

With regard to civilian personnel, the major part of the increase over the number approved last August is related to the substitution of civilian for military personnel, as shown in table 1.

Table 2 provides a recapitulation of the proposed personnel increases, including those related to southeast Asia. The second column shows the additional personnel required for the support of the southeast Asia effort over and above the numbers provided in the original fiscal year 1966 budget as shown in column 1. The third column shows the adjustments resulting from the substitution of civilians for military personnel. The fourth column shows other adjustments (pluses and minuses) related to productivity savings, nonsoutheast Asia related force changes, etc. The fifth column shows the net additions to the original end fiscal year 1966 strengths. The next column shows the number scheduled to be on hand at end fiscal year 1966 and the last column the balance to be added thereafter.

ADDITIONAL FISCAL YEAR 1966 REQUIREMENTS FOR PROCUREMENT, R.D.T. & E. AND CONSTRUCTION

Table 3 shows the additional funds required for the balance of the current fiscal year for procurement, for research, development, test, and evaluation, and for military construction in support of our combat operations in southeast Asia. Of the \$1.7 billion added to the fiscal year 1966 budget last August, about \$1,534 million was applied to procurement, particularly for long leadtime components, new production equipment, tooling, and all the actions necessary to accelerate production rates—but not actually to finance these higher production rates beyond about February 1966. That is the purpose of the additional \$7 billion which we are now requesting for procurement in this fiscal year 1966 supplemental for southeast Asia.

The balance of the \$1.7 billion added to the fiscal year 1966 Defense budget last August, about \$166 million, was used to finance (through February 1966) the most urgent construction projects needed for the support of our military operations in southeast Asia. The additional \$1,238 million included in the supplemental will complete the financing of the fiscal year 1966 increment of that construction program.

In preparing the estimates of our financial requirements for the balance of fiscal year 1966, we have assumed, for budgeting purposes, that combat operations will continue through the end of June 1967; thus the entire requirement for the longer leadtime items through that date is included in this supplemental.

AMMUNITION

As shown on table 3, about \$2.1 billion is included in the fiscal year 1966 supplemental for ammunition which, together with the approximately \$1.1 billion included in the original fiscal year 1966 budget and \$800 million from the August amendment, gives us a total of about \$4.1 billion for fiscal year 1966. This is, admittedly, a very high figure; but our operational plans call for a massive application of firepower to enhance the effectiveness of our forces and reduce casualties.

We estimate that our ground forces (including associated helicopter units) are now consuming ammunition at the rate of about \$100