
Defense Report

AUSA



The People Budget

There is much more to the Annual Defense Budget than tanks, bombers and submarines. More than 60% goes to our most important resource—people. The FY 76 DoD budget has several aspects, good and bad, which impact on Army people.

On the good side, the budget included full support of the commissary system until 30 June. The Congress also provided support, although not as much as requested, for the Army's program to increase the average grade level of enlisted personnel.

On the not-so-good side, most experts view the cuts in operations and maintenance (O&M) funds as serious. These are the funds which operate military installations (including housing and troop support) and provide the dollars for troop training and operations. Thanks to inflation, the Army has lost more than a billion O&M dollars in each of the past two fiscal years, and this year's cuts will result in an estimated half-billion dollar loss. This will impact adversely on individuals from both personal and professional standpoints.

Other budgetary actions affecting at least some individuals include:

Enlisted Separation Pay: No payment for more than 60 days unused leave over an entire military career. *PCS Travel:* Cuts here will aggravate the current shortage of PCS funds and push tours further toward an average of 36 months. *CHAMPUS:* The distance from military medical facilities for which certificates of non-availability of military care will be needed before civilian health care facilities may be used was increased from 30 to 40 miles. *Overseas Dependent Education:* Program management was given to DoD. Thus, the overseas Army family can no longer look to the major overseas commander and the Secretary of the Army as the individuals responsible. *Reserve Components:* No pay for new enlistees until they begin Active Duty Training. *Personnel Strengths:* The Army will lose nearly 9,000 civilian spaces and about 500 military.