Readiness, advanced technology, dominance of the maritime domain, and the genius of our people are the U.S. Navy's asymmetric advantages over America's adversaries. Today's Sailors and Marines are better trained and equipped than they were just a few years ago. The Navy intends to accelerate these advantages while maintaining the course set by "Sea Power 21". The Navy's investment and commitment toward readiness have paid off - our forces can now deploy sooner, for longer periods of time, and sustain a higher rate of operational availability than ever before. The Navy stands ready to deliver superior combat power to the far corners of the earth.

Department of Defense enhancements to FY 2003 and 2004 annual budgets provided increases in Total Obligational Authority (TOA), and allowed the Navy to address additional program needs related to the security and defense of our homeland. The positive trend continues in the President's FY 2005 DoD budget request for $401.7 million, an increase of seven percent over FY 2004. The new budget request includes $119.4 billion for the Navy, an increase of $5 billion (4.5 percent) compared to last year.
Navy Resources

In the coming year, the Navy will continue the effort to sustain necessary gains in readiness, deepen the growth and development of our people, and accelerate investment in the Sea Power 21 vision. Combined with efficiencies harvested from technological innovation and improvement, these efforts will enable the achievement of unprecedented maritime power for the future needs of America. The Navy’s Total Obligation Authority (TOA) request for FY 2005 is $102.4 billion, and represents an increase of approximately 5.6 percent from FY 2004. Figure 10 illustrates projections of 33 percent real growth through FY 2009, a dramatic turnaround of the downward trend in Navy TOA between 1990 and 2001. The achievement of the “Sea Power 21” vision depends on the continuation of that real growth.

Delivering the Right Readiness at the Right Cost

Readiness is the catalyst that brings combat power to bear whenever it is needed. It is the genuine return on investment due to the American public. This year’s budget request accurately reflects the Navy’s readiness needs, assesses risks to investments, and provides resources necessary for leadership to deliver operational capabilities. These capabilities depend upon ship operations and aircraft flying hours, maintenance, training, and modernization of shore installations. If the Navy budget is fully funded, the result will be a measurable improvement in our ability to surge in crisis and sustain readiness during longer deployments.

Shaping the 21st Century Workforce

The Navy is fully committed to pursuing competitive personnel policies and new technologies to streamline combat and non-combat personnel positions, as well as improving the
integration of active and reserve components, and reducing the Navy’s total manpower structure. Appropriately, the FY 2005 budget request proposes a reduction of 7,900 people. The Navy workforce also must be better educated to adapt to the increasing pace of change in technology. The goal is to attract, develop, train and retain the most highly skilled and educated workforce ever assembled, and provide every Sailor a rewarding life experience.

**Accelerating our Investment in Sea Power 21**

“Sea Power 21” defines the capabilities the Navy will deliver to meet future challenges. Recent investments by Congress have provided the opportunity to accelerate the advantages toward a joint, networked, sea-based force. This year, the Navy will seek to revolutionize existing capabilities through distributed and networked technology. The primary focus will remain on the power of Sea Basing and complementary alignment with joint partners, especially the U. S. Marine Corps. A robust science and technology program will bring to bear investments made in joint research and development to better support the warfighter in the battlespace. Future investments will aim to exploit the largest maneuver space on the face of the earth: the sea.

The Navy will also continue to maintain its multi-mission capabilities and forward-presence posture, while stabilizing the size of the Fleet and reducing shore-based support infrastructure. Figure 11 shows the realities in force structure size and mix proposed through FY 2009, with more modern and more capable ships and aircraft available, though in reduced numbers.

**Navy Appropriations**

The allocation of requested FY 2005 Navy resources to appropriations is shown in Figure 12. These appropriations are grouped to simplify the display (e.g., personnel, shipbuilding, aircraft procurement, research and development, operations).
Vision…Presence…Power

Today’s Navy is the most capable and most ready in history, though more must be done to prepare for the future. As stewards of the public trust, the Navy is obligated to spend money wisely. This is especially true today due to the strategic challenges posed by the ongoing War on Terrorism, by the need to recapitalize aging, Cold-War era infrastructure, and by the burgeoning technological changes that will inevitably alter the ways and means of war. Increasing the effectiveness of the Navy’s output and execution is an important factor in transforming its warfighting capabilities.

“Sea Power 21” is the Navy’s vision for delivering superior warfighting capabilities through new operational concepts, advanced technologies, innovative organizational initiatives, and improved acquisition processes. It provides the framework for accelerating innovative operational concepts and advanced technologies to the fleet; preparing warfighters with the right skills, in the right place, at the right time; and harvesting the efficiencies needed to invest in the future Navy—one of vision, presence, and power.