



DCN: 4935

RONALD E. AULT  
*President*  
General Offices:  
888 16th Street, N.W.  
Suite 690  
Washington, D.C. 20006  
Tele. 202-974-8030  
FAX 202-974-8035  
Email RonAultMTD@aol.com  
www.metaltrades.org

EXECUTIVE COUNCIL

DOUGLAS J. McCARRON  
*First Vice-President*  
R. THOMAS BUFFENBARGER  
*Second Vice-President*  
MICHAEL J. SULLIVAN  
*Third Vice-President*  
TERRENCE M. O'SULLIVAN  
*Fourth Vice-President*  
EDWIN HILL  
*Fifth Vice-President*  
JOSEPH J. HUNT  
*Sixth Vice-President*  
JAMES A. WILLIAMS  
*Seventh Vice-President*  
NEWTON JONES  
*Eighth Vice-President*  
WILLIAM P. HITE  
*Ninth Vice-President*  
VINCENT J. GIBLIN  
*Tenth Vice-President*

BRAC Commission

JUL 18 2005

Received

BRAC Commission

JUL 18 2005

Received

**Metal Trades Department**

American Federation of Labor and Congress of Industrial Organizations



July 14, 2005

The Honorable Anthony J. Principi  
Defense Base Closure and Realignment Commission  
2521 South Clark Street, Suite 600  
Arlington, VA 22202

Dear Chairman Principi:

We are enclosing this Department's Comments regarding Base Realignment and Closure 2005. Please see that the enclosed Comments are included in the BRAC Record.

Very truly yours,

Ronald E. Ault, President  
Metal Trades Department

REA:mn  
Enc.

**Comments of the Metal Trades Department, AFL-CIO  
Regarding Base Realignment and Closure (BRAC) 2005**

**By  
Ronald Ault, President  
July 7, 2005**

Under the best of circumstances, balancing America's approach to the twin threat of global terrorism and the need to maintain adequate defense capabilities against a more traditional threat would be problematic. Today, America's national security is hobbled by the additional burden of conforming to the rough-hewn politics of the Bush-Rumsfeld variety where there is no limit to how resources are squandered to reward political friends and punish political opponents.

The Secretary's May 13, 2005 list of base closures is a case in point. The states of the northeast will bear the brunt of the dislocation and losses that accompany these closures while the states of the southeast and southwest will reap the rewards of their political primacy. Florida (a net gain of 2,757 jobs) and Texas (a gain of 6,150 jobs) will be largely unscathed. Meanwhile, New England will be devastated by the loss of more than 15,500 jobs: Maine (a net loss of 6,983 jobs); New Hampshire (while DOD asserts no material change, I know there are 2,200 New Hampshire workers employed at the Portsmouth Naval Shipyard in Kittery, Maine); Connecticut (net loss of 8,586 jobs), and New York (net loss, 1071 jobs) will be major losers.

Defense Secretary Donald Rumsfeld predicts that the closures he is recommending will save \$40 billion in 20 years, but we have good reason to doubt his estimates.

As a Government Accountability Office (GAO) statement issued on May 3, 2005 notes: "[O]ur reviews have found that DOD's savings estimates are not precise, but instead rough approximations of the likely savings, in part because the military services have not regularly updated their estimates over time and because DOD's accounting systems are not oriented toward identifying and tracking savings."

Those of us who have lived through four earlier rounds of the Base Realignment and Closure (BRAC) process know that there is no comfortable approach to paring down military facilities. We know, too, that the Pentagon's so-called "savings" generated by this process are, to be charitable, mere guesses.

Clearly, however, real savings for the taxpayer are not the underlying consideration for these proposals. Otherwise, they would not suggest shutting down of the most efficient federal shipyard in the nation—the Portsmouth Naval Shipyard in Kittery? Adding Pearl Harbor Naval Shipyard to the BRAC list would only compound this faulty logic.

One thing totally missing from the BRAC process is a clear understanding about the unique nature of the shipbuilding/ship repair business. Shipyards are different from any traditional military bases or air fields. Efficiency is only achieved by heavy workloads that are predictable, regular and reoccurring. Portsmouth Naval Shipyard has achieved its efficiency in part by specializing in nuclear submarine work. This is a unique dedicated submarine yard exclusively... Pearl Harbor, Norfolk and Puget Sound Naval Shipyards repair, overhaul and convert Naval vessels of all types... and the Navy needs all four naval shipyards to minimally maintain its readiness.

