

Mr. Gaster

NATIONAL DEFENSE BUDGET ESTIMATES FOR FY 1981

FILE COPY



**OFFICE OF THE ASSISTANT SECRETARY
OF DEFENSE (COMPTROLLER)**

NATIONAL DEFENSE BUDGET ESTIMATES FOR FY 1981

This book is intended to serve as a convenient source with respect to the FY 1981 budget estimates for National Defense. The material is organized into chapters as shown in the Table of Contents. Each chapter begins with a brief description of the material included and some highlight data, followed by material in greater detail.

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
(COMPTROLLER)

TABLE OF CONTENTS

	<u>Table No.</u>	<u>Page</u>
Chapter 1. National Defense -- An Overview		
Summary -----		1
National Defense Budget Summary -----	1-1	4
National Defense Budget Authority and Outlays, 1945-81 -----	1-2	5
Federal Unified Budget: Budget Authority and Outlays -----	1-3	6
National Defense Estimates, FY 1981 -----	1-4	7
National Defense Budget Authority Summary -----	1-5	8
Budget Authority -- Defense Appropriation Act -----	1-6	9
Budget Authority -- Military Construction Act -----	1-7	11
Budget Authority -- Defense Related Activities -----	1-8	12
Budget Authority -- Trust Funds and Receipts -----	1-9	13
National Defense Outlays Summary -----	1-10	14
Outlays -- Defense Appropriation Act -----	1-11	15
Outlays -- Military Construction Act -----	1-12	17
Outlays -- Defense Related Activities -----	1-13	18
Outlays -- Trust Funds and Receipts -----	1-14	19
Chapter 2. Supplementals and Contingencies		
Summary -----		21
Supplemental and Contingent Estimates Included in National Defense Totals (BA) -----	2-1	23
Supplemental and Contingent Estimates Included in National Defense Totals (Outlays) -----	2-2	24
Proposals Requiring Legislation -----	2-3	25
Chapter 3. Legislative Authorizations		
Summary -----		26
National Defense Budget Estimates and ASC Legislative Actions, FY 1981 -----	3-1	27
Appropriations Subject to Authorization -----	3-2	28
Personnel Authorizations -----	3-3	29
BA for Items Covered by DoD Authorization Bill - Current Prices -----	3-4	30
BA for Items Covered by DoD Authorization Bill - Constant Prices -----	3-5	31
Authorization to Appropriation Matrix -----	3-6	32
Chapter 4. Chronologies and Scorekeeping		
Summary -----		33
National Defense Budget Authority, FY 1979 -----	4-1	34
National Defense Outlays, FY 1979 -----	4-2	35
National Defense Budget Authority, FY 1980 -----	4-3	36
National Defense Outlays, FY 1980 -----	4-4	37
Chronology of FY 1979 Estimates -----	4-5	38
Chronology of FY 1980 Estimates -----	4-6	41
Chronology of FY 1981 Estimates -----	4-7	44

	<u>Table No.</u>	<u>Page</u>
Chapter 5. Pay Raises and Price Increases: Treatment of Inflation		
Summary -----		45
Pay Raises and Price Increases by Element, FY 1976-85 -----	5-1	49
Percent of Inflation by Sector -----	5-2	50
Pay Rates and the Cost of Living, FY 1949-79 -----	5-3	51
Indices, FY 1972=100 -----	5-4	52
Indices, FY 1981=100 -----	5-5	53
Pay Increases and Pay and Price Indices since 1945 -	5-6	54
Pay Raise Assumptions, FY 1980-85 -----	5-7	55
Inflation, FY 1980-81 -----	5-8	56
Long-Range Inflation Forecasts February 1975 and January 1976-80 -----	5-9	57
Military Personnel Inflation, FY 1980-81 -----	5-10	58
DoD Inflation, FY 1980-81 -----	5-11	59
Civilian Pay, Base year 1972 -----	5-12	60
Civilian Pay, Base Year 1981 -----	5-13	61
Composite Inflation Rates by Appropriation Category, DoD, FY 1955-81 -----	5-14	62
Chapter 6. TOA Trends and Program Changes		
Summary -----		63
TOA by Appropriation Title, FY 1945-81 -----	6-1	64
TOA by Major Force Program, Current Dollars, FY 1945-81 -----	6-2	67
TOA by Major Force Program, Constant Dollars, FY 1945-81 -----	6-3	68
TOA by Pay and Non-Pay Operations/Investment, FY 1945-81 -----	6-4	69
TOA by Component, FY 1945-81 -----	6-5	73
TOA Real Growth by Appropriation Account, FY 1978-81 -----	6-6	75
TOA by Appropriation Act, FY 1979-81 -----	6-7	77
Effect of Congressional Actions and Other Changes on BA and TOA, FY 1980 -----	6-8	80
DoD Baseline Trends (Graphic) FY 1955-85 -----	6-9	81
Chapter 7. FY 1981-85 Forecasts		
Summary -----		82
National Defense BA and Appropriations and DoD TOA, FY 1980-85 -----	7-1	83
National Defense Outlays, FY 1980-85 -----	7-2	84
Comparison of January 1981 Estimates for National Defense January 1979 and January 1980 -----	7-3	85
Comparison of January 1979 and January 1980 Esti- mates of National Defense Budget Authority and Appropriations and DoD TOA, FY 1980-84 -----	7-4	86
Comparison of Long-Range Forecasts TOA FY 1980-84 -----	7-5	87
Comparison of January 1979 and January 1980 Estimates of National Defense Outlays, FY 1980-84	7-6	88

	<u>Table No.</u>	<u>Page</u>
National Defense Totals in Current and Constant Prices FY 1974-85 -----	7-7	89
Chapter 8. Defense, The Public Sector and the Economy		
Summary -----		90
Federal Outlays, FY 1940-81 -----	8-1	92
Federal Outlays in Constant FY 1972 Prices, FY 1940-81 -----	8-2	93
Federal Outlays (Graphic Trends), FY 1950-81 -----	8-3	94
U.S. Public Spending, FY 1940-81 -----	8-4	95
U.S. Public Spending in Constant FY 1972 Prices, FY 1940-81 -----	8-5	96
National Income Accounts (Purchases), FY 1947-81 ---	8-6	97
Department of Defense Manpower, FY 1940-81 -----	8-7	98
U.S. Employment and Labor Force, FY 1940-81 -----	8-8	99
Defense Shares of Economic and Budgetary Aggregates, FY 1940-81 -----	8-9	100
Economic and Budgetary Aggregates (Graphic Trends), FY 1950-81 -----	8-10	101

NATIONAL DEFENSE - AN OVERVIEW

The National Defense Budget Estimates For FY 1981 is intended as a convenient reference source concerning the Nation's defense budget. To be comprehensive, any such review should place the Defense budget in perspective; it must be viewed in the context of the whole Federal budget and the economy. To that end, the data included in this volume have been collected from a variety of sources, including several outside the Department of Defense, and are presented in a series of brief expository chapters intended to clearly detail the Defense budget, in context, without either subjecting the reader to a deluge of numbers or failing to provide an adequate data reference source.

Chapter 1 is a fairly comprehensive overview of the Defense budget, providing data in three of the standard classifications: total obligational authority, budget authority, and outlays. Each of the next six chapters is a review of aspects of the budget which have been of particular interest in years past and seem likely to be of continuing interest this year. For example, Chapter 5, "Pay Raises and Price Increases: Treatment of Inflation," addresses both the impact of price inflation and the techniques of measuring it. The final chapter, "Defense, The Public Sector, And The Economy," portrays the Defense budget in the broader context of employment and economic indicators and will be of particular interest to those having a special concern for the impact of the Defense budget on the economy.

Definitions

The Federal budget is stated in terms of budget authority and outlays; the Department of Defense also describes its budget in terms of total obligational authority.

Budget Authority (BA) -- The authority provided by law to enter into obligations for immediate or future payment (outlays) of Government funds. Most budget authority is provided by the Congress in the form of appropriations and reappropriations. Budget authority is identified to the year the authority takes effect.

Total Obligational Authority (TOA) -- TOA is a DoD financial measurement term which expresses the value of the direct Defense program for a fiscal year. Prior to FY 1979, TOA differed from budget authority primarily because of congressional actions directing the transfer of prior year budget authority balances to finance direct programs (increasing TOA with no effect on budget authority); application of shelf stock sales receipts to finance direct programs (increasing TOA with no effect on budget authority); and budget authority lapsing before obligations were incurred (decreasing TOA with no effect on budget authority).

Commencing with FY 1979, congressionally-directed transfers of prior-year budget authority balances which have the effect of extending the life of the appropriation are treated as both TOA and budget authority. As a result, the values of TOA and budget authority now are more nearly the same. An additional difference, however, arises in the Family Housing account where receipts from rentals to non-Defense agencies (e.g., the Coast Guard) and sale of surplus units are available for obligation (TOA), but do not require budget authority.

Outlays - In government, as in private industry, there are time lags between the budgeting of funds (congressional appropriation), the signing of contracts or placement of orders (obligations), and the receipt of services or goods and consequent payment. The payment, the expenditure itself, is termed an outlay. Outlays occur when cash is paid or checks are written. The time lag between obligation and outlay results from the time required to render the service or complete the construction or production. The time lag between the time the bill is signed into law and the obligation is incurred (the order placed) results from management actions to preclude the unnecessary stocking (warehousing) of goods and the necessity to obtain congressional approval in annual increments while operations go forward on a daily basis. In addition, for most procurement and construction projects, the Congress under the full funding concept approves sufficient funds to complete the project, even though production or construction may require several years. For example, shipbuilding appropriations are available for obligation over a five-year period. As a result of full funding and time to produce or deliver, the outlays in a year arise, in part, from obligations incurred during prior years. The future outlay data reported in this volume take such effects into consideration and specifically recognize the changing mix of obligation types as procurements receive an increasing share of the budget.

Budget Summary

The National Defense Budget is summarized in Tables 1-1, 1-2, 1-3, and 1-4. Table 1-1, National Defense Budget Summary, presents the budget in each of the three terms defined previously. As the table composition shows, the National Defense Budget includes, in addition to the DoD budget, activities of other Federal Agencies which are in support of the National Defense Function. While those defense related activities are aggregated in Table 1-1 as DoE and other, later tables show them in greater detail. TOA is \$158,739 million in FY 1981, an increase of \$19,396 million over the FY 1980 TOA of \$139,343 million. The lower half of the table is in constant dollars set at expected FY 1981 purchasing power. In FY 1981 dollars, the FY 1980 TOA is \$150,668 million, just \$8,071 million less than the FY 1981 TOA. The FY 1980 to FY 1981 changes are shown in the last column of the table. That column shows real (FY 1981) dollar increases of \$8,071 million in TOA, \$8,630 million in BA, and \$5,086 million in outlays. Chapter 5 provides information on the measurement of inflation.

Real growth can be calculated by dividing the constant dollar increase by the base year. That calculation yields DoD real growth of 5.35% in TOA, 5.51% in BA, and 3.31% in outlays.

Table 1-2 presents DoD and National Defense budget authority and outlay data for the period FY 1945 to FY 1981. The data are tabled in both current dollars and constant FY 1981 dollars. The fiscal year labeled 19TQ is the July-to-September 1976 quarter which marked the transition from a July-to-June fiscal year to an October-to-September fiscal year. The constant dollar time series provides a basis for comparing our current defense effort to earlier efforts.

Table 1-3 shows the Federal budget by function for the fiscal years 1979, 1980, and 1981. The functions are those used in the Budget of the United States and it is that document which is the source for Table 1-3. The four largest functions, in dollar terms, are Income Security, National Defense, Interest, and Health. Together they account for 80 percent of the FY 1981 outlays.

Table 1-4 which details the National Defense estimate by Act will prove invaluable to those who desire to either follow Congressional action or refer to the original legislation. The contingencies which have been included in the estimate but not yet submitted to the Congress are also identified. The table identifies outlays arising from prior year authority and those resulting from FY 1981 authority. As it shows, approximately 30 percent of FY 1981 outlays will result from balances of prior authority.

Budget Authority Summaries

Tables 1-5, 1-6, 1-7, 1-8 and 1-9 present budget authority (BA) in expanded detail. Table 1-5 details BA by act in current dollars and constant FY 1981 dollars. Table 1-6, 1-7, 1-8, and 1-9 detail the current dollar and constant FY 1981 dollar BA amounts for the acts listed in Table 1-5. Data are presented for FY 1979, FY 1980, and FY 1981.

Outlay Summaries

Tables 1-10, 1-11, 1-12, 1-13, and 1-14 present outlay detail analogous to the budget authority detail in tables 1-5 to 1-9.

Chapter 6, "TOA Trends and Program Changes," presents TOA tables analogous to tables 1-5 and 1-10.

1-1 NATIONAL DEFENSE BUDGET SUMMARY
(\$ in Millions)

	<u>FY 1976</u>	<u>FY 1977</u>	<u>FY 1978</u>	<u>FY 1979</u>	<u>FY 1980</u>	<u>FY 1981</u>	<u>Change FY 1980-81</u>
<u>In Current Prices</u>							
Total Obligation Authority, DoD	95,797	107,975	116,494	124,759	139,343	158,739	19,396
Budget Authority							
DoD	95,508	108,338	115,322	125,004	138,635	158,155	19,520
DOE and Other	1,664	2,094	2,605	2,805	2,997	3,614	617
Total, National Defense	97,172	110,432	117,926	127,809	141,632	161,770	20,138
Outlays							
DoD	87,891	95,557	103,042	115,013	127,400	142,700	15,300
DOE and Other	1,539	1,944	2,144	2,668	2,968	3,541	573
Total, National Defense	89,430	97,501	105,186	117,681	130,368	146,241	15,873
<u>In Constant FY 1981 Prices</u>							
Total Obligational Authority, DoD	139,537	146,562	147,031	146,393	150,668	158,739	8,071
Budget Authority							
DoD	139,109	147,057	145,538	146,687	149,897	158,155	8,258
DoE and Other	2,424	2,842	3,288	3,291	3,240	3,614	374
Total, National Defense	141,533	149,899	148,826	149,978	153,137	161,770	8,630
Outlays							
DoD	127,008	129,484	130,414	135,472	138,123	142,700	4,577
DOE and Other	3,946	3,274	2,642	2,849	3,032	3,541	509
Total, National Defense	130,954	132,758	133,056	138,321	141,155	146,241	5,086

Totals may not add due to rounding.

1-2 NATIONAL DEFENSE BUDGET AUTHORITY AND OUTLAYS, 1945-1981
(\$ in Millions)

FY	CURRENT PRICES					CONSTANT (FY1981) PRICES				
	Outlays		Budget Authority		TOA	Outlays		Budget Authority		TOA
	DoD	Tot Nat'l Defense	DoD	Tot Nat'l Defense	DoD	DoD	Tot Nat'l Defense	DoD	Tot Nat'l Defense	DoD
1945	76,462	81,858	33,794	39,190	79,504	467,882	500,344	249,215	231,756	470,192
1946	40,184	41,553	42,629	43,998	36,578	247,563	252,980	256,675	271,425	225,691
1947	13,205	11,601	10,599	8,957	14,260	75,431	59,581	64,054	49,706	79,145
1948	10,151	7,845	11,800	9,493	11,903	55,475	40,247	62,455	49,806	62,444
1949	11,241	11,761	10,433	10,936	13,204	58,669	54,587	56,630	55,428	66,916
1950	11,674	12,407	14,086	16,474	14,337	57,213	58,343	65,928	77,017	67,023
1951	19,572	21,863	47,534	57,772	45,173	87,992	95,369	188,294	229,527	179,448
1952	38,716	43,352	60,196	67,518	57,188	159,942	170,024	243,642	273,352	231,529
1953	43,410	49,913	48,603	56,882	44,283	172,396	191,287	195,871	233,410	181,708
1954	40,056	46,289	34,319	38,691	30,429	160,596	174,876	143,335	166,485	130,938
1955	35,169	39,834	30,425	32,867	33,790	137,999	150,643	126,228	133,551	137,300
1956	35,396	39,719	32,791	34,980	38,065	133,484	144,946	129,173	133,206	144,972
1957	38,098	42,415	35,916	39,412	39,724	137,204	147,488	137,045	146,895	148,067
1958	39,194	43,721	36,971	40,099	41,124	133,751	146,971	135,207	142,701	146,343
1959	41,467	45,960	41,402	45,053	42,193	135,997	149,622	142,543	154,981	145,127
1960	41,494	45,168	40,907	44,309	40,257	135,058	146,639	137,498	150,302	136,572
1961	43,292	46,662	41,386	45,134	44,643	137,236	148,755	138,690	149,450	147,848
1962	46,826	49,039	48,014	50,162	48,434	147,548	153,381	158,684	164,250	158,592
1963	47,941	50,142	49,560	52,114	49,420	150,004	152,761	160,832	168,055	159,383
1964	49,470	51,528	49,627	51,595	49,547	149,524	153,129	154,002	159,984	153,613
1965	45,880	47,456	49,058	50,590	49,561	136,579	137,942	147,661	152,150	149,051
1966	54,093	54,852	63,555	64,443	64,532	152,269	151,822	179,609	182,455	182,700
1967	67,357	68,243	72,177	73,104	71,592	179,714	182,977	194,583	198,060	193,974
1968	77,265	78,756	76,342	77,180	74,965	195,882	201,652	197,411	199,845	194,115
1969	77,785	79,417	76,905	78,508	77,755	190,018	194,705	189,471	193,512	191,652
1970	77,070	78,553	74,083	75,348	75,517	174,723	179,648	170,510	173,134	173,536
1971	74,472	75,808	71,159	72,710	72,815	158,486	161,666	153,359	156,399	156,625
1972	75,076	76,550	75,006	76,407	76,502	148,269	152,502	148,822	151,691	151,874
1973	73,223	74,540	77,555	79,071	78,948	135,465	139,541	142,828	145,753	145,538
1974	77,550	77,781	80,991	81,468	81,681	132,423	135,484	137,524	138,316	138,683
1975	84,900	85,553	85,661	86,199	86,176	131,206	133,999	132,972	133,849	133,811
1976	87,891	89,430	95,508	97,172	95,797	127,008	130,954	139,109	141,547	139,537
1977	21,880	22,306	23,022	23,449	22,352	30,909	31,791	32,175	32,759	31,228
1978	95,557	97,501	108,338	110,432	107,975	129,484	132,758	147,057	149,901	146,562
1979	103,042	105,186	115,322	117,926	116,494	130,414	133,056	145,538	148,840	147,031
1980	115,013	117,681	125,004	127,809	124,759	135,472	138,321	146,687	149,975	146,393
1981	127,400	130,368	138,635	141,632	139,343	138,123	141,155	149,897	153,149	150,739
1981	142,700	146,241	158,155	161,770	158,739	142,700	146,241	158,155	161,770	158,739

1-3 FEDERAL UNIFIED BUDGET

BUDGET AUTHORITY AND OUTLAYS

(\$ MILLIONS)

	BUDGET AUTHORITY			OUTLAYS		
	1979	1980	1981	1979	1980	1981
NATIONAL DEFENSE	127,809	141,632	161,770	117,681	130,368	146,241
INTERNATIONAL AFFAIRS	8,688	13,050	16,939	6,091	10,401	9,612
GENERAL SCIENCE, SPACE, AND TECHNOLOGY	5,377	6,164	6,866	5,041	5,889	6,442
ENERGY	7,382	41,461	7,408	6,856	7,751	8,107
NATURAL RESOURCES AND ENVIRONMENT	13,207	12,687	13,306	12,091	12,776	12,819
AGRICULTURE	9,346	4,998	5,460	6,238	4,636	2,802
COMMERCE AND HOUSING CREDIT	5,921	10,172	5,912	2,565	5,476	712
TRANSPORTATION	19,204	21,009	23,618	17,459	19,631	20,159
COMMUNITY AND REGIONAL DEVELOPMENT	9,969	8,950	9,840	9,482	8,467	8,820
EDUCATION, TRAINING, EMPLOYMENT AND SOCIAL SERVICES	32,565	31,207	34,815	29,685	30,654	31,989
HEALTH	53,908	60,033	71,546	49,614	56,563	62,449
INCOME SECURITY	191,880	222,127	251,451	160,198	190,948	219,982
VETERANS BENEFITS AND SERVICES	20,495	21,205	22,716	19,928	20,766	21,731
ADMINISTRATION OF JUSTICE	4,234	4,415	4,689	4,153	4,530	4,699
GENERAL GOVERNMENT	4,395	4,906	4,946	4,153	4,885	4,931
GENERAL PURPOSE FISCAL ASSISTANCE	8,285	8,737	9,606	8,372	8,670	9,617
INTEREST	52,554	63,329	67,197	52,556	63,330	67,197
ALLOWANCES	—	150	3,115	—	100	2,570
UNDISTRIBUTED OFFSETTING RECEIPTS	-18,488	-22,258	-25,119	-18,488	-22,258	-25,119
TOTAL	556,732	653,974	696,080	493,673	563,583	615,761

1-4 NATIONAL DEFENSE ESTIMATES, FY 1981
(\$ Thousands)

	Budget Authority	Outlays		Total
		Current Authority	Prior Balances	
Submitted in January 1980				
Defense Appropriation Act ^{1/}	151,453,419	97,682,316	39,816,690	137,499,006
Military Construction	5,223,400	1,394,956	2,344,044	3,739,000
Treasury, Postal Service	192,451	190,563	1,836	192,399
HUD, Independent Agencies	171,103	98,070	58,107	156,177
Public Works	<u>3,443,228</u>	<u>1,881,568</u>	<u>1,504,180</u>	<u>3,385,748</u>
Total Submitted in January 1980	<u>160,483,601</u>	<u>101,247,473</u>	<u>43,724,857</u>	<u>144,972,330</u>
(DoD included above)	(156,602,819)	(99,006,406)	(42,158,094)	(141,164,500)
Contingencies for Later Submission:				
10/1/80 Pay Increase - Military	1,174,416	1,174,400	-	1,174,400
- Civilian	503,123	482,534	-	482,534
- Retired	22,866	22,866	-	22,866
FY 1981 Wage Board Increases	169,213	162,300	-	162,300
Retired Pay Legislation	13,800	13,800	-	13,800
Other Legislation	<u>229,100</u>	<u>229,100</u>	-	<u>229,100</u>
Total, FY 1981 Contingent Amounts	2,112,518	2,085,000	-	2,085,000
Trust Funds, Receipts, etc.				
DoD	-560,100	-549,500	-	-549,500
Stockpile	-263,000	-263,000	-	-263,000
Other Defense Related	-3,500	-3,500	-	-3,500
Net, Trust Funds, Receipts, etc.	<u>-826,600</u>	<u>-816,000</u>	-	<u>-816,000</u>
Total, National Defense	<u>161,769,519</u>	<u>102,516,473</u>	<u>43,724,857</u>	<u>146,241,330</u>

^{1/} Includes \$18,700 thousand in BA and \$18,206 thousand in outlays for Intelligence Community Oversight staff, and \$55,300 in both BA and Outlays for the CIA retirement and disability fund.

1-6 BUDGET AUTHORITY - DEFENSE APPROPRIATION ACT
(\$ Thousands)

	Current Dollars			Constant Dollars Base Year is FY 1981		
	FY 1979 Actual	FY 1980 Estimated	FY 1981 Submitted	FY 1979	FY 1980	FY 1981 W/Contingencies
<u>Military Personnel</u>						
Military Personnel, Army	9,702,873	10,440,019	10,830,900	11,195,790	11,247,909	11,258,327
Military Personnel, Navy	6,792,633	7,297,893	7,509,200	7,837,586	7,862,705	7,826,903
Military Personnel, Marine Corps	2,106,200	2,227,981	2,257,300	2,430,052	2,400,536	2,350,006
Military Personnel, Air Force	7,961,935	8,415,795	8,700,500	9,186,205	9,067,482	9,090,158
Reserve Personnel, Army	566,800	643,541	760,200	653,889	693,324	795,271
Reserve Personnel, Navy	233,931	254,908	261,200	270,198	274,531	270,372
Reserve Personnel, Marine Corps	87,200	94,149	94,900	100,672	101,414	98,246
Reserve Personnel, Air Force	197,400	226,153	244,100	227,775	243,736	254,957
National Guard Personnel, Army	787,100	934,200	1,056,200	907,737	1,006,533	1,092,653
National Guard Personnel, Air Force	266,500	290,560	322,800	307,455	313,053	334,042
Total - Military Personnel	28,702,572	30,825,299	32,037,300	33,117,355	33,211,223	33,370,935
Retired Pay, Defense	10,283,000	11,980,700	13,699,80	12,958,650	13,331,798	13,736,457
<u>Operation and Maintenance</u>						
Oper. and Maint., Army	9,593,327	10,805,618	12,137,100	11,204,477	11,629,230	12,299,629
Oper. and Maint., Navy	11,935,515	13,821,895	15,631,500	13,983,285	14,899,494	15,805,386
Oper. and Maint., Marine Corps	751,100	834,446	937,200	878,852	898,636	948,677
Oper. and Maint., Air Force	9,478,584	10,904,450	12,137,500	11,151,261	11,771,388	12,259,432
Oper. and Maint., Defense Agencies	3,160,018	3,699,214	4,066,300	3,694,448	3,984,366	4,191,135
Oper. and Maint., Army Reserve	420,300	433,444	469,200	489,531	465,398	477,633
Oper. and Maint., Navy Reserve	380,469	399,836	444,100	451,646	433,075	446,400
Oper. and Maint., Marine Corps Reserve	19,900	22,040	27,478	23,720	23,921	27,527
Oper. and Maint., Air Force Reserve	393,300	438,707	486,000	457,653	471,379	493,655
Oper. and Maint., Army Nat'l Guard	799,400	817,750	847,500	925,693	875,756	865,135
Oper. and Maint., Air Nat'l Guard	950,000	1,115,187	1,229,400	1,110,528	1,201,150	1,245,544
Rifle Practice, Army	375	411	425	437	447	425
Claims, Defense	118,100	98,200	146,800	142,164	106,964	146,980
Contingencies, Defense	2,500	-	-	2,969	-	-
Court of Military Appeals, Defense	1,840	2,099	2,197	2,139	2,255	2,247
Foreign Currency Fluctuations, Defense	16,466	1,900	-	19,868	2,071	-
Winter Olympic Games	2,000	10,000	-	2,413	10,900	-
Total - Operation and Maintenance	38,023,194	43,405,197	48,562,700	44,541,084	46,776,430	49,209,805
<u>Procurement</u>						
Aircraft Procurement, Army	949,709	951,037	925,300	1,107,861	1,024,202	925,300
Missile Procurement, Army	761,900	1,162,500	1,501,300	892,021	1,254,983	1,501,300
Procurement of W&TCV Army	1,506,700	1,824,500	2,628,900	1,753,077	1,962,663	2,628,900
Procurement of Ammunition, Army	1,194,600	1,232,800	1,513,500	1,395,929	1,329,356	1,513,500
Other Procurement, Army	1,656,950	1,454,810	2,129,758	1,929,970	1,565,450	2,129,758
Aircraft Procurement, Navy	4,337,100	4,428,746	4,966,300	5,076,390	4,779,831	4,966,300

1-6 BUDGET AUTHORITY - DEFENSE APPROPRIATION ACT (CONT'D)
(\$ Thousand)

Shipbuilding and Conversion, Navy	5,148,838	6,682,350	6,118,400	5,960,557	7,191,215	6,118,400
Other Procurement, Navy	2,603,814	2,624,756	3,081,447	3,042,093	2,829,875	3,081,447
Procurement, Marine Corps	356,000	283,785	467,600	413,750	304,994	467,600
Aircraft Procurement, Air Force	6,871,107	7,976,181	8,555,043	8,025,616	8,596,394	8,555,043
Missile Procurement, Air Force	1,473,000	2,182,985	3,042,284	1,738,379	2,368,302	3,042,284
Other Procurement, Air Force	2,363,150	2,632,741	2,972,687	2,793,477	2,864,963	2,994,687
Procurement, Defense Agencies	274,600	286,375	302,523	321,788	309,295	302,523
Proc. of Aircraft & Missiles, Navy	-	-	-	-	-	-
Proc. of Equip. & Missiles, Army	-	-	-	-	-	-
Total - Procurement	31,428,490	35,685,780	40,523,642	36,598,747	38,492,369	40,545,642
Research Develop., Test & Eval.						
RDT&E, Army	2,640,864	2,845,231	3,232,500	3,081,705	3,073,081	3,251,293
RDT&E, Navy	4,480,266	4,466,019	4,836,100	5,240,154	4,936,941	4,858,009
RDT&E, Air Force	4,394,977	5,026,032	7,085,300	5,148,653	5,439,818	7,100,959
RDT&E, Defense Agencies	892,887	1,037,022	1,289,500	1,047,710	1,123,216	1,290,408
Dir. of Test & Eval., Defense	27,600	42,500	42,100	32,218	45,809	42,100
Total, RDT & Eval.	12,436,594	13,516,804	16,485,500	14,450,440	14,618,865	16,542,769
Special Foreign Currency Program	14,362	6,667	2,760	16,640	7,152	2,760
Revolving & Management Funds						
Army Stock Fund	175,980	-	-	208,301	-	-
Navy Stock Fund	251,400	-	309	297,584	-	309
Marine Corps Stock Fund	-	-	4,108	-	-	4,108
Air Force Stock Fund	196,257	-	28,300	232,302	-	28,300
Defense Stock Fund	102,296	-	35,000	121,084	-	35,000
Total Revolving & Management Funds	725,942	-	67,717	859,271	-	67,617
Total Department of Defense Funds	121,614,154	135,420,447	151,379,419	142,535,547	146,430,685	153,473,225
Central Intelligence Agency	43,500	51,600	55,300	51,044	55,796	55,300
Intelligence Community Oversight	12,000	12,051	18,700	14,081	13,031	18,700
Total-Defense Appropriation Act	121,669,654	135,484,098	151,453,419	142,707,312	146,506,664	153,550,085
Supplemental Request Included Above Enacted FY 1980 (Less Transfers & Adjustments)	-	4,238,222	-	-	-	-
	-	131,245,876	-	-	-	-

1-7 BUDGET AUTHORITY - MILITARY CONSTRUCTION ACT
(\$ Thousands)

	<u>Current Dollars</u>			<u>Constant Dollars</u>		
	<u>FY 1979</u>	<u>FY 1980</u>	<u>FY 1981 Submitted</u>	<u>FY 1979</u>	<u>FY 1980</u>	<u>FY 1981 W/Contingencies</u>
<u>Military Construction</u>						
Military Construction, Army	722,409	725,649	980,300	836,263	778,539	984,822
Military Construction, Navy	760,145	567,000	703,000	884,319	609,593	705,289
Military Construction, Air Force	483,264	565,456	815,300	562,607	608,368	815,300
Mil. Con., Defense Agencies	183,980	192,350	235,700	214,183	206,934	235,700
Mil. Con., Army National Guard	52,200	23,700	35,000	61,190	25,579	35,000
Mil. Con., Air National Guard	44,750	36,000	90,200	52,492	38,861	90,200
Mil. Con., Army Reserve	37,100	30,000	44,200	43,249	32,282	44,295
Mil. Con., Naval Reserve	21,850	18,300	24,700	25,529	197,721	24,700
Mil. Con., Air Force Reserve	13,000	12,000	22,600	15,244	12,953	2,600
Foreign Currency Fluctuations	- -	125,000	- -	- -	136,125	- -
NATO Infrastructure	- -	- -	300,000	- -	- -	300,000
Total - Military Construction	<u>2,318,698</u>	<u>2,295,455</u>	<u>3,251,000</u>	<u>2,695,076</u>	<u>2,468,955</u>	<u>3,257,906</u>
<u>Family Housing Construction</u>						
Family Housing, Construction	132,364	1,000	276,100	153,563	1,074	276,100
Family Housing, Debt Payment	29,874	29,100	25,800	35,360	31,719	25,800
Family Housing, Operations	1,399,400	1,468,587	1,670,500	1,641,007	1,589,628	1,679,446
Homeowners Asst. Fund, Defense	1,526	1,000	- -	1,806	1,090	- -
Total - Family Housing	<u>1,563,165</u>	<u>1,499,697</u>	<u>1,972,400</u>	<u>1,831,736</u>	<u>1,623,511</u>	<u>1,981,346</u>
Total - Military Construction Act	<u>3,881,863</u>	<u>3,795,152</u>	<u>5,223,400</u>	<u>4,526,812</u>	<u>4,092,466</u>	<u>5,239,252</u>

1-8 BUDGET AUTHORITY - DEFENSE-RELATED ACTIVITIES
(\$ in Thousands)

	Current Dollars			Constant Dollars			
	FY 1979	FY 1980 Enacted	FY 1980 With Supp.	FY 1981	FY 1979	FY 1980	FY 1981
Treasury, Postal Service and General Government Appropriation Act:							
Operating Expenses, Federal Property Resources Activities (GSA)	19,125	22,282	22,282	22,551	22,442	24,107	22,551
National Defense Stockpile Transactions Fund (GSA)	-	-	-	169,900	-	-	169,900
Total, Treasury, Postal, etc.	<u>19,125</u>	<u>22,282</u>	<u>22,282</u>	<u>192,451</u>	<u>22,442</u>	<u>24,107</u>	<u>192,451</u>
Department of Housing & Urban Development - Independent Agencies Appropriation Act:							
Federal Emergency Management Agency Salaries and expenses, Selective Service System	134,955	129,621	140,380	160,121	158,361	151,795	160,121
Total, HUD, Independent Agencies	<u>142,785</u>	<u>137,451</u>	<u>150,026</u>	<u>171,103</u>	<u>167,549</u>	<u>162,313</u>	<u>171,103</u>
Public Works for Water and Power and Energy Research Appropriation Act:							
Department of Energy, Atomic Energy Defense Activities	2,667,988	2,959,396	3,005,742	3,443,228	3,131,706	3,251,912	3,433,228
Departments of State, Justice, and Commerce, the Judiciary & Related Agencies Appropriation Act:							
Salaries and Expenses, Renegotiation Board	5,260	-	-	-	6,172	-	-
DoD Appropriations Act:							
CIA Retirement and Disability Fund	43,500	51,600	51,600	55,300	51,044	55,796	55,300
Intelligence Community Staff	12,000	11,527	12,051	18,700	14,081	13,031	18,700
Total, DoD Appropriations	<u>55,500</u>	<u>63,127</u>	<u>63,651</u>	<u>74,000</u>	<u>65,125</u>	<u>68,827</u>	<u>74,000</u>
Total, Defense Related	<u>2,890,658</u>	<u>3,182,256</u>	<u>3,241,701</u>	<u>3,880,782</u>	<u>3,392,994</u>	<u>3,507,159</u>	<u>3,880,782</u>

1-9 BUDGET AUTHORITY - TRUST FUNDS AND RECEIPTS
(\$ in Thousands)

	Current Dollars			Constant Dollars		
	FY 1979	FY 1980	FY 1981	FY 1979	FY 1980	FY 1981
Department of Defense:						
Offsetting Receipts, Army	-227,105	-200,000	-190,000	-268,816	-217,939	-190,000
Offsetting Receipts, Navy	-95,355	-116,200	-105,200	-112,868	-126,623	-105,200
Offsetting Receipts, Air Force	-144,762	-150,000	-150,000	-171,350	-163,455	-150,000
Offsetting Receipts, Defense	<u>-25,270</u>	<u>-115,300</u>	<u>-115,500</u>	<u>-29,911</u>	<u>-125,642</u>	<u>-115,500</u>
Total - Deductions for Offsetting Rcpts.	-492,492	-581,500	-560,700	-582,945	-633,659	-560,700
Trust Funds:						
Ainsworth Library (Trust)	-	1	-	-	1	-
Army General Gift Fund (Trust)	14	19	20	17	21	20
USN Academy General Gift Fund (Trust)	339	181	215	397	197	215
USN Academy Museum Fund (Trust)	137	149	140	162	162	140
Navy General Gift Fund (Trust)	116	200	175	137	218	175
Ships Stores Profit, Navy (Trust)	10,760	10,000	10,200	12,736	10,897	10,200
Ofc of Navl Records & History Fund (Trust)	39	40	40	46	44	40
Air Force General Gift Fund (Trust)	<u>77</u>	<u>10</u>	<u>10</u>	<u>91</u>	<u>11</u>	<u>10</u>
Total - Trust Funds	11,478	10,600	10,800	13,856	11,550	10,800
Intragovernmental Trust Fund, Navy	<u>-10,760</u>	<u>-10,000</u>	<u>-10,200</u>	<u>-12,736</u>	<u>-10,897</u>	<u>-10,200</u>
Total - Department of Defense	<u>-491,774</u>	<u>-580,900</u>	<u>-560,100</u>	<u>-581,825</u>	<u>-633,006</u>	<u>-560,100</u>
General Services Administration:						
Intrafund Transaction	-9,389	-	-	-11,108	-	-
Stockpile Sales: Existing Legislation	-73,497	-64,234	-60,000	-86,955	-69,996	-60,000
Proposed Legislation	-	-177,600	-203,000	-	-193,530	-203,000
Selective Service	-1	-	-	-1	-	-
Treasury (Proprietary Receipts from the Public)	-2,811	-3,000	-3,500	-3,326	-3,269	-3,500
Renegotiation Board	<u>-1</u>	<u>-</u>	<u>-</u>	<u>-1</u>	<u>-</u>	<u>-</u>
Total, Defense Related	<u>-85,699</u>	<u>-244,834</u>	<u>-266,500</u>	<u>-101,391</u>	<u>-266,795</u>	<u>-266,500</u>
Total, National Defense	-577,473	-825,734	-826,600	-683,216	-899,801	-826,600

