

# Career Advancement: MARAD Has a Story to Tell of Good Jobs, Work-Life Balance



Ann Phillips, administrator of the U.S. Department of Transportation's Maritime Administration. *Brett Davis*  
The Maritime Administration has a good story to tell, and Ann Phillips, the retired Navy admiral who runs MARAD, is seeking new ways to tell it.

"Not enough people know enough about the maritime ministry, and they don't know what opportunities are there for them," she said in an interview with Seapower at the Department of Transportation headquarters in Washington, D.C. "It's good paying jobs, good paying union jobs, good paying jobs with a career advancement opportunity."

MARAD, established in 1950, is the DOT agency responsible for

the nation's waterborne transportation system, including supporting the technical aspects of ships and shipping, port and vessel operations and national security-related maritime transportation. It maintains a fleet of cargo ships in reserve to provide sealift surge capability in wartime and in case of national emergencies. Phillips was sworn in as administrator on May 16, 2022, after serving nearly 31 years in the U.S. Navy as a surface warfare officer.

Like its military brethren, the maritime industry faces challenges, such as an aging ships in the Ready Reserve Force (part of the wartime surge capability) and a shortage of Mariners. A few years ago, MARAD faced a shortage of an estimated 1,800 Mariners to be able to activate the full Ready Reserve Force for six months, such as might be required in wartime.

“And along came COVID, which made it worse for sure,” Phillips said. “People left because they weren't guaranteed replacements. They left because they were stuck overseas. They left because they didn't want to get COVID or they didn't want to get involved in all the challenges of operating under those circumstances.”

Things are looking brighter. Enrollment is trending up at the MARAD-funded and owned Merchant Marine Academy in Kings Point, New York, as well as the six state academies in California, Michigan, Maine, Massachusetts, New York and Texas.

MARAD has a Student Incentive Program for the state academies, and Congress authorized doubling the incentive to \$64,000 over four years, which mostly covers student expenses. Upon graduation, officers become part of the Navy's Strategic Sealift Officer Force, according to a description of the program published by the California State University Maritime Academy.

“This year we completely filled up all the slots for the

Student Incentive Program for the first time in forever,” Phillips said. There was a question as to whether upping the funding would matter, but “it would appear the answer is yes, it will make a difference,” Phillips said with a laugh.

The academy at Kings Point has also been working hard on recruiting, she said, and has 300 students coming into the new freshman class, up from recent years.

“They have to get through the very arduous and rigorous curriculum at Kings Point. But, that’s a success,” Phillips said.

### **Improvements**

MARAD has made several improvements lately to continue to attract and retain recruits, both in terms of hardware and policy and standards.

It has developed a program to designate some qualified training entities as Centers of Excellence for Domestic Maritime Workforce Training and Education, a voluntary program intended to improve and support the workforce. As of earlier this year, 32 centers have been designated, including colleges and other facilities in 17 states and Guam.

“It’s not just credentialing Mariners, it’s also workforce development for maritime more broadly,” Phillips said. The designation gives the centers “bragging rights” but for the industry it helps tap into a broader set of potential industry members and provides “other opportunities to get the word about out about the maritime industry and what it can do for you.”

On the policy and standards side, MARAD has implemented EMBARC, which stands for Every Mariner Builds A Respectful Culture. The program was introduced by MARAD and the Merchant Marine Academy in December 2021. It lays out policies, programs, procedures and practices to help prevent and respond

to sexual assault and harassment. The owners and operators of any vessel that embarks Merchant Marine Academy cadets on board must adopt the EMBARC standards, which include zero tolerance for sexual assault and harassment, eliminating barriers to reporting such incidents, supporting survivors, witnesses and bystanders who report incidents, among several others.

“Any vessel that is required to carry midshipmen, which is anybody receiving a payment under the maritime security program, tanker security, or cable fleet security program, plus our operators of Ready Reserve fleet vessels, all have to be a part of the program, or we may withhold their stipend, their payment,” Phillips said.

MARAD isn't interested in withholding payments, but in ensuring the safety of Mariners at sea. Other ship operators that aren't required to comply have been coming forward to do so, Phillips said, meaning a “vast percentage of the U.S.-flag fleet” is now EMBARC compliant.

The program was underway before she became administrator, Phillips noted, “but to be able to take it from a program to a law in a year is almost unheard of. And it has made a difference. It has made a difference. Talking to midshipmen – we have a Midshipman Advisory Council now, we were tasked to put together at Kings Point – and they talk to me about how they feel EMBARC matters and has made a difference to them. Some of them have said, I don't know a maritime industry without EMBARC.”

EMBARC and other quality-of-life improvements MARAD is making may help in recruiting women, who are not a large part of the commercial maritime industry to date. Phillips said 8% of the U.S. industry are women but just 2% globally.



Empire State, the first ship in the new National Security Multi-Mission Vessel program to build state-of-the-art training ships for the Merchant Marine academies. *Philly Shipyard*

“There are not many women in the industry, broadly. And so, that’s a shortfall. Fifty percent of our country’s population, roughly, are women, and yet 8% of the industry is women. We know this from the Navy, you’ve got to get to a critical mass. And once you do, everything becomes more straightforward because the novelty is gone, right?” Phillips said. “And so, we’re not yet there in maritime, but if we want to, if we want to grow our Mariner pool [but] we’re missing half the people in the country, then well, that’s an obvious place to look. And if you want to make people feel safe at sea, that applies to everybody. That’s just not women. That’s Mariners broadly. So, all of that comes together in EMBARC.”