The Navy cannot rely exclusively upon the private sector for its warship repair capacity due to the very nature of private enterprise. We should take a lesson from the British experience in this very same process. Private enterprise is exclusively profit driven. There are only six major private sector shipyards (total) left in businesses in the United States. One such private shipyard, the Bath Iron Works in Maine, is fighting for its very existence due to the Navy's decision to single source award the DDX contract. The six major US shipyards are all owned by two multi-national corporations headquartered in the United States; Northrop Grumman and General Dynamics. No matter what happens in this BRAC process, unless there are significantly more resources applied by the US Navy to naval shipbuilding, there will not be six major private shipyards left open in America. Even if every dollar of naval repair work is given to the private sector, it isn't enough to keep six profitable and in business. Once you feed this monster, it will demand more and more money to stay open and in business; the results will be just like the British naval shipbuilding/repair experiences.

Even worse, the six private shipyards do not have the capacity and qualified crafts to perform the Navy nuclear repair work current scheduled, even if you combined all six. That is the crux of the Navy's "One Shipyard" concept that combines all the nuclear qualified crafts in all the Naval Shipyards and all the private sector shipyards; a concept developed by Admiral William Klemm (Deputy Director, NAVSEA) under the direction of Admiral Phillip Balise (Commander NAVSEA) in consultation with this labor organization.



If the Pentagon really wants to save money, they might review their ideologically-driven decision to impose an unnecessary and untried new personnel plan—the National Security Personnel System—on 750,000 civilian Defense Department employees. NSPS is projected to cost \$7.4 billion (\$10,000 per employee—an estimate based on a projection by the Department of Homeland Security to implement a parallel system for its 120,000 employees). It is designed to solve “problems” that the Pentagon can’t or won’t define for the elusive goal of more management “flexibility.”

The communities that have grown up around major military installations now slated for closure face years of readjustment to either develop alternative economic engines or die.

Target communities will always harbor the suspicion that the Pentagon’s numbers are contrived, and that suspicion is not without a basis in fact as the GAO statement notes.

Congress and the GAO have been engaged this process for nearly two decades now—through Democratic and Republican administrations.

However, the 2005 round is different. It will be the first major series of closures taken during wartime—which adds yet another complication to the task. America is spending \$1 billion a month to maintain 20,000 troops in Afghanistan and billions more each month for those in Iraq. Behind the lines—in Europe, the Middle East and Asia—we have thousands of military, civilian and contractor personnel in support of personnel in war zones or in various states of readiness in global hotspots.

We must ask, what affect does the release this list of target shutdowns on the morale of combat and support troops now in harm’s way in Iraq and Afghanistan?

In recent years, America has learned that traditional alliances are never permanent and many nations that once offered welcome mats to U.S. military presence have since withdrawn them.

All these considerations add another dimension to how the Pentagon assesses its needs for domestic bases and lend further credibility to the concerns of lawmakers who have urged the Bush Administration to take more time to think things through.

## Metal Trades Department

American Federation of Labor and Congress of Industrial Organizations



The BRAC recommendation to shut down New London, for instance, ignores the role nuclear submarines play in the nation's need for traditional warfare capabilities. New London is critical to deploying submarines anywhere in the world—including to the Pacific through the Polar ice cap.

The Metal Trades Department has long been concerned that the U.S. Navy has been shortchanged in funding and appropriations—largely because shipbuilding and repair represent a relatively high cost component of overall Pentagon spending. For too long, lawmakers and decision makers within the Executive Branch have opted to defer or cut allocations for shipbuilding and repair and the result has been a gaping deficit in the Navy's fleet.

Ironically, that circumstance is at odds with the assertions of Secretary Rumsfeld of the deterrent value of a large, well-equipped fleet. As the Secretary wrote two years ago in an extensive article in *Foreign Affairs Magazine*:

“Just as the existence of the U.S. Navy dissuades others from investing in competing navies -- because it would cost them a fortune and would not provide them a margin of military advantage -- we must develop new assets, the mere possession of which discourages adversaries from competing.”

We would remind the Secretary that within 10 years, Communist China will have more submarines than the U.S. Navy. Apparently, we need to invest more, not less, in deterrence.

As President Bush wrote in his 2002 Strategic Defense plan: “Ultimately, the foundation of American strength is at home. It is in the skills of our people, the dynamism of our economy, and the resilience of our institutions. A diverse, modern society has inherent, ambitious, entrepreneurial energy. Our strength comes from what we do with that energy. That is where our national security begins.”

Those words build an eloquent argument in favor of purging our defense establishment of political considerations and returning to an objective assessment of effectiveness in the interests of the security of America and her people.

Let's take a closer, more measured look at BRAC.

# # #