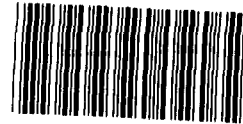


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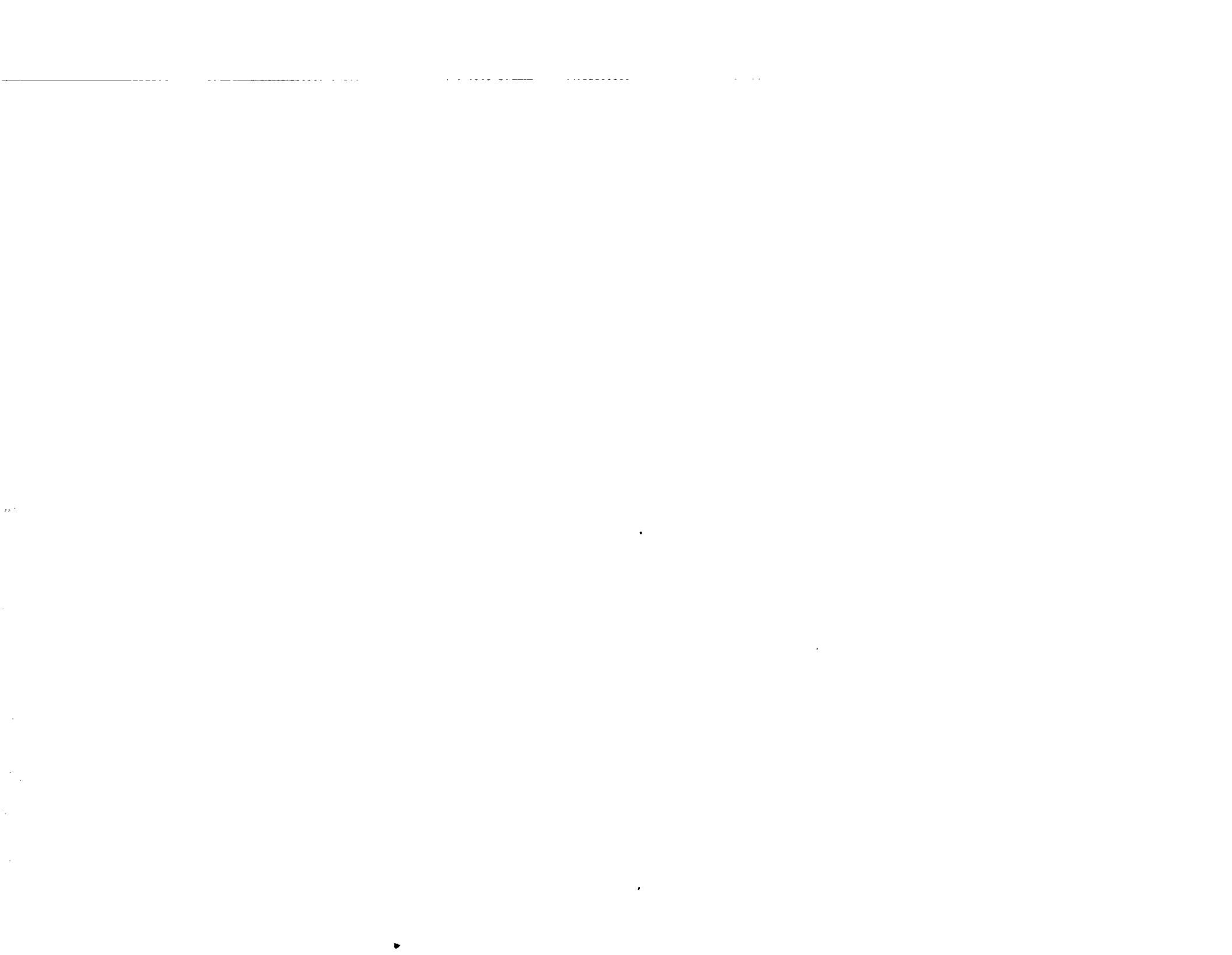
UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D.C. 20548



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STATEMENT OF  
WERNER GROSSHANS, PLANNING DIRECTOR  
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION  
BEFORE THE SUBCOMMITTEE ON LEGISLATION AND NATIONAL SECURITY  
HOUSE COMMITTEE ON GOVERNMENT OPERATIONS

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Mr. Chairman, I am pleased to appear before the Subcommittee on Legislation and National Security to discuss opportunities to reduce the number of combat aircraft the Department of Defense (DOD) buys for noncombat purposes. DOD and the military services have consistently overstated the number of combat aircraft they need for training, maintenance backup, and attrition. By keeping such aircraft to a level that can be adequately justified, DOD can reduce its costs significantly.

Our work, as well as that of the Defense Inspector General, has shown that DOD has not adequately pursued cost reductions. Our prior reports identified billions of dollars in potential savings if support aircraft purchases were limited to the levels that could be adequately justified. Our most recent followup tested only some of the factors used by Defense, but still found that Defense acquisition plans into the 1990s included over \$11 billion worth of support aircraft not justified by Defense computations. Furthermore, a reassessment of Defense assumptions regarding the need for any maintenance backup aircraft could show that planned acquisitions of support aircraft are overstated by as much as \$21 billion. These figures are summarized in attachment I.

