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THE WHITE HOUSE

WASHINGTON

April 5, 1976

MEMORANDUM FOR: ALAN WOODS

FROM: JIM CONNOR

Alan, the attached material was given to the President by Warren Knowles. The President suggested that Secretary Rumsfeld might respond. Would you send me a copy of whatever reply is made. Thanks.

encl.

*Marv*  
*Have put RA draft*  
*reply ASAP*  
*A.*

*OK*  
*PC*

WH 7164

THE SECRETARY OF DEFENSE  
WASHINGTON, D. C. 20301

16 APR 1976

Honorable Warren P. Knowles  
Chairman, President Ford Committee  
224 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202

Dear Governor Knowles:

The President has asked that I provide you the following background information concerning questions on the Naval Reserve raised by Mr. R. F. Caswell of Greendale, Wisconsin, in his letter of March 31, 1976.

The President's FY 1977 Budget Submission includes several changes affecting the Naval Reserve, the most significant being the proposed transfer of approximately 40,000 Selected Reservists to the Individual Ready Reserve (IRR) while at the same time providing most of them an opportunity to maintain their skills through two-weeks annual active duty training. This decision was prompted by changes which have taken place in the composition of the Navy since Fiscal Year 1968. At that time, there were 976 active ships in the Navy. In Fiscal Year 1977, the number will be reduced to 489. At the same time, the Navy has been moving toward full manning of ships and squadrons in peacetime. The combined effect of these changes has been to reduce the need for Reservists to augment ships and weapons systems upon mobilization.

There are presently some 40,000 Selected Reservists who would augment the shore establishment upon mobilization. The FY 1977 Budget decision reflects the judgment that training requirements for these 40,000 Reservists can be satisfied by a two-week training period each year at a designated shore activity. Although these Reservists will no longer participate in monthly drills, they remain an important part of the Naval Reserve and will be able to continue their Active Reserve participation.

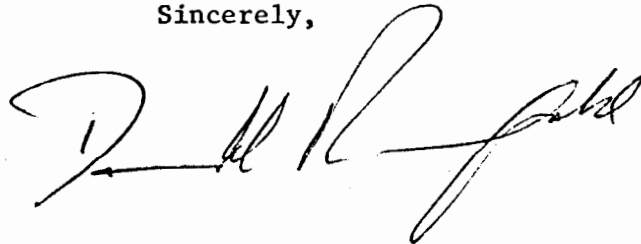
The reduction of nine Reserve Mobile Construction Battalions was determined to be appropriate in view of the fact that the remaining eight active and eight Reserve Seabee Battalions, along with similar units in the other Armed Services, provide sufficient capability to meet our early wartime requirements for military construction. While the Reserve Seabee Battalions have proven both efficient and capable, retention of such units in excess of requirements would result in diversion of scarce resources from critical requirements of a higher priority.

We are aware of the significant reduction in Reserve duty pay that these proposals imply for some individual Reservists. However, three facts must be considered. First, Reserve components in the force structure are maintained to assure adequate mobilization capabilities to successfully meet National Security objectives. Second, the annual savings through a careful matching of capabilities and mobilization requirements is significant. Finally, Army, Air Force and Marine Corps Reserves have, for several years, trained individual augmentees for certain types of mobilization jobs through annual two-week active duty training tours.

The Department of Defense recognizes the dedication and capability of our Reserve Forces and the important role they play in our Nation's Defense posture. The President's Budget Submission reflects his judgment on the appropriate balance of Active and Reserve Forces.

I hope that this information will be helpful to you in addressing the concerns raised by Mr. Caswell.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald R. Rumsfeld". The signature is written in a cursive style with a large, looping initial "D" and a long, sweeping tail.