**NSMV**

There is also a strong new hardware push, namely getting MARAD's new National Security Multi-Mission Vessels, or NSMVs, out to the training academies to replace the older National Defense Reserve Fleet ships now in use. A model of an NSMV sat in the middle of the table in the MARAD office where we spoke.

"New York has theirs. She just took off on her summer cruise yesterday morning," Phillips said on June 11 of the ship, Empire State. "Massachusetts will be getting theirs later this summer, Patriot State, and there's three more coming for the rest of the Maritime Academies. They are tremendous training vessels. It's much more modern than the ships that we've had. Although I cast no aspersions on steam vessels or the training vessels that the academies have been using, they have all served their purpose and served their country well ... but this is a state-of-the-art vessel."

The NSMV represents more than just a shiny new ship, Phillips said, it's also a boon to recruitment and retention. Students at all six of the state academies and the Merchant Marine Academy will have access to the ships, which can also be mobilized by the federal government if they are needed to respond to disasters or for humanitarian assistance.

"It makes a difference with young recruits," she said. "They don't want to see steam." The new ships also are a way to boost quality of life, as they give cadets a flexibility their forebears didn't have.

"I think the, the work-life balance piece matters now more than ever," Phillips said. "And we've seen, when I visit our Ready Reserve fleet ships – which of course are much older – and quality of life is, of course, challenged on an older vessel. But when I ask Mariners what they want, they want connectivity. They want internet, they want Starlink [satellite communications], they want be able to get on Instagram and talk to their kids. All these things that this can do, right?" she said, pointing to the NSMV model. "All

these things that can do. But they want that. They want a gym. They want good quality food.

“They just want to know you care about them.”

In addition to benefiting the training schools, the NSMV is helping bolster America’s shipbuilding industry, which suffers from a worker shortage and backed-up schedules. The NSMV ships are being built by Philly Shipyard under a firm fixed-price contract from TOTE Services LLC, the program’s vessel construction manager.

“Philly had 88 people on their rolls and now they have easily 1,400 people working on this,” Phillips said. “And we’ve been a part of that the whole way. Our small shipyard grant program helped provide them opportunities to get their very modest amounts of money to get their apprenticeship training up and running.”

The NSMV contract also enabled the shipyard to win other contracts, and now “they’ve got an order book and they’re off to the races ... that’s an example of how that can be done. So, let’s keep doing it,” she said.

### **The Flexibility of Maritime**

Merchant Marine Academy graduates also have unusual flexibility, in that they can commission with any of the military services if they choose.

“If you go to King’s Point, you ... graduate with your license, either third mate or third engineer, you graduate with a Naval Reserve Commission or perhaps an active-duty commission. You can do that too. And of course, you have your degree. So, you have an engineering degree, a license, and a military commission. The world is your oyster. You can do all kinds of things with that. You’re pretty much set for the rest of your life,” Phillips said.

She recounted a story from an academy graduate whose father wanted her to go to the Naval Academy, as he was a Navy man.

“She said, no, daddy, I want to go to Kings Point, because then I can go to any of the services,” Phillips said. “And he admitted to me, yeah, she was right. In the end, she did not accept a commission, but she works for the Navy and she’s a port engineer for the Navy and handles naval vessels and using her King’s Point experience.”

Students can wait until their senior year to decide to join any of the other services.

“We’ve had Space Force commissions last year, I think two Coast Guard – lots of folks do that – but all services,” she said, noting their Merchant Marine background is still useful even if they go into another service.

“If they’re going to join the Navy with a Navy commission then they aren’t sailing U.S. flag, right? But they still come with that background. And I can tell you from personal experience, that’s a connection. ... One of the ships I was on, the supply officer was a Kings Point graduate. She could stand a bridge watch any day of the week. She had no problem. All of that was learned here. She done it. She had experiential learning. It was easy for her.”

Phillips said being a Merchant Mariner is simply a good job that not enough people know about, and most people don’t understand how much of their daily goods are shipped over water.

“They don’t realize how much of their goods are moved commercially on rivers or in coastwise trade. They just don’t really think about it,” Phillips said. Also, “people don’t think of it as an industry. They don’t think of it as an industry where they can have a long-term career.”

And a flexible career at that. Phillips said during her Navy

years, “when I came back from deployment, if I had duty the next day, it was like, oh, that’s nice. You got back from deployment. You’ve been gone for eight months. Don’t be late for watch. But when you’re off in the industry, you’re off. You can work six months a year. You can work nine months a year. It’s up to you. You can do it in pieces. It depends on who you’re sailing for and what your watch rotation is. But you get an excellent salary and you get excellent benefits ... if you’re part of a labor union or with your company.”

That flexibility means “you can manage your life in a different way,” Phillips said. “And you can’t do that in the military.”

### **The Future**

Asked where she would like the maritime industry to be in five years, Phillips said she’d like to see the construction of more sealift and tanker security vessels, expanded capacity at the Kings Point academy and a congressional appropriation for a grant program to help expand the work of the Centers of Excellence.