WHAT ARE NONCOMBAT MISSION  
AIRCRAFT AND WHAT DO THEY COST?

In addition to buying aircraft for combat operations, the military services buy aircraft to

- train pilots,
- substitute for aircraft undergoing depot level maintenance, and
- replace aircraft lost in peacetime operations (attrition).

These noncombat aircraft are sometimes called support aircraft.

The support aircraft account for about 45 percent of the service's four major tactical aircraft programs--the Navy's F-14 and F/A-18 and the Air Force's F-15 and F-16.

TRAINING AIRCRAFT NEEDS  
STILL OVERSTATED

The Air Force continues to state its training needs as 25 percent of operational requirements and the Navy uses 25 percent for the F-14 and 21 percent for the F/A-18. We assessed selected justifications for the F-14, F-15, and F-16 aircraft, and we believe the 25 percent factor is still too high.

For example, the Air Force understates the number of sorties (takeoffs and landings) an aircraft can fly in a month. We believe that training aircraft requirements should be based on achievable management goals. If training aircraft requirements were based on the utilization rates of combat units, the number of aircraft required for training would drop. In fiscal year 1983, Tactical Air Command (TAC) combat F-15 units at Langley, Eglin and Holloman Air Force Bases are programmed for a utilization rate of 20 sorties per month, whereas the TAC F-15 training units at Luke and Nellis Air Force Bases are programmed for rates of 17.5 and 18.0 sorties, respectively. If the F-15 training units were programmed at a utilization rate of 20, training aircraft requirements at those bases would decrease by 13--from an average of 114 to 101. Similarly, the F-16 operational units at Hill and Nellis Air Force Bases are programmed for a utilization rate of 22 whereas training units at Luke, Nellis, MacDill, and Hill Air Force Bases are programmed for utilization

rates ranging from 15.5 to 19.5. If the F-16 training units were programed at a utilization rate of 22, F-16 training aircraft requirements at these bases would decrease by 23 aircraft. Air Force officials told us that differences in utilization rates between training and combat units are due to greater maintenance and spare parts priority for combat units.

As previously reported, we continue to believe the Air Force should consider flying on Saturdays as a means to provide their students the needed sorties using fewer aircraft. For example, our calculations show that 17 fewer F-15 aircraft would have been needed for fiscal year 1983 if training missions were flown on Saturdays. The Air Force contends that Saturday flying would lower worker morale, lower reenlistment, increase mechanic turnover, and increase costs such as utilities and computer rentals. We agree that the Air Force would need to stagger work shifts for maintenance and other support services personnel, but staggered workweeks for such personnel are common in the airline industry. Also, increased operating costs would be more than offset by savings in aircraft. We do not believe the Air Force has adequately considered the costs and benefits of Saturday flying.

MAINTENANCE AIRCRAFT NEEDS  
STILL OVERSTATED

The military services want the authorized number of combat aircraft to be physically located at the combat unit at all times. To help do this, the services estimate the number of

aircraft that will be out of service for modification or depot maintenance. Both the Navy and Air Force use experience to project such backup requirements. We believe these computations are overstated because they do not reflect improved maintainability and reliability of newer aircraft. Furthermore, the services should analyze whether depot maintenance facilities could complete and return combat aircraft to their units to meet their deployment schedules in case of emergency, thereby eliminating the need for maintenance backup.

The Air Force still uses the 10-percent maintenance backup figure we have questioned before in our reports. At best the Air Force could justify a 7 percent factor based on our analysis of F-15 depot work. Past percentages are not valid because the F-15 and F-16 aircraft were designed to greatly improve maintainability and reliability. In addition the Air Force no longer has a scheduled overhaul program.

Also we question whether the services need any aircraft for maintenance backup. To justify maintenance backup aircraft, the services assume that all aircraft of all units must be available to deploy on the first day of a contingency. Since unit deployments are necessarily time phased, such an assumption is clearly not warranted. Because the assumption alone underlies about \$10 billion of the \$21 billion that we question, the Air Force and the Navy should assess whether aircraft undergoing maintenance could be returned to their units before deployment. Only those aircraft not returned within required time frames should be considered in determining maintenance backup needs.

In addition, to aid in prompt deployment of all units, those deploying later could transfer aircraft to units scheduled for early deployment. This would be particularly appropriate for the Navy, because it would take at least 3 months to complete the two or three carriers normally in shipyards being overhauled.

PEACETIME ATTRITION NEEDS  
STILL OVERSTATED

Both services continue to overstate attrition by not adequately considering latest experience and not recognizing that attrition decreases as experience is gained with a system.

The Air Force based attrition requirements for F-15 aircraft on the number of predecessor aircraft lost per 100,000 flying hours. The Air Force's computed F-15 attrition requirement is 4.8 aircraft losses per 100,000 flying hours, the average to date for the entire series, F-15A, B, C and D. F-15Cs and F-15Ds will eventually comprise a major share of the F-15 force structure. Thus, we believe early attrition experience with the F-15C--2.9 losses per 100,000 flying hours--should be used to project losses. Using the 2.9 figure would reduce the F-15 attrition requirements by 40 aircraft for a potential savings of over \$1 billion.

