

Opening Statement
Secretary of the Navy Ray Mabus
HAC-D Testimony
Washington, DC
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Chairman Frelinghuysen and Ranking Member Visclosky, members of the Committee, thank you for this opportunity to discuss the Department of the Navy. With Chief of Naval Operations Greenert and Commandant of the Marine Corps Dunford, I have the great privilege of representing the Sailors and Marines who serve our nation around the world, the civilians who support them and all of their families.

This is Admiral Greenert's last posture testimony before this committee. He has been a steady hand on the helm for the U.S. Navy through the past four years of international instability and budget turbulence. Every day his judgment, his advice and his counsel have been critical. It is an honor to serve with him and he will leave a lasting legacy.

Today, our security interests face an increasing array of threats and demands, while our budgetary situation grows more challenging. But it is clear that the Navy and Marine Corps team offer the best value to advance both our global security and our economic interests.

Uniquely, the Navy and Marine Corps provide presence around the globe, around the clock. We are the nation's first line of defense, ready for any challenge coming over the horizon. Presence means we respond faster; remain on station longer; carry everything we need with us; and do whatever missions are assigned by our Nation's leaders without needing anyone else's permission.

We have always known America's success depends on an exceptional Navy and Marine Corps. Article One of our Constitution authorizes Congress to "raise" an Army when needed, but directs it to "provide and maintain a Navy."

From the first six frigates to our growing fleet of today, from Tripoli to Afghanistan, Sailors and Marines have proven the founders' wisdom. American leaders across the political spectrum have understood the vital significance of sea power. We are truly America's Away Team. We deploy in peace just as much as in war and our role in the last 70 years in securing sea lanes and freedom of commerce has boosted our own and the world's economy.

Nearly half the world's population lives within 100 miles of the sea; 90 percent of global trade goes by sea; and 95% of all voice and data goes under the ocean. The shelves of our stores are stocked through "just in time" delivery with products from all over the globe and some 38 million American jobs are directly linked to seaborne international trade.

For seven decades, the Navy and Marine Corps have been the primary protector of this international system that has created unprecedented economic growth. And while we've led this effort, we have worked with allies and partners, increasing interoperability and establishing relationships that also help keep the peace. That is why our national defense strategy is so clearly focused on the maritime domain and requires investment in maritime assets.

For the past few years the Department of the Navy has attempted to minimize the impact of an uncertain budgetary environment, marked by numerous continuing resolutions, the imposition of sequester-level funding and the threat of the return of sequestration. This environment has made it more difficult, but even more critical, to set priorities and to make hard choices.

The presence our Navy and Marine Corps uniquely deliver is built on four foundations: People, Platforms, Power and Partnerships. These are key to the capability, capacity and success of our naval services, and they remain my top priorities.

Our Sailors and Marines are well known for their ability to exercise independent judgment and the flexibility to adapt to changing circumstances or environments. We remain committed to providing our Sailors, Marines, and our civilians with the training and support they need to maintain our naval presence, and we include in this their dedicated families and our injured and wounded.

We've launched a comprehensive approach to assure the world's healthiest, fittest, most resilient and best-educated force truly representing America's diversity. We continue to aggressively combat sexual assault, abuse, ethical failings and similar challenges. And we are exploring innovative means to improve recruitment and retention.

But our people, as good as they are, cannot do their job without platforms. Providing presence – being where we are needed, when we are needed – requires ships, submarines, aircraft, systems,

vehicles, and equipment. Quantity has a quality all its own. That means we must have a properly sized and balanced fleet.

On September 11, 2001, the Navy's battle force stood at 316 ships. By 2008, our fleet had declined to 278 ships. Our focus on two ground wars only partly explains the decline. In the five years before I became Secretary, Navy contracted for only 27 ships, not enough to stop the slide in the size of the fleet. In my first five years, we have contracted for 70 ships, halting and reversing the decline. By the end of the decade, our fleet will once again top 300 ships.

We've accomplished this with a direct and fundamental business approach: increasing competition, relying more on fixed price contracts and, thanks to Congress' help, multi-year and block buys. But budget instability and uncertainty seriously erode our ability to grow our fleet, manage our resources and maintain the industrial base.

Without a correctly sized and shaped fleet, the Navy and Marine Corps will not be able to meet the demand for the kinds of missions for which the Navy and Marine Corps are the best, and often the only, option. In the face of budgetary uncertainty, cutting ships is the most damaging and less reversible course of action, which is why I am committed to preserving shipbuilding.

Fueling the ships, aircraft, and vehicles of our Navy and Marine Corps is a vital operational concern and enables the global presence necessary to keep the nation secure.

That's why Navy has a history of innovation, especially in energy, moving from sail to steam, steam to oil and pioneering nuclear power.

The fuels market has seen incredible price volatility in the last six years. New domestic sources are reducing our reliance on foreign oil, but cannot stop the wild price swings. At the same time, the competition for power and energy and the ability to use fuel as a weapon, remains an international security issue.

In all cases, we believe our national security interests and the ability of the Navy and Marine Corps to meet its missions must be enhanced by increasing our energy diversity and efficiency.

Our ability to maintain presence and advance global security will also be augmented through partnerships. Cooperation helps make us more effective. It diffuses tensions and reduces misunderstandings.

Again and again naval forces have proven themselves the most immediate, the most capable and the most adaptable option when a crisis develops.

Overall the FY16 President's Budget balances current readiness needed to execute assigned missions while sustaining a highly capable fleet, all within a tough fiscal climate. That climate demands our most rigorous examination of every dollar we spend and continuing our aggressive efforts to cut unnecessary costs in every program and shift resources from "tail" to "tooth.

When America has called, the Navy and Marine Corps have always been there. In order to ensure that we continue to provide the naval force our nation's leaders and the American people expect, the Commandant and Chief of Naval Operations and I look forward to answering your questions and to working together with this Committee and the Congress to "maintain" our great Navy and Marine Corps. Because in the words of President Theodore Roosevelt "A good Navy is not a provocation to war. It is the surest guaranty of peace."