“The Center of Excellence program has a grant program authorized, but not appropriated,” Phillips said. “So, an appropriation there would help us work collaboratively across the selected centers of excellence institutions and give them the ability to build more capacity, to do more recruiting locally.”

One goal she described as aspirational would be a collaboration across all the maritime stakeholders to create an advocacy program for Merchant Mariners to “get that word out there” about the good jobs the industry can provide.

The U.S. Marine Corps has had Super Bowl ads: Why not one for the Merchant Marine?

*From the July-August issue of Seapower magazine.*

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# Senators Blast Coast Guard Chief for Sexual Assault Response



Adm. Linda L. Fagan, commandant of the Coast Guard, speaks to guests during the 2024 State of the Coast Guard Address in Washington, D.C., March 20. *U.S. Coast Guard | Petty Officer 1st Class Brandon Giles*

Coast Guard Commandant Admiral Linda L. Fagan endured withering criticism of the service's treatment of sexual harassment issues at the Coast Guard Academy on June 11, as Senators from both sides of the aisle said the Coast Guard has not been forthcoming with its investigations or in helping the Senate panel conduct its own.

The Homeland Security & Government Affairs Committee's

Permanent Subcommittee on Investigations looked into the Coast Guard's Operation Fouled Anchor investigation into sexual assault at the Coast Guard Academy. During a hearing, members said the Coast Guard buried its own critical report, retaliated against whistleblowers and has been dragging its feet in providing information about the report to the committee.

Sen. Richard Blumenthal (D-Connecticut), the panel's chair, said Operation Fouled Anchor "was hidden from the public as well as Congress" and decried what he called "a culture of coverup continuance."

Blumenthal said the Coast Guard attempted to say much of the assault and harassment had occurred in the past, but more than 40 whistleblowers told the committee it is ongoing.

"The question is, what will the Coast Guard do about it now, in the present?" Blumenthal asked. "We are now expecting action." He also said, "our investigation has shown a deep moral rot inside the Coast Guard."

Fagan appeared at the hearing as the primary witness, along with Master Chief Heath Jones, the highest-ranking enlisted officer in the Coast Guard

Fagan said the Coast Guard is trying to provide all relevant documents to the committee, is cooperating with an Inspector General review of the Fouled Anchor effort, and is about to contract with an outside, independent investigator with \$1.5 million provided by Congress.

The Inspector General (IG) is "looking into Operationa Fouled Anchor, the totality of it, including action or inaction of senior leadership," Fagan said.

"Sexual assault is "unacceptable. Not in my Coast Guard," said Fagan, the service's first female commandant. "It is not who we are."

She said she has met with victims of assault, and “to the victims, the survivors, I am truly sorry for what you have had to go through.”

She said the failure to provide the Fouled Anchor report to Congress was a mistake that eroded trust but said now the service is being fully responsive to the subcommittee.

“I cannot change the past. But as the commandant today, I reaffirm to our workforce, past and present, that I remain steadfast to making lasting cultural change,” Fagan said.

Sen. Ron Johnson (R-Wisconsin), the ranking member of the panel, complained that the Coast Guard had issued a “data dump” of 1,000 pages of heavily redacted material on Operation Fouled Anchor, which he said was purposefully confusing and hard to follow.

### **Operation Fouled Anchor**

The issue of Operation Fouled Anchor, first uncovered by CNN, burst into the news just days before the hearing, when Shannon Norenberg, the sexual assault response coordinator at the Coast Guard Academy, resigned and post an open letter on Maritime Legal Aid.com in which she wrote, “The Coast Guard lied to me. Worse than that, they used me to lie to victims, used me to silence victims, and used me in a coordinated effort to discourage victims of sexual assault at the Academy from speaking to Congress about their assaults and about the Coast Guard’s investigation of their cases.”

Fagan said Norenberg, who was in the room, “has been an incredible employee for us” and “the allegations she has made will be part of the IG investigation.” She said she had not read Norenberg’s posted statement but would do so.

Norenberg had started working with Operation Fouled Anchor in 2018, her letter says, but it had been ongoing for four years before that and had investigated dozens of sexual assaults

reported at the academy.

Part of her work with the operation was to call victims and offer what she called "official expressions of regret," along with in-person meetings in 2019 with 25 to 30 victims. Norenberg discovered she would not be offering CG-6095s to victims, which is proof offered to the Department of Veterans Affairs that the victim reported an assault while in the military, making it easier for them to obtain VA services to deal with their trauma.

Blumenthal said he was especially outraged by this, calling it "one of the most damning parts of her letter." He asked Fagan what she would do to provide access to VA services for sexual assault victims.

Fagan replied "I am committed to working with the IG," and later said, "my priority is supporting victims ... I don't want any victim to not get the support they are entitled to."

Blumenthal said "the IG report cannot be used as a shield for inaction" or as a reason for not disclosing documents, drawing a small smattering of applause.