The F-14 attrition factor of 4 percent is based on actual F-14 experience for the 5-year period through fiscal year 1981. This procedure assumes that such attrition experience will persist throughout the program lifetime. Using the Navy procedure with actual experience for the 5-year period through

1982 produces a 3-percent factor, and results in 44 fewer aircraft than authorized by the Navy at potential savings of \$1.8 billion. Assuming attrition will continue to improve with flying experience, the attrition percentage should continue to drop. We believe this should be considered when aircraft requirements are developed.

GAO AND INTERNAL AUDITORS  
HAVE REPEATEDLY RECOMMENDED  
REDUCTIONS IN SUPPORT AIRCRAFT

In our 1977 report, "Need to Strengthen Justification and Approval Process for Military Aircraft Used for Training, Replacement, and Overhaul" (LCD-77-423, October 28, 1977) we stated the services were planning to spend over \$1.8 billion on support aircraft that were not adequately justified. We questioned the need for 58 F-15s and 66 F-14s because services' justification for these aircraft did not use realistic and supportable data, but used largely obsolete and arbitrary percentages of the number of combat aircraft.

In separate 1980 reports on the F/A-18 and the F-16, we questioned the number of maintenance backup aircraft being procured. We concluded that such requirements were overstated because the services continue to use only historical experience without considering improved maintenance techniques. We further questioned the need for any maintenance support aircraft, because the services had not considered whether depots could complete maintenance and get aircraft back to their units in time to be deployed in a contingency.

In a July 1980 report, we summarized prior reports and stated that we had seen virtually no change in quantities of



support aircraft to be procured, and little improvement in the requirements justification for such aircraft.

In 1978 the Defense Audit Service (now the Department of Defense Inspector General) followed up on our 1977 report and reported that the services had overstated their F-15 and F-14 support aircraft requirements by a similar amount and for essentially the same reasons as stated in our report. Their most recent report, dated March 15, 1983, disclosed that many of the same problems now also are found in justifications for F-16 and F/A-18 support aircraft.

#### WHAT NEEDS TO BE DONE

We, as well as the Defense Inspector General, have reviewed and reported on this issue for years. In 1977 the Office of Secretary of Defense agreed with us that support aircraft requirements should be based on accurate and reliable data and stated they were undertaking a thorough review of support aircraft justifications. That study was never done.

We feel that the amounts of support aircraft being requested are not adequately supported. The Department of Defense states that regardless of the justification, the aircraft are necessary and would be used in war. We believe DOD needs to focus on the purpose of these support aircraft and should be required to properly justify its need for these costly weapons. Currently they are being justified and bought as support aircraft.

We do not believe that these aircraft are essential for their stated purposes, and certainly should not be approved based on such improper justifications. If DOD believes it needs more aircraft in case of war, it should justify such other needs and the Congress could decide whether or not to fund them.

We believe that a complete Defense reassessment of support aircraft is necessary to determine support mission needs.

Mr. Chairman that concludes my statement. I will be happy to answer your questions.

Summary Of Potential Excess Aircraft  
Identified In Followup Review

1. Without Considering Wartime  
Depot Capability and Unit  
Deployment Schedules

<u>Aircraft type</u>	<u>Aircraft purpose</u>	<u>Quantity</u>	<u>Potential savings</u> (millions)
F-14	Training	40	\$ 1,632
	Attrition	44	1,795
	Maintenance		
	Backup	18	734
F/A-18	Training	-	-
	Attrition	34	928
	Maintenance		
	Backup	40	1,092
F-15	Training	30	795
	Attrition	40	1,060
	Maintenance		
	Backup	34	901
F-16	Training	23	451
	Attrition	67	1,313
	Maintenance		
	Backup	48	941
<b>TOTAL</b>		<b>418</b>	<b>\$11,642</b>

2. If No Backup Aircraft Needed  
Because Depots Could Return  
Aircraft In Time For Unit  
Deployment

<u>Additional backup not needed</u>	<u>Quantity</u>	<u>Potential savings</u> (millions)
Total from above	418	\$11,642
F-14	80	3,264
F/A-18	80	2,184
F-15	77	2,040
F-16	112	2,195
<b>TOTAL</b>	<b>767</b>	<b>\$21,325</b>

TACTICAL AIRCRAFT REQUIREMENTS

<u>Aircraft category</u>	<u>Navy</u>		<u>Air Force</u>	
	<u>F-14</u>	<u>F/A-18</u>	<u>F-15</u>	<u>F-16</u>
Operational	336	752	894	1278
Training	84	118	224	318
Attrition	310	368	259	389
Maintenance Backup	98	120	111	160
Other	<u>17</u>	<u>19</u>	<u>20</u>	<u>20</u>
Total	<u>845</u>	<u>1377</u>	<u>1508</u>	<u>2165</u>