AFB, Ohio	Tac Ftr	F-100C/F	23
178-TFG	Springfield MAP, Ohio	Tac Ftr	F-84F	25
179-TFG	Mansfield MAP, Ohio	Tac Ftr	F-84F	25
122-TFG	Baer Fld, Fort Wayne, Ind.	Tac Ftr	F-84F	25
180-TFG	Toledo Express AP, Ohio	Tac Ftr	F-84F	24
181-TFG	Hulman Fld, Terre Haute, Ind.	Tac Ftr	F-84F	26
131-TFG	Lambert Fld, St. Louis, Mo.	Tac Ftr	F-100C/F	22
182-TFG	Greater Peoria AP, Ill.	Tac Ftr	F-84F	26
183-TFG	Capitol AP, Springfield, Ill.	Tac Ftr	F-84F	27
140-TFG <sup>2</sup>	Buckley ANGB, Denver, Colo.	Tac Ftr	F-100C/F	25
150-TFG <sup>2</sup>	Kirtland AFB, Albuquerque, N. Mex.	Tac Ftr	F-100C/F	24
184-TFG <sup>2</sup>	McConnell AFB, Wichita, Kans.	Tac Ftr	F-100C/F	20
185-TFG <sup>2</sup>	Sioux City MAP, Iowa	Tac Ftr	F-100C/F	22
156-TFG	San Juan IAP, P.R.	Tac Ftr	F-104C/D	20
193-TEWS	Olmsted AFB, Pa.	TEW	C-121C/G	10
117-TRG	Birmingham MAP, Ala.	Tac Recce	RF-84F	18
186-TRG	Key Fld, Meridian, Miss.	Tac Recce	RF-84F	19
187-TRG	Dannelly Fld, Montgomery, Ala.	Tac Recce	RF-84F	19
188-TRG	Fort Smith MAP, Ark.	Tac Recce	RF-84F	20
123-TRG <sup>2</sup>	Standiford Fld, Louisville, Ky.	Tac Recce	RF-101G/H	21
152-TRG <sup>2</sup>	Reno MAP, Nev.	Tac Recce	RF-101H	20
189-TRG <sup>2</sup>	Little Rock AFB, Ark.	Tac Recce	RF-101G	22
190-TRG	Forbes AFB, Topeka, Kans.	Tac Recce	RB-57A/C	14
127-TRG	Detroit Wayne MAP, Mich.	Tac Recce	RF-84F	18
191-TRG	do	Tac Recce	RF-84F	19
110-TRG	Battle Creek MAP, Mich.	Tac Recce	RB-57A/E	14
155-TRG	Lincoln MAP, Nebr.	Tac Recce	RF-84F	19
126-ARG	O'Hare IAP, Chicago, Ill.	Tanker	KC-97L	11
128-ARG	Gen Mitchell Fld, Milwaukee	do	KC-97L	11
160-ARG	Clinton Ctv AFB, Ohio	do	KC-97L	11
136-ARG	Dallas NAS, Tex.	do	KC-97L	11
134-ARG	McGhee-Tyson Ap, Knoxville	do	KC-97L	11
135-ACG	Martin AP, Md.	Air Commando	HU-16B/U-10D	9/6
143-ACG	Green MAP, R.I.	do	HU-16B/U-10D	9/6
129-ACG	Hayward MAP, Calif.	do	C-119C/U-10D	8/6
130-ACG	Charleston, W. Va.	do	C-119C/U-10D	8/6
144-ATS	Anchorage, Alaska	Air transport	C-123J	8

<sup>1</sup> Federalized May 13, 1968.<sup>2</sup> Activated units.

## ARMY

Unit designation	Location	TMS	Number of aircraft
HH Det Ala ARNG	Montgomery, Ala.	UGA	1
133 Medical Co (AirAmb)	do	UGA	1
		O1A	5
		HO-23B	5
		OH-23C	3
		CH-37B	1
Avn Det, 711 Signal Bn	Moble, Ala.	O1A	1
		OH-23B	2
167th Support Brigade	Birmingham, Ala.	O1A	1
307 Aviation Co (Heavy Hel)	do	O1A	1
		U-6A	1
		OH-23B	6
		OH-23C	5
		CH-37B	1
HH Det Alaska ARNG	Anchorage, Alaska	U-6A	2
Hq 2d Scout Bn, 297 Inf	Bethel, Alaska	U-1A	1
Hq 1st Scout Bn, 297 Inf	Nome, Alaska	U-1A	1
HH Det Arizona ARNG	Phoenix, Ariz.	U-6A	1
997 Medical Co (Air Amb)	do	O-1A	3
		U-6A	1
		OH-13E	4

## ARMY—Continued

Unit designation	Location	TMS	Number of aircraft
HHBtry 1st How Bn 180 Arty.....	Mesa, Ariz.....	O-1A	1
HH Det Arkansas ARNG.....	Little Rock, Ark.....	U-6A	1
39th Aviation Company.....	North Little Rock, Ark.....	O-1A	5
		U-6A	1
		OH-13E	1
		OH-23B	4
		OH-23C	1
HH Det California ARNG.....	Sacramento, Calif.....	U-6A	1
149th Aviation Company (Sep Bde).....	do.....	OH-23C	2
		UH-19D	1
		CH-37B	3
149th Aviation Company.....	do.....	O-1A	5
		OH-13E	1
		OH-23B	2
		OH-23C	2
		UH-19D	4
49th Aviation Company.....	do.....	O-1A	3
		U-6A	1
		OH-13E	3
1112 Transportation Co.....	Fresno, Calif.....	TO-1A	1
		OH-23C	1
		U-6A	1
140th Aviation Company.....	Long Beach, Calif.....	O-1A	11
		U-6A	1
40th Aviation Company.....	do.....	OH-13E	2
		OH-23C	8
		OH-19D	6
HH Det Colorado ARNG.....	Denver, Colo.....	U-6A	1
HH Btry, 169 Artillery Gp.....	do.....	O-1A	2
1109 Transportation Co.....	New London, Conn.....	U-6A	1
		OH-23B	1
43 Bde, 26 Inf Div.....	Hartford, Conn.....	U-6A	1
Co A (Aml) 26 Aviation Bn.....	do.....	O-1A	4
		OH-23B	6
HH Det Delaware ARNG.....	Wilmington, Del.....	U-6A	1
198 Aviation Company.....	New Castle, Del.....	O-1A	2
		U-6A	1
		OH-13E	1
		OH-23B	2
		OH-23C	1
HH Det Florida ARNG.....	St. Augustine, Fla.....	U-6A	1
111th Aviation Co.....	Jacksonville, Fla.....	O-1A	3
		U-1A	1
		U-6A	2
		OH-23B	4
		OH-23C	2
HH Det Georgia ARNG.....	Atlanta, Ga.....	U-6A	1
158 Aviation Co.....	Winder, Ga.....	O-1A	5
		TO-1A	1
		U-6A	1
		OH-23B	2
159 Aviation Co.....	Atlanta, Ga.....	O-1A	4
		U-6A	1
		OH-23B	5
HH Det Hawaii ARNG.....	Honolulu, Hawaii.....	U-8D	1
29 Aviation Company.....	do.....	OH-23G	8
Troop N (Air) 116 ARMD Cav.....	Boise, Idaho.....	U-6A	2
		O-1A	3
		OH-23G	1
		OH-13E	8
33 Aviation Co, 33 Inf Bde (Sep).....	Chicago, Ill.....	O-1A	5
		U-6A	3
		OH-23B	2
		OH-23C	4
HH Co, 66 Bde, 47 Inf Div.....	Decatur, Ill.....	O-1A	1
Co A (Aml) 47 Avn Bn.....	Chicago, Ill.....	O-1A	3
		OH-23C	3
		CH-37B	2
Hq 38 Inf Dif Artillery.....	Indianapolis, Ind.....	O-1A	1
		OH-23C	2
Hq 76 Brigade.....	Columbus, Ind.....	O-1A	1
		OH-23B	1
		OH-23C	1
Co E, 738 Maint Bn (A/C Maint).....	Indianapolis, Ind.....	U-6A	1
		UH-19D	1
Co B (GS) 38 Aviation Bn.....	do.....	O-1A	4
		U-6A	2
		OH-23B	2
		OH-19D	6
Hq Co 248 Transportation Bn.....	Boone, Iowa.....	U-6A	1
		O-1A	1
		OH-23C	1

## ARMY—Continued

Unit designation	Location	TMS	Number of aircraft
1064 Trans Co (A/C Maint) (GS)	Boone, Iowa	O-1A	1
		OH-23C	1
1105 Aviation Company	Davenport, Iowa	U-6A	1
		TO-1A	2
		OH-23B	1
		OH-23C	0
		CH-37B	1
Troop D, 1/194 Armd Cav	Waterloo, Iowa	U-1A	2
		O-1A	1
		OH-23B	1
		OH-23C	3
Hq 34th Brigade	Boone, Iowa	O-1A	2
		OH-23B	1
		OH-23C	1
734 Ordnance Bn	Fort Dodge, Iowa	O-1A	1
234 Signal Bn	Des Moines, Iowa	O-1A	1
HH Det Kansas ARNG	Topeka, Kans	U-6A	3
137 Aviation Company (Heavy Hel)	do	O-1A	4
		OH-23B	2
		OH-23C	2
		CH-37B	1
HH Btry, 130 Artillery Group	do	U-6A	1
		O-1A	2
169 Aviation Company	Kansas City, Kans	OH-23B	1
		OH-23C	9
		UH-19D	1
HH Det Kentucky ARNG	Frankfort, Ky	U-6A	4
Btry F, 138 Artillery (Corps)	do	O-1A	1
2113th Transportation Co (A/C Maint)	do	OH-13E	1
		OH-23B	2
HH Co XXIII Corps Artillery	Louisville, Ky	OH-23B	1
HH Det Louisiana ARNG	New Orleans, La	U-6A	4
256 Aviation Company	do	OH-23B	1
		OH-23C	1
		U-6A	2
		O-1A	1
HH Det Maine ARNG	Augusta, Maine	U-6A	3
112th Medical Company (Air Amb)	do	O-1A	1
		TO-1A	2
		OH-23B	1
		OH-23C	1
HH Co 240th Engr Group	Waterville, Maine	OH-23B	2
1204th Transportation Co (A/C Maint)	Edgewood Arsenal, Md	UH-19D	2
Troop D, 1/223d Armd Cav (Air)	Bel Air, Md	O-1A	1
		TO-1A	2
		U-6A	4
		OH-23B	5
		OH-19D	7
Company B (GS) 26 Aviation Bn	Fitchburg, Mass	O-1A	1
		U-6A	3
		OH-23B	1
HH Btry, 102d Artillery Group	do	O-1A	1
		OH-23B	1
Co E, 726 Maint Bn (A/C Maint)	do	U-6A	1
HH Det Michigan ARNG	Grand Ledge, Mich	U-6A	1
HH Co 46th Brigade 38 Inf Div	do	OH-23C	1
HH Co 26th Engineer Group	do	OH-23B	1
HH Btry 157 Artillery Group	do	O-1A	1
		OH-23C	1
HH Co 156th Signal Bn	do	OH-23B	4
Co A (AML) Aviation Bn	do	O-1A	1
		U-6A	8
		UH-19D	1
1463rd Transportation Co (A/C Maint)	do	U-6A	1
		UH-19D	1
HHD, 47 Aviation Bn	St. Paul, Minn	O-1A	2
Co B, 47 Aviation Bn	do	OH-23B	1
		OH-23C	6
		O-1A	4
		U-6A	3
Troop D, 98 Armd Cav	Jackson, Miss	U-6A	1
		O-1A	7
		OH-23B	3
HH Co, 131 Aviation Battalion	do	U-6A	1
		OH-13E	1
148th Transportation Co (A/C Maint)	do	O-1A	1
		U-6A	1
HH Co, 168th Engineer Group	Vicksburg, Miss	OH-23B	1