1-10 NATIONAL DEFENSE OUTLAY SUMMARY
(Thousands)

	<u>FY 1979</u>	<u>FY 1980</u>	<u>FY 1981</u>	<u>Distribution of FY 1980 Outlays</u>	
				<u>Current Authority</u>	<u>Prior Balances</u>
Defense Appropriation Act:					
Enacted/Regular Estimates	112,008,807	120,103,460	137,499,006	97,682,316	39,816,690
Supplemental Submitted	-	4,194,998	-	-	-
Contingencies	-	-	2,069,797	2,069,797	-
Total	<u>112,008,807</u>	<u>124,298,458</u>	<u>139,568,803</u>	<u>99,752,113</u>	<u>39,816,690</u>
Military Construction:					
Enacted Regular Estimates	3,547,504	3,718,000	3,739,000	1,394,956	2,344,044
Contingencies	-	-	15,203	15,203	-
Total	<u>3,547,504</u>	<u>3,718,000</u>	<u>3,754,203</u>	<u>1,410,159</u>	<u>2,344,044</u>
Treasury, Postal Service, etc.:					
Enacted/Regular Estimates	16,166	21,337	192,399	190,563	1,836
Supplementals Submitted	-	-	-	-	-
Total	<u>16,166</u>	<u>21,337</u>	<u>192,399</u>	<u>190,563</u>	<u>1,836</u>
HUD, Independent Agencies:					
Enacted/Regular Estimates	138,659	138,479	156,177	98,070	58,107
Supplementals Submitted	-	9,045	-	-	-
Total	<u>138,659</u>	<u>147,524</u>	<u>156,177</u>	<u>98,070</u>	<u>58,107</u>
Public Works:					
Enacted/Regular Estimates	2,540,861	2,943,761	3,385,748	1,881,568	1,504,180
Supplementals Submitted	-	36,050	-	-	-
Total	<u>2,540,861</u>	<u>2,979,811</u>	<u>3,385,748</u>	<u>1,881,568</u>	<u>1,504,180</u>
Health and Human Resources:	3	19	-	-	-
Department of State, Justice Commerce, etc.:					
Enacted/Regular Estimates (Total)	4,006	202	-	-	-
Total, All Appropriations:					
Enacted/Regular Estimates	118,256,006	126,925,258	144,972,330	101,247,473	43,724,857
Supplementals Submitted	-	4,240,093	2,085,000	-	-
Contingencies	-	-	-	2,085,000	-
Total	<u>118,256,006</u>	<u>131,165,351</u>	<u>147,057,330</u>	<u>103,332,473</u>	<u>43,724,857</u>
Trust Funds and Receipts:					
Existing Legislation	-575,411	-619,734	-613,000	-613,000	-
Proposed Legislation	-	-177,600	-203,000	-103,000	-
Net, Trust Funds & Receipts	<u>-575,411</u>	<u>-797,334</u>	<u>-816,000</u>	<u>-816,000</u>	<u>-</u>
Total, National Defense	117,680,595	130,368,017	146,241,330	102,516,473	43,724,857

1-11 OUTLAYS-DEFENSE APPROPRIATION ACT
(\$ Thousands)

	Current Dollars				FY 1981 Distribution	
	FY 1979	FY 1980	FY 1981	FY 1981 W/Contingencies	Current Authority	Prior Balances
<u>Military Functions</u>						
<u>Military Personnel</u>						
Military Personnel, Army	9,617,759	10,414,000	10,753,000	11,180,427	11,089,973	90,454
Military Personnel, Navy	6,738,246	7,296,000	7,447,000	7,764,703	7,759,483	5,220
Military Personnel, Marine Corps	2,054,816	2,202,000	2,233,000	2,325,706	2,255,688	70,018
Military Personnel, Air Force	7,889,486	8,305,000	8,624,000	9,013,658	8,866,585	147,073
Reserve Personnel, Army	560,128	620,000	730,000	765,071	721,450	43,621
Reserve Personnel, Navy	243,376	252,000	260,000	269,172	247,990	21,182
Reserve Personnel, Marine Corps	80,735	90,000	91,000	94,346	84,057	10,289
Reserve Personnel, Air Force	195,367	220,000	238,000	248,857	231,003	17,854
National Guard Personnel, Army	765,386	894,000	1,015,000	1,051,453	981,591	69,862
National Guard Personnel, Air Force	261,872	281,000	314,000	325,242	307,012	18,230
Total-Military Personnel	28,407,171	30,574,000	31,705,000	33,038,635	32,544,832	493,803
Retired Pay, Defense	10,279,058	11,941,000	13,677,000	13,713,657	13,654,258	59,399
<u>Operation and Maintenance</u>						
Oper. and Maint., Army	9,187,348	10,007,000	11,457,000	11,612,675	9,850,733	1,761,942
Oper. and Maint., Navy	11,269,091	12,560,000	14,749,000	14,915,746	11,034,928	3,880,818
Oper. and Maint., Marine Corps	700,712	832,000	904,000	915,003	782,787	132,216
Oper. and Maint., Air Force	9,169,077	10,474,000	11,726,000	11,843,014	10,499,794	1,343,220
Oper. and Maint., Defense Agencies	3,183,983	3,696,000	3,965,000	4,087,721	3,878,929	208,792
Oper. and Maint., Army Reserve	399,561	428,000	460,000	468,108	418,031	50,077
Oper. and Maint., Navy Reserve	315,205	396,000	421,000	423,206	324,216	98,990
Oper. and Maint., Marine Corps	16,972	22,000	25,000	25,047	18,008	7,039
Oper. and Maint., Air Force Reserve	391,408	432,000	478,000	485,342	451,871	33,471
Oper. and Maint., Army National Guard	777,887	802,000	831,000	847,913	756,135	91,778
Oper. and Maint., Air National Guard	915,364	1,075,000	1,214,000	1,229,483	1,102,847	126,636
Rifle Practice, Army	296	400	430	430	340	90
Claims, Defense	94,563	116,600	142,400	142,580	132,300	10,280
Contingencies, Defense	538	-	-	-	-	-
Court of Military Appeals, Defense	2,175	2,000	2,170	2,206	2,145	61
Foreign Currency Fluctuations, Defense	-	-	-	-	-	-
XIII Winter Olympic Games	124	9,000	1,000	1,000	-	1,000
Total-Operation & Maintenance	36,424,304	40,852,000	46,376,000	46,999,474	39,253,064	7,746,410
<u>Procurement</u>						
Aircraft Procurement, Army	557,934	750,000	874,000	874,000	61,403	812,597
Missile Procurement, Army	546,907	617,000	998,000	998,000	151,020	846,980
Procurement of W&TCV, Army	1,247,753	1,371,000	1,620,000	1,620,000	193,189	1,426,811
Procurement of Ammunition, Army	958,085	999,000	1,138,000	1,138,000	132,599	1,005,401
Other Procurement, Army	1,138,561	1,293,000	1,467,000	1,467,000	120,667	1,246,333
Aircraft Procurement, Navy	3,140,183	3,806,000	4,103,000	4,103,000	574,135	3,528,865
Weapons Procurement, Navy	1,701,744	1,842,000	1,924,000	1,924,000	248,986	1,675,014
Shipbuilding & Conversion, Navy	4,553,451	4,218,000	4,408,000	4,408,000	155,539	4,252,461
Other Procurement, Navy	1,982,745	2,349,000	2,431,000	2,431,000	386,483	2,044,517
Procurement, Marine Corps	404,400	373,000	351,000	351,000	27,441	323,599
Aircraft Procurement, Air Force	5,138,195	5,772,000	6,473,000	6,473,000	719,828	5,753,172
Missile Procurement, Air Force	1,537,223	1,607,000	1,842,000	1,842,000	359,706	1,482,294
Other Procurement, Air Force	2,230,361	2,354,000	2,561,000	2,582,000	1,469,343	1,112,757
Procurement, Defense Agencies	237,225	278,000	291,000	291,000	39,620	251,380

1-11 OUTLAYS-DEFENSE APPROPRIATION ACT (CONT'D)

Procurement of Aircraft & Missiles, Navy	14,202	15,000	15,000	15,000	-	15,000
Procurement of Equipment & Missiles Army	<u>15,285</u>	<u>4,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total- Procurement	25,404,254	27,648,000	30,497,000	30,518,100	4,639,959	25,878,141
<u>Research, Development, Test & Evaluation</u>						
RDT&E, Army	2,408,870	2,652,000	2,966,000	2,984,021	1,898,479	1,085,542
RDT&E, Navy	3,826,449	4,710,000	4,653,000	4,674,013	2,999,990	1,674,023
RDT&E, Air Force	4,079,757	4,581,000	6,019,000	6,034,027	4,003,768	2,030,259
RDT&E, Defense Agencies	808,781	958,000	1,167,000	1,167,870	676,138	491,732
Dir. of Test & Eval. Defense	<u>28,320</u>	<u>32,000</u>	<u>38,000</u>	<u>38,000</u>	<u>10,621</u>	<u>27,379</u>
Total- RDT&E	11,152,177	12,933,000	14,843	14,897,931	9,588,996	5,308,935
Special Foreign Currency Program	2,698	8,555	7,250	7,250	138	7,112
<u>Revolving & Management Funds</u>						
Def. Prod. Guar., Navy	- 1,443	- 285	- 113	- 113	-	- 113
Def. Prod. Guar., Defense Agencies	-	-	-	-	-	-
Laundry Service, Naval Academy	-	-	-	-	-	-
Army Stock Fund	117,395	81,600	43,100	43,100	-	43,100
Navy Stock Fund	37,199	44,100	55,200	55,200	-	55,200
Marine Corps Stock Fund	4,726	17,600	2,900	2,900	-	2,900
Air Force Stock Fund	106,151	70,000	322,600	322,600	-	322,600
Defense Stock Fund	93,228	- 70,400	- 82,900	- 82,900	-	- 82,900
Army Industrial Fund	2,747	- 7,669	- 21,544	- 21,544	-	- 21,544
Navy Industrial Fund	70,938	100,900	- 19,600	- 19,600	-	- 19,600
Marine Corps Industrial Fund	136	1,200	- 1,600	- 1,600	-	- 1,600
Air Force Industrial Fund	- 116,406	35,000	28,600	28,600	-	28,600
Defense Industrial Fund	-	29,200	- 6,400	- 6,400	-	- 6,400
Army Management Fund	- 11,232	- 25,528	-	-	-	-
Navy Management	5,785	2,060	-	-	-	-
Air Force Management Fund	<u>489</u>	<u>120</u>	<u>7</u>	<u>7</u>	<u>-</u>	<u>7</u>
Total - Revolving & Management Funds	285,595	277,945	320,250	320,250	-	320,250
Total - Department of Defense	<u>111,955,257</u>	<u>124,234,500</u>	<u>137,425,500</u>	<u>139,495,297</u>	<u>99,681,247</u>	<u>39,814,050</u>
Central Intelligence Agency	43,500	51,600	55,300	55,300	55,300	-
Intelligence Community Oversight	<u>10,050</u>	<u>12,358</u>	<u>18,206</u>	<u>18,206</u>	<u>15,566</u>	<u>2,640</u>
Total - Defense Appropriation Act	112,088,807	124,298,458	137,449,006	139,568,803	99,752,113	39,816,690

1-12 OUTLAYS - MILITARY CONSTRUCTION ACT
(\$ Thousands)

	<u>FY 1979</u>	<u>FY 1980</u>	<u>FY 1981</u>		<u>FY 1981 Distribution</u>	
			<u>Submitted</u>	<u>With Contingencies</u>	<u>Current Authority</u>	<u>Prior Balances</u>
<u>Military Construction</u>						
Military Construction, Army	606,561	643,000	659,000	663,337	60,802	602,535
Military Construction, Navy	734,231	660,000	553,195	555,195	103,129	452,066
Military Construction, Air Force	564,064	562,000	515,000	515,000	46,876	468,124
Mil. Con., Defense Agencies	3,550	125,000	62,000	62,000	6,788	55,212
Mil. Con., Army National Guard	49,279	47,000	31,000	31,000	3,360	27,640
Mil. Con., Air National Guard	38,741	37,000	43,000	43,000	5,195	37,805
Mil. Con., Army Reserve	46,102	40,000	34,000	34,091	2,212	31,879
Mil. Con., Naval Reserve	25,447	21,000	17,000	17,000	1,659	15,341
Mil. Con., Air Force Reserve	11,981	12,000	14,000	14,000	2,169	11,831
NATO Infrastructure	- -	- -	125,000	125,000	15,000	110,000
Total - Military Construction	2,079,986	2,147,000	2,053,000	2,059,623	247,190	1,812,433
<u>Family Housing</u>						
Family Housing, Construction	122,882	63,000	100,000	100,000	7,951	92,049
Family Housing, Debt Payment	18,635	29,000	16,000	16,000	15,824	176
Family Housing, Operations	1,327,596	1,478,000	1,569,000	1,577,580	1,139,320	438,260
Homeowners Asst. Fund, Def	-1,595	1,000	1,000	1,000	-126	1,126
Total - Family Housing	1,467,518	1,571,000	1,686,000	1,694,580	1,162,969	531,611
Total	3,547,504	3,718,000	3,739,000	3,754,203	1,410,159	2,344,044

1-13 OUTLAYS - DEFENSE RELATED ACTIVITIES
(\$ Thousands)

	<u>FY 1979</u>	<u>FY 1980 Enacted</u>	<u>FY 1980 W/Supplemental</u>	<u>FY 1981</u>	<u>FY 1981 Distribution</u>	
					<u>Current Authority</u>	<u>Prior Balances</u>
Treasury, Postal Service & General Government Appropriations Act:						
Operating Expenses, Federal Property Resources Activities (GSA)	15,994	21,337	21,337	22,499	22,499	-
National Defense Stockpile Transactions Fund (GSA)	-	-	-	169,900	169,900	-
William Langer Jewel Bearing Plant (GSA)	172	-	-	-	-1,836	+1,836
Total, Treasury, Postal, etc.	<u>16,166</u>	<u>21,337</u>	<u>21,337</u>	<u>192,399</u>	<u>190,563</u>	<u>1,836</u>
Department of Housing & Urban Development- Independent Agencies Appropriation Act:						
Federal Emergency Management Agency	131,414	130,236	138,136	145,145	90,088	55,057
Salaries & Expenses, Selective Service System	7,245	8,243	9,388	11,032	7,982	3,050
Total, HUD, Independent Agencies	<u>138,659</u>	<u>138,479</u>	<u>147,524</u>	<u>156,177</u>	<u>98,070</u>	<u>58,107</u>
Public Works for Water & Power & Energy Research Appropriation Act:						
Department of Energy, Atomic Energy Defense Activities	2,540,861	2,943,761	2,979,811	3,385,748	1,881,568	1,504,180
Department of State, Justice, & Commerce, the Judiciary, & Related Agencies Appropriation Act:						
Salaries & Expenses, Renegotiation Board	4,006	202	202	-	-	-
DoD Appropriation Act:						
CIA Retirement & Disability Fund	43,500	51,600	51,600	55,300	55,300	-
Intelligence Community Staff	10,050	12,358	12,358	18,206	15,566	2,640
	<u>53,550</u>	<u>63,958</u>	<u>63,958</u>	<u>73,506</u>	<u>70,866</u>	<u>2,640</u>
Health & Human Services - Emergency Health	3	19	19	-	-	-
Total, Defense Related	<u>2,753,245</u>	<u>3,167,756</u>	<u>3,212,851</u>	<u>3,807,830</u>	<u>2,241,067</u>	<u>1,566,763</u>

1-14 OUTLAYS - TRUST FUNDS, RECEIPTS, ETC.
 (\$. in Thousands)

	<u>FY 1979</u>	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1981 Distribution</u>	
				<u>Current Authority</u>	<u>Prior Balances</u>
Department of Defense:					
Offsetting Receipts, Army	-227,105	-200,000	-190,000	-190,000	-
Offsetting Receipts, Navy	-95,355	-116,200	-105,200	-105,200	-
Offsetting Receipts, Air Force	-144,762	-150,000	-150,000	-150,000	-
Offsetting Receipts, Defense	<u>-25,270</u>	<u>-115,300</u>	<u>-115,500</u>	<u>-115,500</u>	<u>-</u>
Total - Deductions for Offsetting Rcpts.	-492,492	-581,500	-560,700	-560,700	-
Trust Funds:					
Army General Gift Fund (Trust)	91	67	72	72	-
USN Academy General Gift Fund (Trust)	112	171	181	181	-
USN Academy Museum Fund (Trust)	86	148	129	129	-
Navy General Gift Fund (Trust)	255	200	175	58	117
Ships Stores Profit, Navy (Trust)	10,536	10,000	10,200	10,200	-
Ofc of Naval Records & History Fund (Trust)	10	14	12	7	5
Air Force General Gift Fund (Trust)	8	5	3	3	-
Surcharge Coll., Sales of Comm Stores, A(TR)	4,895	7,196	-1,372	-1,372	-
Midshipmen's Store, USN Academy (TR)	-73	-11	-	-	-
Surcharge Coll., Sales of Comm Stores, N(TR)	-8,664	1,000	10,700	-	10,700
Surcharge Coll., Sales of Comm Stores, MC(TR)	-2,333	6,683	-1,700	-	-1,700
Surcharge Coll., Sales of Comm Stores, AF(TR)	8,659	14,027	2,000	-	2,000
Air Force Cadet Fund (TR)	<u>-42</u>	<u>-500</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total - Trust Funds	13,540	39,000	21,400	9,278	12,122
Intragovernmental Trust Fund, Navy	<u>-10,760</u>	<u>-10,000</u>	<u>-10,200</u>	<u>-10,200</u>	<u>-</u>
Total - Department of Defense	<u>-489,712</u>	<u>-552,500</u>	<u>-549,500</u>	<u>-561,622</u>	<u>12,122</u>
General Services Administration:					
Intrafund Transaction	-9,389	-	-	-	-
Stockpile Sales: Existing Legislation	-73,497	-64,234	-60,000	-60,000	-
Proposed Legislation	-	-177,600	-203,000	-203,000	-
Selective Service	-1	-	-	-	-
Treasury (Proprietary Receipts from the Public)	-2,811	-3,000	-3,500	-3,500	-
Renegotiation Board	<u>-1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total - Defense Related	<u>-85,699</u>	<u>-244,834</u>	<u>-266,500</u>	<u>-266,500</u>	<u>-</u>
Total - National Defense	-575,411	-797,334	-816,000	-828,122	12,122

CHAPTER 2

SUPPLEMENTALS AND CONTINGENCIES

Table 2-1 shows a summary of the supplemental requests for budget authority for FY 1980, and the contingent request included in the FY 1981 estimates. Table 2-2 shows the related outlays.

The distribution by appropriation act is based upon an estimate of where these items would fall when submitted.

Table 2-3 represents a listing of legislative proposals which impact FY 1981-85 budget authority and outlays. The individual proposals consist of those items pending in Congress, items approved in DoD but not yet transmitted to Congress, and other items in various stages of coordination within DoD. Although the total budget authority and outlays estimated for the proposals listed totals \$584.1 million for FY 1981, contingency funds in the DoD budget total \$249.2 million. Larger contingency amounts are budgeted for the outyears. Details of the individual proposals are provided below.

Defense Officer Personnel Management Act (DOPMA) - Revises current laws regarding the appointment, promotion, separation and retention of commissioned officers.

Family Separation Allowance - Authorized a family separation allowance of \$30 per month to junior enlisted personnel (E-1 to E-4 with four years or less service) similar to the allowance currently provided to officers and senior enlisted personnel.

Trailer Allowance - Provides sufficient entitlements to Service personnel to reimburse them for the cost of transporting a house trailer or mobile dwelling. The amounts allowable under current law are considerably lower than the actual costs of transporting the trailer.

Quarters Allowance for Navy Personnel - Authorizes reimbursement to Navy personnel when they are deprived of their shipboard quarters because of ship repairs or other conditions which make these quarters uninhabitable.

Physicians Pay (H.R. 4076) - Provides for a permanent increase in special pay for physicians and replaces the Variable Incentive Pay Program with two-year authority to offer entry or continuation bonuses. Special pay would be increased from \$4,200 per year to \$18,000 per year for unobligated physicians. The bonus, available to physicians with less than 12 years of service, would be \$8,000 for each year of service with a \$24,000 maximum.

Sea Pay - Would amend the current law regarding sea pay which establishes fixed dates when certain rates of pay can be awarded. This proposal would accelerate these rates to reach the maximum in FY 1980 in lieu of FY 1981.

Uniformed Service Retirement Benefits Act - Revises the military retirement system. It introduces vesting and provides new career incentives by giving active duty personnel special cash benefits after 10 years of service. It would enhance force management by increasing the attractiveness of service beyond 20 years for careerists and could reduce retirement costs after a prolonged transition period by 20-30 percent annually.

Dual Pay for Reservists - Proposes that the Federal government grant military leave but provide civilian pay only to the extent necessary to assure no loss of take-home pay from Reserve annual training duty. Current law permits full payment of both military and civilian pay. Savings would be approximately \$30 million annually in civilian pay.

Survivor Benefit Plan - Would reduce the cost of the Survivor Benefit Plan (SBP) to participating military retired personnel or increase the benefits paid to their survivors.

Claims Settlement Increase - Increases the level of claims that can be adjudicated within the DoD from \$15,000 to \$25,000 per claim.

NATO Reimbursement - Changes the reimbursement that NATO countries pay to the United States for training from a full-cost basis to an incremental cost basis. As a result, DoD appropriations must pay for some costs previously supported by NATO.

Ryukyu Islands, Nonappropriated Funds (NAF) Payments - Would make it possible for military dependents' nonappropriation fund instrumentalities located in the Ryukyu Islands and Daito Islands, Japan to be reimbursed for increased severance pay costs for their Japanese employees incurred as a result of the reversion of those islands to Japan.

Permanent Enlisted Bonus Authority - Would raise the maximum rate for enlistment bonuses from \$3,000 to \$5,000 and provide DoD with permanent authority to offer such payments.

Selective Reenlistment Bonus - Would raise the maximum amounts from \$15,000 to \$20,000 and allow a bonus to be paid for reenlistments between 10 and 14 years of service. Current bonus authority prohibits payments after the tenth year of service.

Transportation of Dependent Students - Would provide travel and transportation entitlements to student dependents of military personnel similar to what is currently provided to employees of the State Department.

IRR Reenlistment Bonuses - Authorizes payment of a \$600 bonus to individuals who reenlist in the Individual Ready Reserve (IRR) for three years.

Health Professions Scholarship Program - Increases monthly stipend from \$435 to \$570 for scholarship students entering the program after January 1, 1980. The increase is the amount required to offset Federal taxation and social security withholdings on the stipend.

Military Per Diem - Increases maximum rate of per diem allowance for military members from \$35 to \$50 and increases maximum reimbursement allowed when travel expenses exceed the maximum rate of per diem allowance, from \$50 to \$75.

ROTC Subsistence Allowances - Would increase ROTC subsistence allowances from \$100 per month to \$150 per month.

Additional ROTC Scholarships - Permits the Army to award an additional 2,000 ROTC scholarships annually to meet Reserve Component officer requirements.

E-7 and Above BAQ Option - Would extend to military personnel above grade E-6 who are without dependents the option to receive basic allowance for quarters (BAQ) in lieu of assignment to military quarters.

Dependent Travel to Isolated Stations - Authorizes round trip travel (environmental leave) for members and dependents at Government expense from isolated duty stations.

Additional Dental Care to CHAMPUS - Provides cost sharing of dental expenses for military dependents under CHAMPUS.

Aviation Pay Increases - Provides increases in aviation career incentive pay to military aviators to offset the decrease in buying power resulting from inflation since 1974.

2-1 SUPPLEMENTAL AND CONTINGENT ESTIMATES INCLUDED IN NATIONAL DEFENSE TOTALS
(Budget Authority, \$ Thousands)

	Defense Approp. Act	Construction	Treasury Postal, Etc.	HUD Indep. Agencies	Public Works	Total
FY 1980 supplemental requests:						
10/1/79 pay increase - military	1,765,339	-	-	-	-	1,765,339
- civilian	710,000	-	-	-	-	710,000
FY 1980 wage board increases	355,100	-	-	-	-	355,100
Subsistence	80,659	-	-	-	-	80,659
Retired Pay, (CPIs, pay, etc.)	529,200	-	-	-	-	529,200
Operations Readiness Supplemental	797,400	-	-	-	-	797,400
Intelligence Community Staff	524	-	-	-	-	524
Federal Emergency Mgmt. Agency	-	-	-	10,759	-	10,759
Selective Service	-	-	-	1,816	-	1,816
DOE (Atomic Energy, Defense activities)	-	-	-	-	46,346	46,346
Total, FY 1980 supplementals	<u>4,238,222</u>	<u>-</u>	<u>-</u>	<u>12,575</u>	<u>46,346</u>	<u>4,297,143</u>
FY 1981 contingent amounts: ^{a/}						
10/1/80 pay increase - military	1,174,416	-	-	-	-	1,174,416
- civilian	491,445	11,678	-	-	-	503,123
- retired	22,866	-	-	-	-	22,866
FY 1981 wage board increases	165,039	4,174	-	-	-	169,213
Retired Pay Legislation	13,800	-	-	-	-	13,800
Other Legislation	229,100	-	-	-	-	229,100
Total, FY 1981 contingent amounts	<u>2,096,666</u>	<u>15,852</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,112,518</u>

^{a/} The distribution of contingent amounts by appropriation bill, shown here, represents an estimate of where these amounts would fall when submitted. The distribution shown here is used throughout.

2-2 SUPPLEMENTAL AND CONTINGENT ESTIMATES INCLUDED IN NATIONAL DEFENSE TOTALS
(Outlays, \$ Thousands)

	<u>Defense Approp. Act</u>	<u>Construction</u>	<u>Treasury Postal, Etc.</u>	<u>HUD Indep. Agencies</u>	<u>Public Works</u>	<u>Total</u>
FY 1980 supplemental requests:						
10/1/79 pay increase - military	1,765,339	-	-	-	-	1,765,339
- civilian	681,400	-	-	-	-	681,400
FY 1980 wage board increases	341,000	-	-	-	-	341,000
Subsistence	80,659	-	-	-	-	80,659
Retired pay (CPIs, pay, etc.)	529,200	-	-	-	-	529,200
Operations Readiness Supplemental	797,400	-	-	-	-	797,400
Federal Emergency Mgmt. Agency.	-	-	-	7,900	-	7,900
Selective Service	-	-	-	1,145	-	1,145
DoE (Atomic Energy, Defense activities)	-	-	-	-	36,050	36,050
Total, FY 1980 supplementals	<u>4,194,998</u>	<u>-</u>	<u>-</u>	<u>9,045</u>	<u>36,050</u>	<u>4,240,093</u>
FY 1981 contingent amounts: <u>a/</u>						
10/1/80 pay increase - military	1,174,400	-	-	-	-	1,174,400
- civilian	471,334	11,200	-	-	-	482,534
- retired	22,866	-	-	-	-	22,866
FY 1981 wage board increases	158,297	4,003	-	-	-	162,300
Retired Pay Legislation	13,800	-	-	-	-	13,800
Other Legislation	229,100	-	-	-	-	229,100
Total, FY 1981 contingent amounts	<u>2,069,797</u>	<u>15,203</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,085,000</u>

24

a/ The distribution of contingent amounts by appropriation bill, shown here represents an estimate of where these amounts would fall when submitted. The distribution shown here is used throughout.

2-3 PROPOSALS REQUIRING LEGISLATION
(Budget Authority and Outlays, \$ Millions)

	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
Defense Officer Personnel					
Management Act (DOPMA)	1.0	-30.1	-26.2	-4.0	7.4
Family Separation Allowance	13.1	13.1	13.1	13.1	13.1
Trailer Allowance	8.0	8.0	8.0	8.0	8.0
Quarters Allowance for					
Navy Personnel	9.7	9.7	9.7	9.7	9.7
Physicians Pay	46.4	48.2	49.8	53.4	53.2
Sea Pay	2.1	-	-	-	-
Uniformed Services Retirement Benefits Act	-	592.1	605.9	614.9	598.9
Dual Pay for Reservists	-30.0	-30.0	-30.0	-30.0	-30.0
Survivor Benefit Plan	27.6	49.8	76.8	106.1	106.1
Claims Settlement Increase	.4	.4	.4	.4	.4
NATO Reimbursement	32.0	32.0	32.0	32.0	32.0
Ryukyu Island, NAF Payments	7.4	-	-	-	-
Permanent Enlistment Bonus Authority	5.2	5.2	5.2	5.2	5.2
Selective Reenlistment Bonus	18.3	18.3	18.3	18.3	18.3
Transportation of Dependent Students	.7	.7	.7	.7	.7
IRR Reenlistment Bonuses	2.0	4.0	6.0	6.0	6.0
Health Professions Scholarship Program	3.3	5.2	7.3	7.6	7.6
Military Per Diem	101.9	101.9	101.9	101.9	101.9
ROTC Subsistence Allowances	21.0	24.3	24.6	24.8	24.8
Additional ROTC Scholarships	3.1	9.8	12.4	13.1	13.7
E-7 and Above BAQ Option	34.3	34.3	34.3	34.3	34.3
Dependent Travel to Isolated Stations	6.8	6.8	6.8	6.8	6.8
Additional Dental Care to CHAMPUS	164.0	184.0	208.0	235.0	254.0
Aviation Pay Increases	105.8	105.8	105.8	105.8	105.8
Total Legislative Program	<u>584.1</u>	<u>1,193.5</u>	<u>1,270.8</u>	<u>1,363.1</u>	<u>1,377.9</u>
Budgeted Level	242.9	887.1	938.8	1,006.1	1,003.5
Retired Legislation	13.8	641.9	682.7	721.0	705.0
Other Legislation	229.1	245.2	256.1	285.1	298.5

CHAPTER 3

LEGISLATIVE AUTHORIZATIONS

Nearly 100% of the National Defense estimates are for activities within the legislative purview of the Armed Services Committees of the House and Senate. Practically all National Defense budget authority is subject to the annual appropriation process. (In fact, for FY 1981, \$162.6 billion is subject to appropriation, with trust funds and receipts netting to a credit amount.) As can be seen in Table 3-1, the Defense Appropriation Act itself accounts for 93% of the National Defense total. The remainder of the estimates is scattered under several headings.

Table 3-1 shows how the National Defense estimates relate to the annual legislative authorization process, as distinct from continuing legislation. As shown, \$55.7 billion -- or 1/3 of the appropriated total -- is subject to specific annual authorization of the amounts to be appropriated. Another \$62.4 billion is covered by the annual authorization process through the authorization of military and civilian strengths. (In these cases, the appropriation dollar amounts are not specified in authorization legislation.) Effectively, then, the annual authorization process encompasses about \$118.1 billion, nearly three-fourths of the appropriated total. The \$44.5 billion that is not subject to annual legislative authorization includes \$29.7 billion for nonpay O&M costs; \$10.1 billion for procurement of ammunition and other non-systems procurement; \$4.2 billion for nonpay military personnel costs; and \$0.5 billion for other programs.

Table 3-1 also shows that \$203 million in projected stockpile sales is subject to legislation.

Table 3-2 presents a summary of the authorizations enacted and requested for DoD. (This excludes contingencies and the Defense-related activities.)

Table 3-3 shows personnel authorizations enacted and requested for DoD.

Table 4-4 shows budget authority for items covered by the Defense Appropriation Authorization Bill, FY 1979-82. The FY 1979 and FY 1980 columns show amounts authorized and appropriated. The appropriated columns reflect the status as of January 1980, including transfers, as of that time. The FY 1981 and FY 1982 columns show the requests now pending, and also show the amounts that would apply including the 10/1/80 and 10/1/81 pay raises for RDT&E.

Table 4-5 shows the same data in constant (FY 1981) prices.

Table 4-6 is a matrix showing the relationship of the authorization requests now pending in the Defense Appropriation Authorization Bill to the appropriation requests now pending in the Defense Appropriation Bill.

3-1 NATIONAL DEFENSE BUDGET ESTIMATES
AND ASC LEGISLATIVE ACTIONS, FY 1981
(PRESIDENT'S ESTIMATES, BUDGET AUTHORITY, \$ MILLIONS)

	<u>Request</u>	<u>Authorization or Other Legislation</u>	<u>Pay</u>	<u>Total</u>
Defense Appropriation Act	151,453 <u>a/</u>	46,719 <u>b/</u>	60,556	107,275
Military Construction/Family Housing	5,223	5,280		5,280
Atomic Energy and Other Defense-Related	3,807	3,443		3,443
Contingencies				
10/1/80 Civilian & Military Pay Raises	1,700		1,700	1,700
FY 1981 Wage Board Pay Raises	169		169	169
Retired Pay Legislation	14	14		14
Other Legislation Allowance	<u>229</u>	<u>229</u>		<u>229</u>
Total Contingencies	2,113	243	1,870	2,113
Total Subject to Appropriation	162,597	55,686	62,426	118,111
Stockpile Sales	-263	-203		-203
Other Trust Funds and Receipts	<u>-564</u>			<u>-564</u>
Net, Trust Funds and Receipts	-827	-203		-203
Total Budget Authority	161,770	55,483	62,426	117,908

a/ Includes \$55.3 million for CIA retirement fund and \$18.7 million for Intelligence Community Staff.

b/ Includes \$13.7 million for Ammunition Production Facilities authorized under the Military Construction Authorization Act.

3-2 APPROPRIATIONS SUBJECT TO AUTHORIZATION
(\$ Millions)

<u>Appropriation Category</u>	<u>FY 1979 Auth. Act</u>	<u>FY 1980 Auth. Act</u>	<u>FY 1981 Requested</u>	<u>FY 1982 Requested</u>
Procurement	24,595	27,770	30,217	36,464
RDT&E	12,559	15,509	16,486	18,522
Special Foreign Currency	14	6	3	3
Military Construction	2,427 <u>a/</u>	2,144 <u>a/</u>	3,196 <u>a/</u>	
Family Housing	1,702	1,695	2,098	

a/ Includes \$23.7 million in FY 1979; \$83.0 million in FY 1980; and \$ 13.7 million in FY 1981 for Ammunition Production Facilities funded under Procurement of Ammunition, Army.

3-3 PERSONNEL AUTHORIZATIONS

	<u>FY 1978 AUTH. ACT</u>	<u>FY 1979 AUTH. ACT</u>	<u>FY 1980 AUTH. ACT</u>	<u>FY 1981 REQUESTED</u>	<u>FY 1982 REQUESTED</u>
Active Military Forces (E/S)	2,085,100	2,055,750 <u>2/</u>	2,051,700	2,059,100	2,076,200
Reserve Military Forces (Avg.)	857,200	823,175	823,500	850,000	875,400
Civilian Personnel (E/S) Personnel (E/S) (Includes Foreign Nationals)	1,018,600 <u>1/</u>	1,005,500 <u>1/</u>	983,600 <u>1/</u>	990,000	990,000
Average Military Training Student Loads	248,894	217,145	230,488 <u>3/</u>	234,724	233,442

29

1/ Act provides Secretary of Defense authority to increase this number by not to exceed 1-1/4 percent.

2/ Included 2,800 reserve component personnel on full-time active duty included in the active duty authorization.

3/ Includes 27,790 for Army to be utilized solely for one station unit training.