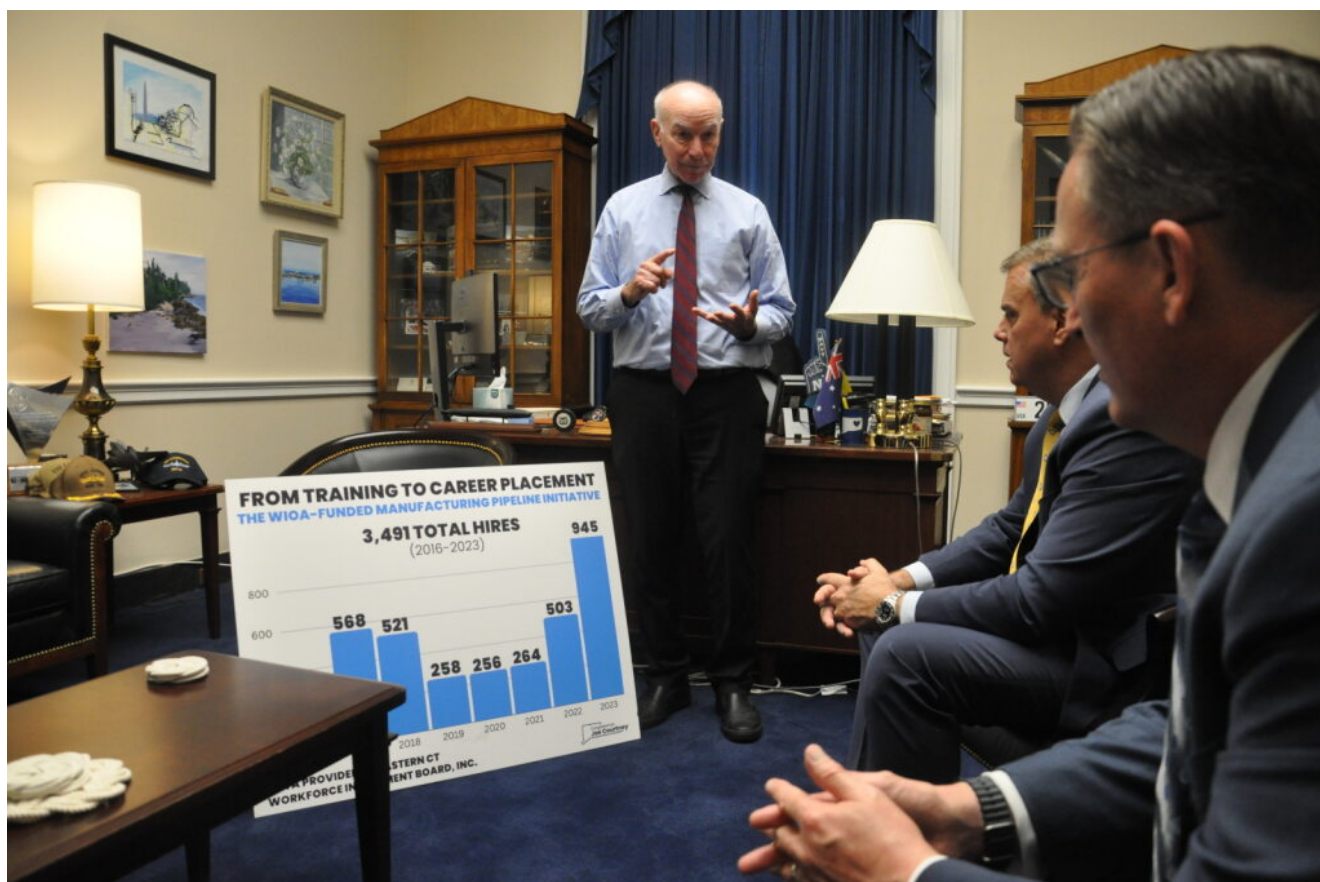
Fagan said she did not become aware of the full extent of potential victims uncovered by Operation Fouled Anchor "until we had some of the FOIA requests from CNN."

She said her predecessor, Admiral Karl Schultz, was commandant of the Coast Guard at the time the decision was made to not reveal the findings of Operation Fouled Anchor but said she did not know if he was involved.

Blumenthal said maybe she didn't want to know, but Fagan replied, "I am committed to full transparency with regard to the allegations." She said the service will continue to cooperate with the IG and the third-party investigator "so we can understand what was known, when, and bring clarity to the allegations."

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# Navy League Congressional Fly-In Makes Successful In-Person Return to Capitol Hill



Rep. Joe Courtney (D-Connecticut) discusses sea service issues with Navy League National President Christopher Townsend and CEO Mike Stevens during the Congressional Fly-In. *James Peterson*

Navy League members from councils around the country visited the offices of dozens of lawmakers on Capitol Hill on Wednesday as part of the first in-person Congressional Fly-In held since 2019.

They came to discuss the needs of the sea services with members of the House of Representatives and Senate, and to touch base with lawmakers and staff that represent their

council regions during more than 100 meetings.

The messages included calling for funding two Virginia-class submarines in fiscal year 2025 and writing a “SHIPS Act,” modeled on the CHIPS Act that helped restore microchip manufacturing and production capacity in the United States. The Navy League visitors also called for an annual shipbuilding and conversion budget of at least \$35 billion.