## ARMY—Continued

Unit designation	Location	TMS	Number of aircraft
HH Co, 1st Bde, 30 Armd Div	Tupelo, Miss	OH-1A	3
		OH-23B	2
123rd Medical Co (Air Amb)	Meridian, Miss	OH-23B	3
		O-1A	1
636 Aviation Co (Aml)	Warrensburg, Mo	O-1A	6
		U-6A	3
		OH-23B	2
		OH-23C	4
HH Det Montana ARNG	Helena, Mont	U-6A	1
HH Troop, 163 Armd Cav	Bozeman, Mont	O-1A	1
		OH-13E	1
HH Troop, 1/163 Armd Cav	Billings, Mont	O-1A	1
HH Troop, 2/163 Armd Cav	Ka. Ispell, Mont	O-1A	1
Troop N, (Air) 163 Armd Cav	Helena, Mont	O-1A	7
		OH-13E	5
HH Det Nebraska ARNG	Lincoln, Nebr	U-6A	1
HH Btry 1st How Bn, 168 Artillery	Scotts Bluff, Nebr	O-1A	1
HH Btry 168 Artillery Group	Lincoln, Nebr	O-1A	1
168 Aviation Company	Wahoo, Nebr	O-1A	1
		OH-23B	2
		OH-23C	5
		UH-19D	5
		U-6A	1
HH Det Nevada ARNG	Reno, Nev	U-6A	1
HH Det New Hampshire ARNG	Concord, N.H	U-6A	1
29 Aviation Company (GS Plat)	do	O-1A	2
		OH-23B	2
Avn Sec HHB, 50 Armd Div Arty	Trenton, N.J	U-6A	1
		O-1A	4
		OH-23B	3
Troop D, 5/117 Armd Cav	Linden, N.J	O-1A	7
		U-6A	2
		OH-23B	3
HH Det New Mexico ARNG	Santa Fe, N. Mex	U-6A	1
111th Arty Bde (AD)	Albuquerque, N. Mex	OH-13E	1
Co B 42d Aviation Bn, 42 Inf Div	Freeport, N.Y	O-1A	9
		OH-13E	3
		OH-23B	2
		U-6A	1
Hq Btry, 1/187 Arty	Brooklyn, N.Y	O-1A	1
249th Medical Co (Air Amb)	Niagara Falls, N.Y	O-1A	5
		U-6A	2
		OH-23B	3
		OH-13D	1
Hq Btry, 187th Artillery	do	O-1A	1
		OH-23B	1
Hq Btry 1st Bn, 187 Artillery	do	O-1A	1
Hq Btry 1st Bn, 209 Artillery	do	O-1A	1
		OH-23B	1
HH Det North Carolina ARNG	Raleigh, N.C	U-6A	1
Troop D, 1/196 Armd Cav	do	O-1A	8
		U-6A	2
		OH-23B	4
		OH-23C	1
HH Co 164 Engineer Group (C)	Bismarck, N. Dak	U-6A	1
		OH-23B	1
		OH-23C	1
		TO-1A	1
HH C 188 Engineer Group (C)	Fargo, N. Dak	O-1A	1
		OH-23B	1
HH Det Ohio ARNG	Worthington, Ohio	U-6A	1
Troop N (Air) 107 Armd Cav	Greensburg, Ohio	O-1A	5
		U-6A	1
		UH-19D	5
Company A (Aml), 73 Inf Bde	do	UH-19D	8
Troop D, 1/238 Armd Cav	Worthington, Ohio	O-1A	4
		U-6A	1
HH Co 73 Inf Bde, 38 Inf Div	Columbus, Ohio	OH-23B	5
		OH-23C	1
HH Det Oklahoma ARNG	Oklahoma City, Okla	U-6A	1
145 Aviation Company	Norman, Okla	O-1A	4
		U-6A	1
		OH-23B	2
		OH-23C	4
		UH-19D	2
245 Medical Company (Air Amb)	Oklahoma City, Okla	O-1A	2
		U-6A	1
		OH-13E	1
		OH-23B	2
		UH-19D	5

## ARMY—Continued

Unit designation	Location	TMS	Number of aircraft		
141st Aviation Co, 41 Inf Bde.....	Portland, Oreg.....	O-1A	5		
		U-6A	2		
		OH-23B	3		
		OH-23C	2		
HH Det Pennsylvania ARNG.....	New Cumberland, Pa.....	U-6A	1		
		Company B, 28 Aviation Bn.....	Washington, Pa.....	0-1A	9
Troop N (Air) 104th Armd Cav.....	Lancaster, Pa.....	U-6A	2		
		OH-13E	1		
		OH-23B	3		
		OH-23C	1		
HH Det Rhode Island ARNG.....	Warwick, R.I.....	U-6A	1		
		Troop E (Air) 43 Armd Cav.....	do.....	0-1A	1
HH Co 43rd Engineer Group (Cbt).....	do.....	TO-1A	2		
		OH-23B	2		
		OH-23C	1		
		U-6A	1		
HH Det South Carolina ARNG.....	Columbia, S.C.....	U-6A	1		
		51st Aviation Company (Aml).....	St. Matthews, S.C.....	U-6A	2
HH Det South Dakota ARNG.....	Rapid City, S. Dak.....	0-1A	5		
		OH-23B	2		
		OH-23C	2		
		U-6A	1		
HH Co 109 Engineer Group.....	do.....	0-1A	2		
		OH-23B	1		
HH Btry 147th Artillery Group.....	Pierre, S. Dak.....	0-1A	1		
		OH-13E	1		
1085th Medical Co (Air Amb).....	Rapid City, S. Dak.....	0-1A	1		
		OH-23B	1		
Troop D (Air) 230th Armd Cav.....	Murfreesboro, Tenn.....	OH-23B	8		
		331st Aviation Company.....	do.....	0-1A	6
		U-6A	2		
		OH-13E	1		
155 Signal Company.....	Nashville, Tenn.....	0-1A	2		
		U-6A	2		
		OH-23B	2		
		U-6A	1		
HH Det Texas ARNG.....	Austin, Tex.....	U-6A	1		
		36th Aviation Co, 36 Inf Bde (Sep).....	San Antonio, Tex.....	0-1A	6
HH Co, 149 Aviation Battalion.....	Grand Prairie, Tex.....	U-6A	1		
		OH-23B	5		
		OH-23C	1		
		OH-23B	3		
1249 Transportation Co (A/C Maint).....	Austin, Tex.....	OH-23B	2		
536th Aviation Co (Med Hel).....	Grand Prairie, Tex.....	OH-23B	7		
		CH-37B	3		
		0-1A	6		
		U-6A	1		
322 Aviation Company (Aml).....	Austin, Tex.....	0-1A	1		
		OH-13E	2		
322 Aviation Company.....	do.....	OH-23C	8		
		UH-19C	2		
		UH-19D	2		
		UH-19D	9		
HH Det Utah ARNG.....	Salt Lake City, Utah.....	U-6A	1		
		36 Aviation Company.....	Bountiful, Utah.....	0-1A	5
1st How Bn 222 Artillery.....	Ogden, Utah.....	OH-13E	3		
		0-1A	1		
Hq 115 Engineer Group.....	Murray, Utah.....	OH-13E	1		
		0-1A	1		
HH Det Vermont ARNG.....	Winooski, Vt.....	OH-13E	1		
		186th Aviation Company.....	South Burlington, Vt.....	U-6A	1
HH Co 116 Brigade, 28 Inf Div.....	Sandston, Va.....	0-1A	3		
		OH-13E	1		
		OH-23B	1		
		OH-23B	1		
A Co (Aml) 28 Inf Div.....	do.....	0-1A	4		
		UH-19D	1		
		OH-23B	1		
		OH-13E	1		
HH Btry, 107 Arty Bde (AD).....	do.....	U-6A	1		
		OH-23B	1		
		OH-13E	1		
		U-6A	1		
HH Co, 176 Engr Group (C).....	do.....	U-6A	2		
		OH-23B	1		
		U-6A	1		
		OH-23B	1		
HH Det Washington ARNG.....	Tacoma, Wash.....	U-6A	1		
		81st Aviation Company.....	do.....	0-1A	4
		OH-23B	2		
		OH-23C	4		
HH Troop, 3 Recon Sqdn, 150 ACR.....	Bluefield, W. Va.....	U-6A	2		
		UH-19D	4		
		0-1A	1		
		OH-23B	1		
146 Medical Det (Air Amb).....	Huntington, W. Va.....	U-6A	1		
		0-1A	2		
		OH-13E	1		

## ARMY—Continued

Unit designation	Location	TMS	Number of aircraft
HH Co, 150 Engr Group (C).....	Charleston, W. Va.....	U-6A	1
		O-1A	2
		OH-23B	2
32 Aviation Co, 32 Inf Bde.....	West Bend, Wis.....	O-1A	5
		U-6A	1
		OH-23B	2
		OH-23C	4
		UH-19D	9
HH Det Wyoming ARNG.....	Cheyenne, Wyo.....	U-6A	1
Hq 115 F. Artillery Group.....	do.....	O-1A	3
HH Det Puerto Rico ARNG.....	San Juan, P.R.....	OH-13E	2
		U-6A	1
153 Aviation Co.....	do.....	OH-13H	1
		OH-13E	2
HH Btry, 1 How Bn, 162 Artillery.....	do.....	O-1A	2

## SHORTAGE OF AIRCRAFT

Mr. WHITTEN. In his testimony this year, the Air Force Chief of Staff indicated the Air National Guard was short 100 aircraft. Will you discuss the shortage of aircraft in the National Guard as well as the obsolescence of aircraft available to the Guard?

General WILSON. The Air Force Chief of Staff was referring to the shortage of about 20 F-100 aircraft at the time the units were called to active duty. As you know, Mr. Chairman, similar to the Air Force Reserve, the Guard receives aircraft that were either procured for a war situation or for the modernization of the active establishment.

For example, we are flying F-84's that were originally procured for Korea. We are flying RF-84's originally programmed for Korea but were not produced until after that time. We have in our inventory the F-100C, which is a capable airplane, the same type being used by the active establishment, the F-100D, which is a newer model, but the F-100C has been brought up to the standard of the F-100D.

For your information, Mr. Chairman, it might be interesting to note that the first Air Guard unit to be deployed to Vietnam was from the 120th TAC Fighter Squadron from Denver, Colo. It arrived in Vietnam on the 3d of May with F-100 aircraft. In our air defense program we are flying the F-102, which is a very fine air defense aircraft. We have one squadron of F-105's and one squadron of F-104's.

We have in the May 13 mobilization, two squadrons of F-86's, which will be used in-country for the training of forward air controllers.

In addition to that, the three tactical reconnaissance units that were mobilized have the RF-101, which is a similar airplane to that being used in Vietnam.