3-4 BUDGET AUTHORITY FOR ITEMS COVERED BY DEFENSE AUTHORIZATION BILL
 CURRENT PRICES
 (\$ Thousands)

	FY 1979		FY 1980		FY 1981		FY 1982	
	Authorized	Appropriated	Authorized	Appropriated	Request	With Contingency	Request	With Contingency
Procurement								
Aircraft								
Army	972,400	949,709	1,002,600	951,037	925,300	925,300	1,402,300	1,402,300
Navy - Marine Corps	4,381,100	4,337,100	4,534,900	4,428,746	4,966,300	4,966,300	6,818,400	6,818,400
Air Force	7,153,300	6,871,107	8,085,440	7,976,181	8,555,043	8,555,043	9,475,023	9,475,023
Missiles								
Army	738,100	761,900	1,202,900	1,162,500	1,501,300	1,501,300	2,274,800	2,274,800
Navy	1,727,400	1,534,618	1,575,100	1,500,274	1,956,600	1,956,600	2,143,100	2,143,100
Marine Corps	23,100	23,013	20,500	20,500	73,343	73,343	108,350	108,350
Air Force	1,626,500	1,473,000	2,263,800	2,182,985	3,042,284	3,042,284	3,916,568	3,916,568
Naval Vessels	5,921,200	5,148,838	6,706,800	6,682,350	6,118,400	6,118,400	6,921,190	6,921,190
Tracked Combat Vehicles:								
Army	1,419,400	1,407,600	1,679,000	1,641,600	2,241,700	2,241,700	2,123,700	2,123,700
Marine Corps	24,300	25,092	13,000	13,000	45,125	45,125	200,414	200,414
Torpedoes and Related Support Equipment	366,800	321,130	336,800	305,100	168,600	168,600	152,800	152,800
Other Weapons								
Army	109,000	99,100	170,500	182,900	387,200	387,200	708,400	708,400
Navy	102,000	75,274	153,000	156,840	193,400	193,400	176,200	176,200
Marine Corps	30,200	31,100	-	-	42,690	42,690	42,914	42,914
Air Force	300	300	-	-	-	-	-	-
Total, Procurement	<u>24,595,100</u>	<u>23,058,881</u>	<u>27,769,540</u>	<u>27,229,213</u>	<u>30,217,285</u>	<u>30,217,285</u>	<u>36,464,159</u>	<u>36,464,159</u>
Research, Development, Test & Evaluation								
Army	2,705,401	2,640,864	2,866,461	2,845,231	3,232,500	3,251,293	3,654,394	3,732,174
Navy & Marine Corps (Incl SFCP)	4,507,268	4,485,678	4,542,992	4,571,360	4,838,860	4,860,769	5,210,901	5,301,595
Air Force	4,418,300	4,394,977	4,994,046	5,026,032	7,085,300	7,100,959	8,100,704	8,165,561
Defense Agencies	933,400	920,487	1,110,618	1,079,522	1,331,600	1,332,508	1,558,962	1,562,717
Total, RD&E	<u>12,564,369</u>	<u>12,442,006</u>	<u>13,514,117</u>	<u>13,522,145</u>	<u>16,488,260</u>	<u>16,545,529</u>	<u>18,524,961</u>	<u>18,762,047</u>
Total	<u>37,159,469</u>	<u>35,500,887</u>	<u>41,283,657</u>	<u>40,751,358</u>	<u>46,705,545</u>	<u>46,762,814</u>	<u>54,989,120</u>	<u>55,226,206</u>

3-5 BUDGET AUTHORITY FOR ITEMS COVERED BY DEFENSE AUTHORIZATION BILL
 CONSTANT FY 1981 PRICES
 (\$ Thousands)

	FY 1979		FY 1980		FY 1981		FY 1982	
	Authorized	Appropriated	Authorized	Appropriated	Request	With Contingency	Request	With Contingency
Procurement								
Aircraft								
Army	1,134,330	1,107,861	1,079,731	1,024,202	925,300	925,300	1,505,650	1,505,650
Navy - Marine Corps	5,127,889	5,076,390	4,894,400	4,479,831	4,966,300	4,966,300	7,320,916	7,320,916
Air Force	8,355,219	8,025,616	8,714,148	8,596,394	8,555,043	8,555,043	10,173,332	10,173,332
Missiles								
Army	864,157	892,021	1,298,597	1,254,983	1,501,300	1,501,300	2,442,453	2,442,453
Navy	2,010,450	1,786,079	1,694,409	1,613,915	1,956,600	1,956,600	2,301,046	2,301,046
Marine Corps	26,847	26,746	22,032	22,032	73,343	73,343	116,335	116,335
Air Force	1,919,533	1,738,379	2,455,976	2,368,302	3,042,284	3,042,284	4,205,219	4,205,219
Naval Vessels	6,854,701	5,960,577	7,217,523	7,191,215	6,118,400	6,118,400	7,431,282	7,431,282
Tracked Combat Vehicles								
Army	1,651,878	1,638,145	1,806,144	1,765,912	2,241,700	2,241,700	2,280,217	2,280,217
Marine Corps	28,242	29,162	13,972	13,972	45,125	45,125	215,185	215,185
Torpedoes and Related Support Equipment	426,903	373,750	362,312	328,210	168,600	168,600	164,061	164,061
Other Weapons								
Army	126,827	115,331	183,411	196,750	387,200	387,200	760,609	760,609
Navy	118,714	87,608	164,589	168,720	193,400	193,400	189,186	189,186
Marine Corps	35,099	36,145	27,083	27,083	42,690	42,690	46,077	46,077
Air Force	355	355	-	-	-	-	-	-
Total, Procurement	28,681,144	26,894,165	29,934,327	29,051,521	30,217,285	30,217,285	39,151,568	39,151,568
Research, Development, Test & Evaluation								
Army	3,157,014	3,081,705	3,096,010	3,073,081	3,232,500	3,251,293	3,938,340	4,022,164
Navy & Marine Corps (Incl SFCP)	5,271,672	5,246,424	4,911,997	4,942,671	4,838,860	4,860,769	5,615,788	5,713,529
Air Force	5,175,972	5,148,653	5,405,196	5,439,818	7,085,300	7,100,959	8,730,129	8,800,025
Defense Agencies	1,095,077	1,079,928	1,202,698	1,169,025	1,331,600	1,332,508	1,680,093	1,684,140
Total, RDT&E	14,699,735	14,556,710	14,615,901	14,624,595	16,488,260	16,545,529	19,964,350	20,219,858
Total	43,380,879	41,450,875	44,550,228	43,676,116	46,705,545	46,762,814	59,115,918	59,371,426

3-6 AUTHORIZATION TO APPROPRIATION MATRIX
FY 1981 BUDGET AUTHORITY
(\$ Thousands)

<u>Auth. & Approp. Identical</u>	<u>Authorization Title</u>	<u>Appropriation Title</u>
925,300	Aircraft, Army	Aircraft Procurement, Army
4,966,300	Aircraft, Navy & M.C	Aircraft Procurement, Navy
8,555,043	Aircraft, Air Force	Aircraft Procurement, A.F.
1,501,300	Missiles, Army	Missile Procurement, Army
3,042,284	Missiles, Air Force	Missile Procurement, A.F.
6,118,400	Naval Vessels	Shipbuilding & Conversion, Navy
3,232,500	RDT&E, Army	RDT&E, Army
7,085,300	RDT&E, Air Force	RDT&E, Air Force
<u>Auth. & Approp. on Different Basis ^{a/}</u>		
2,241,700	Tracked Combat Vehicles, Army	
387,200	Other Weapons, Army	
2,628,900		Procurement of Weapons and Tracked Combat Vehicles, Army
1,956,600	Missiles, Navy	
	Torpedoes and related support equipment, Navy	
168,600	Other weapons, Navy	
193,400		Weapons Procurement, Navy
2,318,600		
73,343	Missiles, Marine Corps	
45,825	Tracked Combat Vehicles, M.C.	
41,990	Other Weapons, M.C.	
(306,442)	Items not subject to authorization	
467,600		Procurement, Marine Corps
4,836,100		RDT&E, Navy
2,760		Special Foreign Currency Program
4,838,860	RDT&E, Navy and M.C.	
1,289,500		RDT&E, Defense Agencies
42,100		Director of Test and Evaluation
1,331,600	RDT&E, Defense Agencies (of which 33,400 is for the activities of the Director of Test and Evaluation)	

32

^{a/} Figures to left are authorization amounts; figures on right are appropriation amounts. Figure in parenthesis is not covered by annual authorization.

NOTE: In addition, \$13,670 thousand for Ammunition Production Facilities is requested for authorization under the Military Construction Authorization Act; funds would be appropriated in Procurement of Ammunition, Army.

CHAPTER 4

CHRONOLOGIES

The matter of chronologies has assumed much greater importance because of the scorekeeping provisions of the Congressional Budget Act.

Table 4-1 presents a chronology of National Defense Budget Authority for FY 1980, beginning with the January 1979 estimates and moving through amendments, congressional action and other changes to arrive at the FY 1980 column of the FY 1981 budget (submitted in January 1980). The current estimate is \$141.6 billion in budget authority, as compared to the \$141.2 billion in the second budget resolution. The breakdown of the \$141.6 current estimate is compared with the Congressional Budget Office' distribution of the \$141.2 billion target.

Note that changes were made after congressional action (labeled "other changes" in Table 4-3). These changes are as follows:

	(Budget authority, \$ millions)	
	<u>National Defense</u>	<u>DoD</u>
10/1/79 pay raise for military & civilian personnel higher than budgeted	+480	+480
FY 1980 wage board pay increases higher than budgeted	+190	+190
Proposed legislation not enacted	-61	-61
Retired pay CPIs, pay, etc.	+514	+514
Subsistence	+81	+81
Operations readiness	+797	+797
Defense-related	+59	-
Net supplementals/contingencies	<u>+2,061</u>	<u>+2,001</u>
DoD trust funds & receipts	-145	-145
Stockpile receipts	-4	-
Net, trust funds & receipts	<u>-149</u>	<u>-145</u>
Net Changes	+1,912	+1,857

4-1 NATIONAL DEFENSE BUDGET AUTHORITY, FY 1979
(\$ Millions)

	FY 1979 Request	Congressional Action	Other Changes	FY 1979 Column of FY 1980 Budget	Concurrent Resolution	Changes in CY 1979	FY 1979 Final
Submitted for congressional action in CY 1977							
Defense Appropriation Act	119,300	-1,960	-15	117,325	-119,104	+4,344	121,670 <u>d/</u>
Military construction	4,253	-372	-	3,881	3,881	+1	3,882
Treasury, Postal Service	314	-166	-	146	-223	+8	154
(Civil Defense included above)	(97)	(-)	(-97) <u>b/</u>	(-)	(-)	(-)	(-)
HUD, independent agencies	10	-2	-	7	9	+1	8
State, Justice, Commerce	7	-2	-	5	5	-	5
Public works	2,802 <u>c/</u>	-221	-	2,581	2,596	+87	2,668
Total submitted in CY 1978	126,686	-2,725	-15	123,945	125,818	+4,441	128,387
(DoD included above)	(123,597)	(-2,334)	(-112) <u>b/</u>	(121,151)	(122,985)	(4,345)	(125,496)
Contingencies and supplementals							
10/1/78 pay raise, including retired pay	2,085	-	-477	1,608	-	-1,608	-
FY 1979 wage boards	166	+75	-	241	-	-241	-
Military trailer allowance	8	-8	-	-	-	-	-
Family separation allowance	29	-29	-	-	-	-	-
Retired family protection plan	7	-7	-	-	-	-	-
Quarters allowance	10	-10	-	-	-	-	-
Officer personnel management act	14	-14	-	-	-	-	-
Sea pay	16	-16	-	-	-	-	-
Dual compensation	-30	+30	-	-	-	-	-
Program changes supplemental	-	-	+2,160	2,160	-	-2,160	-
Currency revaluation	-	-	+96	96	-	-96	-
Subsistence	-	-	+78	78	-	-78	-
BAQ and PCS	-	-	+43	43	-	-43	-
Increased manning levels (AF Reserve)	-	-	+4	4	-	-4	-
Retired pay (CPIs, legislation, etc)	-	-	+179	179	-	-179	-
Total DoD	2,305	+21	+2,082	4,408	-	-4,408	-
Defense-related	-	-	+39	39	-	-39	-
Total, contingencies and supplementals	2,305	+21	+2,121	4,447	1,756	-4,448	-
Trust funds, receipts, etc.							
Net DoD	-335	-	-15	-350	-335	-142	-492
Stockpile transactions	-242	-	+117	-125	-253	+43	-83
Other defense-related	-2	-	-	-3	-2	-	-3
Net, trust funds, receipts, etc.	-579	-	+102	-477	-590	-100	-577
Total, National Defense (DoD included above)	128,412 (125,567)	-2,704 (2,313)	+2,207 (+1,956)	127,915 (125,209)	127,000 <u>d/</u> (124,422) <u>d/</u>	-106 (-205)	127,809 (125,004)

a/ Includes \$43.5 million for CIA retirement and disability fund and \$12.0 million for Intelligence Community Staff.

b/ Civil Defense transferred out of DoD military functions effective with FY 1980 Budget.

c/ As amended, original request was \$2,825 thousand.

d/ Rounding upward of \$16 million required to balance.

4-2 NATIONAL DEFENSE OUTLAYS, FY 1979
(\$ millions)

	FY 1979 Request	Congressional Action	Other Changes	FY 1979 Column of FY 1980 Budget	Concurrent Resolution	Changes in CY 1979	FY 1979 Final
Submitted for congressional action in CY 1977							
Defense Appropriation Act	109,781	-587	-2,913	106,281	105,218	+5,728	112,009 ^{a/}
Military construction	3,412	-29	-141	3,242	3,155	+506	3,548
Treasury, Postal Service	317	-165	-	152	215	-4	148
(Civil Defense included above)	(98)	(-)	(98) ^{b/}	(-)	(-)	(-)	(-)
HUD, independent agencies	9	-3	-	6	8	+2	7
State, Justice, Commerce	7	-	-	7	5	-3	4
Public works	2,536	-44	-	2,492	2,416	+49	2,541
Total submitted in CY 1978	116,061	-828	-3,054	112,179	111,017	+6,077	118,256
(DoD included above)	113,238	(-618)	(-3,152) ^{b/}	(109,468)	(108,373)	(+6,035)	(115,503)
Contingencies and supplementals							
10/1/78 pay raise, including retired pay	2,072	-	-467	1,605	-	-1,605	-
FY 1979 wage boards	163	+75	-	238	-	-238	-
Military trailer allowance	8	-8	-	-	-	-	-
Family separation allowance	29	-29	-	-	-	-	-
Retired family protection plan	7	-7	-	-	-	-	-
Quarters allowance	10	-10	-	-	-	-	-
Officer personnel management act	14	-14	-	-	-	-	-
Sea pay	16	16	-	-	-	-	-
Dual compensation	-30	+30	-	-	-	-	-
Program changes supplemental	-	-	+595	595	-	-595	-
Currency revaluation	-	-	+36	36	-	-36	-
Subsistence	-	-	+78	78	-	-78	-
BAQ and PCS	-	-	+43	43	-	-43	-
Increased manning levels (AF Reserve)	-	-	+4	4	-	-4	-
Retired pay (CPIS, legislation, etc)	-	-	+179	179	-	-179	-
Total DoD	2,288	+22	+468	2,777	-	-2,777	-
Defense-related	-	-	+20	20	-	-20	-
Total, contingencies and supplementals	2,288	+22	488	2,797	1,745	-2,797	-
Trust funds, receipts, etc.							
Net DoD	-326	-	-19	-345	-335	-145	-490
Stockpile transactions	-242	-	+117	-125	-253	+43	-83
Other defense-related	-2	-	-	-3	-2	-	-3
Net, trust funds, receipts, etc.	-570	-	+97	-473	-590	-103	-575
Total, National Defense (DoD included above)	117,779 (115,200)	-806 (-596)	-2,469 (-2,704)	114,503 (111,900)	112,400 ^{c/} (110,011) ^{c/}	+3,177 (+3,113)	117,681 (115,013)

^{a/} Includes \$43.5 million for CIA retirement and disability fund and \$10.0 million for Intelligence Community Staff.

^{b/} Civil Defense transferred out of DoD military functions effective with FY 1980 Budget.

^{c/} Rounding upward of \$228 million required to balance.

4-3 NATIONAL DEFENSE BUDGET AUTHORITY, FY 1980
(\$ Millions)

	<u>January 1979 Estimate</u>	<u>FY 1980 Amended Request</u>	<u>Congres- sional Action</u>	<u>Other Changes</u>	<u>FY 1980 Col of FY 1981 Budget</u>	<u>Concurrent Resolution</u>
Submitted for Congressional Action in CY 1979						
Defense Appropriation Act	129,572	132,339	-1,093	-	131,246	
Military Construction	3,733	3,733	+62	-	3,795	
Treasury, Postal Service	200	200	-178	-	22	
HUD, Independent Agencies	149	149	-11	-	137	
Public Works	3,022	3,022	-63	-	2,959	
State, Justice, Commerce	<u>7</u>	<u>7</u>	<u>-7</u>	<u>-</u>	<u>-</u>	
Total submitted in CY 1979 (DoD included above)	136,684 (133,241)	139,451 (136,008)	-1,291 (-1,030)	- (-)	138,160 (134,978)	
Contingencies and Supplementals						
10/1/79 Pay Raises	1,995	1,995	-	+480	2,475	
FY 1980 Wage Board Pay Increase	165	165	-	+190	355	
Proposed Legislation	61	61	-	-61	-	
Retired Pay (CPIs, Pay, Etc.)	15	15	-	+514	529	
Subsistence	-	-	-	+81	81	
Operations Readiness	-	-	-	+797	797	
Total, DoD	<u>2,236</u>	<u>2,236</u>	<u>-</u>	<u>2,001</u>	<u>4,238</u>	
Defense-Related	<u>-</u>	<u>-</u>	<u>-</u>	<u>+59</u>	<u>59</u>	
Total Contingencies and Supplementals	2,236	2,236	-	2,061	4,297	
Trusts Funds, Receipts, Etc.						
Net DoD	-436	-436	-	-145	-581	
Stockpile Transactions	-283	-283	-	-4	-242	
Other Defense-Related	<u>-3</u>	<u>-3</u>	<u>-</u>	<u>-</u>	<u>-3</u>	
Net, Trust Funds, Receipts, Etc.	-677	-677	-	-149	-826	
Total, National Defense (DoD included above)	138,243 (135,041)	141,010 (137,808)	-1,291 (-1,030)	+1,912 (+1,857)	141,632 (138,635)	141,200

4-4 NATIONAL DEFENSE OUTLAYS, FY 1980
(\$ Millions)

	<u>January 1979 Estimate</u>	<u>FY 1980 Amended Request</u>	<u>Congres- sional Action</u>	<u>Other Changes</u>	<u>FY 1980 Co1 of FY 1981 Budget</u>	<u>Concurrent Resolution</u>
Submitted for Congressional Action in CY 1979						
Defense Appropriation Act	117,534	119,837	-1,283	+1,550	120,103	
Military Construction	3,444	3,445	+78	+195	3,718	
Treasury, Postal Service	182	182	-161	-	21	
HUD, Independent Agencies	150	150	-11	-	138	
Public Works	2,968	2,968	-24	-	2,944	
State, Justice, Commerce	<u>7</u>	<u>7</u>	<u>-7</u>	<u>-</u>	<u>-</u>	
Total submitted in CY 1979 (DoD included above)	124,285 (120,914)	126,589 (123,218)	-1,409 (-1,205)	+1,745 (+1,745)	126,925 (123,758)	
Contingencies and Supplementals						
10/1/79 Pay Raises	1,978	1,978	-	+469	2,447	
FY 1980 Wage Board Pay Increase	161	161	-	+180	341	
Proposed Legislation	61	61	-	-61	-	
Retired Pay (CPIs, Pay, Etc.)	15	15	-	+514	529	
Subsistence	-	-	-	+81	81	
Operations Readiness	-	-	-	+797	797	
Total, DoD	<u>2,215</u>	<u>2,215</u>	<u>-</u>	<u>+1,980</u>	<u>4,195</u>	
Defense-Related	-	-	-	+45	45	
Total Contingencies and Supplementals	2,215	2,215	-	+2,025	4,240	
Trusts Funds, Receipts, Etc.						
Net DoD	-429	-429	-	-123	-552	
Stockpile Transactions	-238	-238	-	-4	-242	
Other Defense-Related	<u>-3</u>	<u>-3</u>	<u>-</u>	<u>-</u>	<u>-3</u>	
Net, Trust Funds, Receipts, Etc.	-670	-670	-	-128	-797	
Total, National Defense (DoD included above)	125,830 (122,700)	128,134 (125,004)	-1,409 (-1,205)	+3,642 (+3,601)	130,368 (127,400)	129,900

SUMMARY OF CONTINGENCIES & SUPPLEMENTALS, FY 1979
 (Budget Authority, \$ thousands)
 (Addendum to 4-5)

	<u>January 1978</u>	<u>January 1979</u>	<u>Change</u>
10/1/78 Pay Raise	2,069,000	1,608,369	-460,631
FY 1979 Wage Boards	166,200	240,722	+74,522
Retired Pay	16,100	178,662	+162,562
Currency Reevaluation	-	95,761	+95,761
Subsistence	-	77,600	+77,600
BAQ and PCS	-	42,700	+42,700
Increased Manning Levels	-	4,100	+4,100
Program Changes Supplemental	-	<u>2,160,400</u>	<u>+2,160,400</u>
Subtotal, Supplementals	2,251,300	4,408,314	+2,157,014
Military Trailer Allowance	8,000	-	-8,000
Family Separation Allowance	28,600	-	-28,600
Retired Family Protection Plan	7,200	-	-7,200
Quarters Allowance	9,900	-	-9,900
Officer Personnel Mgmt. Act	13,900	-	-13,900
Sea Pay	16,000	-	-16,000
Dual Compensation	<u>-30,000</u>	<u>-</u>	<u>+30,000</u>
Total, All Supplementals & Contingencies	2,304,900	4,408,314	+2,103,414

RECONCILIATION OF TOA, BA AND APPROPRIATIONS

(\$ in Thousands)
(Addendum to 4-5)

	<u>Submitted</u>	<u>Congres- sional Action</u>	<u>Other Changes</u>	<u>FY 1979 Est. (Jan 1979)</u>
<u>TOA less BA</u>				
DoD Appropriation Act	-	-	-	-
Military Construction/Family Housing	<u>98,500</u>	<u>43,177</u>	<u>2,659</u>	<u>144,336</u>
Total, DoD	98,500	43,177	2,659	144,336

BA/Appropriation Differences*

DoD Appropriation Act:

BA transferred to Labor under EO 12086 out of current Operation and Maintenance, Army	-15,170
---	---------

Military Construction/Family
Housing:

Appropriations applied to debt reduction: Family Housing	<u>-119,200</u>
Total DoD, Appropriations in access of BA:	-134,370

* Reappropriations (transfers) reflected as BA/Appropriations:

	<u>Expired Balances Restored</u>	<u>Balances Extended</u>	<u>Total</u>
Procurement of Ammunition, Army	30,000		30,000
Other Procurement, Army	40,000		40,000
Other Procurement, Air Force		37,000	37,000
RDT&E, N	<u>15,000</u>		<u>15,000</u>
	85,000	37,000	122,000

4-6 CHRONOLOGY OF FY 1980 ESTIMATES
(\$Thousands)

		DoB Appro. Act.	MILCON/ Family Housing	Total for Congressional Action	Contingencies	Subtotal	Trust Funds, Receipts, Etc.	Grand Total
January 1979 (FY 1980 Budget)	TOA	129,507,967	3,755,800	133,263,767	2,236,233	135,500,000		135,500,000
	BA	129,507,967	3,733,200	133,241,167	2,236,233	135,477,400	-436,100	135,041,300
	Appro.	129,507,967	3,856,625	133,364,592	2,236,233	135,600,825		135,600,825
	Outlays	117,470,143	3,444,000	120,914,143	2,215,000	123,129,143	-429,143	122,700,000
Budget Amendments (Taiwan, Intelli- gence transfers and NATO Infra- structure trans- fers)	TOA	+66,671	+39,200	+105,871		+105,871		+105,871
	BA	+66,671 1/		+66,671		+66,671		+66,671
	Appro.	+66,671 1/		+66,671		+66,671		+66,671
	Outlays	12,000	+1,200	+13,200		+13,200		+13,200
Program Amendment	TOA/BA/ Appro.	+2,700,300		+2,700,300		+2,700,300		+2,700,300
	Outlays	+2,290,800		+2,290,800		+2,290,800		+2,290,800
Amended Request	TOA	132,274,938	3,795,000	136,069,938	2,236,233	138,306,171		138,306,171
	BA	132,274,938	3,733,200	136,008,138	2,236,233	138,244,371	-436,100	137,808,271
	Appro.	132,274,938	3,856,625	136,131,563	2,236,233	138,367,796		138,367,796
	Outlays	119,772,943	3,445,200	123,218,143	2,215,000	125,433,143	-429,143	125,004,000
Congressional Action	TOA	-986,189	+21,952	-964,237		-964,237		-964,237
	BA	-1,092,189	+61,952	-1,030,237		-1,030,237		-1,030,237
	Appro.	-1,092,189	+61,952	-1,030,237		-1,030,237		-1,030,237
	Outlays	-1,283,146	+77,789	-1,205,357		-1,205,357		-1,205,357
Status after Congres- sional Action	TOA	131,288,749	3,816,952	135,105,701	2,236,233	137,341,934		137,341,934
	BA	131,182,749 1/	3,795,152	134,977,901	2,236,233	137,214,134	-436,100	136,778,034
	Appro.	131,182,749 1/	3,918,577	135,101,326	2,236,233	137,337,559		137,337,559
	Outlays	118,489,797	3,522,989	122,012,786	2,215,000	124,227,786	-429,143	123,798,643
Effect of Amended FY 1979 Supplemental Request on FY 1980	Outlays	+197,700	-22,700	+175,000		+175,000		+175,000
Effect of Congres- sional Action on FY 1979 Supplemental on FY 1980	Outlays	-222,940	-46,069	-269,009		-269,009		-269,009
Other Changes in CY 1979	BA Outlays	+1,574,749	+263,780	+1,838,529		+1,838,529	-144,800 -123,357	-144,800 -1,715,368
FY 1980 Base for Supplementals	TOA	131,288,749	3,816,952	135,105,701	2,236,233	137,341,934		137,341,934
	BA	131,182,749	3,795,152	134,977,901	2,236,233	137,214,134	-580,900	136,633,234
	Appro.	131,182,749	3,918,577	135,101,326	2,236,233	137,337,559		137,337,559
	Outlays	120,039,502	3,718,000	123,757,502	2,215,000	125,972,502	-552,500	125,420,002
FY 1980 Supplemental Request	TOA	+4,237,698		+4,237,698	-2,236,233	+2,001,465		+2,001,465
	BA	+4,237,698		+4,237,698	-2,236,233	+2,001,465		+2,001,465
	Appro.	+4,237,698		+4,237,698	-2,236,233	+2,001,465		+2,001,465
	Outlays	+4,194,998		+4,194,998	-2,215,000	+1,979,998		+1,979,998
FY 1980 Estimate (January 1980)	TOA	135,526,447	3,816,952	139,343,399		139,343,399		139,343,399
	BA	135,420,447 1/	3,795,152	139,215,599		139,215,599	-580,900	138,634,699
	Appro.	135,420,447 1/	3,918,577	139,339,024		139,339,024		139,339,024
	Outlays	124,234,500	3,718,000	127,952,500		127,952,500	-552,500	127,400,000

1/ Budget authority and appropriations include reappropriations (restoration of expired balances and transfers extending the life of an account balance).

SUMMARY OF CONTINGENCIES & SUPPLEMENTALS, FY 1980
 (Budget Authority, \$ Thousands)
 (Addendum to 4-6)

	<u>January 1979</u>	<u>January 1980</u>	<u>Change</u>
10/1/79 Pay Raise	1,994,910	2,475,339	+480,429
FY 1980 Wage Boards	165,000	355,100	+190,100
Retired Pay	15,200	529,200	+514,000
Subsistence	-	80,659	+80,659
Operations Readiness	-	<u>797,400</u>	<u>+797,400</u>
Subtotal, Supplementals	2,175,110	4,237,698	+2,062,588
Officer Personnel Mgmt. Act	23,300	-	-23,300
Family Separation Allowance	13,100	-	-13,100
Military Trailer Allowance	8,000	-	-8,000
Quarters Allowance (Navy)	9,700	-	-9,700
PCS Mileage Allowance	40,400	-	-40,400
Dual Compensation	-30,000	-	+30,000
Admin. Duty Pay of Reservists	-1,971	-	+1,971
Reserve Officers Uniform Maintenance Allowance	<u>-1,406</u>	<u>-</u>	<u>+1,406</u>
Total, All Supplementals and Contingencies	2,236,233	4,237,698	+2,001,465

Reconciliation of TOA, BA and Appropriations
(\$ in Thousands)
(Addendum to 4-6)

	<u>Submitted</u>	<u>Congres- sional Action</u>	<u>Other Changes</u>	<u>FY 1980 Est. (Jan 1980)</u>
<u>TOA less BA</u>				
DoD Appropriation Act				
Aircraft Procurement, Air Force	-	106,000	-	106,000
Total DoD Appropriation Act	-	106,000	-	106,000
Military Construction/Family Housing	61,800	-40,000	-	21,800
Total, DoD	61,800	66,000	-	127,800

BA/Appropriation Differences*

Military Construction/Family

Housing:

 Appropriation applied to debt reduction:

 Family Housing

123,425

 Total, DoD Appropriation in excess of BA:

123,425

* Reappropriations (restorations and transfers) reflected as BA/Appropriations:

	<u>Expired balances restored</u>	<u>Balances extended</u>	<u>Total</u>
Procurement of Weapons and TCV, Army		12,100	12,100
Other Procurement, Army		47,000	47,000
Weapons Procurement, Navy		8,300	8,300
Shipbuilding and Conversion, Navy		76,200	76,200
Other Procurement, Navy		34,700	34,700
Aircraft Procurement, Air Force		13,800	13,800
Missile Procurement, Air Force	15,000		15,000
Other Procurement, Air Force	3,000	10,600	13,600
RDT&E, Army		2,000	2,000
RDT&E, Navy		15,886	15,886
RDT&E, Air Force	37,230	44,000	81,230
Total	55,230	264,586	319,816

4-7 CHRONOLOGY OF FY 1981 ESTIMATES
(\$Thousands)

		<u>DoD Approp. Act</u>	<u>MILCON/ Family Housing</u>	<u>Total for Congressional Action</u>	<u>Contingencies</u>	<u>Subtotal</u>	<u>Trust Funds, Receipts, Etc.</u>	<u>Grand Total</u>
January 1980 (FY 1981 Budget)	TOA	151,379,419	5,247,000	156,626,419	2,112,518	158,738,937		158,738,937
	BA	151,379,419	5,223,400	156,602,819	2,112,518	158,715,337	-560,100	158,155,237
	Approp.	151,379,419	5,223,400	156,602,819	2,112,518	158,715,337		158,715,337
	Outlays	137,425,500	3,739,000	141,164,500	2,085,000	143,249,500	-549,500	142,700,000

CHAPTER 5

PAY RAISES AND PRICE INCREASES:
TREATMENT OF INFLATIONPay raises and price increases by element

Table 5-1 provides percentage increases by fiscal year in the pay and non-pay sectors of the DoD budget and a composite rate of pay and purchases. For perspective, the three most widely used general inflation rates are shown: the change in consumer prices (CPI, often referred to as the cost-of-living); wholesale price changes (WPI); and the broadest of all, the GNP price change which offers a measure of inflation for the economy as a whole.

The inflation rates for TOA differ from those for outlays because of lead times. The outlay inflation rate of 8.4% from FY 1980 to FY 1981 means that \$100 spent in FY 1980 will have the same buying power as \$108.40 spent in FY 1981. Only part of FY 1980 TOA will be spent in FY 1980; the rest will be spent in FY 1981 and later. Similarly, FY 1981 TOA will be spent in FY 1981 and later years. Allowing for these lead times, the FY 1980 to FY 1981 TOA rate is 8.5%. That is, \$100 in FY 1980 TOA will have the same buying power as \$108.50 in FY 1981 TOA.

A brief description of the different price measures follows:

CPI. The Consumer Price Index (CPI) measures average changes in prices of goods and services usually bought by urban wage earners and clerical workers. It is based on prices of about 400 items which were selected to represent the movement of prices of all goods and services purchased by wage earners and clerical workers. Included are food, clothing, fuel, transportation, health care, utilities and housing.

WPI. The Wholesale Price Index (WPI) measures average changes in prices of commodities sold in primary markets in the United States. "Wholesale," as used in the title of the index, refers to sales in large quantities by producers, not to prices received by wholesalers, jobbers, or distributors. The WPI is based on a sample of about 2,700 commodities selected to represent the movement of prices of all commodities produced in the manufacturing, agriculture, forestry, fishing, mining, gas and electricity, and public utilities sectors.

GNP. The GNP price index is the ratio of GNP in current prices to GNP in constant prices. It is a weighted average of the price indexes used to deflate the components of GNP. Because it is so comprehensive, the GNP index is generally regarded as the best single measure of broad price movements in the economy as a whole.

DoD Purchase Index. Purchase price increases for DoD are determined on the basis of the Commerce Department's Federal Purchases Deflator less the effect of compensation and the Commodity Credit Corporation (CCC). Projections for the outyears are based upon fiscal guidance from OMB.

DoD Composite Index. Composite price increases for DoD are a weighted average of the purchases index above and increases in compensation. In both DoD indexes, outlay inflation rates are converted to TOA rates by using the spend-out patterns of the various DoD appropriations.

Inflation, DoD and other sectors, FY 1939-79

Table 5-2 offers a comparison of the DoD deflator for a long span of years (FY 1939-79) with several other measures that are relevant for comparison.

DoD compensation rates increased by 360% from 1950-79 a compounded increase of 5.40% per year. That compares with a 387.7% (5.62% annually) increase for Federal-state-local government employees together, as calculated by the Department of Commerce.

DoD purchase prices increased by 213.7% over this quarter century, nearly tripling. This increase is a reasonable mixture of the increase in the wholesale price index (WPI industrial commodities, 205.1% and construction costs (nonresidential structures, 261.7%).

The composite DoD inflation figure is 297.5% for the FY 1950-79 period. This is about the same as the inflation calculated by the Department of Commerce for the Federal Government as a whole (305.2%) but well below the Commerce figure for state and local governments (354.6%).

The data presented in this chapter will show that defense inflation rates, past and projected, are well in line with the general measures of inflation which have been recognized and accepted for many years.

Pay rates and cost-of-living changes

Another key set of assumptions involves the pay proposals in this budget for military, civil service and retired personnel. These proposals have major consequences for the Defense budget as pay and pay related costs represent 48.7% of total DoD outlays in FY 1981.

Table 5-3 shows percentage changes in pay rates under the various systems and cost-of-living changes for 5-year intervals, covering the period FY 1949-79. Composite 30-year figures are shown in the last column.

Overall, pay rates rise by 426% from FY 1949 to FY 1979. That is from the viewpoint of DoD as an employer, it would take \$5.26 in FY 1979 to match a 1949 payroll dollars. The cost of living has also been rising -- a growth of 192% over these years. From the viewpoint of the employee as a consumer, it would take \$2.92 in FY 1979 to match a 1949 dollar. Pay rates over the entire period have risen far more than the cost of living. Real income is up 80% over these years (comparing \$5.26 with \$2.92).

While the relationships among the pay groups have changed considerably among the various 5-year intervals, the overall results are quite clear. Wage board (blue collar) employees have received far higher increases than the other U.S. direct hire groups. Only foreign national employees have received greater increases as pay in these countries became more competitive with U.S. labor costs. Pay raises for retired and active military personnel lag the wage board raises. General schedule pay has increased the least. Overall, civil service pay (because of the wage board increases) has risen by more than military pay.

Pay increases always exceeded cost-of-living increases over the 1949-1974 period, usually, by wide margins. This changes in the FY 1974-79 period. In this period, general schedule pay and military pay lag the cost-of-living while wage board and retired pay grow significantly in terms of real buying power.

Historical price trends

Table 5-4 shows DoD indices compared to various other indices for the period FY 1945-81, on a base of FY 1972 = 100. Table 5-5 shows the same data on a base of FY 1981 = 100.

Pay increases and pay and price indices since 1945

Table 5-6 shows a history of military and civilian (general schedule) pay increases by date since 1945, up to the pay raises assumed for October 1, 1980 in the in the FY 1981 budget. The military pay raises shown are computed on the base of regular military compensation through October 1, 1973, and on the military pay base thereafter. (Regular military compensation includes basic pay and the allowances for quarters and subsistence, plus the tax advantage stemming from the fact that these allowances are not subject to the Federal income tax. The pay base includes basic pay, quarters and subsistence, with no adjustment for tax advantage.) The general schedule pay raise percentages through October 1979 are those announced by the Office of Personnel Management [formerly the Civil Service Commission (CSC)]. With one exception, these percentages provide an accurate measure of the impact on DoD payrolls. That exception is the October 1976 raise, which CSC computed at 4.8%, as shown; the impact upon DoD was 5.0%. The latter figure is used in the DoD deflator.

The three columns to the right show indices, with FY 1979 equal to 100, for the military pay base (not RMC); civil service salaries (general schedule, wage boards and direct and indirect hire foreign nationals); and the prices of goods and services purchased from industry. This latter index is maintained by the Department of Commerce. These data are available through September 30, 1979. Projections of purchase price increases after that date are based upon guidance provided by OMB.

Pay raise assumptions, FY 1980-85

Table 5-7 shows the pay increases and military retired cost-of-living adjustments assumed in this budget for the period FY 1980-85.

Inflation, FY 1980-81

Table 5-8 shows how pay raises and price increases are applied to the various elements of the Defense budget to derive the composite inflation percentages. Note that the summary inflation rates are a composite of various pay raise and price assumptions. Details are presented later.