Rep. Rob Wittman (R-Virginia) talks with Christopher Townsend.  
*James Peterson*

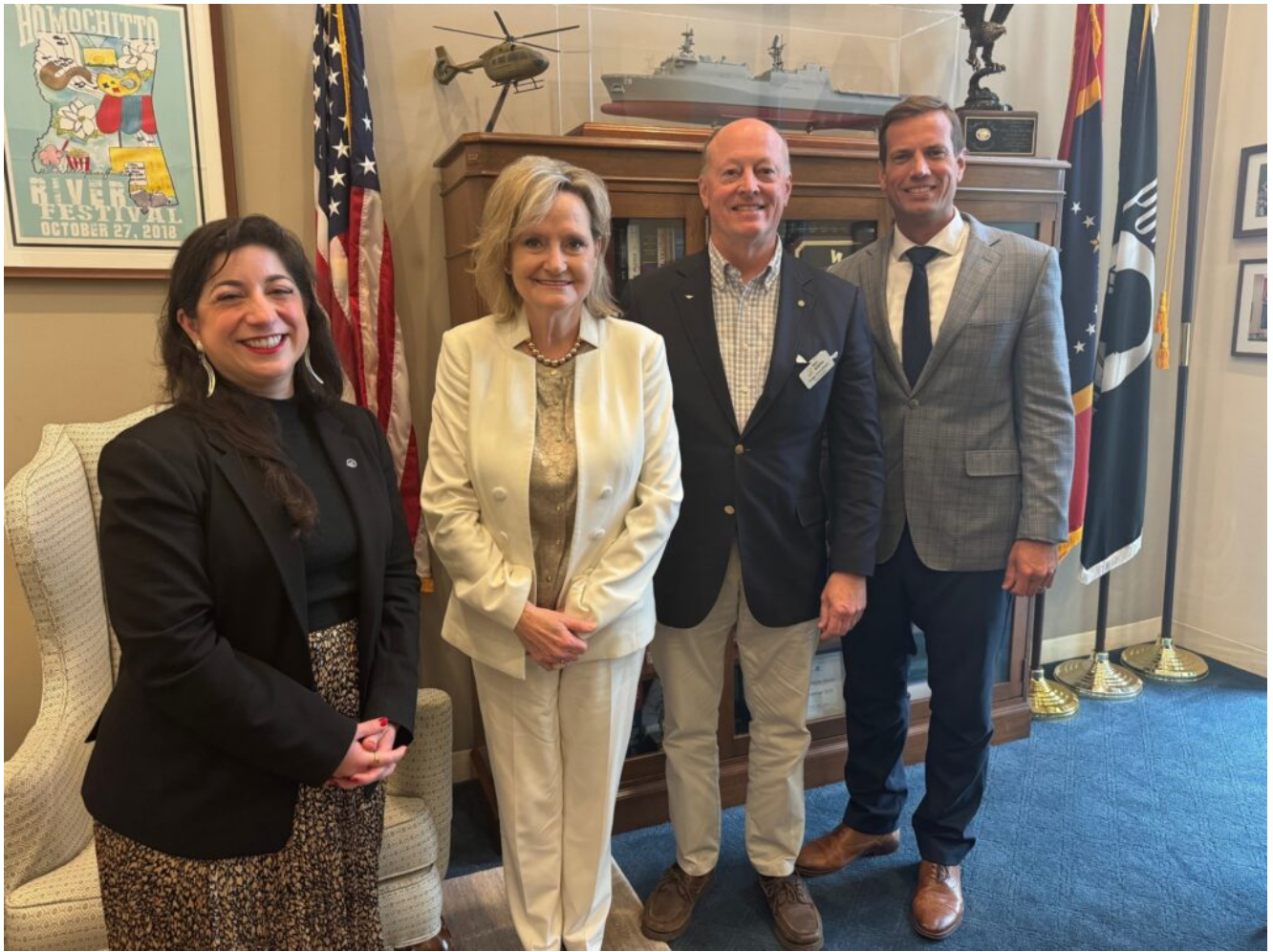
The council members also discussed the need to fund the sea services’ unfunded priorities, including barracks restoration and modernization for the Marine Corps, icebreakers and new cutters for the Coast Guard and defending the Jones Act for the U.S.-flag Merchant Marine.

They also educated lawmakers and their staffs on the need to create future Sailors, Marines and Mariners by supporting the Sea Cadets, Young Marines and funding for the state Maritime Academies’ student incentive programs.

On the eve of the fly-in, the Navy League notched a major victory for its advocacy work as the House Armed Services Committee voted to include funding for a second Virginia-class submarine in its upcoming National Defense Authorization Act markup.

“We had a great time,” Sinclair Harris, retired rear admiral and national vice president of the Navy League, said at the end of the day. “We had six visits, one with a member of Congress, the rest were staffers, but all of them were very engaged, they all understood the importance of what the Navy League does and supports and educates and advocates for.”

Sara Fuentes, who led a group of council members representing the Southern Region, said, “what makes the Navy League so unique and special is that anyone can get behind our issues because they benefit all Americans. It was a real pleasure to meet with Democrats, to meet with Republicans, all different kinds of offices, inland, coastal, and have them all understand and support our sea services and understand the need to really invest in them.”