We feel, sir, since the Reserve forces have demonstrated they have a capability and meet the same standards as active Air Force units, that we should update our aircraft inventory by fallout from an accelerated modernization of the active establishment, and also from new procurement.

Although we are getting some modernization, it has been delayed because of the loss of aircraft in Vietnam.

Even though the aircraft we have are not the most modern, they can meet the contingencies for which they are tasked.

These units are graded and scored in the same manner as the active establishment, and they do a tremendous job, sir.

Mr. WHITTEN. When is the last time the Air National Guard received new aircraft and equipment?

General WILSON. New aircraft, sir?

Mr. WHITTEN. Let me limit that to new aircraft that might be termed production models. I do not mean experimental models.

General WILSON. Three times, to my knowledge, in the Air Guard have there been aircraft procured for the Guard. The O-46 in 1936. There were 100 F-80's in about 1947. The last time was in the last couple of years when we got 32 U-10's, sir.

#### AGE OF AIRCRAFT OBTAINED

Mr. WHITTEN. How old is the average plane when it is turned over to the Guard?

You might answer now and provide further information for the record. What is the average age of equipment turned over to the Guard?

General WILSON. I would say it would be 10 to 12 years, sir.  
(The information follows:)

The average age of aircraft when they are turned over to the Air National Guard is based on the following tabulation. Age is predicated on the time span between first acceptance by USAF and first acceptance by the ANG.

Aircraft	First acceptance (USAF)	First acceptance (ANG)	Age (years and months)
RB-57A	November 1953	August 1963	9/9
C-97G	May 1953	July 1963	10/2
V-119C	May 1949	March 1961	11/10
C-121C	November 1954	June 1962	7/7
C-121G	Navy 1953; AF 1959 <sup>1</sup>	July 1963	10/0
C-123J	July 1954	April 1960	5/9
C-124C	October 1952	December 1966	14/2
F-84F	August 1953	August 1957	4/0
RF-84F	August 1954	July 1955	0/11
F-86H	January 1953	October 1957	3/10
F-89J	November 1956	August 1959	2/10
F-100	April 1955	July 1960	5/3
F-101	August 1954	July 1965	10/11
F-102	June 1955	June 1960	5/0
F-104C	August 1958	June 1967	8/10
F-104D	November 1958	do	9/7
F-105B	June 1957	April 1964	6/10
HU-16B	February 1957	February 1960	3/0
KC-97L	May 1953	May 1964	11/0
U-10D	January 1967	April 1967	0/4

<sup>1</sup> USAF received 32 from Navy in 1959 as RTV.

Mr. WHITTEN. What, then, is the usual life of the plane? It varies greatly, I am sure.

General WILSON. It varies greatly from airplane to airplane, sir.

For example, the C-97's that were turned over to us, although about 10 years old, had only about 3,000 hours on the airframe and were very good airplanes. They are not modern, not jet-equipped, but they are capable.

The F-84F's that we got were those that were procured for the Active Establishment but were never delivered to them. They were delivered to us some 10 or 12 years ago, in a reduction in force after Korea, sir. Although they were off the production line at the time we got those, they were procured for the Active Establishment.

#### ADEQUACY OF NATIONAL GUARD TRAINING

MR. WHITTEN. In your statement you discussed annual field training, including several exercises. Under present conditions, with present funds, are the guardsmen being afforded sufficient training to maintain them in a high state of readiness?

General WILSON. Yes, Mr. Chairman. We have ways of checking the capability of the Guard, and this is by both the operational readiness inspection and the general inspection that is conducted by the Active Air Force.

For example, we have had over 600 tests in the last year with a 98-percent passing rate. These are the same standards that are used for like type units of the Active Establishment, sir.

MR. WHITTEN. General, we are very proud on this committee of the fine record the Guard has made and the clear and lucid manner in which you have presented this matter for the record today. I do feel called on to say that since I came on this committee a long time ago, I have taken the view from the beginning that to maintain continuously a huge standing military force was too great a drain on the economy of any nation, and that we simply have to cut back to adequate peacetime service and expand it in time of need.

That theory and that belief, which has been supported through the years by most people that I know, has been offset or overcome by the feeling in this country that we are rich enough to give everybody everything, including hundreds of billions of dollars overseas in the form of gifts, grants, and what have you.

Unfortunately, in the last 4 or 5 or 6 months we have been awakened to the fact that we are not so rich, and others do not trust us so much, and money is being exchanged at a discount, and there is almost a weekly session about what we are to do about it.

We have finally awakened to the fact that we have to call out the Reserves.

They say the reason we have our wars and depressions is that one generation does not remember the lessons that the preceding generation learned. Of course, I came here as a Page, and I remember it.

In all seriousness, a lot of things have caught up with us, one of which is that we have never become big enough to do without the Reserve, and I am of the opinion that in the future we will never be big enough that we won't have to scale back in peacetime to a normal type operation. Our economy will simply require it.

I want to congratulate you, not only from my relationship with you, but from the meetings of the Reserve Officers Association within my State as well as the State National Guard last fall. I appreciated the chance to be with you. I think with time a lot of things will show up, and this is one of those times. It has taken a little while for us to see it.

If you have visited some of the places that I visit and heard the worries they are having about finances, you realize the Guard and the Reserves have always had their place, and they are being recognized more every day.

Mr. Lipscomb?

Mr. LIPSCOMB. No further questions.

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WEDNESDAY, MAY 8, 1968.

## RETIRED PAY, DEFENSE

### WITNESSES

LeROY J. SPENCE, OFFICE OF THE DEPUTY ASSISTANT SECRETARY OF DEFENSE (MILITARY PERSONNEL POLICY)  
 COL. HERBERT ALLEN, U.S. ARMY, OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE (MANPOWER AND RESERVE AFFAIRS),  
 OFFICE OF THE SECRETARY OF DEFENSE

Mr. WHITTEN. We turn now to Retired pay for the Department of Defense.

We have with us today Mr. LeRoy J. Spence, of the Office of the Deputy Assistant Secretary of Defense for Military Personnel Policy.

It is noted that in fiscal year 1968, \$2,020, billion was appropriated for retired pay. A proposed supplemental would increase the 1968 estimate by \$52 million in order to take care of Military Pay Act increases.

In fiscal year 1969 you are requesting \$2,275, million for retired pay, an increase of \$203 million over funds expected to be available for fiscal year 1968.

We shall insert at this point in the record the appropriate justification pages supporting these estimates.

(Justification pages follow:)

RETIRED PAY, DEFENSE

For retired pay and retirement pay, as authorized by law, of military personnel on the retired lists of the Army, Navy, Marine Corps, and Air Force, including the reserve components thereof, retainer pay for personnel of the inactive Fleet Reserve, and payments under chapter 73 of title 10, United States Code: \$2,020,000,000 }  
\$2,275,000,000. (79 Stat. 863, Department of Defense Appropriation Act, 1966.)

Program and Financing (in thousands of dollars)

	1967 actual	1968 estimate	1969 estimate
<u>Program by activities:</u>			
1. Nondisability .....	1,265,841	1,448,726	1,604,829
2. Temporary disability.....	32,515	36,692	40,230
3. Permanent disability.....	315,544	342,246	364,900
4. Fleet reserve .....	210,410	236,434	255,974
5. Survivors' benefits .....	6,850	7,902	9,067
10 Total obligations (object class 13.0) .....	1,831,159	2,072,000	2,275,000
<u>Financing:</u>			
25 Unobligated balance lapsing .....	7,841	.....	.....
<u>New obligational authority.....</u>	1,839,000	2,072,000	2,275,000
<u>New obligational authority:</u>			
40 <u>Appropriation .....</u>	1,839,000	2,020,000	2,275,000
44 <u>Proposed supplemental for military pay act increases.....</u>	.....	52,000	.....

Relation of obligations to expenditures:				
71	Total obligations (affecting expenditures).....	1,831,159	2,072,000	2,275,000
72	Obligated balance, start of year.....	8,052	7,622	19,622
74	Obligated balance, end of year.....	-7,622	-19,622	-29,622
77	Adjustments in expired accounts .....	-1,357	.....	.....
90	Expenditures excluding pay increase supplemental.....	1,830,233	2,010,000	2,263,000
91	Expenditures from military pay act supplemental .....	.....	50,000	2,000
Expenditures are distributed as follows:				
01	Out of current authorizations .....	1,826,078	2,055,300	2,258,900
02	Out of prior authorizations .....	4,155	4,700	6,100

## SUMMARY OF OBLIGATIONS BY MAJOR CATEGORY

Category	(Dollars in thousands)					
	1967 (Actual) Dollars	Percent	1968 (Estimate) Dollars	Percent	1969 (Estimate) Dollars	Percent
1. Nondisability.....	1,265,841	69.13	1,448,726	69.92	1,604,829	70.54
2. Temporary disability..	32,514	1.78	36,692	1.77	40,230	1.77
3. Permanent disability..	315,545	17.23	342,246	16.52	364,900	16.04
4. Fleet Reserve.....	210,410	11.49	236,434	11.41	255,974	11.25
5. Survivors' benefits...	6,850	.37	7,902	.38	9,067	.40
TOTAL	1,831,160	100.00	2,072,000	100.00	2,275,000	100.00

## NONDISABILITY RETIREMENTS

## SUMMARY FOR FISCAL YEARS 1967, 1968, AND 1969

	1967 Actual		1968 Estimate		1969 Estimate	
	Average No.	Total	Average No.	Total	Average No.	Total
1. Regular Officers.....	62,403	\$370,951	67,461	\$415,352	72,768	\$453,879
2. Regular Enlisted.....	199,785	470,800	228,833	559,689	258,981	641,378
3. Nonregular Officers.....	93,744	420,442	101,968	469,386	109,330	504,799
4. Nonregular Enlisted.....	2,691	3,648	2,980	4,299	3,248	4,773
TOTAL	358,623	\$1,265,841	401,242	\$1,448,726	444,327	\$1,604,829

(Dollars in thousands)

NONDISABILITY RETIREMENTS

Comparison of Gains and Losses

Category	No. on Rolls		Gains		Losses		Net Change	No. on Rolls End of Year	Man-Yea Average
	Beginning of Year	End of Year	During Year	During Year	During Year				
<u>Actual FY 1967</u>									
Regular Officers	59,267		6,056		1,118		4,938	64,205	62,403
Regular Enlisted	182,815		34,538		4,974		29,564	212,379	199,785
Non-Regular Officers	89,217		9,635		1,797		7,838	97,055	93,744
Non-Regular Enlisted	2,527		447		131		316	2,843	2,691
Total	333,826		50,676		8,020		42,656	376,482	358,623
<u>Estimated - FY 1968</u>									
Regular Officers	64,205		6,436		1,257		5,179	69,384	67,461
Regular Enlisted	212,379		35,936		6,168		29,768	242,147	228,833
Non-Regular Officers	97,055		10,701		2,159		8,542	105,597	101,968
Non-Regular Enlisted	2,843		458		185		273	3,116	2,980
Total	376,482		53,531		9,769		43,762	420,244	401,242
<u>Estimated - FY 1969</u>									
Regular Officers	69,384		6,947		1,336		5,611	74,995	72,768
Regular Enlisted	242,147		38,002		7,112		30,890	273,037	258,981
Non-Regular Officers	105,597		8,843		2,310		6,533	112,130	109,330
Non-Regular Enlisted	3,116		500		218		282	3,398	3,248
Total	420,244		54,292		10,976		43,316	463,560	444,327