Further details in inflation factors

Table 5-10 shows, in detail, the derivation of FY 1980-81 inflation rates for the various segments of the military personnel appropriations.

Table 5-11 shows TOA and outlay inflation rates for various segments of the DoD budget, including the various purchase segments.

Table 5-12 shows the current and constant dollar (FY 1972 base) amounts of civilian pay by category from FY 1945-1985 and the corresponding deflators. Table 5-13 expresses the same data in FY 1981 prices.

Table 5-14 shows composite (pay/price) TOA and outlay inflation rates for the various appropriation categories.

5-1 PAY RAISES AND PRICE INCREASES BY ELEMENT FY 1976-85, DoD
 (Percentage Increases, Fiscal Years)

	<u>1976-</u> <u>1977</u> <u>a/</u>	<u>1977-</u> <u>1978</u>	<u>1978-</u> <u>1979</u>	<u>1979-</u> <u>1980</u>	<u>1980-</u> <u>1981</u>	<u>1981-</u> <u>1982</u>	<u>1982-</u> <u>1983</u>	<u>1983-</u> <u>1984</u>	<u>1984-</u> <u>1985</u>
Military Pay Base	5.3	6.8	5.6	7.0	7.4	8.0	8.0	7.5	7.0
Other Military Personnel expenses	<u>5.3</u>	<u>5.8</u>	<u>7.2</u>	<u>7.7</u>	<u>7.6</u>	<u>7.2</u>	<u>6.6</u>	<u>6.1</u>	<u>5.5</u>
Total, Military Personnel	<u>5.3</u>	<u>6.7</u>	<u>5.8</u>	<u>7.1</u>	<u>7.4</u>	<u>8.0</u>	<u>7.8</u>	<u>7.3</u>	<u>7.0</u>
Classified Civil Service (GS)	6.3	7.4	5.5	7.0	6.2	8.0	8.0	7.5	7.0
Wage Board	11.6	8.3	6.5	6.4	6.5	6.7	7.0	6.7	6.8
Foreign National Direct Hire	30.5	15.9	15.0	12.0	10.0	8.0	8.0	8.0	8.0
Foreign National Indirect Hire	<u>13.2</u>	<u>7.1</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>
Total, Civilian Payroll	<u>8.8</u>	<u>7.8</u>	<u>6.0</u>	<u>6.8</u>	<u>6.4</u>	<u>7.5</u>	<u>7.5</u>	<u>7.2</u>	<u>6.9</u>
Military Retired Pay	5.9	7.5	8.4	13.3	11.3	13.3	7.8	7.0	6.5
Pay Composite	6.4	7.1	6.3	8.1	8.0	8.9	7.7	7.2	6.8
Industry Purchases									
Outlays	7.1	7.0	9.0	9.3	8.9	8.3	7.6	6.9	6.2
TOA	8.5	8.0	8.7	8.9	8.3	7.7	6.9	6.5	6.3
Composite Total									
Outlays	6.6	7.1	7.5	8.6	8.4	8.6	7.7	7.0	6.5
TOA	<u>7.3</u>	<u>7.5</u>	<u>7.6</u>	<u>8.5</u>	<u>8.1</u>	<u>8.2</u>	<u>7.3</u>	<u>6.8</u>	<u>6.5</u>
CPI	7.5	7.0	10.4	12.4	9.7	8.4	7.6	7.0	6.2
WPI	6.8	6.9	11.2	14.8	12.7	- -	- -	- -	- -
GNP Deflator	6.8	7.0	8.7	9.0	8.9	8.3	7.6	6.9	6.2

a/ 15 months

5-2 PERCENT OF INFLATION BY SECTOR

	Total Increase			Average Increase per Year		
	FY 1939-50	FY 1950-79	FY 1939-79	FY 1939-50	FY 1950-79	FY 1939-79
DoD (excluding retired pay):						
Compensation	-	360.0	-	-	5.40	-
Purchases from industry	-	213.7	-	-	4.02	-
Composite DoD	<u>77.5</u>	<u>297.5</u>	<u>605.6</u>	<u>5.35</u>	<u>4.87</u>	<u>5.00</u>
OMB Federal Budget ^{a/}	78.3	348.9	700.4	5.94	5.31	5.48
GNP Deflator:						
Federal gov't. NIA purchases	75.7	305.2	611.9	5.26	4.94	5.03
State & local gov't. NIA purchases	<u>89.4</u>	<u>354.6</u>	<u>761.0</u>	<u>5.98</u>	<u>5.36</u>	<u>5.53</u>
GNP deflator gov't./pay/pur.	<u>86.1</u>	<u>332.0</u>	<u>704.0</u>	<u>5.81</u>	<u>5.19</u>	<u>5.35</u>
GNP deflator, ex. gov't. pay/pur.	<u>85.4</u>	<u>188.0</u>	<u>434.0</u>	<u>5.77</u>	<u>3.71</u>	<u>4.28</u>
GNP deflator	<u>83.2</u>	<u>208.8</u>	<u>465.7</u>	<u>5.66</u>	<u>3.96</u>	<u>4.43</u>
GNP Deflator:						
Federal gov't. compensation	57.3	363.8	629.6	4.20	5.43	5.09
State & local gov't. comp.	<u>86.3</u>	<u>419.1</u>	<u>867.1</u>	<u>5.82</u>	<u>5.84</u>	<u>5.84</u>
Total, gov't. compensation	<u>74.2</u>	<u>387.7</u>	<u>749.6</u>	<u>5.18</u>	<u>5.62</u>	<u>5.49</u>
Private Sector	<u>86.4</u>	<u>190.4</u>	<u>441.3</u>	<u>5.82</u>	<u>3.74</u>	<u>4.31</u>
GNP deflator	<u>83.2</u>	<u>208.8</u>	<u>465.7</u>	<u>5.66</u>	<u>3.96</u>	<u>4.43</u>
Consumer price index	68.9	197.4	402.3	4.88	3.83	4.12
Wholesale price index, total	93.2	191.5	465.1	6.17	3.76	4.42
WPI industrial commodities	76.8	205.1	439.4	5.32	3.92	4.30
Nonresidential structures	110.5	261.7	661.4	7.00	4.53	5.22

^{a/} OMB deflator begins in FY 1940; e.g., first column covers 10 years, not 11.

5-3 PAY RATES AND THE COST OF LIVING, FY 1949-79
 (Percentage Changes)

	<u>FY 1949-54</u>	<u>FY 1954-59</u>	<u>FY 1959-64</u>	<u>FY 1964-69</u>	<u>FY 1969-74</u>	<u>FY 1974-79</u>	<u>Composite Increase FY 1949-79</u>
Military pay base	24.9	19.9	11.3	33.4	77.5	31.8	419.9
Other military personnel expense	<u>11.3</u>	<u>25.4</u>	<u>3.4</u>	<u>26.5</u>	<u>28.7</u>	<u>40.9</u>	<u>231.0</u>
Total, military personnel	23.0	20.9	10.6	33.5	67.5	32.9	388.5
General schedule	14.4	26.1	17.6	24.2	41.8	33.9	300.1
Wage boards	35.9	36.9	19.9	20.6	48.2	60.8	541.3
Foreign national direct hire	25.3	23.5	19.7	30.7	81.0	122.5	874.0
Foreign national indirect hire	<u>26.2</u>	<u>2.3</u>	<u>41.3</u>	<u>45.4</u>	<u>172.5</u>	<u>67.6</u>	<u>1,111.4</u>
Total, civilians	18.8	43.5	23.5	26.5	51.9	45.7	488.7
Composite, military & civilian (ex Retired Pay)	<u>22.7</u>	<u>28.1</u>	<u>15.6</u>	<u>30.5</u>	<u>60.9</u>	<u>37.8</u>	<u>426.6</u>
Consumer price index	11.6	7.7	6.5	15.5	30.8	51.1	192.4
Military retired pay	43.6	27.1	2.1	20.0	47.5	56.3	416.1

5-4 INDICES
(FY 1972 = 100)

FY.	DEPARTMENT OF DEFENSE								PUBLIC SECTOR				ECONOMY WIDE INDICES		
	Military Personnel				Retired Pay	Industry Purchases	DOD Composite	DoD Ex. Retired Pay	OMB Federal Budget	Department of Commerce			GNP Deflator	Consumer Price Index	Wholesale Price Index
	Civilian Pay	Base	Other	Composite						Federal	State & Local	Composite			
1945	23.5	25.1	40.4	27.3	21.6	37.7	32.2	32.3	30.6	33.7	26.0	32.6	38.4	43.4	46.9
1946	24.6	25.3	41.6	28.1	25.3	40.4	31.8	31.8	30.6	32.0	27.8	31.0	41.9	45.8	50.7
1947	27.4	31.6	44.9	33.8	33.0	47.0	34.7	34.7	36.3	33.5	31.2	32.3	47.9	51.1	60.2
1948	28.4	31.5	46.2	33.9	35.0	54.9	36.4	36.4	37.8	38.4	35.3	36.7	52.6	56.6	69.1
1949	30.8	31.4	46.6	33.1	35.2	58.7	38.2	38.3	41.5	42.6	38.9	40.7	54.3	58.6	70.2
1950	32.3	35.6	48.2	37.1	33.8	57.0	40.5	40.7	42.0	42.0	39.2	40.6	53.5	57.6	67.2
1951	32.5	37.5	53.4	38.1	54.5	62.2	44.8	44.7	44.2	44.9	42.0	43.6	57.0	61.1	76.2
1952	34.7	37.1	51.1	39.0	53.4	61.1	48.4	48.4	49.0	50.5	44.8	48.4	58.7	63.9	77.1
1953	36.3	39.6	52.5	41.1	54.2	61.7	50.3	50.3	50.4	51.8	46.1	49.8	59.7	64.8	75.4
1954	38.0	39.2	50.5	40.6	50.6	60.4	59.7	49.6	50.8	52.5	47.1	50.4	60.5	65.4	75.5
1955	39.7	40.1	52.7	41.7	53.7	63.2	50.5	50.5	51.0	52.4	48.6	50.8	61.4	65.1	75.2
1956	41.9	42.1	55.7	44.0	57.4	65.3	52.6	52.6	53.0	54.3	50.4	52.6	63.0	65.3	76.6
1957	43.3	41.5	57.4	43.5	59.6	70.0	55.2	55.1	55.8	57.0	53.2	55.2	65.4	67.2	79.3
1958	48.5	43.5	65.7	46.4	60.1	70.9	58.0	58.0	58.2	59.0	55.0	57.1	66.9	69.5	81.1
1959	51.3	46.6	67.8	49.2	64.3	71.9	60.5	60.5	59.8	60.9	56.3	58.7	68.1	70.4	81.5
1960	52.6	47.1	68.2	49.7	63.8	71.6	61.0	60.9	61.1	61.1	57.6	59.4	69.5	71.4	81.5
1961	56.5	47.5	68.9	50.4	63.6	72.7	62.6	62.6	62.2	62.2	59.2	60.7	70.3	72.3	81.5
1962	57.5	47.1	68.3	49.9	63.7	72.9	62.7	62.7	63.3	63.3	61.0	62.3	71.3	73.1	81.3
1963	59.6	47.5	67.9	50.3	63.1	73.0	63.5	63.5	65.2	65.1	62.8	64.0	72.5	73.9	81.4
1964	61.9	51.7	70.9	54.3	65.7	73.8	65.5	65.5	66.9	66.7	64.4	65.5	73.6	75.0	81.4
1965	65.2	53.7	73.8	56.4	66.8	74.9	66.6	66.6	68.3	68.2	66.0	67.0	74.9	76.0	82.0
1966	67.4	58.1	80.9	61.5	69.8	78.0	70.6	70.7	71.7	71.6	68.5	70.0	77.0	77.6	84.6
1967	70.2	60.8	85.4	64.8	72.4	81.2	74.3	74.4	74.6	74.0	72.6	73.2	79.4	80.0	86.0
1968	72.7	63.7	88.4	68.1	74.8	84.5	77.7	77.8	77.9	77.5	76.9	77.2	82.3	82.7	87.0
1969	77.2	68.7	89.9	72.5	78.8	87.5	81.1	81.1	82.7	81.0	81.7	81.2	86.2	86.7	89.7
1970	86.0	79.1	93.4	81.5	84.8	91.4	87.1	87.2	89.0	86.9	87.4	87.2	90.9	91.8	93.5
1971	92.9	85.7	97.0	87.5	93.8	96.0	92.6	92.6	94.8	93.3	94.4	93.9	95.6	96.5	96.4
1972	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1973	105.8	112.4	105.9	111.6	106.1	104.0	106.8	106.8	105.6	106.6	106.7	106.7	104.4	104.1	107.9
1974	114.6	120.1	114.9	119.5	116.3	113.8	115.8	115.7	116.1	114.6	115.3	115.1	112.5	113.4	125.2
1975	123.7	128.0	121.7	127.1	132.7	130.0	128.1	127.8	128.8	127.5	128.4	128.1	124.6	125.9	146.5
1976	133.6	134.6	128.7	133.8	147.4	139.4	137.2	136.3	137.0	136.6	138.1	137.4	133.3	134.8	154.2
1977	137.4	136.2	135.8	136.2	149.8	144.1	140.8	140.0	141.2	140.2	142.8	141.9	137.2	139.4	158.6
1978	144.8	142.2	135.4	141.4	156.1	148.9	146.5	145.7	147.2	146.8	151.5	148.7	142.3	145.0	164.7
1979	156.6	152.2	143.1	151.0	167.8	159.5	157.2	156.3	159.2	158.1	163.6	161.7	152.0	155.1	176.1
1980	165.7	161.2	154.4	160.4	181.9	173.7	169.4	168.2	176.0	170.2	178.1	175.4	165.2	171.2	195.9
1981	176.4	171.2	166.0	170.6	206.0	189.4	183.5	181.4	197.0	188.3	195.8	193.1	180.6	192.6	224.9
1981	187.4	184.7	180.2	184.1	229.2	206.6	199.4	196.7	215.2	205.0	214.6	210.9	196.6	211.2	253.5

5-5 INDICES
(FY 1981 = 100)

FY	DEPARTMENT OF DEFENSE								PUBLIC SECTOR				ECONOMY WIDE INDICES		
	Military Personnel				Retired Pay	Industry Purchases	DOD Composite	DoD Ex. Retired Pay	OMB Federal Budget	Department of Commerce			GNP Deflator	Consumer Price Index	Wholesale Price Index
	Civilian Pay	Pay Base	Other	Composite						Federal	State & Local	Composite			
1945	11.70	13.18	22.41	14.41	9.41	18.60	16.34	16.35	14.42	16.48	12.12	15.47	18.27	20.58	18.56
1946	12.41	13.38	23.06	14.98	11.02	19.61	16.23	16.25	13.80	15.65	13.00	14.67	19.72	21.69	20.02
1947	13.55	16.76	24.64	18.02	14.42	21.82	17.51	17.55	15.45	16.38	14.58	15.29	23.35	24.17	23.76
1948	13.86	16.73	25.73	18.17	15.29	25.38	18.30	18.36	15.81	18.72	16.43	17.41	26.78	26.82	27.26
1949	14.95	16.68	26.07	17.74	15.37	27.54	19.15	19.24	17.92	20.77	18.12	19.31	27.60	27.74	27.70
1950	15.60	18.95	27.24	19.87	14.74	27.24	20.40	20.54	18.21	20.49	18.28	19.24	27.22	27.25	26.51
1951	15.27	19.88	29.46	20.24	23.77	29.61	22.24	22.22	19.49	21.90	19.58	20.65	28.99	28.92	30.08
1952	16.31	19.65	29.44	20.88	23.28	29.76	24.21	24.21	22.31	24.65	20.85	22.95	29.87	30.25	30.41
1953	16.85	20.97	29.65	21.90	23.65	30.55	25.18	25.19	23.15	25.26	21.46	23.61	30.38	30.69	29.76
1954	17.76	20.83	29.02	21.82	22.07	29.84	24.94	24.97	23.10	25.62	21.94	23.92	30.76	30.95	29.78
1955	18.95	21.36	29.99	22.38	23.42	31.17	25.49	25.51	23.09	25.58	22.65	24.07	31.22	30.82	29.68
1956	20.29	22.49	31.13	23.66	25.03	31.85	26.52	26.54	24.03	26.51	23.50	24.92	32.07	30.93	30.23
1957	21.18	21.96	31.72	23.12	26.00	34.31	27.77	27.79	25.53	27.80	24.81	26.19	33.24	31.83	31.30
1958	23.89	23.29	35.13	24.85	26.23	34.81	29.30	29.35	26.56	28.78	25.62	27.08	34.02	32.89	31.99
1959	25.49	24.98	36.40	26.38	28.07	35.06	30.49	30.53	27.42	29.73	26.23	27.85	34.63	33.34	32.17
1960	26.26	25.32	36.49	26.71	27.84	34.87	30.72	30.78	27.96	29.79	26.84	28.17	35.36	33.81	32.17
1961	28.30	25.55	36.72	27.09	27.75	35.49	31.55	31.63	28.56	30.33	27.57	28.77	35.77	34.25	32.17
1962	29.03	25.35	36.92	26.89	27.78	35.67	31.74	31.82	29.15	30.87	28.41	29.53	36.27	34.60	32.08
1963	30.12	25.58	36.40	27.08	27.55	35.47	31.96	32.07	30.01	31.75	29.25	30.34	36.87	35.01	32.11
1964	31.47	27.79	37.62	29.18	28.67	36.08	33.08	33.21	30.84	32.53	30.02	31.07	37.41	35.51	32.13
1965	33.41	28.88	38.94	30.26	29.16	36.28	33.59	33.75	31.45	33.30	30.75	31.79	38.10	35.96	32.36
1966	34.56	30.89	40.84	32.45	30.47	38.06	35.52	35.70	33.16	34.95	31.93	33.18	39.13	36.74	33.37
1967	36.06	32.45	43.96	34.38	31.59	39.92	37.48	37.68	34.82	36.09	33.83	34.72	40.39	37.88	33.95
1968	37.37	34.21	46.68	36.46	32.65	41.91	39.44	39.67	36.39	37.81	35.84	36.59	41.85	39.14	34.33
1969	39.79	37.06	47.60	38.95	34.40	42.80	40.94	41.19	38.67	39.50	38.06	38.53	43.83	41.03	35.39
1970	44.46	42.79	50.06	44.01	36.98	44.67	44.11	44.44	41.59	42.40	40.74	41.33	46.25	43.46	36.90
1971	48.34	46.57	52.58	47.52	40.91	46.83	46.99	47.32	44.10	45.51	43.97	44.51	48.62	45.70	38.04
1972	52.38	54.33	54.52	54.36	43.63	48.65	50.63	51.08	46.46	48.78	46.59	47.42	50.86	47.34	39.45
1973	55.47	61.70	57.32	61.14	46.29	50.37	54.05	54.64	49.06	52.02	49.70	50.59	53.08	49.26	42.56
1974	60.44	65.78	61.26	65.23	50.76	55.19	58.56	59.21	53.94	55.89	53.73	54.57	57.22	53.66	49.41
1975	65.39	69.50	68.77	69.40	57.92	62.83	64.71	65.31	59.82	62.21	59.82	60.74	63.38	59.59	57.78
1976	70.77	73.02	72.28	72.93	64.31	67.31	69.20	69.68	63.64	66.63	64.39	65.17	67.79	63.82	60.85
1977	72.85	73.78	73.60	73.75	65.36	69.21	70.79	71.37	65.67	68.39	66.52	67.30	69.81	66.01	62.58
1977	77.03	76.91	76.09	76.81	68.12	72.06	73.80	74.38	69.38	71.61	70.58	70.51	72.39	68.62	64.98
1978	83.05	82.13	80.46	81.93	73.24	77.14	79.01	79.62	73.97	77.12	76.22	76.68	77.30	73.43	69.48
1979	88.03	86.72	86.29	86.67	79.35	84.05	84.90	85.48	81.75	83.03	83.02	83.17	84.01	81.10	77.29
1980	94.03	92.80	92.96	92.81	89.87	91.83	92.24	92.49	91.52	91.83	91.24	91.58	91.83	91.16	88.73
1981	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

5-6 PAY INCREASES AND PAY AND PRICE INDICES SINCE 1945

Military and Civilian Pay Increase			Pay & Purchase Price Price Indices (FY 1979=100)			
Effective Date	Military Pay	General Schedule Salaries	Fiscal Year	Military Pay Base	Total Civilian Pay ^{a/}	Purchase Price ^{b/}
Jul 1, 1945	-	15.9%	1946	15.4	14.1	
Jul 1, 1946	23.7%	14.2%	1947	19.3	15.4	
Jul 1, 1948	-	11.0%	1948	19.3	15.7	31.6
Oct 1, 1949	21.6%	-	1949	19.2	17.0	33.9
Oct 28, 1949	-	4.1%	1950	21.9	17.7	32.2
Jul 1, 1951	-	10.0%	1951	22.9	17.3	35.0
May 1, 1952	10.9%	-	1952	22.7	18.5	34.8
Mar 1, 1955	-	7.5%	1953	24.2	19.1	34.0
Apr 1, 1955	2.8%	-	1954	24.0	20.2	34.1
Jan 1, 1958	-	10.0%	1955	24.6	21.5	35.5
Jun 1, 1958	6.3%	-	1956	25.9	23.0	37.6
Jul 1, 1960	-	7.7%	1957	25.3	24.1	39.1
Oct 14, 1962	-	5.5%	1958	26.9	27.1	39.4
Oct 1, 1963	8.4%	-	1959	28.8	29.0	39.7
Jan 5, 1964	-	4.1%	1960	29.2	29.8	40.2
Jul 1, 1964	-	4.2%	1961	29.5	32.1	40.3
Sep 1, 1964	1.4%	-	1962	29.2	33.0	41.1
Sep 1, 1965	6.4%	-	1963	29.5	34.2	42.0
Oct 1, 1965	-	3.6%	1964	32.0	35.7	42.2
Jul 1, 1966	2.8%	2.9%	1965	33.3	38.0	42.9
Oct 1, 1967	4.5%	4.5%	1966	35.6	39.4	44.2
Jul 1, 1968	4.9%	4.9%	1967	37.4	41.0	45.9
Jul 1, 1969	9.1%	9.1%	1968	39.4	42.5	47.4
Jan 1, 1970	6.0%	6.0%	1969	42.7	45.2	49.3
Jan 1, 1971	6.0%	6.0%	1970	49.3	50.5	51.5
Nov 14, 1971	13.1%	-	1971	53.7	54.9	54.1
Jan 1, 1972	5.5%	5.5%	1972	62.7	59.5	56.4
Jan 1, 1973	5.1%	5.1%	1973	71.1	63.0	59.0
Oct 1, 1973	4.8%	4.8%	1974	75.9	68.7	64.0
Oct 1, 1974	5.5%	5.5%	1975	80.1	74.3	73.4
Oct 1, 1975	5.0%	5.0%	1976	84.2	80.4	81.6
Oct 1, 1976	4.5%	4.8%	1977	88.7	87.5	85.2
Oct 1, 1977	7.0%	7.0%	1978	94.7	94.3	91.8
Oct 1, 1978	5.5%	5.5%	1979	100.0	100.0	100.0
Oct 1, 1979	7.0%	7.0%	1980	107.0	106.8	109.3
Oct 1, 1980	7.4%	6.2%	1981	115.3	113.6	119.0

^{a/} Includes General schedule, wage board and foreign national pay.

^{b/} Non-compensation component of the deflator for federal purchases of goods and services. Source: FY 1950-FY 1979, U.S. Department of Commerce. FY 1980 and FY 1981, estimated by DoD.

5-7 PAY RAISE ASSUMPTIONS, FY 1980-85

	<u>Civil Service General Schedule</u>	<u>Military Pay Base ^{a/}</u>
Oct 1, 1979 (in effect)	7.00%	7.00%
Oct 1, 1980	6.20%	7.76%
Oct 1, 1981	8.00%	8.15%
Oct 1, 1982	8.00%	8.01%
Oct 1, 1983	7.50%	7.50%
Oct 1, 1984	7.00%	7.19%

Wage Board
(Blue Collar Increases)

FY 1980	7.00%
FY 1981	6.20%
FY 1982	8.00%
FY 1983	8.00%
FY 1984	7.50%
FY 1985	7.00%

Military Retired Pay
Cost-of-living Increases

Mar 1, 1980	5.90%
Sep 1, 1980	5.80%
Mar 1, 1981	4.30%
Sep 1, 1981	4.70%
Mar 1, 1982	3.80%
Sep 1, 1982	4.30%
Mar 1, 1983	3.40%
Sep 1, 1983	3.90%
Mar 1, 1984	3.10%
Sep 1, 1984	3.60%
Mar 1, 1985	2.80%
Sep 1, 1985	3.20%

^{a/} This shows the increased costs to DoD associated with the military pay raises. The percentages differ slightly from civilian pay raises because of employer FICA contributions (not a factor in connection with civilian pay).

5-8 INFLATION, FY 1980-81
(\$ in Millions)

	FY 1980 Program		FY 1981	
	In FY 1980 Prices	Pay/Price	In FY 1981 Prices	in FY 1981 Prices
<u>Outlays</u>				
Military pay base	\$ 26,920	7.76%	\$ 29,010	\$ 28,985
Other military personnel expense	3,654	7.58%	3,931	4,054
Total, military personnel	<u>30,574</u>	<u>7.74%</u>	<u>32,941</u>	<u>33,039</u>
Civil service payroll	21,380	6.35%	22,738	22,677
Retired pay	11,941	11.28%	13,288	13,714
Purchases from industry	63,505	8.90%	69,156	73,271
Total outlays, DoD	<u>127,400</u>	<u>8.42%</u>	<u>138,123</u>	<u>142,700</u>
DoE, stockpile, etc., net	2,968	2.16%	3,032	3,541
Total outlays, National Defense	<u>130,368</u>	<u>8.27%</u>	<u>141,155</u>	<u>146,241</u>
 <u>TOA</u>				
Military pay base	\$ 26,920	7.76%	\$ 29,010	\$ 28,985
Other military personnel expense	3,906	7.58%	4,202	4,386
Total, military personnel	<u>30,826</u>	<u>7.74%</u>	<u>33,212</u>	<u>33,371</u>
Civil service payroll	21,380	6.35%	22,738	22,677
Retired pay	11,981	11.28%	13,332	13,736
Purchases from industry	75,157	8.29%	81,387	88,954
Total TOA (DoD only)	<u>139,343</u>	<u>8.13%</u>	<u>150,668</u>	<u>158,739</u>
 <u>Budget Authority (BA)</u>				
Military pay base	\$ 26,920	7.76%	\$ 29,010	\$ 28,985
Other military personnel expense	3,906	7.58%	4,202	4,386
Total, military personnel	<u>30,826</u>	<u>7.74%</u>	<u>33,212</u>	<u>33,371</u>
Civil service payroll	21,380	6.35%	22,738	22,677
Retired pay	11,981	11.28%	13,332	13,736
Purchases from industry	74,449	8.28%	80,616	88,370
Total BA, DoD	<u>138,635</u>	<u>8.12%</u>	<u>149,897</u>	<u>158,155</u>
DoE, stockpile, etc., net	2,997	8.14%	3,241	3,614
Total BA, National Defense	<u>141,632</u>	<u>8.12%</u>	<u>153,138</u>	<u>161,770</u>

5-9 LONG-RANGE INFLATION FORECASTS FEBRUARY 1975 AND JANUARY 1976, 1977, 1978, 1979, AND 1980

		<u>FY 1978</u>	<u>FY 1979</u>	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
DoD TOA	Feb 1975	6.3	5.6	4.8					
	Jan 1976	6.6	5.2	4.8	4.4				
	Jan 1977	6.1	5.1	4.9	4.7	4.3			
	Jan 1978	6.9	5.9	6.0	5.4	5.2	4.8		
	Jan 1979	7.2	6.8	5.9	5.2	4.5	3.9	3.3	
	Jan 1980	7.5	7.6	8.5	8.1	8.2	7.3	6.8	6.5
DoD Outlays	Feb 1975	6.4	5.8	5.0					
	Jan 1976	7.2	5.6	5.0	4.5				
	Jan 1977	6.4	5.4	4.9	4.8	4.5			
	Jan 1978	7.2	6.1	6.0	5.4	5.2	4.8		
	Jan 1979	7.0	7.1	6.4	5.8	4.9	4.2	3.4	
	Jan 1980	7.1	7.5	8.6	8.4	8.6	7.7	7.0	6.5
GNP Deflator	Feb 1975	5.5	4.2	4.0					
	Jan 1976	6.2	5.2	4.3	4.1				
	Jan 1977	6.0	5.5	4.9	4.1	3.2			
	Jan 1978	5.9	6.3	5.8	5.3	4.9	4.3		
	Jan 1979	7.0	8.0	7.0	6.0	4.8	3.7	2.8	
	Jan 1980	7.0	8.7	9.0	8.9	8.3	7.6	6.9	6.2
CPI	Feb 1975	5.5	4.4	3.9					
	Jan 1976	5.9	5.4	4.4	4.0				
	Jan 1977	5.5	5.1	4.7	4.0	3.1			
	Jan 1978	6.0	6.1	5.9	5.3	4.8	4.2		
	Jan 1979	7.0	8.6	6.9	6.0	4.8	3.7	2.8	
	Jan 1980	7.0	10.4	12.4	9.7	8.4	7.6	7.0	6.2

5-10 MILITARY PERSONNEL INFLATORS - FY 1980-81
(\$ in Millions)

	FY 1980 Program			FY 81 in FY 81 Prices
	Current Prices	Inflators	In FY 81 Prices	
BAQ	\$ 2,307	107.4	\$ 2,478	\$ 2,476
Other pay base, excl. FICA	<u>21,415</u>	<u>107.5</u>	<u>23,018</u>	<u>22,970</u>
Subtotal	23,722	107.5	25,496	25,446
FICA (social security)	<u>1,148</u>	<u>113.7</u>	<u>1,305</u>	<u>1,314</u>
Total pay base, active	24,870	107.8	26,801	26,760
Reserve and guard pay base	<u>2,050</u>	<u>107.7</u>	<u>2,208</u>	<u>2,225</u>
Total pay base	26,920	107.8	29,010	28,985
PCS	1,695	108.5	1,838	1,767
Subsistence in kind	701	109.0	763	700
Enlisted clothing	297	108.9	323	309
Overseas station allowance	381	108.9	415	475
Other cost related	<u>7</u>	<u>108.9</u>	<u>8</u>	<u>6</u>
Total, cost-related	3,081	108.6	3,347	3,257
Statutory	<u>430</u>	<u>100.0</u>	<u>430</u>	<u>508</u>
Total, other military personnel, active	3,511	107.6	3,777	3,765
Other military personnel, guard and reserve	<u>394</u>	<u>107.6</u>	<u>424</u>	<u>621</u>
Total, other military personnel expense	3,905	107.6	4,201	4,386
Total, military personnel TOA	\$30,825	107.7	33,211	33,371

5-11 DOD INFLATION, FY 1980-81
(\$ in Millions)

	FY 1980 Program			FY 81 in FY 81 Prices
	In FY 80 Prices	Pay/ Price	In FY 81 Prices	
<u>Outlays</u>				
Military pay base	\$ 26,920	7.8%	\$ 29,010	\$ 28,985
Statutory items	430	--	430	508
Other military personnel expense	3,224	8.6	3,501	3,546
Total, military personnel	30,574	7.7	32,941	33,039
Civil Service payroll	21,380	6.4	22,738	22,677
Retired pay	11,941	11.3	13,288	13,714
Total, pay	63,895	7.9	68,967	69,430
Purchases from industry:				
Operation and maintenance	22,556	9.0	24,586	27,593
Procurement	26,968	8.9	29,356	29,797
RDT&E	11,050	8.8	12,022	12,901
Military construction	1,920	8.9	2,091	1,819
Family housing construction	63	8.9	69	100
Other family housing	1,214	9.0	1,323	1,283
All other	-266	9.0	-290	-222
Total, purchases from industry	63,505	8.9	69,157	73,271
Total outlays, DoD	127,400	8.4	138,123	142,700
<u>TOA</u>				
Military pay base	\$ 26,920	7.8%	\$ 29,010	\$ 28,985
Statutory items	430	--	430	508
Other military personnel expense	3,476	8.5	3,772	3,878
Total, military personnel	30,825	7.7	33,211	33,371
Civil Service payroll	21,380	6.4	22,738	22,677
Retired pay	11,981	11.3	13,332	13,736
Total, pay	64,186	7.9	69,281	69,785
Purchases from industry:				
Operation and maintenance	25,109	8.8	27,318	29,803
Procurement	35,112	7.9	37,884	39,825
RDT&E	11,634	8.4	12,616	14,546
Military construction	2,068	7.7	2,228	3,017
Family housing construction	1	7.4	1	276
Other family housing	1,226	8.7	1,333	1,417
All other	7	7.3	7	70
Total, purchases from industry	75,157	8.3	81,387	88,954
Total TOA, DoD	139,343	8.1	150,668	158,739

FY	CURRENT \$ (THOUSANDS)							DEFLATORS			
	GS	WAGE BOARD	TOTAL U.S.	FOREIGN NATIONALS	TOTAL DIR HIRE	INDIRECT HIRE FN	TOTAL CIV PAY	GS	W.B.	D.H. F.N.	I.H. F.N.
1945	2,536,444	2,990,416	5,526,860	43,140	5,570,000	231,083	5,801,083	29.5000	20.5000	24.1000	17.2000
1946	2,070,155	2,603,004	4,693,159	22,841	4,626,000	122,288	4,748,288	29.5000	22.2000	25.3000	18.1000
1947	1,303,538	1,593,973	2,897,511	26,489	2,924,000	141,896	3,065,896	33.8000	24.5000	26.8000	19.1000
1948	995,957	1,276,807	2,272,764	31,378	2,304,142	167,874	2,472,016	33.8000	26.4000	28.8000	20.6000
1949	1,185,817	1,372,008	2,477,025	37,058	2,514,083	198,132	2,712,215	37.5000	28.7000	29.6000	21.0000
1950	1,108,768	1,206,569	2,315,337	42,663	2,358,000	228,163	2,586,163	38.5000	30.5000	31.2000	22.3000
1951	1,134,793	1,644,926	2,779,719	69,690	2,849,409	372,807	3,222,216	39.0000	31.6000	32.9000	23.5000
1952	1,711,123	2,431,129	4,142,252	100,532	4,242,784	537,698	4,780,482	42.9000	33.3000	34.5000	24.6000
1953	1,878,239	2,758,388	4,646,627	136,974	4,783,601	732,369	5,515,970	42.9000	36.4000	36.4000	25.9000
1954	1,859,142	2,641,691	4,500,833	121,377	4,622,210	649,113	5,271,323	42.9000	39.0000	37.1000	26.5000
1955	2,070,294	2,548,191	4,618,485	100,235	4,718,720	535,942	5,254,662	44.0000	40.3000	38.4000	27.4000
1956	2,311,037	2,630,679	4,941,716	97,024	5,038,740	462,779	5,501,519	46.2000	41.9000	44.1000	28.1000
1957	2,440,774	2,745,583	5,186,357	94,462	5,280,819	428,616	5,709,435	46.2000	44.5000	44.7000	28.0000
1958	2,680,376	2,863,825	5,544,161	93,918	5,638,079	365,139	6,003,218	51.7000	50.4000	46.3000	28.1000
1958	2,867,637	2,935,775	5,803,412	92,151	5,895,563	329,764	6,225,327	54.1000	51.8000	46.1000	27.6000
1959	2,921,488	3,020,202	5,941,690	90,398	6,032,088	295,367	6,327,455	54.1000	53.4000	45.8000	27.1000
1960	2,893,789	2,987,756	5,881,545	86,930	5,968,475	272,021	6,240,496	54.1000	55.9000	45.3000	27.6000
1961	3,217,567	3,072,037	6,289,604	97,600	6,387,204	279,200	6,666,404	59.1000	58.7000	50.5000	29.9000
1962	3,517,829	3,114,005	6,631,834	103,408	6,735,234	299,000	7,034,234	59.1000	60.3000	53.1000	32.6000
1963	3,681,825	3,189,354	6,871,179	110,200	6,981,379	313,400	7,294,779	61.4000	62.1000	55.3000	34.8000
1964	3,954,088	3,123,314	7,077,402	111,900	7,189,302	312,688	7,501,992	63.6000	64.0000	54.8000	38.3000
1965	4,294,071	3,131,274	7,425,345	107,300	7,532,645	300,100	7,832,745	67.6000	65.8000	62.4000	41.3000
1966	4,733,692	3,326,267	8,059,959	127,100	8,187,059	312,900	8,499,959	69.5000	67.8000	65.5000	45.0000
1967	5,327,505	3,801,427	9,128,932	181,250	9,310,182	343,850	9,654,032	72.1000	70.1000	68.0000	51.4000
1967	5,652,946	3,869,939	9,522,885	202,442	9,725,327	348,573	10,073,900	72.9000	71.3000	63.6000	53.1000
1968	6,046,547	3,959,237	10,005,784	219,300	10,225,084	353,100	10,578,184	74.5000	73.0000	69.3000	54.9000
1969	6,598,426	4,085,610	10,684,036	280,049	10,964,085	336,970	11,301,055	79.0000	77.2000	71.6000	55.7000
1970	7,322,460	4,218,766	11,541,226	293,738	11,834,964	368,588	12,203,552	89.0000	83.7000	80.1000	65.7000
1971	7,563,332	4,236,158	11,799,490	297,534	12,097,024	406,956	12,503,980	94.6000	91.2000	99.6000	78.4000
1972	8,125,799	4,341,701	12,467,500	251,856	12,719,356	502,373	13,221,729	100.0000	100.0000	100.0000	100.0000
1972	8,188,585	4,463,055	12,651,560	215,728	12,867,288	570,498	13,437,786	102.7000	103.6000	99.9000	108.4000
1973	8,243,279	4,508,037	12,751,316	179,776	12,931,092	642,648	13,573,740	105.3100	105.5200	99.8000	116.8000
1974	8,564,289	4,635,296	13,199,585	167,923	13,367,508	769,487	14,136,995	112.0500	114.4200	129.6000	151.8000
1975	9,157,047	5,161,056	14,318,103	181,024	14,499,127	834,404	15,333,531	118.4200	126.6700	144.7000	180.7000
1976	9,713,310	5,612,571	15,325,881	200,741	15,527,022	890,691	16,417,713	124.6000	142.9400	165.7000	198.0000
1976	2,447,932	1,422,909	3,870,841	51,899	3,922,740	237,886	4,160,626	126.0000	151.3700	184.4000	199.7000
1977	10,364,135	5,995,442	16,359,577	232,510	16,592,087	957,228	17,549,315	132.4400	159.5900	216.3000	224.1000
1978	11,063,068	6,283,002	17,346,070	255,877	17,601,947	1,251,639	18,853,586	142.2100	172.8200	250.7000	240.0000
1978	11,787,883	6,494,617	18,282,500	291,389	18,573,889	1,289,567	19,863,456	150.0400	184.0400	288.3000	254.4000
1980	12,949,669	6,806,736	19,756,405	336,970	20,093,375	1,286,762	21,380,137	160.5400	195.8300	322.9000	269.7000
1981	13,752,548	7,059,947	20,812,495	370,667	21,183,162	1,363,968	22,547,130	170.5000	208.6000	355.2000	285.9000
1982	14,852,752	7,532,362	22,385,114	400,320	22,785,434	1,445,806	24,231,240	184.1300	222.5300	383.6000	303.0000
1983	16,040,972	8,059,627	24,100,599	432,346	24,532,945	1,532,554	26,065,499	198.8600	238.1100	414.3000	321.2000
1984	17,244,045	8,598,973	25,843,018	466,934	26,309,952	1,624,507	27,934,459	213.7800	254.0700	447.5000	340.5000
1985	18,451,128	9,184,348	27,635,476	504,289	28,139,765	1,721,977	29,861,742	228.7500	271.3500	483.3000	360.9300

