DEPARTMENT OF DEFENSE

PRESENTATION TO THE SUBCOMMITTEE ON MILITARY READINESS AND MANAGEMENT SUPPORT COMMITTEE ON ARMED SERVICES UNITED STATES SENATE

SUBJECT: READINESS OF OUR ARMED FORCES

STATEMENT OF:

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DR. PAUL W. MAYBERRY
DEPUTY UNDER SECRETARY OF DEFENSE (READINESS)

Good morning Chairman Akaka, Senator Inhofe, and distinguished members of this Committee. On behalf of the Under Secretary of Defense for Personnel and Readiness, Dr. David S. C. Chu, I am privileged to speak before this Committee on the state of military readiness in the Department of Defense. With me today is the Director of Operations for The Joint Staff, Lieutenant General Gregory Newbold of the United States Marine Corps.

Let me start by saying that your Armed Forces are ready to meet the challenges facing this Nation. Our forces are agile, capable, and well led. From prosecuting a Global War on Terror to protecting our Nation’s airways, the uniformed men and women of this Nation, reinforced by the Department's civilian staff, stand ready to execute the missions assigned to them by our Commander-in-Chief. This readiness would not be possible without the continued support of this Committee for our critical Defense needs.

For this testimony, you asked that I discuss the risk assessed against our new defense strategy and the impact of current operations on our readiness to conduct other missions. As you know, today's strategic setting presents a number of new challenges that we must be ready to address. The 2001 Quadrennial Defense Review provided a new risk framework for the Department to assess these challenges in four dimensions - operational, force management, institutional and future or transformational challenges. I
respectfully request we move our discussion of these points to a closed session.

You also asked that I discuss our progress in revising the Department's readiness reporting system, and the adequacy of the Department's fiscal year 2003 budget request in supporting immediate and long-term readiness needs. I will focus on these two issues - readiness reporting and the fiscal year 2003 budget request - in open session.

Readiness Reporting

I would like to begin by highlighting the status of our ongoing efforts to enhance the Department's readiness assessment and reporting system.

One of the most essential elements of our readiness reporting system is the active involvement of the senior DoD leaders in resolving readiness issues. The Department’s Senior Readiness Oversight Council, which is chaired by the Deputy Secretary of Defense, meets routinely to review and discuss the most pressing readiness issues. Recently, the council met to focus on actions to address growing threats of encroachment on our air, land, and sea training centers and ranges. I believe the Service Operations Deputies panel will echo the importance of this issue later today.

I am convinced that our success in future military operations will depend on having a modernized joint training infrastructure that supports realistic, combined arms, force-on-force training for our military. Unlike
Operation Desert Storm, where we had many months to prepare, deploy and stage forces for an overwhelming attack against Iraqi forces in Kuwait - tomorrow's conflicts are likely to be short-notice, “come-as-you-are” events. A lesson clearly emerging from Operation Enduring Freedom is that we must fight joint. This is the current reality and the future of warfare – we must train that way. To this end, we have recently completed a strategic plan for transforming our training that will serve to guide the Department in ensuring our forces remain the best trained and most capable in the world.

The Senior Readiness Oversight Council has also evaluated the stresses on our forces resulting from the Global War on Terror. This campaign imposes some unique training, personnel and equipment demands upon our forces - particularly so as we continue to provide for homeland defense and work to preserve our readiness for other missions. For example, to date, we have mobilized over 93,000 Reserve and National Guard members. These soldiers, sailors, airmen and Marines are integrated into nearly every aspect of Operation Noble Eagle and Operation Enduring Freedom.

In terms of the system we use to report unit readiness, we undertook a project last year, at the direction of the Secretary, to improve the way we both assess and report unit readiness. The Secretary asked us to specifically focus upon the readiness of our Armed Forces to execute fully their assigned missions. Over the last few months, we have been working closely with the Services and the Combatant Commands to identify possible improvements to the current system. We expect our study will be completed in the next
several weeks, and anticipate publishing implementing instructions for a revised system soon after.

Our study results suggest that the Department should implement a new “capabilities-based” readiness system to provide timely and accurate information on the readiness of our forces and supporting infrastructure. This information would be readily available for our use in deliberate planning, responding to emerging crises, and to aid decision-making during hostilities.

In our charter for the study, we envisioned a system capable of providing real-time readiness information on the Department's ability to execute strategic missions and respond to crises. A broad spectrum of relevant information - provided by the Combatant Commands, Services, and Defense Agencies - will be available to aid both defense planners and decision-makers. The system will include valuable information on the readiness of forces to execute assigned joint mission essential tasks as well as the sustainability of the force over time.

Given the uncertainties in the strategic environment, we are planning for a flexible and adaptive readiness reporting system that will reduce the likelihood of the Department being surprised by unforeseen readiness challenges in the early stages of crisis planning.