## TEMPORARY DISABILITY RETIREMENTS

## SUMMARY FOR FISCAL YEARS 1967, 1968, and 1969

(Dollars in thousands)

	1967 Actual		1968 Estimate		1969 Estimate	
	Average No.	Total	Average No.	Total	Average No.	Total
1. Regular Officers.....	1,277	\$8,687	1,275	\$9,018	1,324	\$9,850
2. Regular Enlisted.....	9,551	18,562	10,753	21,289	10,867	22,848
3. Nonregular Officers.....	822	4,268	947	5,086	1,099	6,037
4. Nonregular Enlisted.....	713	998	990	1,299	1,121	1,495
TOTAL	12,363	\$32,515	13,965	\$36,692	14,411	\$40,230

## TEMPORARY DISABILITY RETIREMENTS

Category	Comparison of Gains and Losses					
	No. on Rolls Beginning of Year	Gains During Year	Losses During Year	Net Change	No. on Rolls End of Year	Man-Yea. Average
<u>Actual FY 1967</u>						
Regular Officers	1,347	423	524	-101	1,246	1,277
Regular Enlisted	9,150	5,918	4,617	1,301	10,451	9,551
Non-Regular Officers	793	555	476	79	872	822
Non-Regular Enlisted	650	687	453	234	884	713
Total	11,940	7,583	6,070	1,513	13,453	12,363
<u>Estimated - FY 1968</u>						
Regular Officers	1,246	523	467	56	1,302	1,275
Regular Enlisted	10,451	5,904	5,449	455	10,906	10,753
Non-Regular Officers	872	680	522	158	1,030	947
Non-Regular Enlisted	884	816	610	206	1,090	990
Total	13,453	7,923	7,048	875	14,328	13,965
<u>Estimated - FY 1969</u>						
Regular Officers	1,302	555	503	52	1,354	1,324
Regular Enlisted	10,906	6,129	6,126	3	10,909	10,867
Non-Regular Officers	1,030	745	579	166	1,196	1,099
Non-Regular Enlisted	1,090	-864	736	128	1,218	1,121
Total	14,328	8,293	7,944	349	14,677	14,411

## PERMANENT DISABILITY RETIREMENTS

## SUMMARY FOR FISCAL YEARS 1967, 1968, and 1969

(Dollars in thousands)

	1967 Actual		1968 Estimate		1969 Estimate	
	Average No.	Total	Average No.	Total	Average No.	Total
1. Regular Officers.....	15,108	\$86,657	15,703	\$93,551	16,292	\$100,225
2. Regular Enlisted.....	41,435	80,521	46,044	94,027	51,323	106,826
3. Nonregular Officer.....	40,296	145,571	40,580	151,473	40,889	154,211
4. Nonregular Enlisted.....	2,602	2,796	2,806	3,195	3,125	3,638
TOTAL	99,441	\$315,545	105,133	\$342,246	111,629	\$364,900

## PERMANENT DISABILITY RETIREMENTS

Category	Comparison of Gains and Losses					
	No. on Rolls Beginning of Year	Gains During Year	Losses During Year	Net Change	No. on Rolls End of Year	Man-Year Average
<u>Actual FY 1967</u>						
Regular Officers	14,678	1,296	605	691	15,369	15,108
Regular Enlisted	38,831	8,181	3,582	4,599	43,430	41,435
Non-Regular Officers	40,194	1,296	1,071	225	40,419	40,296
Non-Regular Enlisted	2,507	416	233	183	2,690	2,602
Total	96,210	11,189	5,491	5,698	101,908	99,441
<u>Estimated - FY 1968</u>						
Regular Officers	15,369	1,281	696	585	15,954	15,703
Regular Enlisted	43,430	8,950	3,858	5,092	48,522	46,044
Non-Regular Officers	40,419	1,465	1,196	269	40,688	40,580
Non-Regular Enlisted	2,690	568	291	271	2,961	2,806
Total	101,908	12,264	6,047	6,217	108,125	105,133
<u>Estimated - FY 1969</u>						
Regular Officers	15,954	1,330	747	583	16,537	16,292
Regular Enlisted	48,522	9,522	4,132	5,390	53,912	51,323
Non-Regular Officers	40,688	1,563	1,233	330	41,018	40,889
Non-Regular Enlisted	2,961	660	319	341	3,302	3,125
Total	108,125	13,075	6,431	6,644	114,769	111,629

FLEET RESERVE

SUMMARY FOR FISCAL YEARS 1967, 1968, and 1969

(Dollars in thousands)

	1967 Actual		1968 Estimate		1969 Estimate	
	Average No.	Total	Average No.	Total	Average No.	Total
Enlisted.....	88,414	\$210,410	96,352	\$236,434	103,403	\$255,974

Comparison of Gains and Losses

	No. on Rolls		Losses		No. on Rolls		Man-Year	
	Beginning of Year	Gains During Year	During Year	Net Change	End of Year	End of Year	Average	Average
Actual - FY 1967	82,723	16,136	6,314	9,822	92,545	88,414		
Estimated - FY 1968	92,545	13,528	6,002	7,526	100,071	96,352		
Estimated - FY 1969	100,071	11,695	5,270	6,425	106,496	103,403		

SURVIVORS' BENEFITS

SUMMARY FOR FISCAL YEARS 1967, 1968, and 1969

(Dollars in thousands)

	<u>1967 Actual</u>	<u>1968 Estimate</u>	<u>1969 Estimate</u>
	<u>Average No.</u>	<u>Average No.</u>	<u>Average No.</u>
	<u>Total</u>	<u>Total</u>	<u>Total</u>
Survivors.....	5,439	6,128	6,970
	\$6,850	\$7,902	\$9,067

Comparison of Gains and Losses

	No. on Rolls Beginning of Year	Gains During Year	Losses During Year	Net Change	No. on Rolls End of Year	Man-Year Average
Actual - FY 1967	5,149	801	204	597	5,746	5,439
Estimated - FY 1968	5,746	981	216	765	6,511	6,128
Estimated - FY 1969	6,511	1,204	280	924	7,435	6,970

## SURVIVORS' BENEFITS

## Comparison of Deductions and Payments to Survivors

	(In thousands of dollars)		
	1967 Actual	1968 Estimate	1969 Estimate
Accumulated deductions, net, start of year.....	90,161	108,073	128,128
Plus: Current deductions during the year.....	24,762	27,957	31,274
Less: Payment of survivors' benefits.....	6,850	7,902	9,067
Accumulated deductions, net, end of year.....	108,073	128,128	150,335

Mr. WHITTEN. Mr. Spence, you may now proceed with your prepared statement.

#### GENERAL STATEMENT

Mr. SPENCE. Mr. Chairman and members of the committee, I appreciate the opportunity to appear before this committee in behalf of the Department of Defense to discuss the appropriation for retired pay for fiscal year 1969.

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.

The estimates in the President's budget for fiscal year 1969 include the additional costs resulting from the enactment of Public Law 90-207 which was retroactive to October 1, 1967. You will recall this legislation increased pay rates for those individuals on active duty by 5.6 percent which, of course, increased the subsequent retirement costs. We have also included funds for a 3.7-percent increase for members who retired on or after December 1, 1966, and before October 1, 1967, as provided in Public Law 90-207.

The estimates for the 1968 column of the President's budget include a supplemental request for a total of \$52 million, to provide for the above costs in fiscal year 1968 and an estimated \$35 million to cover an increase of about 1,100 man-years and an unexpected increase of about \$78 in the average rate—from \$3,248 to \$3,326.

The appropriation request for fiscal year 1969 is \$2,275 million compared with \$2,020 million appropriated for fiscal year 1968 plus a supplemental request for \$52 million, for a total of \$2,072 million. The amount requested for fiscal year 1969 will provide for payments to an average of 680,740, an increase of 57,920 over our current estimate for fiscal year 1968.

#### MAJOR CATEGORIES OF PERSONNEL

##### *Nondisability*

This category includes personnel who were retired for age or length of service.

It is estimated that \$1,604.8 million or 70.5 percent of the total appropriation request will be required to provide for an average of 444,327 annuitants in the nondisability category in fiscal year 1969. This compares with an average of 401,242 annuitants now estimated for fiscal year 1968.

##### *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 5 years in accordance with title IV of the Career Compensation Act of 1949, which has now been codified as chapter 61 of title 10, United States Code. During this 5-year period, physical examinations are required at least once every 18 months to determine whether such individuals (a) have re-

covered 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 \$40.2 million or 1.8 percent of this appropriation will be required to provide for an average of 14,411 annuitants as compared with 13,965 in fiscal year 1968.

#### *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 the active duty status or by transfer from the temporary disability rolls. It is estimated that \$364.9 million or 16 percent of the appropriation will be required in fiscal year 1969 for an average of 111,629 permanently disabled retired military personnel. This compares with an average of 105,133 for fiscal year 1968.

#### *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 further military service, such personnel are transferred to the regular retired rolls. It is estimated that \$256 million or 11.3 percent of the appropriation will be required in fiscal year 1969 to provide for an average of 103,403 fleet reservists. This compares with an average of 96,352 for fiscal year 1968.

#### *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 plan 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 plan 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 \$9.1 million or .4 percent of the total appropriation request will be required to provide for an average of 8,970 in fiscal year 1969. This compares with an average of 6,128 in fiscal year 1968.

#### 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 1969.

Payments under this appropriation are required by law and any funds not required revert to the Treasury at the end of the fiscal year.

Since the President's fiscal year 1969 budget was prepared, the Consumer Price Index has increased 3.9 percent over the basic month

of September 1966. Thus, under existing law, retired military personnel who were on the rolls before October 1, 1967, will be entitled to a 3.9-percent increase in retired pay effective April 1, 1968. In addition, under the provisions of Public Law 90-207 those individuals who first become entitled to retired pay on or after October 1, 1967, and before the next increase in basic pay (July 1, 1968), will receive a 2-percent increase.

We estimate that the additional costs of the above provisions will be \$23 million in fiscal year 1968, thus, increasing our supplemental request from \$52 million to a total of \$75 million. It is my understanding this supplemental request will be transmitted to the Congress.

We estimate the additional full-year cost will be about \$81.5 million in fiscal year 1969.

Mr. Chairman, Col. Herbert Allen, USA, from the Office of the Assistant Secretary of Defense (Manpower and Reserve Affairs) is with me today. We will attempt to answer and questions the chairman or committee members may have.

(The attachments follow :)

MILITARY RETIRED PAY COSTS, DEPARTMENT OF DEFENSE

The military retired pay appropriation request for FY 1969 represents a consolidation of the current estimates of the Military Departments and provides for (1) the pay of retired military personnel on the retired lists of the Army, Navy, Marine Corps and Air Force, (2) retainer pay of members of the Navy and Marine Corps Fleet Reserves and (3) payments to eligible survivors pursuant to the Retired Serviceman's Family Protection Plan.