09

FY	CONSTANT \$ (THOUSANDS)								DEFLATORS						
	GS	WAGE BOARD	TOTAL U.S.	FOREIGN NATIONALS	TOTAL DIR HIRE	INDIRECT HIRE FN	TOTAL CIV PAY	GS	W.B.	TOTAL U.S.	D.H. F.N.	TOTAL D.H. F.N.	I.H. F.N.	TOTAL CIV	
1945	14,659,747	30,429,371	45,089,118	635,824	45,724,942	3,841,076	49,566,018	17.30	9.83	12.26	6.78	12.18	6.02	11.70	
1946	11,560,186	24,458,806	36,018,992	420,679	36,336,671	1,931,685	38,271,276	17.30	10.64	12.78	7.12	12.73	6.33	12.41	
1947	6,575,555	13,571,503	20,147,058	351,880	20,498,138	2,122,622	22,620,760	19.82	11.75	14.38	7.55	14.26	6.68	13.55	
1948	5,023,926	10,098,710	15,112,706	386,996	15,499,702	2,329,868	17,829,570	19.82	12.66	15.04	8.11	14.87	7.21	13.86	
1949	5,024,152	9,972,148	14,996,300	444,698	15,440,998	2,697,435	18,138,433	21.99	13.76	16.52	8.33	16.28	7.35	14.95	
1950	4,910,268	8,252,132	13,162,400	485,701	13,648,101	2,925,204	16,573,305	22.58	14.62	17.59	8.78	17.28	7.80	15.60	
1951	4,961,082	10,858,681	15,819,683	752,397	16,572,080	4,535,530	21,107,610	22.87	15.15	17.57	9.26	17.19	8.22	15.27	
1952	6,800,614	15,229,203	22,029,817	1,135,047	23,064,864	6,249,105	29,313,969	25.16	15.96	18.80	9.71	18.40	8.60	16.31	
1953	7,594,537	15,807,653	23,312,190	1,336,632	24,648,822	8,884,567	32,733,389	25.16	17.45	19.93	10.25	19.41	9.06	16.85	
1954	7,388,895	14,129,637	21,518,532	1,162,081	22,680,613	7,803,053	29,683,666	25.16	18.70	20.92	10.44	20.38	9.27	17.76	
1955	8,022,374	13,189,872	21,212,246	927,175	22,139,421	5,592,166	27,731,587	25.81	19.32	21.77	10.81	21.31	9.58	18.95	
1956	8,528,819	13,896,882	21,625,701	781,475	22,407,176	4,708,494	27,115,670	27.10	20.09	22.85	12.42	22.49	9.83	20.29	
1957	9,007,610	12,870,302	21,977,912	750,622	22,628,534	4,294,805	26,923,339	27.10	21.33	23.71	12.58	23.34	9.79	21.16	
1958	8,839,480	11,853,041	20,692,441	720,512	21,412,953	3,715,066	25,128,019	30.32	24.16	26.79	13.83	26.33	9.83	23.89	
CY58	9,077,564	11,826,479	20,864,043	710,023	21,574,066	3,415,934	24,990,000	31.73	24.83	27.82	12.98	27.33	9.65	24.92	
1959	9,207,279	11,798,033	21,005,312	701,080	21,706,392	3,116,080	24,822,472	31.73	25.60	28.29	12.89	27.79	9.48	25.49	
1960	9,119,983	11,149,300	20,269,283	681,622	20,950,905	2,817,790	23,768,695	31.73	26.80	29.02	12.75	28.49	9.65	26.26	
1961	9,272,479	10,739,293	20,021,772	686,488	20,708,260	2,669,675	23,377,935	34.66	28.14	31.16	14.22	30.60	10.46	28.30	
1962	10,148,716	10,772,495	20,921,211	691,671	21,612,882	2,662,209	24,235,091	34.66	28.91	31.70	14.95	31.16	11.48	29.03	
1963	10,223,969	10,713,351	20,937,320	707,830	21,645,150	2,574,741	24,219,891	36.81	29.77	32.82	15.57	32.25	12.17	30.12	
1964	10,600,175	10,180,061	20,780,236	725,309	21,505,545	2,333,480	23,839,025	37.30	30.68	34.06	15.43	33.43	13.40	31.47	
1965	10,870,458	9,926,812	20,757,279	610,783	21,368,063	2,077,449	23,445,512	39.65	31.54	35.77	17.57	35.25	14.45	33.41	
1966	11,612,860	10,233,912	21,846,772	689,251	22,536,023	1,987,954	24,523,977	40.76	32.50	36.89	18.44	36.33	15.74	34.66	
1967	12,598,327	11,312,087	23,910,414	646,767	24,557,181	1,912,584	26,469,765	42.29	33.61	38.18	19.14	37.45	17.98	36.06	
CY67	13,221,224	11,322,166	24,543,390	1,130,620	25,674,010	1,876,783	27,550,793	42.76	34.18	38.80	17.91	37.88	18.57	36.56	
1968	13,838,875	11,313,657	25,151,732	1,313,583	26,465,315	1,838,823	28,304,138	43.78	35.00	39.78	16.69	38.64	19.20	37.37	
1969	14,240,910	11,039,623	25,280,533	1,489,290	26,669,823	1,729,621	28,399,444	46.33	37.01	42.26	20.16	41.11	19.48	39.79	
1970	14,027,862	10,514,163	24,542,025	1,302,567	25,844,592	1,603,944	27,448,536	52.20	40.12	47.03	22.55	45.79	22.98	44.46	
1971	13,631,580	9,689,291	23,320,871	1,061,087	24,381,958	1,484,038	25,865,996	55.48	43.72	50.60	28.04	49.61	27.42	48.34	
1972	13,854,494	9,056,796	22,911,290	894,591	23,805,881	1,436,283	25,242,164	58.65	47.94	54.42	28.15	53.43	34.98	52.38	
CY72	13,594,354	8,986,427	22,580,781	767,033	23,347,814	1,504,660	24,852,474	60.23	49.66	56.03	28.13	55.11	37.92	54.07	
1973	13,346,111	8,911,823	22,257,934	639,845	22,897,779	1,573,059	24,470,838	61.77	50.58	57.29	28.10	56.47	40.85	55.47	
1974	13,071,778	8,450,643	21,482,421	460,233	21,942,654	1,449,251	23,391,905	65.72	54.85	61.44	36.49	60.92	53.10	60.44	
1975	13,194,239	8,499,217	21,683,456	444,366	22,127,822	1,320,178	23,448,000	69.45	60.72	66.03	40.74	65.52	63.28	65.39	
1976	13,291,484	8,191,308	21,482,792	438,315	21,913,107	1,286,104	23,199,211	73.08	68.52	71.34	46.65	70.86	69.26	70.77	
TY76	3,310,114	1,968,883	5,270,997	98,429	5,369,426	340,569	5,709,995	73.95	72.56	73.44	51.91	73.80	69.85	72.85	
1977	13,342,536	7,836,636	21,179,172	381,819	21,560,991	1,221,202	22,782,193	77.68	76.51	77.24	60.90	76.95	78.38	77.03	
1978	13,267,861	7,583,807	20,847,668	362,535	21,210,203	1,491,616	22,701,219	83.41	82.85	83.20	70.58	82.99	83.95	83.05	
1979	13,343,513	7,361,316	20,704,819	359,806	21,023,625	1,449,242	22,473,067	88.00	88.23	88.08	81.17	87.96	88.98	88.03	
1980	13,753,068	7,250,603	21,003,671	370,678	21,374,349	1,364,053	22,738,402	94.16	93.88	94.06	90.91	94.01	94.33	94.03	
1981	13,752,548	7,059,947	20,812,495	370,667	21,183,162	1,363,968	22,547,130	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
1982	13,753,299	7,068,846	20,814,145	370,682	21,184,827	1,364,211	22,549,038	107.99	106.68	107.55	108.00	107.56	105.98	107.46	
1983	13,753,326	7,060,762	20,814,088	370,672	21,184,760	1,364,125	22,548,885	116.63	114.15	115.79	116.64	115.80	112.35	115.60	
1984	13,752,965	7,068,045	20,813,010	370,625	21,183,635	1,364,813	22,547,648	125.38	121.80	124.17	125.99	124.20	119.10	123.89	
1985	13,752,646	7,068,457	20,813,103	370,626	21,183,729	1,364,013	22,547,742	134.16	130.08	132.78	136.06	132.84	126.24	132.44	

10

5-14 COMPOSITE INFLATION RATES BY APPROPRIATION CATEGORY, DOD

	<u>FY 75-76</u>	<u>FY 76-77</u>	<u>FY 77-78</u>	<u>FY 78-79</u>	<u>FY 79-80</u>	<u>FY 80-81</u>
<u>Outlays</u>						
Military personnel	5.09	5.32	6.67	5.79	7.08	7.75
Retired Pay	11.03	5.92	7.52	8.34	13.26	11.27
Operation & maintenance	7.57	8.13	7.36	7.55	8.87	7.82
Procurement	8.11	7.64	7.07	8.81	8.49	8.79
RDT&E	6.90	6.05	6.91	8.02	7.96	8.45
Military construction	2.01	3.87	8.05	9.22	8.99	8.62
Family housing	5.61	6.58	7.42	8.41	8.34	8.47
Special foreign currency	6.58	7.47	6.79	8.71	8.64	8.97
Revolving & mgmt. funds	6.60	7.46	6.80	8.71	6.63	8.97
Ded. for offsetting receipts	6.60	7.46	6.80	8.71	8.63	8.97
Trust funds	6.60	7.46	6.80	8.71	8.63	8.97
Intragovt. receipts	<u>6.58</u>	<u>7.47</u>	<u>6.80</u>	<u>8.71</u>	<u>8.63</u>	<u>8.97</u>
Composite	6.94	6.65	7.06	7.45	8.65	8.41

TOA

Military personnel	5.07	5.32	6.67	5.80	7.10	7.74
Retired pay	11.03	5.92	7.52	8.34	13.26	11.27
Operation & maintenance	7.46	8.19	7.67	7.78	8.68	7.77
Procurement	7.09	9.40	8.32	8.50	8.26	7.86
RDT&E	6.31	6.90	7.50	7.98	8.18	8.15
Military construction	5.79	9.87	9.12	8.43	8.07	7.56
Family housing	6.90	8.47	7.60	8.23	8.25	8.26
Special foreign currency	7.37	10.38	8.69	8.51	8.01	7.27
Revolving & mgmt. funds	-	<u>7.46</u>	<u>6.80</u>	<u>8.71</u>	-	-
Composite	6.60	7.31	7.55	7.56	8.52	8.13

CHAPTER 6

TOA TRENDS AND PROGRAM CHANGES

Tables 6-1 through 6-5 are historical series and provide summaries typically used in analyzing trends in defense programs.

Table 6-1 provides a historical summary of TOA from FY 1945-81, by appropriation title, in both current dollars and constant FY 1981 dollars.

Tables 6-2 and 6-3 provide summaries by the major force programs.

Table 6-4 is a summary by pay and non-pay operations/investment. This summary is especially useful since the investment program and the non-pay operations are identified on separate lines.

Table 6-5 is a summary by component. The Defense-wide total includes those items in the budget identified to a specific component, such as Family Housing, Defense; Retired Pay, Defense; Contingencies, Defense; and Claims, Defense. In recent budgets, the new Foreign Currency Fluctuations, Defense account has been included in the Defense-wide total.

Table 6-6 is an appropriation summary in constant FY 1981 dollars, highlighting the real growth and percentage of real growth for FY 1981.

Table 6-7 is a summary of the FY 1981 TOA request by appropriation act, expressed in current and FY 1981 constant dollars.

Table 6-8 summarizes the effect on BA and TOA of Congressional action and other changes on the FY 1980 budget request.

Table 6-9 is a chart showing the baseline trends in the DoD budget for FY 1955-85. Baseline as shown on this chart constitutes total DoD TOA and Outlays excluding Retired Pay and the incremental costs associated with the war in Southeast Asia.

6-1 TOTAL OBLIGATIONAL AUTHORITY
SUMMARY BY APPROPRIATION TITLE
(\$ in Millions)

TOTAL	FY 45	FY 46	FY 47	FY 48	FY 49	FY 50	FY 51	FY 52	FY 53	FY 54	FY 55	FY 56	FY 57
CURRENT DOLLARS													
MILITARY PERSONNEL	24,437	17,009	6,098	4,232	4,601	4,942	8,522	11,141	12,181	11,190	11,040	10,888	10,945
RETIRE PAY	57	85	140	175	193	197	324	331	356	386	422	479	511
O+M	16,280	9,885	5,006	3,881	4,436	4,205	11,676	13,661	10,884	8,678	8,407	9,195	9,614
PROCUREMENT	35,509	7,566	2,127	2,995	3,251	4,176	21,837	28,173	16,481	6,469	8,917	11,844	12,221
RDT+E	1,676	962	405	405	484	553	1,183	1,796	2,112	2,243	2,621	3,539	4,381
MILITARY CONST	1,545	1,071	484	215	239	265	1,631	2,087	2,269	1,464	2,338	2,095	2,048
FAMILY HOUSING											44	25	3
SPEC FOREIGN CURR													
REV + MGMT FUNDS													
TRUST + RECEIPTS													
DEDUCT, INTRAGOV'T RECPT													
NAV PETRO RES RCPT													
TOTAL, MIL FUNC	79,504	36,578	14,260	11,903	13,204	14,337	45,173	57,188	44,283	30,429	33,790	38,065	39,724
TOTAL, CURRENT \$	79,504	36,578	14,260	11,903	13,204	14,337	45,173	57,188	44,283	30,429	33,790	38,065	39,724
CONSTANT DOLLARS - FY 1981 = 100													
MILITARY PERSONNEL	169,478	115,648	34,031	23,621	25,738	24,813	40,203	53,714	55,181	51,368	49,273	46,242	47,281
RETIRE PAY	606	771	971	1,145	1,255	1,337	1,364	1,420	1,507	1,750	1,802	1,914	1,964
O+M	108,415	63,755	30,655	23,098	24,405	22,343	50,155	59,924	49,998	40,705	37,561	38,498	38,208
PROCUREMENT	172,813	34,640	9,123	11,740	12,481	15,079	76,034	100,711	57,381	22,752	29,720	38,131	38,565
RDT+E	9,620	5,100	1,968	1,817	1,930	2,281	4,706	6,772	7,847	8,130	9,192	11,742	13,937
MILITARY CONST	9,260	5,777	2,396	1,023	1,105	1,171	6,986	8,987	9,794	6,233	9,574	8,345	8,098
FAMILY HOUSING											179	100	14
SPEC FOREIGN CURR													
REV + MGMT FUNDS													
TRUST + RECEIPTS													
DEDUCT, INTRAGOV'T RECPT													
NAV PETRO RES RCPT													
TOTAL, MIL FUNC	470,192	225,691	79,145	62,444	66,916	67,023	179,448	231,529	181,708	130,938	137,300	144,972	148,067
TOTAL, CONSTANT \$	470,192	225,691	79,145	62,444	66,916	67,023	179,448	231,529	181,708	130,938	137,300	144,972	148,067

6-1 TOTAL OBLIGATIONAL AUTHORITY (CONT'D)
SUMMARY BY APPROPRIATION TITLE
(\$ in Millions)

TOTAL	FY 58	FY 59	FY 60	FY 61	FY 62	FY 63	FY 64	FY 65	FY 66	FY 67	FY 68	FY 69	FY 70
CURRENT DOLLARS													
MILITARY PERSONNEL	10,987	11,294	11,241	11,356	12,158	12,042	12,983	13,430	15,455	18,236	19,961	21,385	22,978
RETIRE PAY	561	635	693	788	896	1,015	1,211	1,386	1,592	1,831	2,093	2,443	2,853
O+M	10,112	10,214	10,329	10,671	11,562	11,467	11,693	12,563	15,378	19,361	20,950	22,285	21,516
PROCUREMENT	13,628	13,118	11,137	14,238	16,194	16,026	15,028	14,112	22,014	23,281	22,528	22,247	19,161
RDT+E	4,159	5,144	5,476	6,366	6,269	7,028	7,053	6,433	6,885	7,225	7,263	7,730	7,399
MILITARY CONST	1,634	1,748	1,350	1,115	915	1,286	977	1,063	2,595	1,217	1,557	1,142	1,015
FAMILY HOUSING	42	42	32	108	440	556	602	575	613	439	612	518	593
SPEC FOREIGN CURR										3		4	2
REV + MGMT FUNDS													
TRUST + RECEIPTS													
DEDUCT, INTRAGOV'T RECPT													
NAV PETRO RES RCPT													
TOTAL, MIL FUNC	41,124	42,193	40,257	44,643	48,434	49,420	49,547	49,561	64,532	71,592	74,965	77,755	75,517
TOTAL, CURRENT \$	41,124	42,193	40,257	44,643	48,434	49,420	49,547	49,561	64,532	71,592	74,965	77,755	75,517

CONSTANT DOLLARS	FY 1981 = 100												
MILITARY PERSONNEL	44,290	42,677	41,894	41,860	45,196	44,421	44,495	44,349	47,443	52,872	54,680	54,900	52,222
RETIRE PAY	2,138	2,261	2,489	2,839	3,225	3,683	4,225	4,752	5,225	5,796	6,411	7,101	7,715
O+M	37,202	36,070	35,786	35,247	37,688	36,694	36,478	37,726	44,323	53,395	55,774	56,941	51,203
PROCUREMENT	43,176	41,550	34,849	44,875	49,986	48,620	43,867	39,772	57,706	59,026	53,796	50,785	42,676
RDT+E	12,886	15,486	16,136	18,367	17,813	19,600	19,325	17,209	17,864	18,111	17,509	17,726	15,974
MILITARY CONST	6,480	6,913	5,290	4,270	3,427	4,713	3,456	3,609	8,455	3,709	4,428	3,008	2,451
FAMILY HOUSING	171	170	127	391	1,258	1,651	1,766	1,634	1,683	1,057	1,515	1,181	1,291
SPEC FOREIGN CURR										7		10	4
REV + MGMT FUNDS													
TRUST + RECEIPTS													
DEDUCT, INTRAGOV'T RECPT													
NAV PETRO RES RCPT													
TOTAL, MIL FUNC	146,343	145,127	136,572	147,848	158,592	159,383	153,613	149,051	182,700	193,974	194,115	191,652	173,536
TOTAL, CONSTANT \$	146,343	145,127	136,572	147,848	158,592	159,383	153,613	149,051	182,700	193,974	194,115	191,652	173,536

05

6-1 TOTAL OBLIGATIONAL AUTHORITY (CONT'D)
SUMMARY BY APPROPRIATION TITLE
(\$ in Millions)

TOTAL	FY 71	FY 72	FY 73	FY 74	FY 75	FY 76	FY 76T	FY 77	FY 78	FY 79	FY 80	FY 81
CURRENT DOLLARS												
MILITARY PERSONNEL	22,625	23,147	23,639	24,104	24,685	25,430	6,398	25,947	27,184	28,650	30,825	33,371
RETIRED PAY	3,369	3,889	4,392	5,137	6,239	7,326	1,921	8,219	9,173	10,282	11,981	13,736
O+M	20,410	21,242	22,148	23,862	26,153	28,848	7,345	32,011	34,902	37,861	43,405	49,210
PROCUREMENT	17,335	18,526	18,222	17,426	17,320	21,130	3,902	27,480	30,346	31,368	35,792	40,546
RDT+E	7,123	7,584	8,020	8,200	8,632	9,520	2,419	10,585	11,474	12,363	13,517	16,543
MILITARY CONST	1,209	1,262	1,550	1,847	1,828	2,147	78	2,210	1,850	2,523	2,295	3,258
FAMILY HOUSING	713	839	975	1,102	1,117	1,259	289	1,299	1,382	1,576	1,521	2,005
SPEC FOREIGN CURR	12	12	3	3	3	3		4	2	14	7	3
REV + MGMT FUNDS						135		220	171	101		68
TRUST + RECEIPTS												
DEDUCT, INTRAGOV'T RECPT												
NAV PETRO RES RCPT												
TOTAL, MIL FUNC	72,815	76,502	78,948	81,681	86,176	95,797	22,352	107,975	116,494	124,759	139,343	158,739
TOTAL, CURRENT \$	72,815	76,502	78,948	81,681	86,176	95,797	22,352	107,975	116,494	124,759	139,343	158,739
CONSTANT DOLLARS FY 1981 = 100												
MILITARY PERSONNEL	47,611	42,581	38,703	36,990	35,856	34,873	8,675	33,786	33,183	33,057	33,211	33,371
RETIRED PAY	8,284	8,913	9,489	10,120	10,771	11,391	2,939	12,065	12,525	12,957	13,332	13,736
O+M	45,524	44,691	44,226	42,700	41,320	42,419	10,301	43,506	44,058	44,347	46,776	49,210
PROCUREMENT	36,467	36,778	33,842	30,134	27,847	31,721	5,459	37,711	38,448	36,629	38,607	40,546
RDT+E	14,557	14,704	14,668	13,767	13,322	13,822	3,344	14,375	14,496	14,487	14,619	16,543
MILITARY CONST	2,680	2,557	2,835	3,097	2,922	3,244	109	3,039	2,344	2,933	2,469	3,258
FAMILY HOUSING	1,475	1,627	1,769	1,872	1,768	1,864	402	1,773	1,754	1,847	1,547	2,005
SPEC FOREIGN CURR	25	24	6	4	5	4		5	3	17	7	3
REV + MGMT FUNDS						199		302	220	119		68
TRUST + RECEIPTS												
DEDUCT, INTRAGOV'T RECPT												
NAV PETRO RES RCPT												
TOTAL, MIL FUNC	156,625	151,874	145,538	138,683	133,811	139,537	31,228	146,562	147,031	146,393	150,666	158,739
TOTAL, CONSTANT \$	156,625	151,874	145,538	138,683	133,811	139,537	31,228	146,562	147,031	146,393	150,666	158,739

6-2 TOTAL OBLIGATIONAL AUTHORITY
SUMMARY BY MAJOR PROGRAM
(\$ in Millions)

FISCAL YEAR	STRATEGIC FORCES	GENERAL PURPOSE FORCES	INTELL AND COMMS	AIRLIFT AND SEALIFT	GUARD + RESERVE FORCES	RESEARCH AND DEVELMNT	CENTRAL SUPPLY-MAINT	TNG. MED OTHER ACT	ADMIN + ASSOC ACT	SUPPORT TO OTHER NATIONS	UNDIS	TOTAL
FY 45	11,194	41,648	2,720	1,714		1,444	10,336	8,725	1,592	132		79,504
FY 46	4,058	16,350	1,324	1,118	502	1,001	4,951	5,770	1,008	496		36,578
FY 47	1,452	6,134	520	319	268	460	2,377	2,161	540	31		14,260
FY 48	1,498	4,718	631	266	410	434	1,839	1,715	367	26		11,903
FY 49	1,660	5,005	569	361	772	504	2,035	1,905	367	26		13,204
FY 50	2,468	5,093	531	351	987	473	2,044	2,018	345	27		14,337
FY 51	7,719	21,710	1,855	954	801	1,076	5,116	4,947	934	61		45,173
FY 52	11,271	26,486	2,309	1,149	675	1,249	6,528	6,155	1,089	77		57,188
FY 53	8,800	17,971	2,085	1,018	887	1,506	5,276	5,550	1,126	63		44,283
FY 54	4,852	11,623	1,559	794	945	1,292	3,974	4,563	782	46		30,429
FY 55	6,990	13,321	1,445	454	1,091	1,162	3,526	4,916	796	88		33,790
FY 56	9,628	13,582	1,695	829	1,282	1,475	3,855	4,711	949	59		38,065
FY 57	11,182	12,995	1,909	825	1,497	1,789	3,993	4,531	943	60		39,724
FY 58	11,029	14,228	2,003	869	1,676	1,729	3,978	4,670	983	57		41,124
FY 59	11,854	13,282	2,199	1,050	1,547	2,332	4,123	4,721	1,024	62		42,193
FY 60	10,297	12,799	2,266	932	1,529	2,605	4,032	4,758	970	57		40,257
FY 61	12,107	14,245	2,488	910	1,581	3,133	4,096	5,038	983	61		44,643
FY 62	10,641	16,664	3,101	940	1,615	4,066	4,448	5,868	1,030	60		48,434
FY 63	9,718	16,518	3,846	986	1,551	4,798	4,531	6,325	1,080	67		49,420
FY 64	8,387	16,417	4,380	1,040	1,768	4,834	4,638	6,921	1,079	81		49,547
FY 65	6,241	17,715	4,278	1,251	1,779	4,647	4,909	7,429	1,154	157		49,561
FY 66	6,008	27,321	4,818	1,435	2,115	4,734	6,515	9,158	1,424	1,005		64,532
FY 67	6,175	29,974	5,171	1,730	2,452	4,627	7,883	10,624	1,264	1,693		71,592
FY 68	7,128	30,537	5,542	1,747	2,177	4,270	8,385	12,151	1,239	1,789		74,965
FY 69	8,394	29,617	5,857	1,451	2,134	4,526	9,292	12,779	1,326	2,380		77,755
FY 70	6,920	27,710	5,546	1,652	2,546	4,711	9,029	13,666	1,466	2,270		75,517
FY 71	7,183	24,554	5,416	1,302	2,578	4,861	8,400	14,446	1,568	2,405		72,815
FY 72	7,156	25,567	5,451	1,114	3,255	5,756	8,663	15,198	1,688	2,652		76,502
FY 73	7,162	25,843	5,779	868	3,877	6,463	8,628	16,015	1,792	2,520		78,948
FY 74	6,688	27,672	5,996	778	4,317	6,860	8,556	17,994	1,841	977		81,681
FY 75	7,104	28,052	6,332	899	4,786	7,698	9,056	19,962	2,036	251		86,176
FY 76	7,168	32,984	6,672	1,262	5,368	8,655	9,720	21,537	2,166	264		95,797
FY 77	1,755	6,942	1,553	289	1,301	2,203	2,389	5,336	545	41		22,352
FY 77	9,359	38,107	7,412	1,519	5,928	9,866	11,060	22,449	2,057	219		107,975
FY 78	9,182	42,414	7,898	1,619	6,950	10,106	11,955	23,923	2,188	259		116,494
FY 79	8,419	47,392	8,057	1,743	6,961	10,813	12,830	25,736	2,347	461		124,759
FY 80	10,880	51,948	9,117	2,008	7,322	11,772	14,476	28,700	2,569	550		139,343
FY 81	12,031	58,009	10,668	2,288	8,331	14,025	16,731	32,704	2,975	977		158,739

6-3 TOTAL OBLIGATIONAL AUTHORITY
SUMMARY BY MAJOR PROGRAM
(Millions of Constant FY 1981 \$)

FISCAL YEAR	STRATEGIC FORCES	GENERAL PURPOSE FORCES	INTELL AND COMMS	AIRLIFT AND SEALIFT	GUARD + RESERVE FORCES	RESEARCH AND DEVELMNT	CENTRAL SUPPLY-MAINT	TNG. MED OTHER ACT	ADMIN + ASSOC ACT	SUPPORT TO OTHER NATIONS	UNDIS	TOTAL
FY 45	59,094	241,661	17,103	11,126		8,632	63,773	57,696	10,272	835		470,192
FY 46	22,185	99,179	8,339	7,081	3,199	5,649	31,835	38,516	6,444	3,265		225,691
FY 47	7,302	33,284	2,837	1,878	1,496	2,319	14,339	12,362	3,154	172		79,145
FY 48	6,792	24,313	2,927	1,624	2,341	2,033	10,577	9,702	1,999	137		62,444
FY 49	7,296	25,038	2,788	1,797	4,175	2,175	11,040	10,467	2,002	137		66,916
FY 50	9,628	23,500	2,510	1,463	4,967	2,029	10,668	10,351	1,774	131		67,023
FY 51	29,358	84,036	7,174	3,647	3,573	4,445	21,904	21,073	3,977	261		179,448
FY 52	43,344	105,069	9,285	4,512	4,053	5,155	27,952	27,069	4,752	338		231,529
FY 53	33,291	73,068	8,298	4,102	4,034	5,975	23,610	24,216	4,838	275		181,708
FY 54	19,329	49,876	6,411	3,116	4,328	5,027	18,384	20,734	3,524	209		130,938
FY 55	26,094	53,322	5,865	1,921	4,779	4,450	15,620	21,430	3,433	366		137,300
FY 56	34,306	51,388	6,426	3,188	5,205	5,199	15,788	19,339	3,909	244		144,972
FY 57	38,465	49,379	6,912	3,084	6,054	6,030	15,621	18,504	3,769	250		148,067
FY 58	37,266	51,070	6,905	3,055	6,062	5,660	14,520	17,892	3,688	224		146,343
FY 59	39,259	46,751	7,282	3,487	5,683	7,284	14,380	17,081	3,682	229		145,127
FY 60	33,806	44,247	7,355	3,100	5,564	7,919	13,871	17,076	3,425	209		136,572
FY 61	39,040	48,189	7,883	2,994	5,617	9,320	13,515	17,734	3,338	218		147,848
FY 62	34,374	55,418	9,681	3,012	5,644	11,895	14,461	20,391	3,496	220		158,592
FY 63	30,620	54,555	11,722	3,101	5,414	13,752	14,458	21,916	3,599	246		159,383
FY 64	25,586	51,905	12,790	3,117	5,811	13,522	14,351	22,816	3,440	275		153,613
FY 65	18,267	54,163	12,190	3,555	5,672	12,748	14,636	23,746	3,558	515		149,051
FY 66	16,749	76,838	13,097	3,884	6,290	12,485	18,546	27,769	4,170	2,872		182,700
FY 67	16,487	80,924	13,465	4,480	6,880	11,770	21,509	30,467	3,504	4,487		193,974
FY 68	18,309	77,958	13,886	4,375	5,953	10,422	22,095	33,311	3,313	4,491		194,115
FY 69	20,351	72,022	14,023	3,500	5,562	10,482	23,530	33,209	3,369	5,604		191,652
FY 70	15,708	63,321	12,418	3,713	6,023	10,222	21,248	32,424	3,410	5,051		173,536
FY 71	15,308	52,427	11,430	2,774	5,903	9,965	18,533	31,813	3,400	5,073		156,625
FY 72	14,173	50,062	10,682	2,184	6,489	11,130	17,976	30,587	3,359	5,231		161,874
FY 73	13,257	46,494	10,538	1,559	7,100	11,748	16,910	29,885	3,310	4,736		145,538
FY 74	11,356	46,227	10,102	1,280	7,265	11,464	15,121	31,050	3,125	1,693		138,683
FY 75	11,069	43,182	9,815	1,367	7,354	11,842	14,265	31,382	3,153	381		133,811
FY 76	10,462	47,912	9,727	1,813	7,706	12,533	14,298	31,554	3,152	381		139,537
FY 77	2,435	9,606	2,158	398	1,795	3,043	3,346	7,632	759	55		31,228
FY 77	12,697	51,357	10,071	2,033	7,931	13,382	15,043	30,981	2,775	293		146,562
FY 78	11,535	53,115	9,975	2,020	8,662	12,746	15,089	30,823	2,745	322		147,031
FY 79	9,824	55,166	9,433	2,031	8,091	12,640	15,019	30,912	2,740	536		146,393
FY 80	11,736	55,987	9,852	2,166	7,882	12,728	15,603	31,353	2,769	593		150,668
FY 81	12,031	58,009	10,668	2,288	8,331	14,025	16,731	32,704	2,975	977		158,739

00

6-4 TOTAL OBLIGATIONAL AUTHORITY
SUMMARY BY
PAY AND NON-PAY OPERATIONS/INVESTMENT
(\$ in Millions)

TOTAL	FY 45	FY 46	FY 47	FY 48	FY 49	FY 50	FY 51	FY 52	FY 53	FY 54	FY 55	FY 56	FY 57
CURRENT DOLLARS													
CIVILIAN PAYROLL	5,601	4,748	3,066	2,472	2,712	2,586	3,222	4,780	5,516	5,271	5,255	5,502	5,701
MILITARY PAY BASE	19,333	13,350	4,862	3,428	3,747	4,164	6,890	9,375	10,097	9,461	9,244	9,136	9,117
OTHER MIL PERS	5,104	3,659	1,236	804	854	788	1,632	1,766	2,084	1,729	1,796	1,752	1,828
RETIRED PAY	57	85	140	175	193	197	324	331	356	386	422	479	511
PER SUPP, FAM HOUS N.P.											43	24	2
TTL PAY + RELATED	30,295	21,842	9,304	6,879	7,506	7,725	12,068	16,252	18,053	16,848	16,760	16,893	17,159
TTL PAY + RELATED EX. RETIRED PAY	30,238	21,757	9,164	6,704	7,313	7,528	11,744	15,922	17,697	16,461	16,338	16,414	16,648
O+M, EXCLUDING PAY PROC, RDT+E + CONST	11,310	5,627	2,175	1,608	1,900	1,828	8,855	9,686	6,419	4,289	3,899	4,461	4,693
37,899	9,109	2,781	3,416	3,798	4,784	24,250	31,251	19,811	9,292	13,130	16,711	17,872	
TOTAL, NON-PAY	49,209	14,736	4,956	5,024	5,698	6,612	33,104	40,936	26,229	13,582	17,030	21,172	22,565
TOTAL, CURRENT \$	79,504	36,578	14,260	11,903	13,204	14,337	45,173	57,188	44,283	30,429	33,790	38,065	39,724
TOTAL, CURRENT \$ EX. RETIRED PAY	79,447	36,493	14,120	11,728	13,011	14,140	44,849	56,858	43,927	30,043	33,367	37,586	39,213
CONSTANT DOLLARS FY 1981 = 100													
CIVILIAN PAYROLL	49,566	38,271	22,621	17,830	18,138	16,573	21,108	29,314	32,733	29,684	27,732	27,116	26,923
MILITARY PAY BASE	146,704	99,782	29,015	20,496	22,462	21,921	34,665	47,716	48,154	45,411	43,284	40,613	41,518
OTHER MIL PERS	22,773	15,866	5,017	3,125	3,276	2,892	5,538	5,997	7,028	5,956	5,988	5,628	5,763
RETIRED PAY	606	771	971	1,145	1,255	1,337	1,364	1,420	1,507	1,750	1,802	1,914	1,964
PER SUPP, FAM HOUS N.P.											177	97	8
TTL PAY + RELATED	219,650	154,690	57,623	42,595	45,132	42,723	62,674	84,448	89,421	82,801	78,983	75,368	76,176
TTL PAY + RELATED EX. RETIRED PAY	219,044	153,919	56,652	41,450	43,877	41,386	61,311	83,028	87,915	81,051	77,181	73,455	74,211
O+M, EXCLUDING PAY PROC, RDT+E + CONST	65,950	29,433	9,769	6,704	7,444	7,109	31,678	35,549	23,502	15,990	13,770	15,165	14,970
184,593	41,567	11,753	13,145	14,340	17,192	85,096	111,532	68,784	32,147	44,547	54,440	56,921	
TOTAL, NON-PAY	250,543	71,000	21,522	19,849	21,784	24,301	116,773	147,081	92,286	48,137	58,317	69,604	71,891
TOTAL, CONSTANT \$	470,192	225,691	79,145	62,444	66,916	67,023	179,448	231,529	181,708	130,938	137,300	144,972	148,067
TOTAL, CONSTANT \$ EX. RETIRED PAY	469,586	224,919	78,174	61,299	65,660	65,686	178,084	230,109	180,201	129,188	135,498	143,059	146,103