The system will support assessments of force management and operational risk as outlined in the Quadrennial Defense Review. We believe that this improved reporting and assessment can be achieved by using existing
personnel, training, and logistics databases. By incorporating information from existing transactional databases, we can reduce or eliminate workload and errors associated with manual input of data. This will further aid our goals of reducing the reporting burden, and responding more quickly to requests for readiness information.

The system will also provide information that reveals broad readiness trend information in the resource areas of personnel, unit training, equipment, supply, and ordnance, and will capture the military judgement of the unit commander in his assessment of his unit's readiness.

Our plan is to field the initial readiness system for operational use in FY 2004, with full operational capability achieved by FY 2007.

Resources

I will now turn to the FY2003 Budget. Maintaining the readiness of our Armed Forces to defend the nation’s interests, and ensuring the well-being of our men and women in uniform, are the highest priorities of the leadership in the Department of Defense. America’s Armed Forces are the best-trained, best-equipped and most effective military force in the world and we intend to keep them that way.

The President emphasized the importance of reversing our Armed Forces’ decline in readiness. The FY 2003 budget helps to improve our military readiness by increasing the defense topline by $48 billion over FY
2002 levels. It accelerates critical transformational programs, funds the War on Terror, and provides for critical programs related to the war. Perhaps most important, it invests in the Department’s greatest asset: its men and women in uniform.

The President’s FY 2003 budget requests over $94 billion for military pay and allowances, including an across-the-board 4.1 percent pay raise, and $300 million for the option of targeted pay raises for mid-grade officers and non-commissioned officers. It improves military housing and puts the Department on track to eliminate most substandard housing by 2007 - years sooner than previously planned. The request also lowers average out-of-pocket housing costs for those living off-base from over 11 percent to 7.5 percent in 2003 - putting us on track to eliminate all out of pocket housing costs for the average person in uniform by 2005. The budget also includes $10 billion for education, training and recruiting, and nearly $23 billion to cover the most realistic cost estimates of military healthcare. These investments are critical to ensuring that the smart weapons we develop are placed in the hands of smart, well-trained soldiers, sailors, airmen and Marines.

We must maintain the training readiness of our forces to fight the wars of today and tomorrow. The FY 2003 budget also provides for the training of our forces, and of the equipment with which they will train and fight. We requested $140 billion for operations and maintenance accounts in FY 2003. This includes substantial funding for our unit training and operations readiness accounts.
This budget funds the Services' training and operations accounts -- tank miles, steaming days and flying hours for the Services. It preserves crucial training and operating activities essential to the safety and well being of our troops, and their ability to successfully accomplish their missions. As outlined by the Secretary of Defense in his recent budget hearings, the Department increased the funding for these readiness accounts, to include:

- Aircraft operations/flying hours: $11.8 billion, up from $11.3 billion in FY 2002
- Army OPTEMPO: $3.7 billion, up from $3.3 in FY 2002
- Ship operations: $2.4 billion, up form $2.3 in FY 2002
- Depot maintenance: $4.8, up from $4.5 billion in FY 2002
- Training: $10.0 billion, up from $9.4 billion in FY 2002

We have increased funding for critical Army “training enablers” - providing resources to sustain the operation of training ranges, simulation centers, and the management of ground maneuver and live fire ranges. Adequately funding these enablers reduces unit-training funds to pay these infrastructure bills. In the Air Force, we are seeing some positive readiness trends that indicate that we may have turned the corner on chronic parts problems and shortages.

In conjunction with the DoD Comptroller, we have also initiated an effort to improve our ability to resource and manage unit training and readiness. The Operations Readiness working group, co-chaired by my office
and the Comptroller, with representatives from each Service, the Joint Staff, and Defense Agencies, is a new forum to address unit training needs. This initiative was chartered to develop a more comprehensive approach to ensuring our budgets and programs adequately address unit-training requirements. The group has just finished its first quarterly review of flying hours, steaming days and tank mileage including dollar execution, and promises to tighten the linkage between funding and unit readiness goals.

The Department has also added resources in FY 2003 budget to address other pressing readiness issues, such as those in support of homeland defense and the Global War on Terror. This budget enhances our abilities to protect our forces against biological and missile attack. The budget also improves maintenance and sustainment of equipment and facilities. It increases the availability of spare parts and engines - keeping ahead of the increasing costs due to equipment age and heavy use in current operations.

In conclusion, I want to emphasize that our forces - our Total Forces - are ready to meet the challenges facing this nation. We are robustly funding the readiness of forces and transforming to meet future challenges. We are improving the ways we measure our readiness and transforming our training to meet the new strategy. We appreciate this committee’s continued support of our Armed Forces, and of the programs that ensure they remain the best manned, equipped and trained forces in the world. This concludes my statement. I look forward to discussion and any questions you may have.