Number of Retired Military Personnel and Cost  
(Cost in thousands of dollars)

Category	Actual FY 1967		Estimate FY 1968		Estimate FY 1969	
	Avg.No.	Cost	Avg.No.	Cost	Avg.No.	Cost
Non-Disability	358,623	\$1,265,841	401,242	\$1,448,726	444,327	\$1,604,829
Temporary Disability	12,363	32,515	13,965	36,692	14,411	40,230
Permanent Disability	99,441	315,545	105,133	342,246	111,629	364,900
Fleet Reserve	88,414	210,410	96,352	236,434	103,403	255,974
Survivors Benefits	5,439	6,850	6,128	7,902	6,970	9,067
<b>Total</b>	<b>564,280</b>	<b>\$1,831,161</b>	<b>622,820</b>	<b>\$2,072,000</b>	<b>680,740</b>	<b>\$2,275,000</b>

Actual and Projected Number of Retirements Among Military Personnel on Active Duty, FY 1957-1974

Fiscal Year	By Category			By Type of Retirement	
	Total	Offs.	Enl.	Non-Disability	Disability
1957 Actual	18,429	5,818	12,611	11,904	6,525
1958 "	21,180	6,563	14,617	13,674	7,506
1959 "	21,290	5,778	15,512	14,029	7,261
1960 "	29,353	6,823	22,530	22,626	6,727
1961 "	42,034	12,886	29,148	35,198	6,836
1962 "	40,929	10,153	30,776	34,110	6,819
1963 "	57,629	14,319	43,310	49,166	8,463
1964 "	57,384	13,609	43,775	48,900	8,484
1965 "	55,772	13,872	41,900	46,635	9,137
1966 "	54,032	11,852	42,180	43,334	10,698
1967 "	67,003	12,880	54,123	54,404	12,599
1968 Projected	64,869	13,782	51,087	55,270	9,599
1969 "	63,368	14,215	49,153	53,510	9,858
1970 "	55,277	12,624	42,653	45,687	9,590
1971 "	61,360	12,244	49,116	51,792	9,568
1972 "	64,775	12,344	52,431	54,848	9,927
1973 "	63,780	11,556	52,224	53,833	9,947
1974 "	62,413	11,160	51,253	52,619	9,794

"Normal" for an active force of present size with current retention rates:

55,147	7,920	47,227	46,941	8,206
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The substantial increase in the number on the retired rolls can be directly attributed to the fact that a large number of the personnel who entered the Armed Forces during the World War II period have attained eligibility for retirement after twenty or more years of active military service.

Actual and Projected Number of Retired Military Personnel and Retired Pay Disbursements Fiscal Years 1957-1974

<u>Fiscal Year</u>	<u>Average Number</u>	<u>Actual and Estimated Obligation</u>
1957 Actual	192,209	510,784,009
1958 "	208,570	560,961,693
1959 "	222,545	634,542,051
1960 "	242,904	692,922,172
1961 "	275,914	787,806,000
1962 "	313,436	895,854,000
1963 "	358,830	1,014,775,000
1964 "	410,853	1,211,200,000
1965 "	462,463	1,385,577,000
1966 "	508,566	1,592,352,000
1967 "	564,280	1,831,160,000
1968 Estimated	622,820	2,072,000,000
1969 "	680,748	2,275,000,000
1970 "	735,000	2,459,000,000
1971 "	790,000	2,644,000,000
1972 "	847,000	2,842,000,000
1973 "	904,000	3,041,000,000
1974 "	961,000	3,241,000,000

Retired pay is a deferred cost of national defense and the current increases are understandable when we consider the rapid build-up in Armed Forces strength during World War II and the size of the force that has been maintained since that period.

Increases in Year-End Strengths, by Category  
For the Fiscal Years 1967, 1968 & 1969

Category	Fiscal Year 1967		Fiscal Year 1968		Fiscal Year 1969	
	Actual	Percent	Estimate	Percent	Estimate	Percent
Non-Disability	42,656	70.7%	43,762	74.0%	43,316	75.2%
Temporary Disability	1,513	2.5	875	1.5	349	.6
Permanent Disability	5,698	9.5	6,217	10.5	6,644	11.5
Fleet Reserve	9,822	16.3	7,526	12.7	6,425	11.1
Survivors Benefits	597	1.0	765	1.3	924	1.6
TOTAL	60,286	100.0%	59,145	100.0%	57,658	100.0%

## Retired Servicemens' Family Protection Plan

(Dollars in thousands)

Fiscal Years	No. of Retirees		Reduction in Retired Pay	No. of		Payment to Survivors
	Electing to Participate	Deceased Retirees		Deceased Retirees	Survivors	
<u>Actual</u>						
1954 (last 8 months)	11,243	149	\$1,597	149	\$67	
1955	11,401	499	4,303	499	462	
1956	12,580	814	4,692	814	797	
1957	14,859	1,128	5,424	1,128	1,136	
1958	17,890	1,469	6,251	1,469	1,479	
1959	19,846	1,881	7,204	1,881	1,880	
1960	22,967	2,312	7,786	2,312	2,422	
1961	27,997	2,807	8,933	2,807	3,003	
1962	33,659	3,271	10,806	3,271	3,495	
1963	43,254	3,713	13,141	3,713	3,992	
1964	52,143	4,187	14,906	4,187	4,595	
1965	60,996	4,643	18,447	4,643	5,295	
1966	69,445	5,149	21,338	5,149	6,046	
1967	80,102	5,746	24,762	5,746	6,850	
<u>Estimated</u>						
1968	91,351	6,511	\$27,957	6,511	\$7,902	
1969	102,609	7,435	31,274	7,435	9,067	
TOTAL			\$208,826		\$58,488	

Actual End Strengths, Obligations and Expenditures  
July - December 1967

	End Strengths	Obligations	Expenditures
July	595,992	\$163,554	\$160,320
August	602,727	165,449	166,424
September	607,997	167,310	167,019
October	612,107	168,138	167,919
November	617,730	169,683	169,472
December	623,442	<u>175,244</u>	<u>174,957</u>
TOTAL		<u>\$1,009,378</u>	<u>\$1,006,111</u>

(Dollars in Thousands)

New Obligational Authority, Obligations, and Unobligated Balance  
Fiscal Years 1950-1967

Fiscal Year	(In thousands of dollars)		Unobligated Balance
	New Obligational Authority	Obligations	
1950	\$306,016	\$304,376	\$1,640
1951	342,000	324,089	17,911
1952	345,000	330,598	14,402
1953	357,000	356,385	615
1954	387,000	386,298	702
1955	423,500	422,102	1,398
1956	495,000	478,932	16,068
1957	515,000	510,784	4,216
1958	567,000	560,962	6,038
1959	640,000	634,542	5,458
1960	715,000	692,922	22,078
1961	789,500	787,806	1,694
1962	920,000	895,854	24,146
1963	1,029,000 <sup>1/</sup>	1,014,775	10,925
1964	1,228,000	1,211,215	16,785
1965	1,399,000	1,385,578	13,422
1966	1,600,000	1,592,352	7,648
1967	1,839,000	1,831,160	7,840

<sup>1/</sup> \$3.3 million transferred to "claims, Defense"

Retired Personnel Electing Survivors' Benefits and Amount of Deduction in Retired Pay  
(Amounts in thousands)

	Actual FY 1967 No. on Rolls Amount of 30 June 1967 Deduction	Estimate FY 1968 No. on Rolls Amount of 30 June 1968 Deduction	Estimate FY 1969 No. on Rolls Amount of 30 June 1969 Deduction
<u>Non-Disability</u>			
Regular Officers	16,523	18,401	20,430
Regular Enlisted	18,461	22,493	26,796
Non-Regular Officers	20,395	22,935	25,031
Non-Regular Enlisted	345	389	432
Sub-Total	<u>55,724</u>	<u>64,218</u>	<u>72,689</u>
	\$8,194	\$9,177	\$10,430
	2,591	3,172	3,774
	8,214	9,236	10,084
	59	66	74
	<u>\$19,058</u>	<u>\$21,651</u>	<u>\$24,155</u>
<u>Temporary Disability</u>			
Regular Officers	461	461	460
Regular Enlisted	620	705	791
Non-Regular Officers	275	303	335
Non-Regular Enlisted	48	49	52
Sub-Total	<u>1,404</u>	<u>1,518</u>	<u>1,638</u>
	\$253	\$232	\$213
	66	73	83
	50	55	61
	5	4	3
	<u>\$374</u>	<u>\$364</u>	<u>\$360</u>
<u>Permanent Disability</u>			
Regular Officers	2,643	2,987	3,335
Regular Enlisted	2,375	2,950	3,520
Non-Regular Officers	4,401	4,577	4,771
Non-Regular Enlisted	64	76	86
Sub-Total	<u>9,483</u>	<u>10,590</u>	<u>11,712</u>
	\$1,788	\$2,028	\$2,267
	431	541	646
	1,718	1,803	1,892
	9	8	9
	<u>\$3,946</u>	<u>\$4,380</u>	<u>\$4,814</u>
Fleet Reserve	12,582	14,022	15,475
	\$1,196	\$1,334	\$1,696
Total Receiving Reduced Retired Pay	79,193	90,348	101,514
	\$24,574	\$27,729	\$31,025
Number of Individuals Making Cash Contributions	909	1,003	1,095
	\$199	\$228	\$250
GRAND TOTAL	<u>80,102</u>	<u>91,351</u>	<u>\$31,275</u>
	\$24,773	\$27,957	\$31,275

## Military Personnel Receiving Retired or Retainer Pay As of 30 June 1967

Ret'd Pay Grade	All Retirements			Non-Disability Retirements			Disability Retirements		
	No. of Persons	Monthly Amount	Avg. Mo. Ret. Pay	No. of Persons	Monthly Amount	Avg. Mo. Ret. Pay	No. of Persons	Monthly Amount	Avg. Mo. Ret. Pay
O-10	29	\$ 39,264	\$1354	8	\$	\$10,918	21	\$	\$28,346
O-9	56	64,782	1157	23		1133	33		38,733
O-8	307	316,822	1032	163		166,146	144		150,676
O-7	321	267,552	833	188		149,370	133		118,182
O-6	6,935	4,366,579	630	5,521		3,375,753	611		990,826
O-5	19,470	9,954,917	511	16,514		8,329,662	2,956		1,625,255
O-4	14,246	5,862,485	407	11,739		4,794,494	2,507		1,007,991
O-3	4,636	1,450,140	313	2,179		733,543	2,457		716,597
O-2	2,740	621,962	227	260		74,065	2,480		547,897
O-1	981	188,803	192	42		10,128	939		178,675
W-4	994	444,152	447	798		353,853	196		90,299
W-3	1,334	449,437	337	1,134		378,932	200		70,505
W-2	1,084	300,114	277	899		248,196	185		51,918
W-1	745	169,696	228	322		83,628	423		86,068
Total Offs.	53,878	\$24,436,705	\$ 454	39,790	\$18,734,737	\$ 471	14,088	\$5,701,968	\$ 405
E-9	4,273	1,312,342	307	3,755		1,133,875	302		178,467
E-8	7,645	1,973,396	258	6,574		1,665,227	253		308,069
E-7	37,776	8,252,890	218	32,756		7,087,382	216		1,165,508
E-6	25,244	4,618,735	183	21,079		3,838,605	182		780,130
E-5	18,908	2,893,199	153	14,209		2,195,903	155		697,296
E-4	4,864	550,988	113	2,859		343,372	120		267,616
E-3	1,472	111,899	76	344		30,600	89		81,299
E-2	498	25,658	52	73		4,756	425		20,902
E-1	136	7,460	55	53		3,119	85		4,341
Total Enl.	100,816	\$19,746,567	\$ 196	81,702	\$16,302,939	\$ 200	19,114	\$3,443,628	\$ 160
Grand Total	154,694	\$44,183,272	\$ 286	121,492	\$35,037,676	\$ 288	33,202	\$9,145,596	\$ 275