6-4 TOTAL OBLIGATIONAL AUTHORITY (CONT'D)
SUMMARY BY
PAY AND NON-PAY OPERATIONS/INVESTMENT
(\$ in Millions)

TOTAL	FY 58	FY 59	FY 60	FY 61	FY 62	FY 63	FY 64	FY 65	FY 66	FY 67	FY 68	FY 69	FY 70
CURRENT DOLLARS													
CIVILIAN PAYROLL	6,003	6,327	6,240	6,616	7,034	7,295	7,502	7,833	8,500	9,654	10,578	11,301	12,204
MILITARY PAY BASE	8,993	9,269	9,168	9,181	9,917	9,762	10,615	11,019	12,178	14,111	15,264	16,699	18,638
OTHER MIL PERS	1,994	2,025	2,072	2,176	2,240	2,279	2,368	2,411	3,277	4,125	4,697	4,686	4,340
RETIRED PAY	561	635	693	788	896	1,015	1,211	1,386	1,592	1,831	2,093	2,443	2,853
PER SUPP, FAM HOUS N.P.	41	41	31	108	374	464	526	492	524	349	513	404	464
TTL PAY + RELATED	17,593	18,297	18,205	18,868	20,462	20,835	22,222	23,141	26,071	30,070	33,146	35,533	38,499
TTL PAY + RELATED EX. RETIRED PAY	17,032	17,663	17,512	18,080	19,566	19,820	21,011	21,755	24,479	28,239	31,052	33,090	35,646
O+M, EXCLUDING PAY	4,991	4,905	5,118	5,321	5,897	5,648	5,631	6,236	8,492	11,569	12,346	13,384	11,772
PROC, RDT+E + CONST	18,541	18,992	16,934	20,454	22,075	22,936	21,694	20,185	29,963	29,953	29,473	28,838	25,245
TOTAL, NON-PAY	23,531	23,896	22,052	25,775	27,972	28,585	27,325	26,421	38,461	41,522	41,819	42,222	37,017
TOTAL, CURRENT \$	41,124	42,193	40,257	44,643	48,434	49,420	49,547	49,561	64,532	71,592	74,965	77,755	75,517
TOTAL, CURRENT \$ EX. RETIRED PAY	40,563	41,559	39,564	43,855	47,538	48,405	48,336	48,176	62,940	69,761	72,871	75,312	72,664
CONSTANT DOLLARS FY 1981 = 100													
CIVILIAN PAYROLL	25,128	24,823	23,769	23,378	24,235	24,220	23,839	23,446	24,524	26,770	28,304	28,399	27,449
MILITARY PAY BASE	38,614	37,114	36,214	35,935	39,128	38,159	38,199	38,159	39,418	43,486	44,620	45,056	43,552
OTHER MIL PERS	5,675	5,563	5,680	5,925	6,067	6,262	6,296	6,190	8,023	9,386	10,061	9,843	8,670
RETIRED PAY	2,138	2,261	2,489	2,839	3,225	3,683	4,225	4,752	5,225	5,796	6,411	7,101	7,715
PER SUPP, FAM HOUS N.P.	167	167	124	388	1,031	1,412	1,525	1,386	1,425	809	1,250	895	1,002
TTL PAY + RELATED	71,723	69,928	68,276	68,465	73,686	73,736	74,084	73,933	78,617	86,246	90,646	91,295	88,387
TTL PAY + RELATED EX. RETIRED PAY	69,585	67,667	65,787	65,626	70,461	70,052	69,859	69,180	73,392	80,450	84,235	84,194	80,672
O+M, EXCLUDING PAY	15,783	15,243	15,939	16,341	18,172	17,375	17,214	18,786	24,454	31,789	32,751	34,572	29,289
PROC, RDT+E + CONST	58,857	59,956	52,357	63,042	66,734	68,272	62,315	56,332	79,629	75,939	70,718	65,785	55,860
TOTAL, NON-PAY	74,619	75,200	68,296	79,383	84,906	85,647	79,529	75,116	104,082	107,728	103,469	100,356	85,149
TOTAL, CONSTANT \$	146,343	145,127	136,572	147,848	158,592	159,383	153,613	149,051	182,700	193,974	194,115	191,652	173,536
TOTAL, CONSTANT \$ EX. RETIRED PAY	144,204	142,866	134,082	145,009	155,367	155,700	149,388	144,298	177,474	188,178	187,704	184,551	165,821

6-4 TOTAL OBLIGATIONAL AUTHORITY (CONT'D)
SUMMARY BY
PAY AND NON-PAY OPERATIONS/INVESTMENT
(\$ in Millions)

TOTAL	FY 71	FY 72	FY 73	FY 74	FY 75	FY 76	FY 76T	FY 77	FY 78	FY 79	FY 80	FY 81
<u>CURRENT DOLLARS</u>												
CIVILIAN PAYROLL	12,504	13,222	13,574	14,137	15,334	16,418	4,160	17,549	18,854	19,783	21,380	22,677
MILITARY PAY BASE	18,676	19,762	20,494	21,013	21,573	21,885	5,413	22,598	23,815	25,203	26,920	28,985
OTHER MIL PERS	3,949	3,385	3,145	3,090	3,312	3,544	985	3,350	3,369	3,447	3,906	4,386
RETIRED PAY	3,389	3,889	4,392	5,137	6,239	7,326	1,921	6,219	9,173	10,282	11,981	13,736
PER SUPP, FAM HOUS N.P.	594	700	809	925	908	1,026	229	1,071	1,123	1,304	1,227	1,693
TTL PAY + RELATED	39,112	40,958	42,414	44,303	47,365	50,199	12,708	52,786	56,334	60,019	65,414	71,478
TTL PAY + RELATED EX. RETIRED PAY	35,723	37,069	38,021	39,166	41,126	42,873	10,787	44,568	47,161	49,737	53,433	57,741
O+M, EXCLUDING PAY PROC, RDT+E + CONST	10,249	10,460	10,971	12,092	13,086	14,771	3,783	17,082	18,770	20,935	25,109	29,803
	23,454	25,084	25,564	25,285	25,726	30,828	5,861	38,107	41,390	43,806	48,821	57,458
TOTAL, NON-PAY	33,703	35,544	36,535	37,378	38,812	45,599	9,644	55,189	60,160	64,740	73,930	87,261
TOTAL, CURRENT \$	72,815	76,502	78,948	81,681	86,176	95,797	22,352	107,975	116,494	124,759	139,343	158,739
TOTAL, CURRENT \$ EX. RETIRED PAY	69,426	72,813	74,556	76,544	79,938	88,472	20,431	99,757	107,321	114,477	127,363	145,002
<u>CONSTANT DOLLARS FY 1981 = 100</u>												
CIVILIAN PAYROLL	25,866	25,242	24,471	23,392	23,448	23,199	5,710	22,782	22,701	22,473	22,738	22,677
MILITARY PAY BASE	40,101	36,371	33,216	31,945	31,039	29,970	7,337	29,384	28,996	29,062	29,010	28,985
OTHER MIL PERS	7,510	6,209	5,487	5,044	4,817	4,904	1,338	4,402	4,187	3,994	4,202	4,386
RETIRED PAY	8,284	8,913	9,489	10,120	10,771	11,391	2,939	12,065	12,525	12,957	13,932	13,736
PER SUPP, FAM HOUS N.P.	1,229	1,362	1,470	1,579	1,447	1,534	320	1,477	1,441	1,538	1,334	1,693
TTL PAY + RELATED	82,990	78,096	74,133	72,080	71,523	70,998	17,644	70,111	69,851	70,025	70,616	71,478
TTL PAY + RELATED EX. RETIRED PAY	74,706	69,185	64,644	61,960	60,752	59,607	14,705	58,045	57,325	57,068	57,284	57,741
O+M, EXCLUDING PAY PROC, RDT+E + CONST	24,506	24,105	24,076	23,224	21,337	22,527	5,411	24,125	24,634	25,118	27,318	29,803
	49,128	49,671	47,328	43,379	40,951	46,013	8,173	52,327	52,547	51,250	52,735	57,458
TOTAL, NON-PAY	73,635	73,776	71,405	66,603	62,288	68,540	13,585	76,452	77,181	76,368	80,052	87,261
TOTAL, CONSTANT \$	156,625	151,874	145,538	138,683	133,811	139,537	31,228	146,562	147,031	146,393	150,668	158,739
TOTAL, CONSTANT \$ EX. RETIRED PAY	148,341	142,961	136,049	128,563	123,039	128,146	28,290	134,497	134,506	133,436	137,336	145,002

6-5 TOTAL OBLIGATIONAL AUTHORITY
SUMMARY BY COMPONENT
(\$ in Millions)

	FY 45	FY 46	FY 47	FY 48	FY 49	FY 50	FY 51	FY 52	FY 53	FY 54	FY 55	FY 56	FY 57
<u>CURRENT DOLLARS</u>													
ARMY	33,726	14,383	5,929	3,162	4,034	4,288	17,453	21,685	13,475	9,892	10,813	9,901	9,919
NAVY	27,565	14,600	5,366	4,469	4,726	4,517	12,212	15,147	11,762	8,080	9,993	10,615	10,805
AIR FORCE	18,156	7,510	2,825	4,097	4,244	5,323	15,102	19,986	18,650	12,029	12,469	16,997	18,449
DEFENSE AGENCIES/GSD					7	11	12	14	14	12	13	13	14
DEFENSE-WIDE	57	85	140	175	193	197	393	357	382	416	501	539	537
TOTAL, CURRENT \$	79,504	36,578	14,260	11,903	13,204	14,337	45,173	57,188	44,283	30,429	33,790	38,065	39,724
<u>CONSTANT DOLLARS</u> FY 1981 = 100													
ARMY	199,519	93,404	33,835	18,783	21,991	21,115	68,502	86,669	57,444	43,757	44,355	36,802	38,292
NAVY	167,566	87,336	29,147	23,502	23,940	21,815	51,157	65,745	50,519	36,794	41,882	43,156	43,530
AIR FORCE	102,502	44,180	15,192	19,012	19,696	22,696	58,115	77,522	72,068	48,472	48,902	60,827	64,134
DEFENSE AGENCIES/GSD				2	34	61	70	79	78	66	64	63	59
DEFENSE-WIDE	606	771	971	1,145	1,265	1,337	1,605	1,513	1,599	1,851	2,097	2,125	2,051
TOTAL, CONSTANT \$	470,192	225,691	79,145	62,444	66,916	67,023	179,448	231,529	181,708	130,938	137,300	144,972	148,067

6-5 TOTAL OBLIGATIONAL AUTHORITY (CONT'D)
SUMMARY BY COMPONENT
(\$ in Millions)

	FY 58	FY 59	FY 60	FY 61	FY 62	FY 63	FY 64	FY 65	FY 66	FY 67	FY 68	FY 69	FY 70
<u>CURRENT DOLLARS</u>													
ARMY	9,757	9,555	9,867	10,528	12,467	11,826	12,275	12,219	18,510	22,369	24,962	25,769	23,963
NAVY	11,550	12,148	11,727	12,820	14,592	14,657	14,450	14,856	19,185	21,190	20,781	21,552	22,462
AIR FORCE	19,158	19,599	17,862	20,098	19,730	20,427	19,958	19,429	23,310	24,274	24,974	25,860	23,880
DEFENSE AGENCIES/OSD	36	182	234	250	268	882	1,007	1,060	1,280	1,451	1,498	1,570	1,721
DEFENSE-WIDE	623	710	767	947	1,377	1,629	1,857	1,997	2,246	2,307	2,749	3,005	3,492
TOTAL, CURRENT \$	41,124	42,193	40,257	44,643	48,434	49,420	49,547	49,561	64,532	71,592	74,965	77,755	75,517
<u>CONSTANT DOLLARS</u> FY 1981 = 100													
ARMY	35,597	33,400	33,658	34,743	40,515	38,055	37,842	36,604	51,847	59,713	63,793	62,716	53,853
NAVY	44,580	45,421	42,464	46,175	51,116	50,271	47,065	46,370	55,751	58,935	54,589	53,536	52,073
AIR FORCE	63,673	63,210	57,000	62,799	61,593	62,961	59,705	56,659	64,612	64,578	63,911	63,242	54,670
DEFENSE AGENCIES/OSD	124	552	693	743	761	2,583	2,876	2,933	3,464	3,800	3,788	3,773	3,832
DEFENSE-WIDE	2,370	2,545	2,757	3,369	4,607	5,513	6,125	6,485	7,026	6,948	8,034	8,385	9,109
TOTAL, CONSTANT \$	146,343	145,127	136,572	147,848	158,592	159,383	153,613	149,051	182,700	193,974	194,115	191,652	173,536

6-5 TOTAL OBLIGATIONAL AUTHORITY (CONT'D)
SUMMARY BY COMPONENT
(\$ in Millions)

	FY 71	FY 72	FY 73	FY 74	FY 75	FY 76	FY 76T	FY 77	FY 78	FY 79	FY 80	FY 81
<u>CURRENT DOLLARS</u>												
ARMY	22,280	22,094	21,480	21,548	21,544	23,759	5,727	26,703	28,943	31,441	34,325	39,803
NAVY	21,691	24,041	25,347	26,934	27,975	31,456	7,069	36,481	39,639	41,777	46,086	50,318
AIR FORCE	22,987	23,834	24,695	24,760	26,042	28,432	6,451	31,423	33,118	34,914	39,928	46,327
DEFENSE AGENCIES/OSD	1,691	1,745	2,007	2,133	3,102	3,487	871	3,772	4,182	4,633	5,257	6,097
DEFENSE-WIDE	4,167	4,788	5,419	6,305	7,414	8,662	2,234	9,597	10,642	11,994	13,746	16,193
TOTAL, CURRENT \$	72,815	76,502	78,948	81,681	86,178	95,797	22,352	107,975	116,494	124,759	139,343	158,739
<u>CONSTANT DOLLARS</u> FY 1981 = 100												
ARMY	46,935	42,637	36,312	35,562	32,865	33,938	7,888	35,685	36,020	36,535	36,965	39,803
NAVY	46,730	47,543	46,192	45,306	43,223	45,794	9,800	49,241	49,709	48,659	49,677	50,318
AIR FORCE	49,526	47,598	45,936	42,049	40,181	41,291	8,945	42,532	41,669	40,804	43,112	46,327
DEFENSE AGENCIES/OSD	3,635	3,432	3,735	3,652	4,907	5,141	1,219	5,154	5,241	5,419	5,670	6,097
DEFENSE-WIDE	9,899	10,663	11,362	12,115	12,634	13,373	3,376	13,950	14,392	14,967	15,244	16,193
TOTAL, CONSTANT \$	156,625	151,874	145,538	138,683	133,811	139,537	31,228	146,562	147,031	146,393	150,668	158,739

6-6 REAL GROWTH BY APPROPRIATION ACCOUNT
TOTAL OBLIGATIONAL AUTHORITY
(Millions of Constant FY 81 \$)

	FY 1978	FY 1979	FY 1980	FY 1981	\$ Change FY 1980-81	% Real Growth
<u>Military Personnel</u>						
Military Personnel, Army	11,205	11,177	11,248	11,258	+ 10	
Military Personnel, Navy	7,343	7,819	7,863	7,827	- 36	
Military Personnel, Marine Corps	2,457	2,421	2,401	2,350	- 51	
Military Personnel, Air Force	9,209	9,183	9,067	9,090	+ 23	
Reserve Personnel, Army	646	651	693	795	+ 102	
Reserve Personnel, Navy	273	269	275	270	- 4	
Reserve Personnel, Marine Corps	101	97	101	98	- 3	
Reserve Personnel, Air Force	221	227	244	255	+ 11	
National Guard Personnel, Army	939	906	1,007	1,093	+ 86	
National Guard Personnel, Air Force	288	306	313	334	+ 21	
Total - Military Personnel	93,183	93,057	93,211	93,371	+ 160	+ 0.5
Retired Pay, Defense	12,525	12,957	13,332	13,736	+ 405	+ 3.0
<u>Operation and Maintenance</u>						
Oper. and Maint., Army	10,959	11,335	11,629	12,300	+ 670	
Oper. and Maint., Navy	13,953	13,940	14,899	15,825	+ 926	
Oper. and Maint., Marine Corps	827	872	899	949	+ 50	
Oper. and Maint., Air Force	11,023	11,135	11,771	12,259	+ 488	
Oper. and Maint., Defense Agencies	3,779	3,676	3,984	4,191	+ 207	
Oper. and Maint., Army Reserve	488	489	465	478	+ 12	
Oper. and Maint., Navy Reserve	497	445	433	446	+ 13	
Oper. and Maint., Marine Corps Reserve	21	23	24	28	+ 4	
Oper. and Maint., Air Force Reserve	480	455	471	494	+ 22	
Oper. and Maint., Army Nat'l Guard	947	923	876	865	- 11	
Oper. and Maint., Air Nat'l Guard	1,054	1,109	1,201	1,246	+ 44	
Rifle Practice, Army	*	*	*	*	- *	
Claims, Defense	108	142	107	147	+ 40	
Court of Military Appeals, Defense	2	2	2	2	- *	
Foreign Currency Fluctuations, Defense	-	-	2	-	- 2	
Winter Olympic Games	-	2	11	-	- 11	
Total - Operation and Maintenance	44,058	44,347	46,776	49,210	+2,433	+ 5.2
<u>Procurement</u>						
Aircraft Procurement, Army	634	1,108	1,024	925	- 99	
Missile Procurement, Army	715	892	1,255	1,501	+ 246	
Procurement of M&TCV Army	1,777	1,774	1,963	2,629	+ 666	
Procurement of Ammunition, Army	1,595	1,396	1,329	1,514	+ 184	
Other Procurement, Army	1,844	1,875	1,565	2,130	+ 564	
Aircraft Procurement, Navy	4,486	5,076	4,780	4,966	+ 186	
Weapons Procurement, Navy	2,892	2,238	2,111	2,319	+ 208	
Shipbuilding and Conversion, Navy	7,248	5,872	7,191	6,112	-1,079	
Other Procurement, Navy	2,774	3,039	2,830	3,081	+ 252	
Procurement, Marine Corps	562	414	305	468	+ 163	
Aircraft Procurement, Air Force	8,083	8,103	8,711	8,555	- 156	
Missile Procurement, Air Force	2,306	1,738	2,368	3,042	+ 674	
Other Procurement, Air Force	2,914	2,781	2,869	2,995	+ 130	
Procurement, Defense Agencies	417	322	303	303	- 7	
Total - Procurement	38,448	36,629	38,607	40,546	+1,939	+ 5.0

* Amounts less than \$500,000.

6-6 REAL GROWTH BY APPROPRIATION ACCOUNT (CONT'D)
TOTAL OBLIGATIONAL AUTHORITY
(Millions of Constant FY 81 \$)

	<u>FY 1978</u>	<u>FY 1979</u>	<u>FY 1980</u>	<u>FY 1981</u>	<u>\$ Change FY 1980-81</u>	<u>% Real Growth</u>
<u>Research, Develop., Test & Eval.</u>						
RDT&E, Army	3,042	3,079	3,073	3,251	+ 178	
RDT&E, Navy	5,119	5,221	4,937	4,868	- 79	
RDT&E, Air Force	5,345	5,106	5,440	7,101	+1,661	
RDT&E, Defense Agencies	958	1,048	1,123	1,290	+ 167	
Dir. of Test & Eval., Defense	32	32	46	42	- 4	
Total - R.D.T. & E.	14,496	14,487	14,619	16,543	+1,924	+13.2
<u>Military Construction</u>						
Military Construction, Army	772	939	779	985	+ 206	
Military Construction, Navy	676	896	610	705	+ 96	
Military Construction, Air Force	622	560	608	815	+ 207	
Mil. Con., Defense Agencies	49	341	207	236	+ 29	
Mil. Con., Army National Guard	63	61	26	35	+ 9	
Mil. Con., Air National Guard	54	52	39	90	+ 51	
Mil. Con., Army Reserve	65	43	32	44	+ 12	
Mil. Con., Naval Reserve	28	26	20	25	+ 5	
Mil. Con., Air Force Reserve	15	15	13	23	+ 10	
Foreign Currency Fluctuations	-	-	136	-	- 136	
NATO Infrastructure	-	-	-	300	+ 300	
Total - Military Construction	2,344	2,933	2,469	3,258	+ 789	+32.0
<u>Family Housing, Defense</u>						
Family Housing, Construction	78	154	1	276	+ 275	
Family Housing, Debt Payment	56	44	34	28	- 7	
Family Housing, Operations	1,612	1,648	1,605	1,695	+ 90	
Homeowners Asst. Fund, Defense	7	1	7	6	- 1	
Total, Family Housing, Defense	1,754	1,847	1,647	2,005	+ 358	+21.7
<u>Special Foreign Currency Program</u>						
	3	17	7	3	- 4	-61.4
<u>Revolving & Management Funds</u>						
Army Stock Fund	129	88	-	-	-	
Navy Stock Fund	39	-	-	*	+ *	
Marine Corps Stock Fund	2	-	-	4	+ 4	
Air Force Stock Fund	45	32	-	28	+ 28	
Defense Stock Fund	6	-	-	35	+ 35	
Total - Revolving & Management Funds	220	119	-	68	+ 68	
Total - Department of Defense	<u>147,031</u>	<u>146,393</u>	<u>150,668</u>	<u>158,739</u>	<u>+8,071</u>	<u>+ 5.4</u>
<u>Summary</u>						
Army Total	36,020	36,535	36,965	39,803	+2,839	+ 7.7
Navy Total	49,709	48,669	49,677	50,318	+ 641	+ 1.3
Air Force Total	41,669	40,804	43,112	46,327	+3,215	+ 7.5
Defense Agencies/OSD Total	5,241	5,419	5,670	6,097	+ 427	+ 7.5
Defense-Wide Total	<u>14,392</u>	<u>14,967</u>	<u>15,244</u>	<u>16,193</u>	<u>+ 949</u>	<u>+ 6.2</u>
Total - Department of Defense	<u>147,031</u>	<u>146,393</u>	<u>150,668</u>	<u>158,739</u>	<u>+8,071</u>	<u>+ 5.4</u>

* Amounts less than \$500,000.

6-7 TOTAL OBLIGATION AUTHORITY - DEFENSE APPROPRIATION ACT
(\$ Thousands of Dollars)

	Current Dollars			Constant Dollars Base Year is FY 1981		
	FY 1979	FY 1980	FY 1981 Submitted	FY 1979	FY 1980	FY 1981 w/Contingencies
<u>Military Personnel</u>						
Military Personnel, Army	9,686,418	10,440,019	10,830,900	11,176,722	11,247,909	11,258,327
Military Personnel, Navy	6,776,668	7,297,893	7,509,200	7,819,085	7,862,705	7,826,903
Military Personnel, Marine Corps	2,098,562	2,227,981	2,257,300	2,421,085	2,400,536	2,350,006
Military Personnel, Air Force	7,958,879	8,415,795	8,700,500	9,182,664	9,067,482	9,090,158
Reserve Personnel, Army	564,199	643,541	760,200	650,871	693,624	795,271
Reserve Personnel, Navy	233,197	254,908	261,200	269,347	274,531	270,372
Reserve Personnel, Marine Corps	83,903	94,149	94,900	96,851	101,414	98,246
Reserve Personnel, Air Force	196,907	226,253	244,100	227,204	243,736	254,957
National Guard Personnel, Army	785,799	934,200	1,056,200	906,230	1,006,533	1,092,653
National Guard Personnel, Air Force	265,655	290,560	322,800	306,476	313,053	2334,042
Total - Military Personnel	28,650,087	30,825,299	32,037,300	33,056,535	33,211,223	33,370,935
Retired Pay, Defense	10,282,049	11,980,700	13,699,800	12,957,452	13,331,798	13,736,457
<u>Operation and Maintenance</u>						
Oper. and Maint., Army	9,535,183	10,805,618	12,137,100	11,134,674	11,629,230	12,299,629
Oper. and Maint., Navy	11,898,974	13,821,895	15,631,500	13,939,562	14,899,494	15,805,386
Oper. and Maint., Marine Corps	745,082	834,446	937,200	871,631	898,636	948,677
Oper. and Maint., Air Force	9,464,746	10,904,450	12,137,500	11,134,629	11,771,388	12,259,432
Oper. and Maint., Defense Agencies	3,145,023	3,699,214	4,066,300	3,676,426	3,984,366	4,191,135
Oper. and Maint., Army Reserve	419,621	433,444	469,200	488,714	465,398	477,633
Oper. and Maint., Navy Reserve	375,159	399,836	444,100	445,282	433,075	446,400
Oper. and Maint., Marine Corps Reserve	19,660	22,040	27,478	23,433	23,921	27,527
Oper. and Maint., Air Force Reserve	360,866	438,707	486,000	454,723	471,379	493,655
Oper. and Maint., Army Nat'l Guard	796,750	817,750	847,500	922,505	875,756	865,135
Oper. and Maint., Air Nat'l Guard	949,122	1,115,187	1,229,400	1,109,471	1,201,150	1,245,544
Rifle Practice, Army	353	411	425	411	447	425
Claims, Defense	117,658	98,200	146,800	141,632	106,964	146,980
Contingencies, Defense	250	-	-	297	-	-
Court of Military Appeals, Defense	1,568	2,009	2,197	1,811	2,255	2,247
Foreign Currency Fluctuations, Defense	-	1,900	-	-	2,071	-
XIII Winter Olympic Games	1,272	10,000	-	1,535	10,900	-
Total - Operation and Maintenance	37,861,287	43,405,197	48,562,700	44,346,736	46,776,430	49,209,805
<u>Procurement</u>						
Aircraft Procurement, Army	949,709	951,037	925,300	1,107,861	1,024,202	925,300
Missile Procurement, Army	761,900	1,162,500	1,501,300	892,021	1,254,983	1,501,300
Procurement of W&CIV, Army	1,524,400	1,824,500	2,628,900	1,774,109	1,962,663	2,628,900
Procurement of Ammunition, Army	1,194,600	1,232,800	1,513,500	1,395,929	1,329,356	1,513,500
Other Procurement, Army	1,609,650	1,454,810	2,129,758	1,875,199	1,565,450	2,129,758
Aircraft Procurement, Navy	4,337,100	4,428,745	4,966,300	5,076,390	4,779,831	4,966,300
Weapons Procurement, Navy	1,922,722	1,962,214	2,318,600	2,237,764	2,110,846	2,318,600
Shipbuilding & Conversion, Navy	5,072,638	6,682,350	6,118,400	5,872,308	7,191,215	6,118,400
Other Procurement, Navy	2,601,464	2,624,756	3,081,477	3,039,344	2,829,875	3,081,447
Procurement, Marine Corps	356,000	283,285	467,600	413,750	304,994	467,600

6-7 TOTAL OBLIGATION AUTHORITY - DEFENSE APPROPRIATION ACT (CONT'D)
(\$ Thousands of Dollars)

	Current Dollars			Constant Dollars Base Year is FY 1981		
	FY 1979	FY 1980	FY 1981 Submitted	FY 1979	FY 1980	FY 1981 W/Contingencies
Aircraft Procurement, Air Force	6,937,407	8,082,181	8,555,043	8,103,056	8,710,636	8,555,043
Missile Procurement, Air Force	1,473,000	2,182,985	3,042,284	1,738,379	2,368,302	3,042,284
Other Procurement, Air Force	2,352,710	2,632,741	2,972,687	2,781,136	2,864,963	2,994,687
Procurement, Defense Agencies	274,600	286,375	302,523	321,788	309,295	302,523
Total - Procurement	31,368,200	35,791,780	40,523,642	36,629,034	38,606,611	40,545,642
<u>Research, Develop, Test & Evaluation</u>						
RDT&E, Army	2,638,864	2,845,231	3,232,500	3,079,354	3,073,081	3,251,293
RDT&E, Navy	4,464,380	4,566,019	4,836,100	5,221,480	4,936,941	4,858,009
RDT&E, Air Force	4,358,888	5,026,032	7,085,300	5,106,219	5,439,818	7,100,959
RDT&E, Defense Agencies	892,887	1,037,022	1,289,500	1,047,710	1,123,216	1,290,408
Director, Test & Evaluation	27,600	42,500	42,100	32,218	45,809	42,100
Total - Research, Development Test & Evaluation	12,382,619	13,516,804	16,485,500	14,486,981	14,618,865	16,542,769
Special Foreign Currency Program	14,362	6,667	2,760	16,640	7,152	2,760
<u>Revolving and Management Funds</u>						
Army Stock Fund	74,000	-	-	87,591	-	-
Navy Stock Fund	-	-	309	-	-	309
Marine Corps Stock Fund	-	-	4,108	-	-	4,108
Air Force Stock Fund	26,800	-	28,300	31,722	-	28,300
Defense Stock Fund	-	-	35,000	-	-	35,000
Total - Revolving & Management Funds	100,800	-	67,717	119,313	-	67,717
Total - Defense Appropriation Act	120,659,404	135,526,447	151,379,419	141,612,691	146,552,079	153,476,085
Supplemental Request Included Above	-	4,237,698	-	-	-	-
Enacted FY 1980 (Less Transfers & Adjustments)	-	131,288,749	-	-	-	-

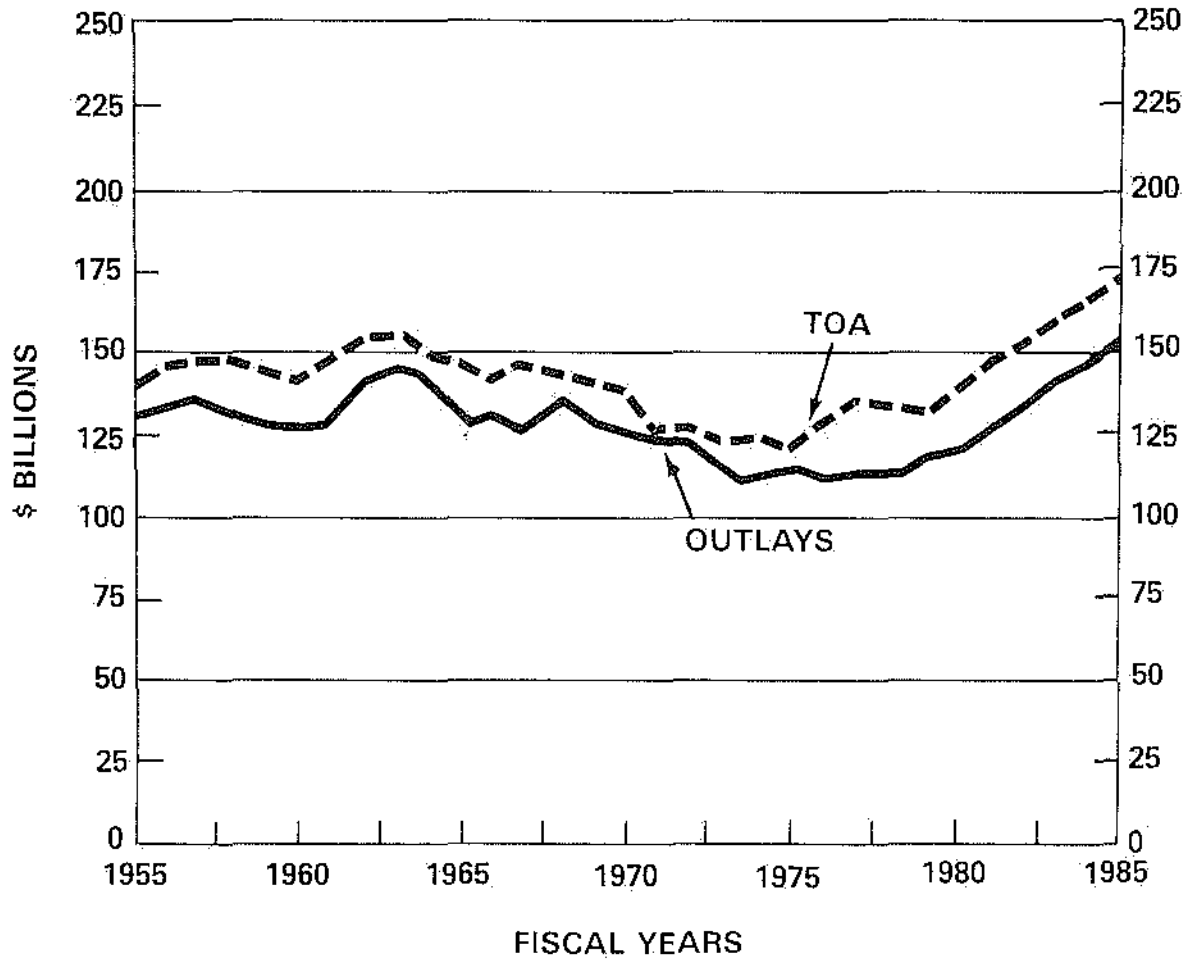
6-7 TOTAL OBLIGATIONAL AUTHORITY - MILITARY CONSTRUCTION ACT (CONT'D)
(\$ Thousands)

	Current Dollars			FY 1981 Constant Dollars		
	<u>FY 1979</u>	<u>FY 1980</u>	<u>FY 1981 Submitted</u>	<u>FY 1979</u>	<u>FY 1980</u>	<u>FY 1981 W/Contingencies</u>
<u>Military Construction</u>						
Military Construction, Army	810,445	765,649	980,300	938,621	778,539	984,822
Military Construction, Navy	770,030	567,000	703,000	895,846	609,593	705,289
Military Construction, Air Force	481,214	565,456	815,300	560,220	608,368	815,300
Military Construction, Defense Agencies	292,747	192,350	235,700	340,805	206,934	235,700
Military Construction, Army National Guard	52,200	23,700	35,000	61,190	25,579	35,000
Military Construction, Air National Guard	44,750	36,000	90,200	52,492	38,861	90,200
Military Construction, Army Reserve	37,100	30,000	44,200	43,249	32,282	44,295
Military Construction, Naval Reserve	21,850	18,300	24,700	25,529	19,721	24,700
Military Construction, Air Force Reserve	13,000	12,000	22,600	15,244	12,953	22,600
Foreign Currency Fluctuations	-	125,000	-	-	136,125	-
NATO Infrastructure	-	-	300,000	-	-	300,000
<u>Total - Military Construction</u>	<u>2,523,336</u>	<u>2,295,455</u>	<u>3,251,000</u>	<u>2,933,196</u>	<u>2,468,955</u>	<u>3,257,906</u>
<u>Family Housing</u>						
Family Housing, Construction	132,375	1,000	276,100	153,575	1,074	276,100
Family Housing, Debt Payment	37,354	31,410	27,600	44,214	34,226	27,600
Family Housing, Operations	1,405,694	1,482,697	168,000	1,648,444	1,604,957	1,694,946
Homeowners Assistance Fund Defense	980	6,400	6,300	1,160	6,973	6,300
<u>Total - Family Housing</u>	<u>1,576,403</u>	<u>1,521,497</u>	<u>1,996,000</u>	<u>1,847,393</u>	<u>1,647,230</u>	<u>2,004,946</u>
<u>Total - Military Construction Act</u>	<u>4,099,739</u>	<u>3,816,952</u>	<u>5,247,000</u>	<u>4,780,589</u>	<u>4,116,185</u>	<u>5,262,852</u>

6-8 EFFECT OF CONGRESSIONAL ACTIONS AND OTHER CHANGES ON BA AND TOA, FY 1980
(\$ Millions)

	National Defense <u>Budget Authority</u>	DoD <u>Budget Authority</u>	DoD TOA
FY 1980 request, as amended	141,010	137,808	138,306
Congressional reduction in appropriation bills			
Defense Appropriation Act	-1,093	-1,092	-986
Military construction	+62	+62	+22
Treasury, Postal Service	-178	-	-
HUD, independent agencies	-11	-	-
State, Justice, Commerce	-7	-	-
Public works	-63	-	-
Total action on appropriation bills	<u>-1,291</u>	<u>-1,030</u>	<u>-964</u>
Congressional denial or delay of legislation			
Military trailer allowance	-8	-8	-8
Family separation allowance	-13	-13	-13
Quarters allowance (Navy)	-10	-10	-10
Officer personnel management act	-23	-23	-23
PCS mileage allowance	-40	-40	-40
Administrative duty pay	+2	+2	+2
Dual compensation	+30	+30	+30
Officer uniform maint. allowance	+1	+1	+1
Total congressional action	<u>-1,352</u>	<u>-1,091</u>	<u>-1,025</u>
Other changes:			
Pay raise costs (re-estimate)	+671	+671	+671
Retired pay (CPIs, pay, etc.)	+514	+514	+514
Subsistence	+81	+81	+81
Operations readiness	+797	+797	+797
Stockpile receipts (re-estimate)	-4	-	-
Other trust fund and receipt changes	-145	-145	-
Other defense-related	+59	-	-
Net, other changes	<u>+1,973</u>	<u>+1,918</u>	<u>+2,063</u>
Net change from amended FY 1980 estimate	<u>+621</u>	<u>+826</u>	<u>+1,037</u>
FY 1980 column, FY 1981 budget	141,632	138,635	139,343

DEPARTMENT OF DEFENSE BASELINE TRENDS (BILLIONS OF CONSTANT FY 1981 PRICES)



NOTE: EXCLUDES RETIRED PAY AND SOUTHEAST ASIA COSTS RELATED TO THE VIETNAM CONFLICT

CHAPTER 7

FY 1981 - 85 FORECASTSNational Defense Projections

Table 7-1 reflects the National Defense budget authority forecast, FY 1980-85. The totals shown here appear in the FY 1981 budget. The details appear only in part, but are available from OMB. The figures are subdivided to show the main groupings under the National Defense heading, and to show separate totals for appropriations and for trust funds and receipts. The bridge from appropriated BA to TOA for DoD is also shown.