Members of the Southern Region meet with Sen. Cindy Hyde-Smith (R-Mississippi), second from left. Sara Fuentes Scott Maguire, a board member of the Portland-Blueback Council, said his team made eight visits to House and Senate members, and “they were very receptive to what we had to say and seemed supportive, so I’m looking forward to their approvals on what we have suggested.”

Merilyn Wong and William Stephens of the Marin County Council said they visited their local representative and convinced him to become a co-sponsor of the Pay Our Coast Guard Parity Act, which ensures Coast Guardsmen are compensated for their work during government shutdowns.

“Every staff person was very receptive, interested in our presentation, wanted to learn a little bit more about it. We kept telling them about the Center for Maritime Strategy, to take advantage of that, something they didn’t really know, so that was helpful,” said Michele Langford, Pacific Central

Region president.

Navy League National President Christopher “Towny” Townsend said “it was a fantastic day. We got to execute one of our primary missions of advocating for our sea services here in person in the halls of Congress.

COVID-19 restrictions put a hold on events like the Congressional Fly-In, but Townsend said it was a good time to come back in person “and spread the Navy League gospel, talk about the needs of the sea services.”

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**Budget, Recruitment  
Challenges Drive Coast Guard  
Creativity, Officials Say**



Coast Guard Commandant Admiral Linda Fagan speaks at the fifth annual Coast Guard breakfast. *Brett Davis*

Challenges with budgets, recruitment and retention levels are giving the U.S. Coast Guard the opportunity to be creative in addressing them and to update its policies and procedures, service officials said at the fifth annual Coast Guard Breakfast at Sea-Air-Space 2024.

Coast Guard Commandant Admiral Linda Fagan said the service has about half the maintenance budget it needs to maintain its legacy ships and equipment and is competing with the other services for shipbuilding and other industrial base services.

On the personnel side, persistent shortfalls in recruiting and retention — the service is down about 10% for enlisted personnel, Fagan said — have forced the Coast Guard to innovate and rethink the types of workers it recruits and how it enables their career.

“That crisis has really given us the opportunity to think,” Fagan said. “It strikes me the system that we’re operating,

and much like the other services, the boot camps and schools, they're optimized for 18 year olds fresh out of high school with little to no life experience, yet that's not the recruiting pool that we're experiencing or drawing into the service," Fagan said.

The service is moving to a vastly different recruitment method, bringing in people aged as much as "42 years young" with much more life experience, enabling much greater flexibility for service members with families and making it easier for guard members to leave the service and re-enter.

That's what enabled Rear Admiral Jo-Ann Burdian, the assistant commandant for response policy, to even be on stage on Wednesday at Sea-Air-Space, she said. She left active service as a lieutenant commander because she had three kids under the age of two at home.

"And when they were ready for me to come back, I still felt that calling back. I still felt like I had work to do for our Coast Guard and the nation, and the ability to come back and still go to graduate school, still compete for special assignments and be sitting here today" is a testament to the Coast Guard, she said.

Rear Admiral Russell Dash, commander of the Personnel Service Center, noted "we don't always do press releases when we change policy, but we were the first one that went to 42 years old to be able to join the Coast Guard," preceding the Navy's similar move.

Chief of Naval Operations Admiral Lisa Franchetti said on Monday at Sea-Air-Space that a parent and child could enter Navy service at the same time, one at 42 and one at 18, but Dash said the Coast Guard has actually had that happen.

He said the service's previous philosophies needed to change to make such things happen.

“There’s the acknowledgement that our standard of every single member of the Coast Guard needs to be worldwide deployable at every moment of their career, and the moment that you’re not worldwide deployable, we start a shot clock and say, you’ve got to fix yourself and get to this point, or we’re going to separate you. That’s wonderful when we had lines out the door, a waiting list to join the Coast Guard. But in the competition for talent, we’ve got to accept that’s not a standard that is maintainable for us. So, that has given us the opportunity to drive innovation.”



Rear Admiral Amy Grable makes a point about maintenance issues. *Brett Davis*

### **Maintenance**

The service’s changes aren’t limited to personnel. To deal with that maintenance shortfall, the Coast Guard has gotten creative there as well.

“We do have shortfalls across all of our portfolios, including aviation, surface and shore,” said Rear Admiral Amy Grable,

assistant commandant for Engineering and Logistics.

“We’re deferring 50% of our maintenance on many of our major cutters. And what that means to our crews is, what we used to call cannibalizing parts from one cutter to put on another cutter. It’s now so routine that we have a name for it, we call it a controlled parts exchange,” she said.

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## HASC Members Prepare to Dive into Navy Budget



Members of the House Armed Services Committee seem prepared to overturn some Navy decisions as outlined in the fiscal 2025 budget request, including retiring some ships early and funding only one Virginia-class submarine.

“What has happened is, as the top line is increased, the game has become, ‘we’ll add a bunch of the stuff that we know Congress won’t add, and we’ll take out stuff that we know

Congress is going to put back in.' And that will be a net gain. That game has to stop," said Rep. Wittman (R-Virginia), chair of the House Subcommittee on Tactical Air and Land Forces.

As for the Virginia-class sub, Wittman said the Navy position that the program is behind anyway and the shipbuilders can't keep up doesn't make sense.