Analysis by Fiscal Years of the Number of Retired Personnel and Cost for the Department of Defense  
(Cost in thousands of dollars)

Category	Actual FY 1967			Estimate FY 1968			Estimate FY 1969		
	Year End	Avg. No.	Cost	Year End	Avg. No.	Cost	Year End	Avg. No.	Cost
<b>Non-Disability</b>									
Regular Officers	64,205	62,403	\$370,951	69,384	67,461	\$445,352	74,995	72,768	\$453,879
Regular Enlisted	212,379	199,785	470,800	242,147	228,833	559,689	273,037	258,981	641,378
Non-Regular Officers	97,055	93,744	420,442	105,597	101,968	469,386	112,130	109,330	504,799
Non-Regular Enlisted	2,843	2,691	3,648	3,116	2,980	4,299	3,398	3,248	4,773
Sub-Total	376,482	358,623	\$1,265,841	420,244	401,242	\$1,448,726	463,560	444,327	\$1,604,829
<b>Temporary Disability</b>									
Regular Officers	1,246	1,277	\$8,687	1,302	1,275	\$9,018	1,354	1,324	\$9,850
Regular Enlisted	10,451	9,551	18,562	10,906	10,753	21,289	10,909	10,867	22,848
Non-Regular Officers	872	822	4,268	1,030	947	5,086	1,196	1,099	6,037
Non-Regular Enlisted	884	713	998	1,090	990	1,299	1,218	1,121	1,495
Sub-Total	13,453	12,363	\$32,515	14,328	13,965	\$36,692	14,677	14,411	\$40,230
<b>Permanent Disability</b>									
Regular Officers	15,369	15,108	\$86,657	15,954	15,703	\$93,551	16,537	16,292	\$100,225
Regular Enlisted	43,430	41,435	80,521	48,522	46,044	94,027	53,912	51,383	106,826
Non-Regular Officers	40,419	40,296	145,571	40,688	40,580	151,473	41,018	40,839	154,211
Non-Regular Enlisted	2,690	2,602	2,796	2,961	2,806	3,195	3,302	3,125	3,638
Sub-Total	101,908	99,441	\$315,545	108,125	105,133	\$342,246	114,769	111,629	\$364,900
Fleet Reserve	92,545	88,414	\$210,410	100,071	96,352	\$236,434	106,196	103,403	\$255,974
Survivors Benefits	5,746	5,439	\$6,850	6,511	6,128	\$7,902	7,435	6,970	\$9,057
TOTAL	590,134	564,280	\$1,831,161	649,279	622,820	\$2,072,000	706,937	680,740	\$2,275,000





Analysis by Fiscal Years of the Number of Retired Personnel and Cost for the Marine Corps  
(Cost in thousands of dollars)

Category	Actual FY 1967			Estimate FY 1968			Estimate FY 1969		
	Year End	Avg. No.	Cost	Year End	Avg. No.	Cost	Year End	Avg. No.	Cost
<u>Non-Disability</u>									
Regular Officers	5,728	5,594	\$29,348	6,024	5,889	\$31,859	6,361	6,209	\$33,600
Regular Enlisted	2,679	2,509	\$6,346	3,138	2,915	\$7,556	3,702	3,472	\$9,066
Non-Regular Officers	671	643	\$2,535	787	728	\$3,014	866	825	\$3,499
Non-Regular Enlisted	49	45	\$73	60	55	99	71	66	\$119
Sub-Total	9,127	8,791	\$38,302	9,989	9,587	\$42,528	11,000	10,572	\$46,278
<u>Temporary Disability</u>									
Regular Officers	188	209	\$1,351	164	168	\$1,080	118	134	\$875
Regular Enlisted	1,984	1,748	\$2,645	1,959	2,013	\$3,067	1,695	1,841	\$2,842
Non-Regular Officers	53	58	\$258	67	63	\$298	84	76	\$372
Non-Regular Enlisted	72	40	\$42	85	93	\$124	95	21	\$128
Sub-Total	2,297	2,055	\$4,496	2,275	2,337	\$4,569	1,992	2,144	\$4,217
<u>Permanent Disability</u>									
Regular Officers	1,226	1,193	\$5,958	1,297	1,274	\$6,637	1,390	1,376	\$7,088
Regular Enlisted	2,700	2,550	\$3,665	3,188	2,939	\$4,458	3,872	3,540	\$5,447
Non-Regular Officers	806	796	\$2,328	814	811	\$2,412	822	816	\$2,426
Non-Regular Enlisted	323	325	\$251	369	336	\$281	424	400	\$347
Sub-Total	5,055	4,864	\$12,202	5,668	5,360	\$13,788	6,508	6,112	\$15,308
<u>Fleet Reserve</u>	10,073	9,552	\$23,320	11,689	10,941	\$28,260	13,334	12,272	\$32,976
<u>Survivors Benefits</u>	159	151	\$215	173	167	\$233	187	181	\$252
TOTAL	26,711	25,413	\$78,555	29,794	28,392	\$89,378	33,821	31,564	\$99,231

Analysis by Fiscal Years of the Number of Retired Personnel and Cost for the Department of the Air Force  
(Cost in thousands of dollars)

Category	Actual FY 1967		Estimate FY 1968		Estimate FY 1969	
	Year End	Avg. No.	Year End	Avg. No.	Year End	Avg. No.
<u>Non-Disability</u>						
Regular Officers	10,521	9,842	12,114	11,566	14,166	13,293
Regular Enlisted	81,592	76,283	96,166	89,635	111,587	104,343
Non-Regular Officers	29,269	28,106	31,916	30,906	33,754	32,997
Non-Regular Enlisted	110	98	139	127	160	151
Sub-Total	121,492	114,329	140,335	132,234	159,667	150,784
		\$388,817		\$461,094		\$519,597
<u>Temporary Disability</u>						
Regular Officers	114	93	157	137	191	174
Regular Enlisted	2,058	1,743	2,482	2,288	2,769	2,625
Non-Regular Officers	235	209	315	275	363	339
Non-Regular Enlisted	8	6	11	10	14	13
Sub-Total	2,415	2,051	2,965	2,710	3,337	3,151
		\$5,037		\$7,253		\$8,792
<u>Permanent Disability</u>						
Regular Officers	2,934	2,707	3,473	3,201	4,000	3,737
Regular Enlisted	16,972	15,841	19,395	18,170	21,668	20,531
Non-Regular Officers	10,805	10,618	11,243	11,028	11,672	11,458
Non-Regular Enlisted	76	76	79	78	82	81
Sub-Total	30,787	29,242	34,190	32,477	37,422	35,807
		\$97,171		\$112,157		\$123,701
<u>Fleet Reserve</u>						
Survivors Benefits	1,234	1,137	1,448	1,344	1,698	1,573
		\$1,757		\$2,166		\$2,556
TOTAL	155,928	146,759	178,938	168,765	202,124	191,315
		\$492,782		\$582,670		\$655,135

New Obligational Authority, Obligations, and Unobligated Balance  
Fiscal Years 1950-1967

Fiscal Year	(In thousands of dollars)		
	New Obligational Authority	Obligations	Unobligated Balance
1950	\$306,016	\$304,376	\$1,640
1951	342,000	324,089	17,911
1952	345,000	330,598	14,402
1953	357,000	356,385	615
1954	387,000	386,298	702
1955	423,500	422,102	1,398
1956	495,000	478,932	16,068
1957	515,000	510,784	4,216
1958	567,000	560,962	6,038
1959	640,000	634,542	5,458
1960	715,000	692,922	22,078
1961	789,500	787,806	1,694
1962	920,000	895,854	24,146
1963	1,029,000 <sup>1/</sup>	1,014,775	10,925
1964	1,228,000	1,211,215	16,785
1965	1,399,000	1,385,578	13,422
1966	1,600,000	1,592,352	7,648
1967	1,839,000	1,831,160	7,840

<sup>1/</sup> \$3.3 million transferred to "claims, Defense"

Actual and Estimated Obligations for Military  
Retired Pay, Fiscal Years 1950 - 1974  
(In thousands of dollars)

FISCAL YEARS      UNDER EXISTING LAW

Actual

1950	\$304,376
1951	324,089
1952	330,598
1953	356,385
1954	386,298
1955	422,102
1956	478,932
1957	510,784
1958	560,962
1959	634,542
1960	692,922
1961	787,806
1962	895,854
1963	1,014,775
1964	1,211,215
1965	1,385,578
1966	1,592,352
1967	1,831,160

Estimate

1968	\$2,072,000
1969	2,275,000
1970	2,459,000
1971	2,644,000
1972	2,842,000
1973	3,041,000
1974	3,241,000

TITLE III, PUBLIC LAW 810, RETIREMENTS -- FISCAL YEARS 1967, 1968 AND 1969  
(10 U.S.C. 1331)

	FY 1967 Actual		FY 1968 Estimate		FY 1969 Estimate	
	Year End Number	Avg. Amount	Year End Number	Avg. Amount	Year End Number	Avg. Amount
Officers	28,205	\$68,963	30,882	\$77,210	33,525	\$84,157
Enlisted	2,351	2,574	2,612	3,197	2,840	3,580
TOTAL	30,556	\$71,537	33,494	\$80,407	36,365	\$87,737

Mr. WHITTEN. I shall later get into the details, but I have been among many here who have been concerned after having attended a number of meetings in the last 12 months or more where efforts were directed to the problem of holding our Federal spending, including military expenditures, in line with our problems of raising funds.

Being among those who have had to wrestle with this problem, we, of course, have had to make exemptions from any restrictions on interest on the debt, veterans disability benefits, social security, retirement, and medicare; and when we got through, it is disturbing to find how much of the Federal income has already been committed or spent on such programs.

It really makes you wonder if 10 or 15 years from now the whole annual income of the country won't be tied down to things which have happened in the past, and there will be none left to run the Nation.

I mention that here because certainly the American people support retirement, disability payments, and other things.

I want you to be prepared to project for a reasonable period in the future how big this bill will become. I am not directing this to the military, but it is a part of that which you have to look at under civil service retirement and all these other programs. I hope you will give some attention to that before we get through.

#### CONSUMER PRICE INDEX INCREASE

We now turn to the immediate presentation.

Your supplemental request for fiscal year 1967 included a 3.7-percent increase for members on the retired rolls caused by an increase in the Consumer Price Index, which is another way of saying inflation, which is provided for in title 10, United States Code, section 1401(a), as amended. You estimate that the additional costs of this provision will be \$23 million in fiscal 1968, and \$81.5 million in fiscal 1969.

I have been listening to testimony the last 2 days where we can expect an average of 5- to 6-percent increase in the inflation in the years ahead.

Did I understand you to state that the additional \$23 million for fiscal 1968 is not included in the supplemental currently before the Congress?

Mr. SPENCE. It is not included in the supplemental for fiscal year 1968, that is right, sir. As I understand it, it is in the Bureau of the Budget pending submission to the Congress.

Mr. WHITTEN. Is the \$81.5 million in additional funds for 1969 contained in the fiscal year 1969 budget request?