Table 7-2 shows the outlay projections, with the same breakdowns as for Table 7-1.

Table 7-3 provides a comparison of the FY 1981 estimates appearing in the FY 1981 budget (January 1980) with the FY 1981 forecast presented in the FY 1980 budget (January 1979). The National Defense estimates increased by \$13,285 million. This is comprised of a \$13,038 million increase in DoD appropriated funds; a \$237 million increase for DoE activities; a \$13 million increase for GSA-FEMA; and a net \$3 million decrease for everything else.

Table 7-4 shows changes in BA and TOA for the period FY 1980-84 from the January 1979 estimates to the January 1980 estimates. For FY 1981-84, the major changes involve increases to DoD appropriations.

Table 7-5 shows a comparison of the FY 1980-84 estimates of DoD TOA with those presented in January 1979. MAP is excluded from all figures. The changes in total are shown at the top. The middle portion of the table shows changes due to pricing or other nonprogram developments. The bottom portion of the table shows changes in real growth.

The budget provides for a real growth in the FY 1981 program of 5.4% over FY 1980. Over the next five years the increased defense program proposed corresponds to what would be added by a constant growth rate of 4.6% per year, after accounting for inflation. The accelerated rate of growth is needed to assure an adequate military capability to meet major objectives.

Table 7-6 compares the changes in FY 1980-84 National Defense outlay estimates from January 1979 to January 1980, in a format comparable to that presented for budget authority in Table 7-4.

7-1 NATIONAL DEFENSE BUDGET AUTHORITY AND APPROPRIATIONS AND DOD TOA, FY 1980-85
(\$ Millions)

	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
<u>BA subject to appropriations</u>						
DoD	139,216	158,715	179,971	201,542	224,249	248,864
DOE (Atomic Energy)	3,006	3,443	3,811	4,066	4,336	4,549
FEMA	140	160	187	193	160	205
GSA	22	193	210	229	252	274
CIA retirement fund	52	55	60	65	70	75
Intelligence community staff	12	19	14	15	15	16
Selective Service	10	11	14	9	9	10
Renegotiation Board	-	-	-	-	-	-
Total, appropriated	<u>142,458</u>	<u>162,596</u>	<u>184,267</u>	<u>206,119</u>	<u>229,091</u>	<u>253,993</u>
<u>Trust funds and receipts</u>						
DoD	-581	-560	-560	-553	-550	-550
Stockpile receipts	-242	-263	-263	-263	-263	-263
Other defense-related	-3	-4	-4	-4	-4	-4
Net, trust funds and receipts	<u>-826</u>	<u>-827</u>	<u>-827</u>	<u>-820</u>	<u>-817</u>	<u>-817</u>
<u>Total National Defense BA</u>						
DoD	138,635	158,155	179,411	200,989	223,699	248,314
DOE (Atomic Energy)	3,006	3,443	3,811	4,066	4,336	4,549
FEMA	140	160	187	193	106	205
GSA	22	193	210	229	252	274
CIA retirement fund	52	55	60	65	70	75
Intelligence community staff	12	19	14	15	15	16
Selective Service	10	11	14	9	9	10
Renegotiation Board	-	-	-	-	-	-
Stockpile receipts	-242	-263	-263	-263	-263	-263
Other receipts	-3	-4	-4	-4	-4	-4
Total BA, National Defense	<u>141,632</u>	<u>161,770</u>	<u>182,440</u>	<u>205,299</u>	<u>228,274</u>	<u>253,175</u>
<u>DoD TOA</u>						
DoD BA subject to appropriation	139,216	158,715	179,971	201,542	224,249	248,864
DoD financing adjustments	111	28	-	-	-	-
Total TOA	<u>139,327</u>	<u>158,743</u>	<u>179,971</u>	<u>201,542</u>	<u>224,249</u>	<u>248,864</u>

7-2 NATIONAL DEFENSE OUTLAYS, FY 1980-85
(\$ Millions)

	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
<u>Outlays from BA subject to appropriation</u>						
DoD	127,952	143,250	162,181	182,213	203,359	225,357
DOE (Atomic Energy)	2,980	3,386	3,630	3,961	4,309	4,544
FEMA	138	145	180	186	144	197
GSA	21	192	210	229	252	274
CIA retirement fund	52	55	60	65	70	75
Intelligence community staff	12	18	14	14	15	15
Selective Service	9	11	14	9	9	10
Renegotiation Board	-	-	-	-	-	-
Total, appropriated	<u>131,164</u>	<u>147,057</u>	<u>166,289</u>	<u>186,677</u>	<u>208,158</u>	<u>230,472</u>
<u>Trust funds and receipts</u>						
DoD	-552	-550	-560	-552	-550	-550
Stockpile receipts	-242	-263	-263	-263	-263	-263
Other defense-related	-3	-4	-4	-4	-4	-4
Net, trust funds and receipts	<u>-797</u>	<u>-817</u>	<u>-827</u>	<u>-819</u>	<u>-817</u>	<u>-817</u>
<u>Total National Defense outlays</u>						
DoD	127,400	142,700	161,621	181,661	202,809	224,807
DOE (Atomic Energy)	2,980	3,386	3,630	3,961	4,309	4,544
FEMA	138	145	180	186	144	197
GSA	21	192	210	229	252	274
CIA retirement fund	52	55	60	65	70	75
Intelligence community staff	12	18	14	14	15	15
Selective Service	9	11	14	9	9	10
Renegotiation Board	-	-	-	-	-	-
Stockpile receipts	-242	-263	-263	-263	-263	-263
Other receipts	-3	-4	-4	-4	-4	-4
Total outlays, National Defense	<u>130,368</u>	<u>146,241</u>	<u>165,463</u>	<u>185,859</u>	<u>207,341</u>	<u>229,655</u>

7-3 COMPARISON OF FY 1981 ESTIMATES FOR NATIONAL DEFENSE
 JANUARY 1979 AND JANUARY 1980
 (\$ Millions)

	Budget Authority			Outlays		
	January 1979	January 1980	Change	January 1979	January 1980	Change
<u>BA subject to appropriation</u>						
DoD	145,677	158,715	+13,038	134,161	143,250	+9,089
DOE (Atomic Energy)	3,206	3,443	+237	3,156	3,386	+230
FEMA	139	160	+21	139	145	+6
GSA	201	193	-8	201	192	-9
CIA retirement fund	56	55	-1	56	55	-1
Intelligence community staff	13	19	+6	14	18	+4
Other appropriated	19	11	-8	18	11	-7
Total appropriated	<u>149,311</u>	<u>162,596</u>	<u>+13,285</u>	<u>137,745</u>	<u>147,057</u>	<u>+9,312</u>
<u>Trust funds and receipts</u>						
DoD	-462	-560	-98	-461	-550	-89
Stockpile receipts	-238	-263	-25	-238	-263	-25
Other defense-related	-3	-4	-1	-3	-4	-1
Net, trust funds and receipts	<u>-703</u>	<u>-827</u>	<u>-124</u>	<u>-702</u>	<u>-817</u>	<u>-115</u>
<u>Total National Defense</u>						
DoD	145,215	158,155	+12,940	133,700	142,700	+9,000
Other appropriated	3,634	3,881	+247	3,584	3,807	+223
Other trust funds and receipts	-241	-267	-26	-241	-267	-26
Total, National Defense	<u>148,609</u>	<u>161,770</u>	<u>+13,161</u>	<u>137,043</u>	<u>146,241</u>	<u>+9,198</u>
<u>DoD TOA</u>						
DoD BA subject to appropriation	145,677	158,715	+13,038			
DoD financing adjustment	-	28	+28			
DoD TOA	<u>145,677</u>	<u>158,743</u>	<u>+13,066</u>			

7-4 COMPARISON OF JANUARY 1979 AND JANUARY 1980 ESTIMATES OF
NATIONAL DEFENSE BUDGET AUTHORITY AND APPROPRIATIONS
AND DOD TOA, FY 1980-84
(Changes, \$ Millions)

	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>FY 1984</u>
<u>BA subject to appropriation</u>					
DoD	+3,739	+13,038	+24,296	+34,768	+46,576
DOE (Atomic Energy)	-16	+237	+635	+982	+1,270
FEMA	+1	+21	+48	+54	+21
GSA	-178	-8	+10	+29	+52
CIA retirement fund	-	-1	-1	-1	-1
Intelligence community staff	-1	+6	-	+1	+1
Selective Service	-	-1	+4	-1	-1
Renegotiation Board	-7	-7	-7	-7	-7
Total, appropriated	<u>+3,538</u>	<u>+13,285</u>	<u>+24,985</u>	<u>+35,825</u>	<u>+47,911</u>
<u>Trust funds and receipts</u>					
DoD	-145	-98	-78	-55	-41
Stockpile receipts	-4	-25	-25	-25	-25
Other defense-related	-	-1	-1	-1	-1
Net, trust funds and receipts	<u>-149</u>	<u>-124</u>	<u>-104</u>	<u>-81</u>	<u>-67</u>
<u>Total National Defense budget authority</u>					
DoD	+3,594	+12,940	+24,218	+34,713	+46,535
Other appropriated	-201	+247	+689	+1,057	+1,335
Other trust funds and receipts	-4	-26	-26	-26	-26
Total BA, National Defense	<u>+3,389</u>	<u>+13,161</u>	<u>+24,880</u>	<u>+35,744</u>	<u>+47,843</u>
<u>DoD TOA</u>					
DoD BA subject to appropriation	+3,739	+13,038	+24,296	+34,768	+46,576
DoD financing adjustments	+38	+28	-	-	-
DoD TOA	<u>+3,827</u>	<u>+13,066</u>	<u>+24,296</u>	<u>+34,768</u>	<u>+46,576</u>

7-5 COMPARISON OF LONG-RANGE FORECASTSTOA
(\$ Billions)

	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>FY 1984</u>	<u>CUMULATIVE DOLLARS/ PERCENT COMPOUND ANNUAL RATES</u>
Current Dollars:						
FY 1980 Budget	135.5	145.7	155.7	166.8	177.7	781.4
FY 1981 Budget	<u>139.3</u>	<u>158.7</u>	<u>180.0</u>	<u>201.5</u>	<u>224.2</u>	<u>903.7</u>
Change	3.8	13.0	24.3	34.7	46.5	122.3
Summary of Change:						
Higher Inflation	2.6	6.8	12.8	19.5	27.4	69.1
Increased Real Growth	1.2	6.2	11.5	15.2	19.1	53.2
Inflation Rates:						
FY 1980 Budget	6.0%	5.3%	4.5%	3.9%	3.4%	4.6%
FY 1981 Budget	8.5%	8.1%	8.2%	7.3%	6.8%	7.8%
Real Growth Rates:						
FY 1980 Budget	1.7%	2.2%	2.2%	3.1%	3.1%	2.5%
FY 1981 Budget	2.9%	5.4%	4.8%	4.4%	4.2%	4.3%

7-6 COMPARISON OF JANUARY 1979 AND JANUARY 1980 ESTIMATES
OF NATIONAL DEFENSE OUTLAYS, FY 1980-84
 (Changes, \$ Millions)

	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>	<u>FY 1984</u>
<u>Outlays from BA subject to appropriation</u>					
DoD	+4,823	+9,089	+16,799	+26,215	+37,150
DOE (Atomic Energy)	+12	+230	+531	+825	+1,284
FEMA	-2	+6	+41	+47	+5
GSA	-161	-9	+10	+29	+52
CIA retirement fund	-	-1	-1	-1	-1
Intelligence community staff	-	+4	-	-	+1
Selective Service	-1	-	+4	-1	-1
Renegotiation Board	-7	-7	-7	-7	-7
Total, appropriated	<u>+4,664</u>	<u>+9,312</u>	<u>17,376</u>	<u>+27,106</u>	<u>+38,482</u>
<u>Trust funds and receipts</u>					
DoD	-123	-89	-78	-54	-41
Stockpile receipts	-4	-25	-25	-25	-25
Other defense-related	-	-1	-1	-1	-1
Net, trust funds and receipts	<u>-127</u>	<u>-115</u>	<u>-104</u>	<u>-80</u>	<u>-67</u>
<u>Total National Defense outlays</u>					
DoD	+4,700	+9,000	+16,721	+26,161	+37,109
Other appropriated	-159	+223	+578	+892	+1,333
Other trust funds and receipts	-4	-26	-26	-26	-26
Total outlays, National Defense	<u>+4,538</u>	<u>+9,198</u>	<u>+17,273</u>	<u>+27,027</u>	<u>+38,415</u>

7-7 NATIONAL DEFENSE TOTALS IN CURRENT AND CONSTANT PRICES
(Fiscal Years, \$ Millions)

	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
<u>BA, current prices</u>												
DoD	80,991	85,661	95,508	108,338	115,322	125,004	138,635	158,155	179,411	200,989	223,699	248,314
Defense-related	<u>477</u>	<u>538</u>	<u>1,664</u>	<u>2,094</u>	<u>2,604</u>	<u>2,805</u>	<u>2,997</u>	<u>3,615</u>	<u>4,029</u>	<u>4,310</u>	<u>4,575</u>	<u>4,861</u>
Total, National Defense	81,468	86,199	97,172	110,432	117,926	127,809	141,632	161,770	183,440	205,299	228,274	253,175
<u>BA, FY 1981 prices</u>												
DoD	137,524	132,972	139,109	147,057	145,538	146,687	149,897	158,155	165,845	173,207	180,533	188,159
Defense-related	<u>792</u>	<u>877</u>	<u>2,438</u>	<u>2,844</u>	<u>3,302</u>	<u>3,288</u>	<u>3,252</u>	<u>3,615</u>	<u>3,724</u>	<u>3,714</u>	<u>3,678</u>	<u>3,684</u>
Total, National Defense	138,316	133,849	141,547	149,901	148,840	149,975	153,149	161,770	169,569	176,921	184,211	191,843
<u>Outlays, current prices</u>												
DoD	77,550	84,900	87,891	95,557	103,042	115,013	127,400	142,700	161,621	181,661	202,809	224,807
Defense-related	<u>231</u>	<u>652</u>	<u>1,539</u>	<u>1,944</u>	<u>2,144</u>	<u>2,667</u>	<u>2,968</u>	<u>3,541</u>	<u>3,842</u>	<u>4,198</u>	<u>4,532</u>	<u>4,848</u>
Total, National Defense	77,781	85,552	89,430	97,501	105,186	117,681	130,368	146,241	165,463	185,859	207,341	229,655
<u>Outlays, FY 1981 prices</u>												
DoD	132,423	131,206	127,008	129,484	130,414	135,472	138,123	142,700	148,836	155,385	162,066	168,711
Defense-related	<u>3,061</u>	<u>2,793</u>	<u>3,946</u>	<u>3,274</u>	<u>2,642</u>	<u>2,849</u>	<u>3,032</u>	<u>3,541</u>	<u>4,197</u>	<u>4,291</u>	<u>4,342</u>	<u>4,420</u>
Total, National Defense	135,484	133,999	130,954	132,758	133,056	138,321	141,155	146,241	153,033	159,676	166,408	173,131

CHAPTER 8

DEFENSE, THE PUBLIC SECTOR, AND THE ECONOMY

Table 8-1 provides a breakdown of Federal outlays, FY 1940-81. Federal outlays are grouped under these headings: National Defense, with a separate figure for DoD; Veterans, Space and International programs; Net Interest; and Social and Economic programs. The latter category includes General Science and Technology (excluding the space program); Natural Resources and Environment; Energy; Agriculture; Commerce and Housing Credit; Transportation; Community and Regional Development; Education, Training, Employment and Social Services; Health; Income Security; Administration of Justice; General Government; and Revenue Sharing and general purpose fiscal assistance. Table 8-2 expresses the same data in constant FY 1972 prices.

Table 8-3 is a graph showing the Department of Defense (DoD) and non-defense trends in Federal spending from FY 1950 to FY 1985.

Table 8-4 provides a similar breakdown of net U.S. public spending (Federal, state and local), FY 1940-81. These figures exclude government enterprises (such as the postal service, utilities, and liquor stores) except for any support these activities receive from tax funds. Table 8-5 expresses the same data in constant FY 1972 prices.

Table 8-6 shows gross national product (GNP) for fiscal years 1947 through 1981 in current and constant FY 1972 dollars. The table provides a breakdown of GNP under these headings: National Defense, Other Federal, State and Local, and All Other. All data are on a National Income Accounts (NIA) basis. The table also shows the percentage distribution of the National Income Accounts by fiscal years.

Table 8-7 shows DoD employment (military and civil service by component and industry employment) for the years 1940-81. While direct employment (military and civil service combined) increases slightly, note that defense-related employment in industry is turning sharply upward. There is an increase of 101,000 from 1979 to 1980 and a further growth of over 160,000 is projected from 1980 to 1981 -- a total growth of over 260,000 for the two years. This reflects the fact that the real growth in the defense budget has been in the materiel area, which involved procurement from industry, and not in direct employment.

Table 8-8 shows U.S. employment and labor force for the same period. Note that the figures used are for DoD employment. The total U.S. public employment is estimated at 18.3 million for 1981, exceeding the all-time high of 1945. Private sector and non-defense employment are both at all-time highs.

Table 8-9 is a master percentage table which shows DoD and national defense spending as a percentage of various economic and budgetary aggregates. Included are DoD and national defense outlays as a percentage of the federal budget and of net public spending. Also included is DoD employment as a percentage of public employment and the labor force. The Defense share of GNP on a budget basis is provided.

Table 8-10 is a graphic representation of some of these economic and budgetary aggregates.

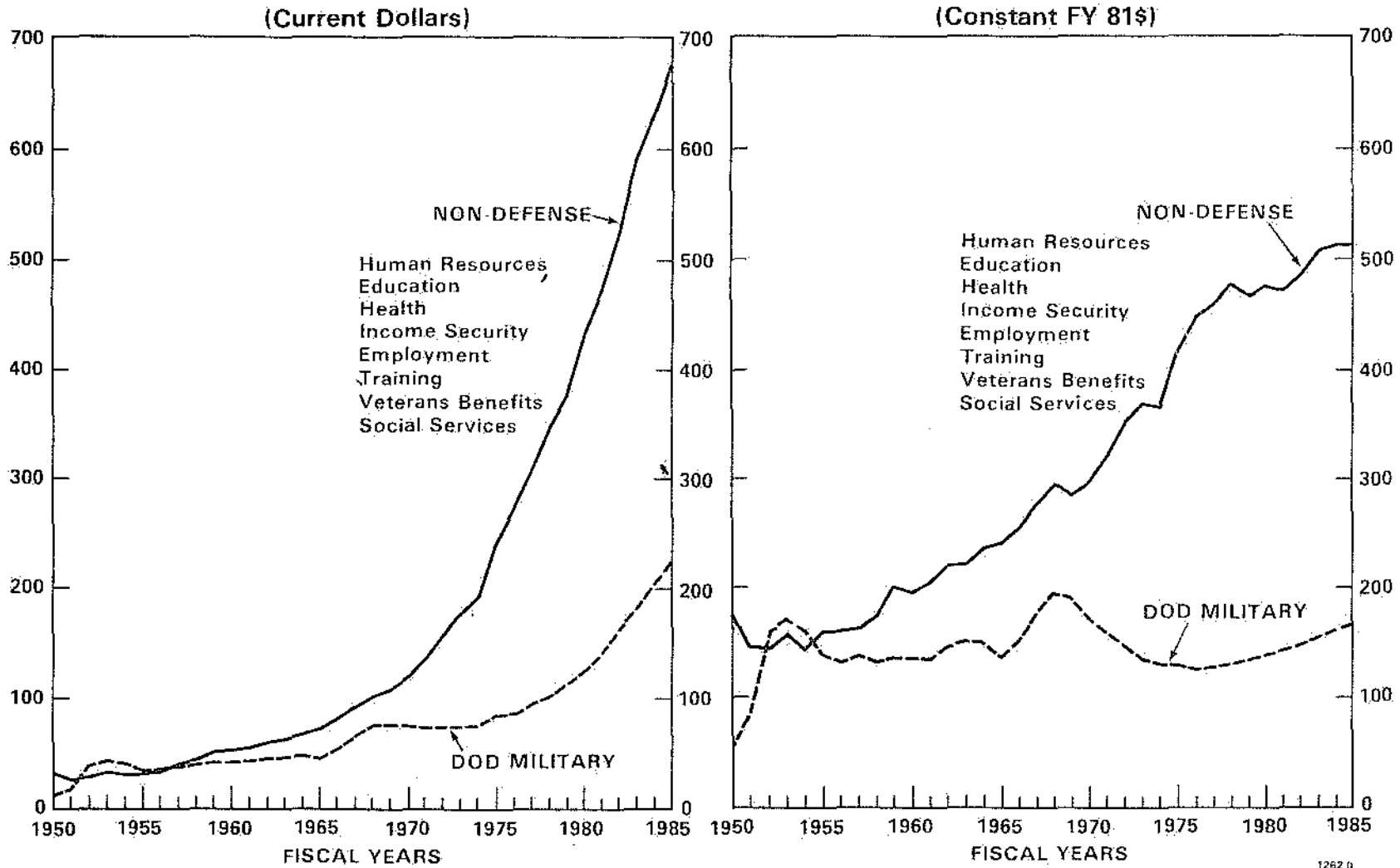
8-1 FEDERAL OUTLAYS, FY 1940-81
(\$ Millions)

Fiscal Year	Unified Budget							Federal Funds (Excludes Trust Funds)						
	DoD	National Defense	Veterans, Space Internat'l	Net Interest	Social and Economic	Agency Total	Undistributed Offset. Rcpts. Ex. Interest	Net Total	DoD	National Defense	Veterans, Space, Internat'l	Interest	Social and Economic	Total
1940	(1,484)	1,490	624	899	6,530	9,543	-87	9,456	(1,484)	1,490	548	1,037	5,899	8,974
1941	(5,990)	6,046	713	943	6,025	13,727	-93	13,634	(5,990)	6,046	650	1,110	5,454	13,260
1942	(21,164)	24,937	1,481	1,052	7,747	35,217	-103	35,114	(21,164)	24,937	1,436	1,257	7,202	34,832
1943	(58,555)	65,660	1,585	1,529	9,867	78,641	-108	78,533	(58,555)	65,660	1,582	1,779	9,744	78,765
1944	(71,813)	78,080	1,353	2,219	9,804	91,456	-177	91,279	(71,813)	78,080	1,272	2,544	10,387	92,283
1945	(76,462)	81,858	2,061	3,112	5,856	92,887	-197	92,690	(76,462)	81,858	2,716	3,541	6,732	94,847
1946	(40,184)	41,553	4,432	4,111	5,334	55,430	-247	55,183	(40,184)	41,553	5,483	4,678	4,490	56,204
1947	(13,205)	11,601	12,170	4,204	6,780	34,755	-223	34,532	(13,205)	11,601	13,983	4,885	4,334	34,803
1948	(10,151)	7,845	11,023	4,341	6,812	30,021	-248	29,773	(10,151)	7,845	11,205	5,087	4,852	28,989
1949	(11,241)	11,761	12,651	4,523	10,127	39,062	-227	38,835	(11,241)	11,761	12,775	5,364	7,825	37,725
1950	(11,674)	12,407	13,506	4,812	12,176	42,901	-304	42,597	(11,674)	12,407	11,214	5,692	9,076	38,389
1951	(19,572)	21,863	9,174	4,665	10,150	45,852	-305	45,547	(19,572)	21,863	8,971	5,557	7,341	43,732
1952	(38,716)	43,352	8,031	4,701	11,968	68,052	-330	67,722	(38,716)	43,351	7,636	5,688	8,319	64,994
1953	(43,410)	49,913	6,638	5,156	14,724	76,431	-323	76,108	(43,410)	49,912	6,503	6,250	10,341	73,006
1954	(40,056)	46,289	6,210	4,811	13,514	70,924	-34	70,890	(40,056)	46,289	5,925	6,014	7,694	65,922
1955	(35,169)	39,834	6,899	4,849	17,105	68,687	-178	68,509	(35,169)	39,834	6,715	6,032	9,757	62,338
1956	(35,396)	39,719	7,306	5,076	18,648	70,749	-289	70,460	(35,396)	39,719	7,190	6,294	10,718	63,921
1957	(38,098)	42,415	8,153	5,352	21,351	77,271	-530	76,741	(38,098)	42,415	8,180	6,681	9,914	67,190
1958	(39,194)	43,721	8,714	5,596	25,137	83,168	-593	82,575	(39,194)	43,721	8,439	6,946	10,640	69,746
1959	(41,467)	45,960	8,691	5,750	32,621	93,022	-918	92,104	(41,467)	45,961	8,556	7,073	15,488	77,078
1960	(41,494)	45,168	8,768	6,937	32,514	93,387	-1,163	92,224	(41,494)	45,168	8,534	8,300	12,861	74,863
1961	(43,292)	46,632	9,931	6,704	35,570	98,837	-1,043	97,794	(43,292)	46,633	9,668	8,117	14,915	79,333
1962	(46,826)	49,039	12,452	6,877	39,525	107,893	-1,081	106,812	(46,826)	49,039	12,220	8,324	16,981	86,554
1963	(47,941)	50,142	13,306	7,731	41,659	112,838	-1,526	111,312	(47,941)	50,142	13,247	9,218	17,554	90,161
1964	(49,470)	51,528	14,728	8,189	45,410	119,855	-1,272	118,583	(49,470)	51,528	14,773	9,811	19,664	95,776
1965	(45,880)	47,456	16,001	8,579	47,775	119,811	-1,382	118,429	(45,880)	47,456	15,950	10,361	21,063	94,830
1966	(54,093)	54,852	17,336	9,369	54,791	136,348	-1,696	134,652	(54,093)	54,852	17,264	11,294	23,127	106,537
1967	(67,357)	68,243	17,789	10,258	64,263	160,553	-2,298	158,255	(67,357)	68,243	17,321	12,563	28,588	126,815
1968	(77,265)	78,756	16,743	11,077	75,044	181,620	-2,786	178,834	(77,272)	78,672	16,709	13,783	33,074	143,138
1969	(77,785)	79,417	16,295	12,694	78,587	186,993	-2,446	184,547	(77,873)	79,416	15,966	15,860	37,568	148,810
1970	(77,070)	78,553	16,637	14,374	89,655	199,219	-2,632	196,587	(77,074)	78,557	16,092	18,325	43,326	156,300
1971	(74,472)	75,808	17,045	14,837	107,397	215,087	-3,662	211,425	(74,477)	75,813	16,771	19,605	51,462	163,651
1972	(75,076)	76,550	18,620	15,474	124,424	235,068	-3,048	232,020	(75,076)	76,550	18,211	20,567	62,782	178,110
1973	(73,223)	74,540	19,150	17,346	142,919	253,955	-6,882	247,073	(73,233)	74,551	19,395	22,802	70,203	186,951
1974	(77,550)	77,781	22,030	21,449	158,428	279,688	-10,068	269,620	(77,568)	77,768	22,359	28,033	71,758	199,918
1975	(84,900)	85,553	26,472	23,244	197,325	332,594	-6,408	326,186	(84,897)	85,547	27,068	30,933	96,567	240,115
1976	(87,891)	89,430	27,322	26,711	229,881	373,344	-6,904	366,440	(87,909)	89,448	27,771	34,581	118,143	269,943
1977	(21,880)	22,306	7,025	6,946	60,748	97,025	-2,297	94,728	(21,884)	22,311	7,753	7,242	27,783	65,089
1977	(95,557)	97,501	26,452	29,877	255,817	409,647	-6,922	402,725	(95,619)	97,563	27,471	38,055	132,683	295,772
1978	(103,042)	105,186	28,482	35,435	288,975	458,078	-7,242	450,836	(103,069)	105,213	28,772	44,003	154,028	332,016
1979	(115,013)	117,681	29,772	42,678	312,080	502,211	-8,538	493,673	(115,010)	117,678	31,023	52,618	161,101	362,420
1980	(127,400)	130,368	35,649	51,866	356,419	574,302	-10,719	563,583	(127,371)	130,339	34,315	63,446	177,553	405,653
1981	(142,700)	146,241	36,228	54,314	391,139	627,922	-12,161	615,761	(142,688)	146,230	35,964	67,378	180,128	429,700

8-2 FEDERAL OUTLAYS IN CONSTANT FY 1972 PRICES
FY 1940-81

Fiscal Year	DoD	National Defense	Veterans Space Internat'l	Net Interest	Social & Economic	Agency Total	Offsets Excludes Interest	Net Total
1940	(6.0)	6.0	2.5	6.7	25.3	40.5	-.4	49.1
1941	(23.0)	23.2	2.7	7.4	22.2	55.5	-.4	55.1
1942	(69.9)	82.4	4.9	9.2	25.0	121.5	-.3	121.2
1943	(178.0)	199.6	4.8	15.9	29.5	249.8	-.3	249.5
1944	(217.8)	236.8	4.1	22.1	29.0	292.0	-.5	291.5
1945	(237.1)	252.0	6.3	27.4	16.7	302.4	-.6	301.8
1946	(126.4)	127.4	13.6	27.1	12.0	180.1	-.8	179.3
1947	(38.1)	30.0	31.5	21.4	12.2	95.1	-.6	94.5
1948	(27.9)	20.3	28.6	19.6	10.4	78.9	-.6	78.3
1949	(29.4)	27.5	29.7	18.9	17.5	93.6	-.5	93.1
1950	(28.8)	29.4	32.1	19.6	20.4	101.5	-.7	100.8
1951	(43.7)	48.0	20.2	18.0	19.9	103.1	-.7	102.4
1952	(80.0)	85.6	15.8	17.5	19.6	138.5	-.6	137.9
1953	(86.3)	96.3	12.8	17.5	24.6	151.2	-.6	150.6
1954	(80.7)	88.0	11.8	17.7	21.8	139.3	-.1	139.2
1955	(69.7)	75.8	13.2	17.6	27.7	134.3	-.3	134.0
1956	(67.2)	72.9	13.4	16.8	30.1	133.2	-.5	132.7
1957	(69.1)	74.2	14.3	16.0	33.3	137.8	-.9	136.9
1958	(67.5)	74.0	14.7	16.2	37.7	142.6	-1.0	141.6
1959	(68.5)	75.3	14.3	16.5	49.1	155.2	-1.5	153.7
1960	(68.0)	73.8	14.4	16.3	48.0	152.5	-1.9	150.6
1961	(69.2)	74.8	16.0	16.2	51.4	158.4	-1.7	156.7
1962	(74.7)	77.2	19.7	16.6	56.6	170.1	-1.7	168.4
1963	(75.5)	76.8	20.4	16.8	58.7	172.7	-2.3	170.4
1964	(75.5)	77.0	22.0	16.7	63.3	179.0	-1.9	177.1
1965	(68.9)	69.3	23.4	16.7	65.6	175.0	-2.0	173.0
1966	(76.6)	76.3	24.2	16.4	73.2	190.1	-2.4	187.7
1967	(90.6)	92.0	23.8	16.1	83.0	214.9	-3.1	211.8
1968	(99.4)	101.4	21.5	16.9	93.1	232.9	-3.6	229.3
1969	(96.0)	97.9	19.7	15.5	92.8	225.9	-3.0	222.9
1970	(88.5)	90.3	18.7	15.0	99.6	223.6	-3.0	220.6
1971	(80.4)	81.2	18.0	15.2	112.4	226.8	-3.9	222.9
1972	(75.1)	76.6	18.6	15.5	124.3	235.0	-3.0	232.0
1973	(68.6)	70.0	18.1	15.4	136.3	239.8	-6.5	233.3
1974	(67.0)	67.9	19.0	14.3	139.5	240.7	-8.7	232.0
1975	(66.3)	67.2	20.6	14.6	156.2	258.6	-5.0	253.6
1976	(64.1)	65.6	19.9	16.4	169.7	271.6	-5.0	266.6
1970	(15.5)	16.0	5.0	4.1	43.3	68.4	-1.6	66.8
1977	(65.2)	66.5	18.0	17.4	175.5	277.4	-4.7	272.7
1978	(65.5)	66.6	17.9	17.8	184.4	286.7	-4.5	282.2
1979	(67.9)	69.3	16.9	17.0	181.6	284.8	-4.8	280.0
1980	(69.4)	70.7	18.1	16.3	186.6	291.7	-5.4	286.3
1981	(71.6)	73.2	16.8	15.3	187.2	292.5	-5.7	286.8

FEDERAL OUTLAYS \$ BILLIONS



8-4 U.S. PUBLIC SPENDING, \$ MILLIONS, FISCAL YEARS
(All Units of Government -- Federal, State and Local)