"It really is about demand signal and, and you can't have it both ways. You can't say, well, the reason we are reducing the submarine request is because we don't think the industrial base can do it. That's wrong," he said. "The industrial base can do it if you send them the demand signal. We're at about 1.6, I think, submarines today annually, we need to be at 2.3. The way we get there is to send the proper demand signal."

Rep. Joe Courtney (D-Connecticut), the ranking member on the Subcommittee on Seapower and Projection Forces, said a defense industry report issued in December highlighted the need for procurement stability.

"Procurement stability was the watchword throughout that report," he said. "And, we're sacrificing that. I mean, literally, within weeks" of the report.

Naval aviation is also an issue, as the Navy has an air attack shortfall, noted moderator Bryan Clark, a senior fellow at the Hudson Institute.

"There are some, thanks to Congress, some Super Hornets being procured in this year's appropriations," he said. "But there doesn't seem to be a clear path ahead for the carrier air wing."

This drew an animated response from Wittman, who said there doesn't seem to be a sense of urgency about the situation.

"The challenge now is to make sure we get enough F-35s in

production to be able to sustain these carrier wings,” and to make sure there’s not a “valley” as the Super Hornets retire, “where now all of a sudden you have aircraft carriers sitting at the dock because there’s no aircraft on board. That means we have to get those lines to intersect. That’s more of a challenge than what a lot of folks think because the tactical air component of that is about maintaining production.”

The aircraft also need technical refresh three, an upgraded software capability that contractor Lockheed Martin warned will be delayed.

“I mean, there needs to be an all hands on deck mentality to go, no, that’s not acceptable. We need these aircraft and now we’re going to have hundreds of aircraft sitting on the tarmac waiting to get a software upgrade, right?”

Wittman continued, “F-35 is it, right? That’s all we have, right? Let’s get our fanny in gear and get this thing going and get it on the decks of the aircraft carriers, get it in the hands of our pilots in the Air Force. Get our fanny in gear. I mean, this is it. I hate to get fired up about it, but I’m fired up about it because this is the future of tactile air for this nation. Get our fanny in gear,” he said, slapping the arms of his chair for emphasis.

### **Workforce Woes**

The panel, which included Reps. Donald Norcross (D-New Jersey), Jen Kiggans (R-Virginia) and Ronny Jackson (R-Texas), also discussed the workforce issues plaguing the defense industry.

Kiggans, a former Navy helicopter pilot, said she sat on a HASC task force looking at recruitment and retention and what rose to the top were several issues: Compensation, housing and child care.

“That 5.2% pay raise that we just gave our servicemen and

women in the appropriations bills that were passed a couple weeks ago, that's a good starting place, but there's still more work to do," Kiggans said.

As for housing, she said college dorms are better than the places junior enlisted Sailors and Marines are asked to live. "We have to do better for our junior Soldiers, Sailors and Airmen and Marines to be able to expect them to want to do the job that we ask," she said.

On the pay issue, Wittman said, "this 5.2% increase this year was great, but remember, the lower you are on the salary scale, the percentage is not as quite as much in your paycheck. Take for example, if you come into our services, if you are a private in the Army, the Marine Corps, third-class Seamen, third-class Airman, your starting salary is \$23,000 a year. That's 11 dollars and 50 cents an hour asking you to do the most dangerous work of the nation, putting your life on the line. And guess what? You go to Chick-fil-A and serve chicken sandwiches and make more money in a much, much less challenging or dangerous environment. We have got to fix the junior enlisted salary differential."

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**Government, Industry Must Meet in 'Common Place of Excellence,' Del Toro Says**



Industry and government alike must modernize their processes and up their game to overcome shipbuilding challenges, Secretary of the Navy Carlos Del Toro said April 9 at the lunch session at Sea-Air-Space, including by working with shipbuilding partners overseas.

Del Toro began the speech with a bit of levity, bringing the U.S. Marine Corps mascot Chesty the bulldog onto the stage, before describing the challenges that face the nation, from Houthi rebel attacks in the Red Sea to the state of the nation's shipbuilding facilities and workforce.

"You have to understand, we, the nation, abandoned the shipbuilding industry and making the necessary investments in around the early 1980s," Del Toro said. "Because we thought that somehow the private sector would just take care of itself. And some ways it did. China moved in with cheap labor and labor practices that weren't fair. In fact, the United States is considering suing China for some of those unfair practices."

Incentives weren't made, and after the Cold War the nation lost many of its shipbuilders, he said, adding, "thank God" the

nation still has the shipbuilders it does.

“But the fact is, we need more capacity if we want to grow a Navy fleet. Let me be clear, we need a bigger Navy fleet to meet the challenges of the future. We need to have the industry to be able to grow that capacity. So, this is a whole of government discussion that we’ve initiated in the Navy across the government and there’s a lot of interest that’s growing in many different places throughout government. And I think that you’ll see this actually continue,” he said.

Del Toro cited a recent visit to South Korea, where he saw what could be the future.

“Right now, we build the most capable warships in the world in shipyards that are sometimes decades behind the global technological standard. This is an inefficient approach requiring far too much time and taxpayer dollars. And it’s certainly an approach that is only inadequate to pace our 21st century competitors,” he said.