Mr. SPENCE. No, sir; it is not.

#### NONDISABILITY RETIREMENTS FOR NONREGULAR OFFICERS

Mr. WHITTEN. In fiscal year 1968, you estimated a gain of 10,701 in nondisability retirements for non-Regular officers. This category has increased in past years. For fiscal year 1969, however, you estimate a gain of only 8,843 nondisability retirements for non-Regular officers. How do you account for the decrease in gains of approximately 2,000 for this category?

Mr. SPENCE. It probably is traceable to two things, Mr. Whitten. One is that there has been some slowdown in the number of nondisability retirements which have been occurring in the last few months.

Secondly, it is also traceable to the fact that of the large hump of officers and enlisted men in the personnel structure who entered service during World War II, substantial numbers have already gone into retirement and, therefore, we would expect that the number of people entering retirement, qualifying for retirement initially, would decrease and there would be some decrease, therefore, in the number of officers and enlisted men retiring for nondisability reasons.

Mr. WHITTEN. What trend do you see in the future in this area? Have we about reached the leveling-off period, a period of constant movement, or will the Vietnam war give you peaks and valleys?

Mr. SPENCE. There would be no question that there would be at least some temporary and transitory increase in the number of disability retirements resulting from the Vietnam war, depending upon the level of combat casualties and how long the increased strength which we have built up during the Vietnam war is retained in service, and depending upon whether or not we revert back to some lower strength.

The Vietnam war otherwise should not have any appreciable effect on the number of people who are retiring. We believe we have reached approximately the point where the number of people who are retiring as stabilized at somewhere in the neighborhood of 55,000 people per year. This does not mean that the dollars that will be required for retired pay has stabilized, because of the fact that the population on the retired rolls has not begun to suffer any attrition in the form of deaths because they are a relatively younger group.

Somewhere around the year 2000 there should be stability injected into the picture insofar as people entering and leaving the retired rolls.

Mr. WHITTEN. That is based on the present conflict?

Mr. SPENCE. Yes, sir.

#### NO ANTICIPATED CHANGE IN RETIREMENT POLICY

Mr. WHITTEN. Do you anticipate or see any change in retirement policies which might decrease the amount of funds required for this account in fiscal year 1969?

Mr. SPENCE. No, sir, I see no change that would affect it in 1969.

Mr. WHITTEN. I refer to the callup of the National Guard and Reserves which might delay a certain number of retirements of Reserve and National Guard personnel.

Mr. SPENCE. No, sir. The only thing which would have any appreciable effect would be if we put substantial brakes on the numbers of people who were retiring. While this is possible, we do not anticipate it at the present time.

Mr. WHITTEN. Have there been any studies made in the past 3 years directed toward a possible change in the present retirement system? If so, would you describe them?

## STUDY OF MILITARY RETIREMENT AND SURVIVORSHIP SYSTEM

Mr. SPENCE. There is at the present time a study under way in the Office of the Assistant Secretary of Defense for Manpower, of the military retirement and survivorship system to determine whether or not the system as it now exists is performing the function which the retirement system is supposed to perform, and whether it is performing it in the most efficient way possible.

What will be the outcome of that study, we do not know at this time.

## DIFFERENCES IN RETIREMENT LAWS GOVERNING THE SEPARATE SERVICES

Mr. WHITTEN. According to an article appearing in an issue of the journal of the Armed Forces, a recent ruling by the Comptroller General disclosed that a difference in the wording of the retirement laws governing the separate services would result in Navy and Marine Corps officers sustaining an average loss of close to \$18,000 in nondisability retirement pay when the next military pay raise becomes effective July 1, 1968. This is brought about by the fact that the Army and Air Force officers may compute their retired pay under the pay scales in effect on the first day of retirement, July 1 in the present instance. Navy and Marine Corps officers, however, whose retirements are mandatory June 30, 1968, must compute their retired pay under the pay scales in effect on the last day of active duty, June 30 in this case.

Will you comment on this situation, Mr. Spence?

Mr. SPENCE. Yes, sir.

This is an anomalous situation resulting from the peculiar wording of the retirement statutes as applied to the several services. The question as to what should be done in regard to the disparity of treatment among persons in the various categories is now being looked at.

So far as I know, the last time I made a check, which was last week, no decision had been made as to whether or not we would recommend legislation to resolve this.

Mr. WHITTEN. It is receiving active study and is being passed on?

Mr. SPENCE. Yes, sir.

## MANDATORY RETIREMENT SYSTEMS OF THE SERVICES

Mr. WHITTEN. I think it would be beneficial if you briefly reviewed for the record, if you wish, any other significant differences in the retirement laws of the services. I realize that annuity benefits are computed in the same manner, but there are differences, for example, in mandatory retirement policies for length of service coupled with time-in-grade, and so forth?

Do you know of any? If not, just supply it for the record.

Mr. SPENCE. I will give a brief synopsis for the record, if I may, sir, of the differences between the mandatory retirement systems.

Mr. WHITTEN. I would be glad to have you do so.

(The information follows:)

## MANDATORY RETIREMENT—REGULAR COMMISSIONED OFFICERS (MALE)

## ARMY AND AIR FORCE

<i>Law</i>	<i>Age</i>
10 U.S.C. 8883-8886-----	Major generals and above, age 62. Brigadier generals and below, age 60.
	<i>Length of service</i>
10 U.S.C. 8916; 8921-8923-----	Major generals—35 years' service or 5 years in permanent grade, whichever is later. Brigadier generals—30 years' service or 5 years in permanent grade, whichever is later. Colonel—30 years' service or 5 years in permanent grade, which is later.
10 U.S.C. 8916-----	Lieutenant colonel—28 years' service.

NOTE.—The Secretary may defer the retirement of any permanent major general until age 60; lieutenant generals or generals may be retained until age 64. However, not more than 5 lieutenant generals or generals who have been so retained may be on the active list at any one time. The Secretary may also defer until age 60 the retirement of any promotion list colonel who is a medical, dental, veterinary, or medical service officer. However, not more than 10 percent of the colonels authorized for any one of these categories may be in a deferred status at any time. The Secretary may defer until age 60 any promotion list lieutenant colonel who is a medical, dental, veterinary, or medical service officer, or a chaplain.

## NAVY

<i>Law</i>	<i>Age</i>
10 U.S.C. 6390-----	All grades age 62. Not more than 10 officers (Navy and Marine Corps) at any one time may be retained after age 62 but in no case after age 64.
	<i>Length of service</i>
10 U.S.C. 6394-----	Rear admiral—If considered for, but not recommended for continuation by a board, retired on 1st day of 7th month after President approves that board.
10 U.S.C. 6376-----	Captain—Unrestricted. Retired July 1 after the fiscal year in which he completes: (a) 30 years total commissioned service, if not on a promotion list and has twice failed of selection for rear admiral; or (2) 31 years total commissioned service if not on a promotion list.
10 U.S.C. 6377 (a)-----	Captain—Restricted. Retired July 1 after the fiscal year in which he completes 31 years' total commissioned service, if not on a promotion list and not selected for continuation.
10 U.S.C. 6377 (b)-----	Captain—Staff corps. If not on a promotion list and not selected for continuation, retired July 1 after the fiscal year in which (1) 30 years' total commissioned service completed if considered to have twice failed of selection to rear admiral, or (2) has completed 31 years' total commissioned service.
10 U.S.C. 6379-----	Commander—(except LDO's). Retired July 1 following the fiscal year in which 26 years' total commissioned service completed.
10 U.S.C. 6383-----	Limited duty officer—Retired July 1 following the fiscal year in which he completes 30 years of active duty.

## MARINE CORPS

<i>Law</i>	<i>Age</i>
10 U.S.C. 6390-----	All grades age 62. Not more than 10 officers (Navy and Marine Corps) at any one time may be retained after age 62, but in no case after age 64.
	<i>Length of service</i>
10 U.S.C. 6373-----	Major general—35 years' total commissioned service and 5 years in grade.
10 U.S.C. 6374-----	Brigadier general—June 30 of fiscal year in which he is considered to have failed of selection to major general for the second time.
10 U.S.C. 6376-----	Colonel—Retired July 1 after the fiscal year in which he completes 30 years' total commissioned service, if not on a promotion list and has twice failed of selection for rear admiral; or at 31 years' total commissioned service if not on a promotion list.
10 U.S.C. 6379-----	Lieutenant colonel—Retired July 1 after the fiscal year in which he completes 26 years' total commissioned service.

NOTE.—Until June 30, 1970, the Secretary of the Navy may convene boards of officers to consider and select for continuation those lieutenant colonels and colonels who have twice failed of selection for promotion to the grades of colonel and brigadier general, respectively, and have completed 26 years' total commissioned service.

## RETIREMENT PROJECTIONS

Mr. WHITTEN. I notice you have provided some projections, but I would like to ask that you supply for the record a projection based upon the present military strength, as to what we may look forward to in the way of increased retirement costs in the future.

I am not in any way raising any question about the absolute necessity of the Nation meeting its obligations in this regard. I just want to have some idea of what we will have to look forward to in the future.

Again, I would like to say that this type of progressive outright cost to the Government is only one of many, including the increasing interest on the debt, increasing retirements of one kind and another, and other situations where many funds that might be termed trust funds have not been kept current, and the funds lag far behind what would be a proper protection or reserve to meet our contract.

I believe this was done last year on page 345 of Part 1 of last year's hearings. After a review of that, you may find the table itself is projected far enough.

Mr. SPENCE. We do have a table going out to the year 2040 which approximates the dollars and the numbers of people we expect on the rolls, and the dollar amount.

Mr. WHITTEN. Any further inflation would probably vary that.

Mr. SPENCE. Yes, sir. This does not reflect any increases in pay scales or in prices.

Mr. WHITTEN. In carrying the table forward, I wish you would make such other notations indicating what factors were not involved in the computation. Judged by the last 15 years, it might turn it upside down.

(The information follows:)

PROJECTED NUMBER OF MILITARY PERSONNEL RECEIVING RETIRED OR RETAINER PAY AND ANNUAL DISBURSEMENTS, DEPARTMENT OF DEFENSE

[Number of persons in thousands; dollar amounts in millions]

Fiscal year	Constant Active Force <sup>1</sup>	
	Number receiving retired pay	No pay or price increases
1975.....	1,020	\$3,440
1980.....	1,235	4,148
1985.....	1,396	4,643
1990.....	1,488	4,900
1995.....	1,549	5,052
2000.....	1,583	5,131

<sup>1</sup> Assumes that the Active Force remains unchanged at the June 30, 1966, level.

Mr. WHITTEN. Mr. Lipscomb.

CONSUMER PRICE INDEX INCREASE

Mr. LIPSCOMB. In your statement, sir, you say, "Since the President's fiscal year 1969 budget was prepared, the Consumer Price Index has increased 3.9 percent over the basic month of September 1966."

What date do you use when you say "since the President's fiscal year 1969 budget was prepared"?

Mr. SPENCE. That is the budget submission as presented to the Congress.

Mr. LIPSCOMB. What date do you use?

Mr. SPENCE. January 1968, as I understand it, Mr. Lipscomb.

Mr. LIPSCOMB. Is this 3.9 percent over the basic month of September?

Mr. SPENCE. Yes, sir. May I discuss that a bit?