Fiscal Year	DoD	National Defense	Veterans Space Internat'l	Net Interest	Social & Economic	Agency Total	Federal Undistributed	Net Total	Federal Budget	State & Local Government	Less Grants In-Aid	Net Total US Public Spending
1940	(1,484)	1,490	624	899	14,887	17,900	-87	17,813	9,456	9,229	-872	17,813
1941	(5,990)	6,046	713	943	14,378	22,080	-93	21,987	13,634	9,200	-847	21,987
1942	(21,154)	24,937	1,481	1,052	16,045	43,515	-103	43,412	35,114	9,190	-892	43,412
1943	(58,565)	65,660	1,585	1,529	17,953	86,727	-108	86,619	78,533	9,000	-914	86,619
1944	(71,813)	78,080	1,353	2,219	17,756	99,408	-177	99,231	91,279	8,863	-911	99,231
1945	(76,462)	81,858	2,061	3,112	14,197	101,228	-197	101,031	92,690	9,200	-859	101,031
1946	(40,184)	41,553	4,432	4,111	15,543	65,639	-247	65,392	55,183	11,028	-819	65,392
1947	(13,205)	11,601	12,170	4,204	19,177	47,152	-223	46,929	34,532	14,000	-1,603	46,929
1948	(10,151)	7,845	11,023	4,341	22,884	46,093	-248	45,845	29,773	17,684	-1,612	45,845
1949	(11,241)	11,761	12,651	4,523	28,451	57,386	-227	57,159	38,835	20,200	-1,876	57,159
1950	(11,674)	12,407	13,506	4,812	32,710	63,435	-304	63,131	42,597	22,787	-2,253	63,131
1951	(19,572)	21,863	9,174	4,665	32,263	67,965	-305	67,660	45,547	24,400	-2,287	67,660
1952	(38,716)	43,352	8,031	4,701	35,633	91,717	-330	91,387	67,722	26,098	-2,433	91,387
1953	(43,410)	49,913	6,638	5,156	39,799	101,506	-323	101,183	76,108	27,910	-2,835	101,183
1954	(40,056)	46,289	6,210	4,811	41,259	98,569	-34	98,535	70,890	30,701	-3,056	98,535
1955	(35,169)	39,834	6,899	4,849	47,622	99,204	-178	99,026	68,509	33,724	-3,207	99,026
1956	(35,396)	39,719	7,306	5,076	51,631	103,732	-289	103,443	70,460	36,711	-3,728	103,443
1957	(38,098)	42,415	8,153	5,352	57,681	113,601	-530	113,071	76,741	40,375	-4,045	113,071
1958	(39,194)	43,721	8,714	5,596	65,050	123,081	-593	122,488	82,575	44,851	-4,938	122,488
1959	(41,467)	45,960	8,691	5,750	75,045	135,446	-918	134,528	92,104	48,887	-6,463	134,528
1960	(41,494)	45,168	8,768	6,937	77,370	138,243	-1,163	137,080	92,224	51,876	-7,020	137,080
1961	(43,292)	46,632	9,931	6,704	84,659	147,926	-1,043	146,883	97,794	56,201	-7,112	146,883
1962	(46,826)	49,039	12,452	6,877	91,809	160,177	-1,081	159,096	106,812	60,206	-7,922	159,096
1963	(47,941)	50,142	13,306	7,731	97,040	168,219	-1,526	166,693	111,312	63,977	-8,596	166,693
1964	(49,470)	51,528	14,728	8,189	104,572	179,017	-1,272	177,745	118,583	69,302	-10,140	177,745
1965	(45,880)	47,456	16,001	8,579	111,417	183,453	-1,382	182,071	118,429	74,546	-10,904	182,071
1966	(54,093)	54,852	17,336	9,369	124,674	206,231	-1,696	204,535	134,652	82,843	-12,960	204,535
1967	(67,357)	68,243	17,789	10,258	142,643	238,933	-2,298	236,635	158,255	93,350	-15,240	236,635
1968	(77,265)	78,756	16,743	11,077	158,856	265,432	-2,786	262,646	178,834	102,411	-18,599	262,646
1969	(77,785)	79,417	16,295	12,694	175,060	283,466	-2,446	281,020	184,547	116,728	-20,255	281,020
1970	(77,070)	78,553	16,637	14,374	196,973	306,537	-2,632	303,905	196,587	131,332	-24,014	303,905
1971	(74,472)	75,808	17,045	14,837	229,962	337,652	-3,662	333,990	211,425	150,674	-28,109	333,990
1972	(75,076)	76,550	18,620	15,474	256,925	367,569	-3,048	364,521	232,020	166,873	-34,372	364,521
1973	(73,223)	74,540	19,150	17,346	282,314	393,350	-6,882	386,468	247,073	181,227	-41,832	386,468
1974	(77,550)	77,781	22,030	21,449	314,031	435,291	-10,068	425,223	269,620	198,959	-43,356	425,223
1975	(84,900)	85,553	26,472	23,244	378,212	513,481	-6,408	507,073	326,186	230,721	-49,834	507,073
1976	(87,891)	89,430	27,322	26,711	427,519	570,982	-6,904	564,078	366,440	256,731	-59,093	564,078
1977	(95,557)	97,501	26,452	29,877	461,791	615,621	-6,922	608,699	402,725	274,388	-68,414	608,699
1978	(103,042)	105,186	28,482	35,435	508,069	677,172	-7,242	669,930	450,836	296,983	-77,889	669,930
1979	(115,013)	117,681	29,772	42,678	554,274	744,405	-8,538	735,867	493,673	325,052	-82,858	735,867
1980	(127,400)	130,368	35,649	51,866	622,607	840,490	-10,719	829,771	563,583	355,133	-88,945	829,771
1981	(142,700)	146,241	36,228	54,314	682,053	918,836	-12,161	906,675	615,761	387,226	-96,312	906,675

8-5 U.S. PUBLIC SPENDING IN CONSTANT FY 1972 PRICES
 (All Units of Government -- Federal, State and Local)
 (\$ Billions)

Fiscal Year	DoD	National Defense	Veterans Space Internat'l	Net Interest	Social & Economic	Agency Total	Offsets Excluding Interest	Net Total	Federal Budget Unified	State & Local	Less Grants In-AID	Net Total US Public Spending
1940	(6.0)	6.0	2.5	6.7	68.1	83.3	- .4	82.9	40.1	46.5	-3.7	82.9
1941	(23.0)	23.2	2.7	7.4	63.4	96.7	- .4	96.3	55.1	44.6	-3.4	96.3
1942	(69.9)	82.4	4.9	9.2	63.6	160.1	- .3	159.8	121.2	41.8	-3.2	159.8
1943	(178.0)	199.6	4.8	15.9	65.7	286.0	- .3	285.7	249.5	39.2	-3.0	285.7
1944	(217.8)	236.8	4.1	22.1	63.0	326.0	- .5	325.5	291.5	36.9	-2.9	325.5
1945	(237.1)	252.0	6.3	27.4	49.5	335.2	- .6	334.6	301.8	35.4	-2.6	334.6
1946	(126.4)	127.4	13.6	27.1	49.4	217.5	- .8	216.7	179.3	39.7	-2.3	216.7
1947	(38.1)	30.0	31.5	21.4	53.0	135.9	- .6	135.3	94.5	44.9	-4.1	135.3
1948	(27.9)	20.3	28.6	19.6	56.8	125.3	- .6	124.7	78.3	50.1	-3.7	124.7
1949	(29.4)	27.5	29.7	18.9	65.5	141.6	- .5	141.1	93.1	51.9	-3.9	141.1
1950	(28.8)	29.4	32.1	19.6	73.8	154.9	- .7	154.2	100.8	58.1	-4.7	154.2
1951	(43.7)	48.0	20.2	18.0	70.5	156.7	- .7	156.0	102.4	58.1	-4.5	156.0
1952	(80.0)	85.6	15.8	17.5	73.3	192.2	- .6	191.6	137.9	58.3	-4.6	191.6
1953	(86.3)	96.3	12.8	17.5	79.9	206.5	- .6	205.9	150.6	60.5	-5.2	205.9
1954	(90.7)	88.0	11.8	17.7	81.5	199.0	- .1	198.9	139.2	65.2	-5.5	198.9
1955	(69.7)	75.8	13.2	17.6	91.3	197.9	- .3	197.6	134.0	69.4	-5.8	197.6
1956	(67.2)	72.9	13.4	16.8	96.3	199.4	- .5	198.9	132.7	72.8	-6.6	198.9
1957	(69.1)	74.2	14.3	16.0	102.3	206.8	- .9	205.9	136.9	75.9	-6.9	205.9
1958	(67.5)	74.0	14.7	16.2	111.0	215.9	-1.0	214.9	141.6	81.5	-8.2	214.9
1959	(68.5)	75.3	14.3	16.5	125.3	231.4	-1.5	229.9	153.7	86.8	-10.6	229.9
1960	(68.0)	73.8	14.4	16.3	126.7	231.2	-1.9	229.3	150.6	90.1	-11.4	229.3
1961	(69.2)	74.8	16.0	16.2	135.2	242.2	-1.7	240.5	156.7	94.9	-11.1	240.5
1962	(74.7)	77.2	19.7	16.6	143.2	256.7	-1.7	255.0	168.4	98.7	-12.1	255.0
1963	(75.5)	76.8	20.4	16.8	147.8	261.8	-2.3	259.5	170.4	101.9	-12.8	259.5
1964	(75.5)	77.0	22.0	16.7	156.0	271.7	-1.9	269.8	177.1	107.6	-14.9	269.8
1965	(68.9)	69.3	23.4	16.7	162.8	172.2	-2.0	270.2	173.0	112.9	-15.7	270.2
1966	(76.6)	76.3	24.2	16.4	175.9	292.8	-2.4	290.4	187.7	120.9	-18.2	290.4
1967	(90.6)	92.0	23.8	16.1	191.2	323.1	-3.1	320.0	211.8	128.6	-20.4	320.0
1968	(99.4)	101.4	21.5	16.9	202.7	342.5	-3.6	338.9	229.3	133.2	-23.6	338.9
1969	(96.0)	97.9	19.7	15.5	211.4	344.5	-3.0	341.5	222.9	142.9	-24.3	341.5
1970	(88.5)	90.3	18.7	15.0	222.9	346.9	-3.0	343.9	220.6	150.3	-27.0	343.9
1971	(80.4)	81.2	18.0	15.2	242.5	356.9	-3.9	353.0	222.9	159.6	-29.5	353.0
1972	(75.1)	76.6	18.6	15.5	256.8	367.5	-3.0	364.5	232.0	166.9	-34.4	364.5
1973	(68.6)	70.0	18.1	15.4	266.5	370.0	-6.5	363.5	233.3	169.8	-39.6	363.5
1974	(67.0)	67.9	19.0	14.3	274.3	375.5	-8.7	366.8	232.0	172.6	-37.8	366.8
1975	(66.3)	67.2	20.6	14.6	296.8	399.2	-5.0	394.2	253.6	179.7	-39.1	394.2
1976	(64.1)	65.6	19.9	16.4	312.4	414.3	-5.0	409.3	266.6	185.9	-43.2	409.3
1977	(65.2)	66.5	18.0	17.4	310.7	412.6	-4.7	407.9	272.7	181.1	-45.9	407.9
1978	(65.5)	66.6	17.9	17.8	317.4	419.7	-4.5	415.2	282.2	181.5	-48.5	415.2
1979	(67.9)	69.3	16.9	17.0	316.9	420.1	-4.8	415.3	280.0	182.5	-47.2	415.3
1980	(69.4)	70.7	18.1	16.3	322.2	427.3	-5.4	421.9	286.3	181.4	-45.8	421.9
1981	(71.6)	73.2	16.8	15.3	322.1	427.4	-5.7	421.7	286.8	180.4	-45.5	421.7

8-6 NATIONAL INCOME ACCOUNTS (PURCHASES)

Fiscal Year	Billions Current Dollars					Billions Constant FY 1972 Dollars					Percentage Distribution				
	GNP	National Defense	Other Federal	State & Local	All Other	GNP	National Defense	Other Federal	State & Local	All Other	GNP	National Defense	Other Federal	State & Local	All Other
1947	222.4	10.7	3.6	11.4	196.7	484.4	32.0	10.8	37.1	404.5	100%	4.8	1.6	5.1	88.5
1948	245.9	9.5	4.2	13.8	218.4	467.0	24.8	10.9	39.1	392.2	100%	3.9	1.7	5.6	88.8
1949	261.6	12.2	7.3	16.7	225.4	482.0	28.7	17.1	42.9	393.3	100%	4.7	2.8	6.4	86.1
1950	264.9	12.9	6.4	18.9	226.7	495.0	30.7	15.2	48.2	400.9	100%	4.9	2.4	7.1	85.6
1951	312.0	21.3	4.4	20.8	265.5	547.3	47.5	9.8	49.5	440.5	100%	6.8	1.4	6.7	85.1
1952	338.8	41.9	5.6	22.6	268.7	576.8	82.9	11.1	50.5	432.3	100%	12.4	1.6	6.7	79.3
1953	360.1	48.5	7.6	24.0	280.0	602.8	93.7	14.7	52.1	442.3	100%	13.5	2.1	6.7	77.7
1954	363.6	45.5	8.4	26.3	283.4	601.2	86.7	16.0	55.8	442.7	100%	12.5	2.3	7.2	78.0
1955	381.0	38.7	6.1	29.3	306.9	620.6	73.8	11.6	60.3	474.9	100%	10.2	1.6	7.7	80.5
1956	410.9	38.9	6.3	31.9	333.8	651.7	71.6	11.6	63.2	505.3	100%	9.5	1.5	7.8	81.2
1957	433.3	42.3	5.9	35.3	349.8	662.9	74.2	10.4	66.3	512.0	100%	9.8	1.4	8.1	80.7
1958	442.1	44.7	6.6	39.0	351.8	660.8	75.8	11.2	70.9	502.9	100%	10.1	1.5	8.8	79.6
1959	473.3	46.0	8.7	42.9	375.7	695.0	75.5	14.3	76.2	529.0	100%	9.7	1.8	9.1	79.4
1960	497.3	44.6	8.5	44.7	399.5	715.3	73.0	13.9	77.6	550.8	100%	9.0	1.7	9.0	80.3
1961	508.3	45.7	9.7	48.7	404.2	722.7	73.5	15.6	82.3	551.3	100%	9.0	1.9	9.6	79.5
1962	546.9	49.4	11.4	52.6	433.5	766.8	78.1	18.0	86.3	584.4	100%	9.0	2.1	9.6	79.3
1963	576.3	50.7	13.6	56.4	455.6	794.8	77.9	20.9	89.8	606.2	100%	8.8	2.4	9.8	79.0
1964	616.2	50.0	15.6	61.9	488.7	837.7	75.0	23.4	96.1	643.2	100%	8.1	2.5	10.1	79.3
1965	657.1	48.1	16.7	67.4	524.9	877.2	70.5	24.5	102.1	680.1	100%	7.3	2.5	10.3	79.9
1966	721.1	54.0	18.4	75.3	573.4	937.1	75.4	25.7	109.9	726.1	100%	7.5	2.6	10.4	79.5
1967	774.4	66.9	18.8	84.9	603.8	975.1	90.4	25.4	116.9	742.4	100%	8.6	2.4	11.0	78.0
1968	829.9	74.9	20.1	94.7	640.2	1,008.5	96.6	25.9	123.1	762.9	100%	9.0	2.4	11.4	77.2
1969	903.7	76.1	21.9	105.8	699.9	1,048.6	94.0	27.0	133.2	794.4	100%	8.4	2.4	11.7	77.5
1970	959.0	75.3	21.7	115.9	746.1	1,054.5	86.6	25.0	132.5	810.4	100%	7.8	2.3	12.1	77.8
1971	1,019.2	72.1	22.7	130.9	793.5	1,066.2	77.3	24.3	138.7	825.9	100%	7.1	2.2	12.8	77.9
1972	1,110.5	72.5	28.4	143.8	865.8	1,110.5	72.5	28.4	143.8	865.8	100%	6.5	2.6	12.9	78.0
1973	1,237.5	73.3	28.4	159.3	976.5	1,185.7	68.7	26.6	149.3	941.1	100%	5.9	2.3	12.9	78.9
1974	1,359.2	74.1	30.5	178.4	1,076.2	1,208.0	64.7	25.6	154.7	962.0	100%	5.5	2.2	13.1	79.2
1975	1,457.3	80.3	37.6	203.7	1,135.7	1,170.5	63.0	29.5	158.7	919.3	100%	5.5	2.6	14.0	77.9
1976	1,621.0	85.3	40.4	224.6	1,270.7	1,216.1	62.2	29.5	162.6	961.8	100%	5.3	2.5	13.8	78.4
1977	1,843.3	91.9	48.4	245.4	1,457.6	1,295.4	62.7	32.9	162.0	1,037.8	100%	5.0	2.6	13.3	79.1
1978	2,060.4	97.8	52.9	274.7	1,635.0	1,355.5	62.2	33.2	167.9	1,092.2	100%	4.7	2.6	13.3	79.4
1979	2,313.4	105.9	56.5	302.8	1,848.2	1,400.4	62.5	32.1	170.0	1,135.8	100%	4.6	2.4	13.1	79.9
1980	2,518.0	118.7	66.9	330.0	2,002.4	1,394.2	64.7	34.0	168.5	1,127.0	100%	4.7	2.7	13.1	79.5
1981	2,764.4	132.1	70.8	359.1	2,202.4	1,406.1	66.2	32.9	167.3	1,139.7	100%	4.8	2.5	13.0	79.7

B-7 DEPARTMENT OF DEFENSE MANPOWER
(End-Strength, in Thousands)

Fiscal Year	Active Duty Military					Civil Service					Total DoD Manpower	Defense Related Employment in Industry	Total Defense Manpower
	Army	Navy	Marine Corps	Air Force	Total Military	Army ^{a/}	Navy (Incl. Marine Corps)	Air Force ^{a/}	Def. Agcys. & Other	Total Civil Service			
1940	218	161	28	51	458	137	119	-	-	256	714	314	1,028
1941	1,310	284	54	152	1,801	329	227	-	-	556	2,357	2,500	4,857
1942	2,311	641	143	764	3,859	852	432	-	-	1,284	5,143	10,000	15,143
1943	4,797	1,742	309	2,197	9,045	1,545	648	-	-	2,193	11,238	13,361	24,869
1944	5,622	2,981	476	2,372	11,452	1,503	736	-	-	2,239	13,691	12,600	26,291
1945	5,986	3,381	475	2,282	12,123	1,881	747	-	-	2,628	14,751	11,000	25,751
1946	1,435	983	156	456	3,030	927	489	-	-	1,416	4,446	1,168	5,614
1947	685	449	93	306	1,583	503	356	-	-	859	2,442	786	3,228
1948	554	419	85	388	1,446	371	347	152	1	871	2,317	958	3,275
1949	660	450	86	419	1,615	369	343	166	2	880	2,495	732	3,227
1950	593	382	74	411	1,460	274	293	160	2	729	2,189	713	2,902
1951	1,532	737	193	788	3,249	591	452	288	2	1,333	4,582	2,400	6,982
1952	1,596	824	232	983	3,635	618	481	342	2	1,443	5,079	3,600	8,679
1953	1,534	794	249	978	3,555	964	470	411	2	1,847	5,402	4,118	9,520
1954	1,405	726	224	948	3,302	792	433	393	2	1,620	4,922	2,975	7,897
1955	1,109	661	205	960	2,935	667	433	416	2	1,518	4,453	2,500	6,953
1956	1,026	679	201	910	2,806	610	415	447	2	1,475	4,281	2,500	6,781
1957	998	677	201	920	2,796	589	411	433	2	1,435	4,231	2,850	7,081
1958	999	641	189	871	2,601	548	382	389	2	1,321	3,922	2,800	6,722
1959	862	626	176	840	2,504	516	374	381	2	1,273	3,777	2,700	6,477
1960	873	618	171	815	2,476	494	365	368	2	1,229	3,705	2,460	6,165
1961	859	627	177	821	2,484	494	362	359	2	1,217	3,701	2,600	6,301
1962	1,066	666	191	884	2,808	495	365	359	21	1,240	4,048	2,725	6,773
1963	976	665	190	869	2,700	475	360	350	33	1,218	3,918	2,550	6,468
1964	973	668	190	857	2,687	453	346	338	37	1,175	3,859	2,280	6,142
1965	969	671	190	825	2,655	438	343	334	42	1,157	3,812	2,125	5,937
1966	1,200	745	262	887	3,094	472	366	349	67	1,254	4,340	2,640	6,986
1967	1,442	752	285	897	3,377	541	417	366	75	1,399	4,776	3,100	7,876
1968	1,570	765	307	905	3,548	542	433	357	74	1,406	4,952	3,174	8,126
1969	1,512	776	310	862	3,460	532	438	349	72	1,391	4,851	2,916	7,767
1970	1,323	693	260	791	3,066	481	483	327	68	1,364	4,430	2,399	6,829
1971	1,124	623	212	755	2,714	453	361	312	63	1,189	3,903	2,031	5,934
1972	811	588	198	726	2,323	446	353	300	60	1,159	3,482	1,985	5,467
1973	801	565	196	691	2,253	405	334	288	72	1,099	3,352	1,850	5,202
1974	783	546	189	644	2,162	408	336	290	76	1,110	3,272	1,860	5,132
1975	784	535	196	613	2,128	401	326	273	73	1,078	3,206	1,800	5,006
1976	779	525	192	585	2,082	390	321	262	73	1,046	3,128	1,690	4,818
1977	782	530	192	571	2,075	371	318	256	77	1,022	3,097	1,610	4,907
1978	772	530	191	570	2,062	371	317	251	77	1,016	3,078	1,775	4,854
1979	758	522	185	559	2,024	359	310	245	77	991	3,015	1,921	4,936
1980	774	528	185	558	2,045	359	308	244	80	991	3,036	2,022	5,058
1981	776	534	185	565	2,059	359	310	241	81	990	3,049	2,189	5,238

a/ Air Force civil service employment figures are not available separately prior to 1948. They are included in the Army figures for the earlier years.

b/ Civil service figures for 1953 and later years include foreign indirect hire employees.

8-8 U.S. EMPLOYMENT AND LABOR FORCE
(Thousands)

Fiscal Year	Active Duty Military	DoD Civil Service	Total DoD Manpower	Defense Related Industry Employment	Total Defense Employment	Other Federal Civil Service	Federal Civilian Employment	Coast Guard	Total Federal Employment	State and Local Governments	Total U.S. Public Employment	Private Sector Employment	Total Employment	Total Non-Defense Employment	Unemployment	Total Labor Force
1940	458	256	714	314	1,028	805	1,061	14	1,533	3,217	4,750	42,340	47,090	46,062	8,800	55,890
1941	1,801	556	2,357	2,500	4,857	881	1,437	19	3,257	3,337	6,594	43,421	50,015	45,158	6,840	56,855
1942	3,859	1,284	5,143	10,000	15,143	1,013	2,297	59	6,215	3,310	9,525	45,245	54,770	39,627	4,110	58,880
1943	9,045	2,193	11,238	13,361	24,869	1,107	3,300	155	12,500	3,184	15,684	44,921	60,605	35,736	1,865	62,470
1944	11,452	2,239	13,691	12,600	26,291	1,103	3,342	169	14,963	3,092	18,055	46,375	64,430	38,139	870	65,300
1945	12,123	2,628	14,751	11,000	25,751	1,189	3,817	171	16,111	3,104	19,215	45,600	64,815	39,064	855	65,670
1946	3,030	1,416	4,446	1,168	5,614	1,281	2,697	26	5,753	3,305	9,058	52,422	61,480	55,866	1,655	63,135
1947	1,583	859	2,442	786	3,228	1,250	2,109	19	3,711	3,568	7,279	51,387	58,666	55,438	2,290	60,956
1948	1,446	871	2,317	958	3,275	1,200	2,071	20	3,537	3,776	7,313	52,411	59,724	56,449	2,408	62,132
1949	1,615	880	2,495	732	3,227	1,222	2,102	24	3,741	3,906	7,647	50,584	58,231	55,004	3,966	62,197
1950	1,460	729	2,189	713	2,902	1,232	1,961	23	3,444	4,078	7,522	52,475	59,997	57,095	3,551	63,548
1951	3,249	1,333	4,582	2,400	6,982	1,250	2,583	29	5,861	4,031	9,892	50,481	60,373	53,391	2,132	62,505
1952	3,636	1,443	5,079	3,600	8,679	1,157	2,600	35	6,271	4,134	10,405	50,583	60,988	52,309	2,032	63,020
1953	3,555	1,847	5,402	4,118	9,520	1,219	3,066	34	6,655	4,282	10,937	51,229	62,166	52,646	1,732	63,898
1954	3,302	1,620	4,922	2,975	7,897	1,192	2,812	29	6,143	4,552	10,695	49,802	60,497	52,600	3,681	64,178
1955	2,935	1,518	4,453	2,500	6,953	1,202	3,720	29	5,684	4,728	10,412	52,156	62,568	55,615	2,893	65,461
1956	2,806	1,475	4,281	2,500	6,781	1,214	2,689	28	5,523	5,064	10,587	54,120	64,707	57,926	3,179	67,886
1957	2,796	1,435	4,231	2,850	7,081	1,251	2,686	30	5,512	5,380	10,892	54,235	65,127	58,046	3,131	68,258
1958	2,601	1,321	3,922	2,800	6,722	1,278	2,599	30	5,230	5,630	10,860	52,792	63,652	56,930	5,223	68,975
1959	2,504	1,273	3,777	2,700	6,477	1,308	2,581	30	5,115	5,806	10,921	55,003	65,924	59,447	3,780	69,704
1960	2,476	1,229	3,705	2,460	6,165	1,348	2,577	31	5,084	6,073	11,157	56,131	67,288	61,123	4,172	71,460
1961	2,484	1,217	3,701	2,600	6,301	1,387	2,604	32	5,120	6,295	11,415	55,736	67,151	60,850	5,313	72,464
1962	2,808	1,240	4,048	2,725	6,773	1,445	2,685	32	5,525	6,533	12,058	55,794	67,852	61,079	4,219	72,071
1963	2,700	1,213	3,918	2,550	6,468	1,464	2,682	32	5,414	6,834	12,248	56,596	68,844	62,376	4,554	73,398
1964	2,687	1,175	3,859	2,280	6,142	1,466	2,641	32	5,357	7,236	12,593	57,855	70,448	64,305	4,453	74,901
1965	2,655	1,157	3,812	2,125	5,937	1,499	2,656	32	5,343	7,683	13,026	59,252	72,278	66,341	4,057	76,335
1966	3,094	1,254	4,348	2,640	6,988	1,570	2,824	35	5,953	8,259	14,212	59,825	74,037	67,049	3,592	77,629
1967	3,377	1,399	4,776	3,100	7,876	1,632	3,031	37	6,445	8,730	15,175	60,218	75,393	67,517	3,628	79,021
1968	3,548	1,406	4,952	3,174	8,126	1,700	3,106	37	6,689	9,141	15,830	61,443	77,273	69,147	3,615	80,888
1969	3,460	1,391	4,851	2,916	7,767	1,739	3,130	38	6,628	9,496	16,124	62,834	78,958	71,191	3,399	82,357
1970	3,066	1,364	4,430	2,399	6,829	1,660	3,024	37	6,127	9,869	15,996	63,386	79,382	72,553	4,669	84,050
1971	2,714	1,189	3,903	2,031	5,934	1,770	2,959	38	5,711	10,257	15,968	63,510	79,478	73,544	5,490	84,968
1972	2,323	1,159	3,482	1,985	5,467	1,762	2,921	35	5,279	10,640	15,919	66,710	82,629	77,162	5,426	88,055
1973	2,253	1,099	3,352	1,850	5,202	1,767	2,866	37	5,156	11,065	16,221	69,346	85,567	80,635	4,847	90,414
1974	2,162	1,110	3,272	1,860	5,132	1,823	2,933	37	5,132	11,463	16,595	70,572	87,167	82,035	5,380	92,546
1975	2,128	1,078	3,206	1,800	5,006	1,858	2,936	37	5,101	12,025	17,126	68,318	85,444	80,438	8,569	94,013
1976	2,082	1,046	3,128	1,690	4,818	1,836	2,882	38	5,002	12,282	17,284	71,176	88,460	83,642	7,655	96,114
1977	2,075	1,022	3,097	1,810	4,907	1,818	2,840	38	4,953	12,617	17,570	73,677	91,247	86,340	6,437	97,684
1978	2,062	1,016	3,078	1,775	4,854	1,856	2,872	38	4,972	12,810	17,782	77,259	95,041	90,187	5,797	100,838
1979	2,024	991	3,015	1,921	4,936	1,885	2,876	39	4,939	13,002	17,941	79,635	97,576	92,640	5,798	103,373
1980	2,045	991	3,036	2,022	5,058	1,876	2,867	40	4,952	13,200	18,152	81,055	99,207	94,149	8,044	107,251
1981	2,059	990	3,049	2,189	5,238	1,831	2,821	40	4,920	13,400	18,320	83,745	102,065	96,827	8,038	110,103

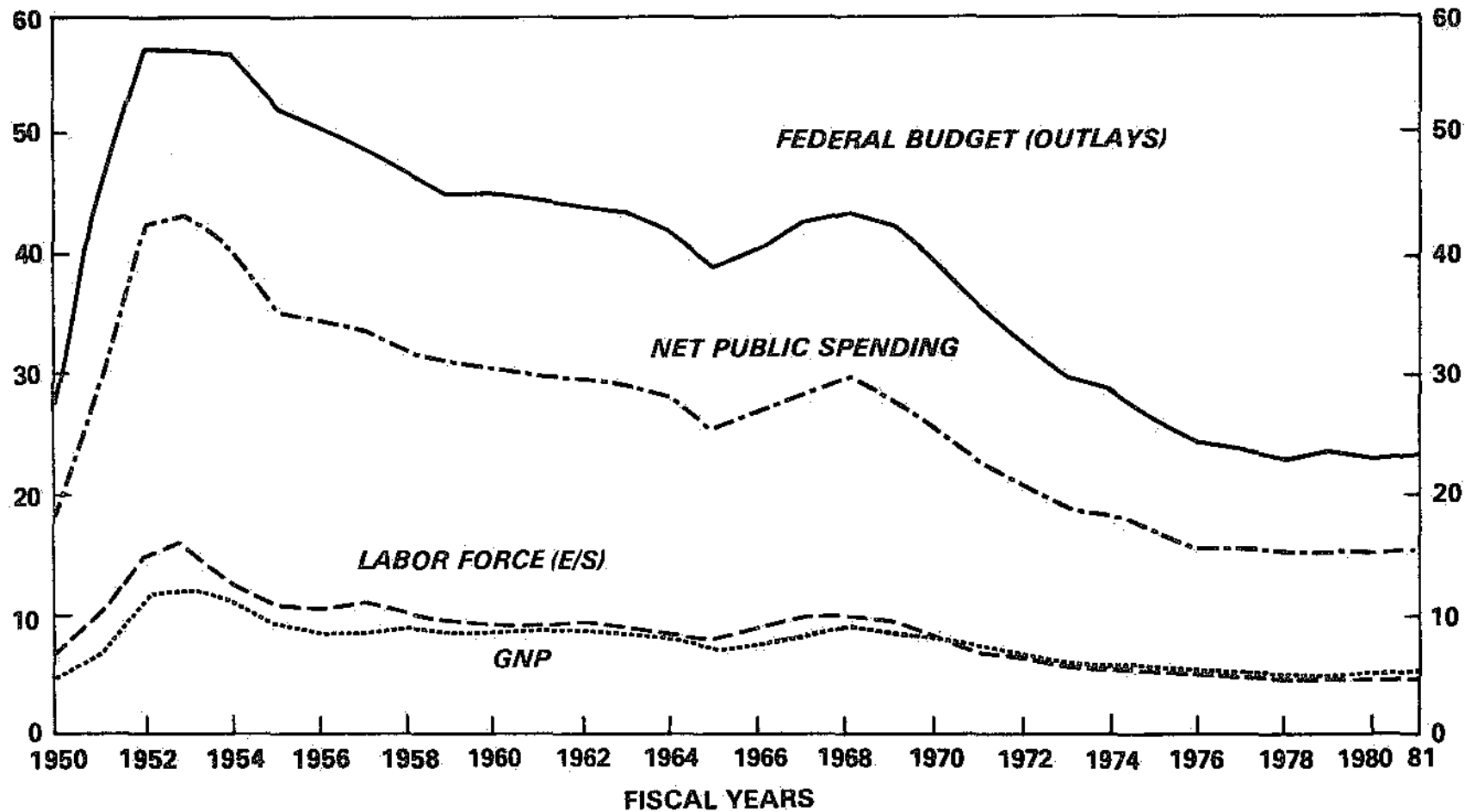
8-9. DEFENSE SHARES OF ECONOMIC AND BUDGETARY AGGREGATES
 Percentages of Indicated Totals, Fiscal Year (FY)

Fiscal Year	% of Federal Budget				% of Net Public Spending		DoD as a % Public Employment				DoD as % of Labor Force		% of GNP Budget Basis	
	Unified Budget		Federal Funds Only		Federal State & Local		Mil. & Civ		Civ Only		Total	Including Industry	DoD	Defense
	DoD	Nat'l Defense	DoD	Nat'l Defense	DoD	Nat'l Defense	Federal	Federal State & Local	Federal	Federal State & Local				
1940	15.7	15.8	16.5	16.6	8.3	8.4	46.6	15.0	24.1	6.0	1.3	1.8	1.6	1.6
1941	43.9	44.3	45.2	45.6	27.2	27.5	72.4	35.7	38.7	11.6	4.1	8.5	5.5	5.5
1942	60.3	71.0	60.8	71.6	48.8	57.4	82.8	54.0	55.9	22.9	8.7	25.7	15.2	17.9
1943	74.6	83.6	74.3	83.4	67.6	75.8	89.9	71.7	66.5	33.8	18.0	39.8	33.0	37.1
1944	78.7	85.5	77.8	84.6	72.4	78.7	91.5	75.8	67.0	34.8	21.0	40.3	35.5	38.7
1945	82.5	88.3	80.6	86.3	75.7	81.0	91.6	76.8	68.8	38.0	22.5	39.2	35.3	37.7
1946	72.8	75.3	71.5	73.9	61.5	63.5	77.3	49.1	52.5	23.6	7.0	8.9	19.9	20.6
1947	38.2	33.6	37.9	33.3	28.1	24.7	65.8	33.5	40.7	15.1	4.0	5.3	5.9	5.2
1948	34.1	26.3	35.0	27.1	22.1	17.1	65.5	31.7	42.1	14.9	3.7	5.3	4.1	3.2
1949	28.9	30.3	29.8	31.2	19.7	20.6	66.7	32.6	41.9	14.6	4.0	5.2	4.3	4.5
1950	27.4	29.1	30.4	32.3	18.5	19.7	63.6	29.1	37.2	12.1	3.4	4.6	4.4	4.7
1951	43.0	48.0	44.8	50.0	28.9	32.3	78.2	46.3	51.6	20.2	7.3	11.2	6.3	7.0
1952	57.2	64.0	59.6	66.7	42.4	47.4	81.0	48.8	55.5	21.4	8.1	13.8	11.4	12.8
1953	57.0	65.6	59.5	68.4	42.9	49.3	81.2	49.4	60.2	25.1	8.5	14.9	12.1	13.8
1954	56.5	65.3	60.8	70.2	40.7	47.0	80.1	46.0	57.6	22.0	7.7	12.3	11.0	12.7
1955	51.3	58.1	56.4	63.9	35.5	40.2	78.3	42.8	40.8	20.4	6.8	10.6	9.2	10.5
1956	50.2	56.4	55.4	62.1	34.2	38.4	77.5	40.4	54.9	19.0	6.3	10.0	8.6	9.7
1957	49.6	55.3	56.7	63.1	33.7	37.5	76.8	38.8	53.4	17.8	6.2	10.4	8.8	9.8
1958	47.5	52.9	56.2	62.7	32.0	35.7	75.0	36.1	50.8	16.1	5.7	9.8	8.9	9.9
1959	45.0	49.9	53.8	59.6	30.8	34.2	73.8	34.6	49.3	15.2	5.4	9.3	8.8	9.7
1960	45.0	49.0	55.4	60.3	30.3	33.0	72.9	33.2	47.7	14.2	5.2	8.6	8.3	9.1
1961	44.3	47.7	54.6	58.8	29.5	31.7	72.3	32.4	46.7	13.7	5.1	8.7	8.5	9.2
1962	43.8	45.9	54.1	56.7	29.4	30.8	73.3	33.6	46.2	13.5	5.6	9.4	8.6	9.0
1963	43.1	45.0	53.2	55.6	28.8	30.1	72.0	32.0	45.4	12.8	5.3	8.8	8.4	8.7
1964	41.7	43.5	51.7	53.8	27.8	29.0	72.1	30.6	44.5	11.9	5.2	8.2	8.0	8.4
1965	38.7	40.1	48.4	50.0	25.2	26.1	71.3	29.3	43.6	11.2	5.0	7.8	7.0	7.2
1966	40.2	40.7	50.8	51.5	26.4	26.8	73.0	30.6	44.4	11.3	5.6	9.0	7.5	7.6
1967	42.6	43.1	53.1	53.8	28.5	28.9	74.1	31.5	46.2	11.9	6.0	10.0	8.7	8.8
1968	43.2	44.0	54.0	55.0	29.4	30.0	74.0	31.3	45.3	11.5	6.1	10.0	9.3	9.5
1969	42.1	43.0	52.3	53.4	27.7	28.3	73.2	30.1	44.4	11.0	5.9	9.4	8.6	8.8
1970	39.2	40.0	49.3	50.3	25.4	25.8	72.3	27.7	45.1	10.6	5.3	8.1	8.0	8.2
1971	35.2	35.9	45.5	46.3	22.3	22.7	68.3	24.4	40.2	9.0	4.6	7.0	7.3	7.4
1972	32.4	33.0	42.2	43.0	20.6	21.0	66.0	21.9	39.7	8.5	3.9	6.2	6.7	6.9
1973	29.6	30.2	39.2	39.9	18.9	19.3	65.0	20.7	38.3	7.9	3.7	5.8	5.9	6.0
1974	28.8	28.8	38.8	38.9	18.2	18.3	63.8	19.7	37.8	7.7	3.5	5.5	5.7	5.7
1975	26.0	26.2	35.4	35.6	16.7	16.9	62.9	18.7	36.7	7.2	3.4	5.3	5.8	5.9
1976	24.0	24.4	32.6	33.1	15.6	15.9	62.5	18.1	36.3	6.9	3.3	5.0	5.4	5.5
1977	23.7	24.2	32.3	33.0	15.7	16.0	62.5	17.6	36.0	6.6	3.2	5.0	5.2	5.3
1978	22.9	23.3	31.0	31.7	15.4	15.7	61.9	17.3	35.4	6.5	3.1	4.8	5.0	5.1
1979	23.3	23.8	31.7	32.5	15.6	16.0	61.0	16.8	34.5	6.2	2.9	4.8	5.0	5.1
1980	22.6	23.1	31.4	32.1	15.4	15.7	61.3	16.7	34.6	6.2	2.8	4.7	5.1	5.2
1981	23.2	23.7	33.2	34.0	15.7	16.1	62.0	16.6	35.1	6.1	2.8	4.8	5.2	5.3

FINANCIAL SUMMARY DOD AS A PERCENTAGE OF:

PERCENT

PERCENT



101