Mr. LIPSCOMB. Yes, please.

Mr. SPENCE. The basic month was September 1966. The Consumer Price Index in the month of January 1968, had progressed since September of 1966 by a total of 3.9 percent. The budget, having been prepared in January, did not include the anticipation that there would be this 3.9-percent increase in retired pay which is required.

Mr. LIPSCOMB. Is this the first time that you have included a cost-of-living increase since September 1966?

Mr. SPENCE. Yes, sir; this is the first time that retired pay has been independently adjusted based upon the Consumer Price Index increase. Yes, sir.

Mr. LIPSCOMB. The first time?

Mr. SPENCE. That is right, sir.

Mr. LIPSCOMB. Is there a new law or something which brought this about?

Mr. SPENCE. Let me back up now. In 1963, the Congress for the first time enacted legislation which in effect provided that whenever the Consumer Price Index increased by 3 percent or more over the index at the time that retired pay was last adjusted, and held that higher level for a period of time, retired pay would be automatically increased by the amount of that Consumer Price Index increase.

In 1965, retired pay was increased by 4.4 percent based upon increases in the Consumer Price Index.

In December 1966, based upon the level of the Consumer Price Index in September 1966, retired pay was increased by 3.7 percent based upon the consumer price formula.

In January 1968, last January the Consumer Price Index had again increased, this time by 3.9 percent over the index in September 1966, which was the previous base month, and that triggered an increase in retired pay which became effective April 1, 1968.

Mr. LIPSCOMB. What was the figure in 1963 that was added? Three percent, did you say?

Mr. SPENCE. This gets a little involved, sir. I will try to go through it.

Mr. LIPSCOMB. What I wanted was: Since the time the law in 1963 was enacted which gave this procedure for adding the cost of living, what was the first increase? You gave me the figure.

Mr. SPENCE. September 1965, increased by 4.4 percent.

Mr. LIPSCOMB. What was the one before that?

Mr. SPENCE. The last increase in retired pay was in 1963, I believe September.

Mr. LIPSCOMB. What was that one?

Mr. SPENCE. The amount of that increase?

Mr. LIPSCOMB. Yes, what was the percentage? You gave it to me once.

Mr. SPENCE. No, sir. I gave you September 1965.

Mr. LIPSCOMB. That was 4.4?

Mr. SPENCE. 4.4. The increase in 1963, if I remember rightly, sir, I believe was either 5 percent or 6 percent. I do not recall which.

Mr. LIPSCOMB. That was after the law was passed?

Mr. SPENCE. The increase in 1963, sir, was provided for by the law itself, rather than by any formula that we have been discussing. That law in 1963 established the formula which would operate thereafter.

In 1965, the formula operating itself would have provided for an increase of 4.4 percent in retired pay.

Mr. LIPSCOMB. In other words, since 1963, it has been necessary, because of the Consumer Price Index, to raise retired pay by 17 percent?

Mr. SPENCE. If we include the 1963 increase, that is correct. But the 1963 increase, if I remember it rightly, sir, was based upon an increase in prices between 1958 and 1963. So, if you take 1963 as your starting point, there was a 4.4 percent increase in 1965, a 3.7 percent increase in 1966, and in 1968 a 3.9 percent increase. That is to total cumulative increases in retired pay since 1963, based upon the Consumer Price Index.

Mr. LIPSCOMB. Including 1963, it has gone up 17 percent.

Mr. SPENCE. That is exactly right, sir.

Mr. LIPSCOMB. From 1963 it has gone up 12 percent.

Mr. SPENCE. Yes, sir; approximately 12 percent.

Mr. LIPSCOMB. When you see it in these terms, it is almost fantastic the way the cost of living is going up.

Mr. SPENCE. It certainly is. Each month we are required by law to receive from the Bureau of Labor Statistics the Consumer Price Index and compare it to the base index month. Each month we watch it

going up. To say the least, it is a little disheartening to see the Consumer Price Index is going up as rapidly as it does.

Mr. LIPSCOMB. I have no quarrel with the system as we are doing it here. I cannot help but have some concern over people who live on their retirement payments and who do not have the Government step in and give them an automatic increase to even it out.

Mr. SPENCE. There is no question about the sorry situation of some who are trying to live on a fixed number of dollars.

Mr. LIPSCOMB. The fact is, I have talked about this and thought about it, but when you think of 12 percent just since 1963, it comes as rather a shock.

Colonel ALLEN. This is behind the actual increases as they are today.

Mr. LIPSCOMB. To get this money, you had to include it in the proposed supplemental to come up soon?

Mr. SPENCE. That is right, sir.

Mr. LIPSCOMB. So you will be short again in fiscal year 1969.

Mr. SPENCE. Based upon the 3.9 percent increase, \$81.5 million; yes, sir.

Mr. LIPSCOMB. What has happened in the Consumer Price Index since January 1968? Has it gone up again?

Mr. SPENCE. If my memory serves me right, it went up 0.4 and 0.5 points on the index, which is not 1 percent. It is something less than that. It is perhaps six-tenths of 1 percent in 2 months, which is a large increase compared to what has been happening.

Mr. LIPSCOMB. When you report on what the chairman, Mr. Whitten, has asked, projecting this program out over the years, it really will be a substantial amount, will it not?

Mr. WHITTEN. I think in order to make it reflect what we are up against under the present policies, which I have resisted for a long time in various degrees, it would be well to project—I am not trying to make you compute it at night or tax yourself too much—but you might project in a manner showing the picture of inflation and the general average of salary increases, in order that we might see the results of following this policy.

As an amateur economist, another way of expressing what Mr. Lipscomb has said is the deterioration of the purchasing value of the dollar. The dollar is buying less and less. That is one way of expressing it. We are discussing the cost of living in terms of dollars.

If a dollar gets to where it is worth 15 cents, a loaf of bread would be worth \$10 or \$15. It is a relative thing. There are such things as tables where you take this all into account. We do not want to tax you with that problem. If you can show in terms of dollars a projection of what we will run into along with the table we asked for, it would be helpful.

Mr. SPENCE. We shall do that.

(The information requested follows:)

Projections of retired pay with provision for increases in the Consumer Price Index and pay raises are currently in the process of revision to reflect the latest changes. However, the following table illustrates the magnitude of the increases in estimated costs; with allowances for price and pay increases:

PROJECTED NUMBER OF MILITARY PERSONNEL RECEIVING RETIRED OR RETAINER PAY AND ANNUAL  
DISBURSEMENTS, WITH ASSUMED PAY OR PRICE INDEX INCREASES, DEPARTMENT OF DEFENSE

[Number of persons in thousands, dollar amounts in millions]

Fiscal year	Constant Active Force <sup>1</sup>	
	Number receiving retired pay	Pay and price increases <sup>2</sup>
1975.....	1,004	\$3,880
1980.....	1,221	5,280
1985.....	1,380	6,665
1990.....	1,471	7,949
1995.....	1,531	9,356
2000.....	1,565	10,947

<sup>1</sup> Assumes that the Active Forces remains unchanged at the June 30, 1965, level.

<sup>2</sup> Assumes that the Consumer Price Index will increase by 1½ percent annually and that basic pay will be increased by 3.2 percent annually until the year 2000.

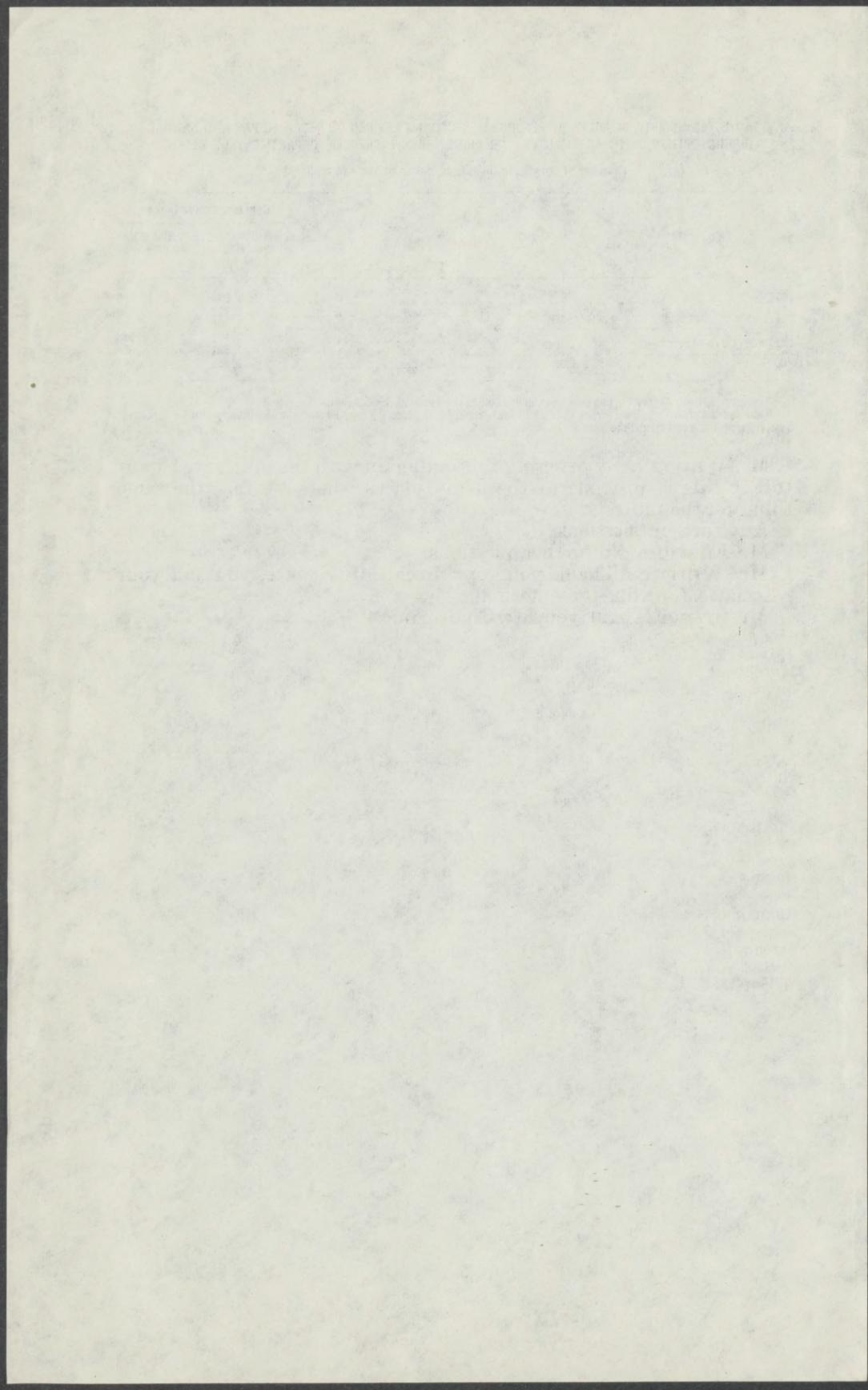
Mr. WHITTEN. By bringing this out again with the military, I want to say this is just one of the many places where we face the same thing for the future.

Any further questions?

Mr. LIPSCOMB. No further questions.

Mr. WHITTEN. Thank you very much, Mr. Spence, you and your associates, for a fine presentation.

Mr. SPENCE. Thank you, Mr. Chairman.



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STATE OF TENNESSEE

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