Japan and Korea, he noted, build high-quality ships “for a fraction of the cost that we do. When my team and I went to South Korea, we were floored at the level of digitization and real-time monitoring of shipbuilding progress with readily available information down to the individual pieces of stock materials. Their top executives can tell us to the day when ships would actually be delivered,” he said.

“It’s an ethos of commitment to constant improvement that is the foundation of their reputation, consistently delivering on time and on budget, even during COVID. The daunting challenges that we face are also an opportunity, a great opportunity to partner with a greater number of shipbuilders here in the U.S. and with our closest allies abroad. We have an opportunity to attract the most advanced shipbuilders in the world to work with our first-rate ship builders of the world ... and invest in commercial shipyards here at home,” Del Toro said. “This will

allow us to modernize and expand our shipbuilding industrial capacity, creating good paying new-collar American jobs that come with a healthier and more competitive shipbuilding workforce.”

Previous decades of investment are what have enabled the Navy to fight off the Houthi rebels as effectively as it has, Del Toro said.

“Ladies and gentlemen, sometimes I think the American people think that this is somehow commonplace to do this, as our CNO said the other day. There is absolutely nothing commonplace about this. Our United States Navy has been attacked. We have conducted strikes like we haven’t seen in many ways since World War II.”

He said investments in training have led to the successful engagements, along with the investments in the Aegis Combat System and the SPY-1 radar

“Those investments are the reason why our Sailors and Marines have been able to combat this with proficiency that they have demonstrated to win the fight of the future,” he said.

The services must make similar investments today in robotics and other technologies. Del Toro noted the service has newly introduced the robotics warfare specialist rating. The RW “will be the subject matter expert for computer vision, mission, autonomy, navigation, autonomy, data systems, artificial intelligence and machine learning,” he said, calling it a “significant milestone in our journey towards achieving a truly hybrid fleet.”

And, he said again, the nation needs to investment in shipbuilding.

“The findings of the 45-day comprehensive shipbuilding review have underscored too many of our industrial partners are behind schedule and over budget on our highest priority

programs. Let's be clear, I want American industry to thrive, as a business owner for almost two decades. I understand your perspective. I'm pushing our shipbuilding industry to invest in itself to get better, be technological leaders and to once again deliver platforms on time and on budget. We must deliver for the American people because it's our line of work. We don't get to make excuses," he said.

"Of course, there's work for us to do on our end and the government as well. I'm determined to address the longstanding challenges in our procurement processes that cause industry heartburn as they tried to do business with us. And there are many that we have to work through. I expect our leaders in the government to foster culture of excellence and accountability across our own acquisition workforce.

"The point is this," Del Toro said. "Just as our country needs you and industry to be at the top of your game, I'm determined to ensure that we and the Department of the Navy are also on the top of our game. We must meet industry in a common place of excellence."

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## **AUKUS Program Marks 'Greatest Industrial Undertaking' for Australia**



Then-CNO Admiral Mike Gilday, Royal Navy First Sea Lord and Chief of Naval Staff Adm. Sir Ben Key, and Chief of the Royal Australian Navy Vice Adm. Mark Hammond, tour the Virginia-class fast-attack submarine USS Missouri following the AUKUS bilateral announcement in San Diego, Calif, March 13, 2023.  
CREDIT: U.S. Navy | Commander Courtney Hillson

The AUKUS program, the multination effort to provide Australia with nuclear-powered submarines, will kick-start that country's ability to build nuclear subs, an Australian minister said in a panel discussion at Sea-Air-Space on April 8.

Pat Conroy, Australia's minister for defense industry and minister for international development and the Pacific, said the effort will be a challenge but it was a logical choice to select a partnership of Australian Submarine Corp. and BAE Systems to build the subs, as ASC built Australia's diesel-electric submarines and BAE builds the United Kingdom's Astute and Dreadnought-class submarines.

"For them to form a joint venture for us was the right model,"

Conroy said. He said it will be a “step up” for them to move to nuclear standards, but they’ve had a long partnership with General Dynamics Electric Boat in the United States.

“Electric Boat was instrument in fixing some of the challenges that we encountered earlier in the Collins class,” Conroy said. “So, we’re confident we’ll put the ecosystem in and we’re investing around \$30 billion Australia to increase our industrial place uplift that will really underpin what is the greatest industrial undertaking our country’s ever attempted.”

Moderator Megan Eckstein of Defense News noted the United States and United Kingdom are talking about building up the nuclear industrial base, but for Australia, “you’re starting from scratch.”

Conroy replied, “it’s an incredible effort, and lots of progress has been made from legislative rules to establishing a nuclear regulatory authority to starting to train our workers, our industry in the nuclear mindset. It has been a challenge, but also a great opportunity to include Australian companies from the ground floor.”

Australia is mounting a full national mobilization, he said, including funding 4,000 additional permanent university places in STEM subjects to grow the workforce.

“We think we need 20,000 workers. We’ve got Royal Australian Navy sailors working on U.S. submarine tenders in Guam right now, and a hundred ASC employees will be working for harbor sustainment next year,” he said.

“So, we’re starting that training pipeline. That \$30 billion dollars will be a massive investment. And while it’s a challenge, there’s also opportunities,” he said.

“I’ve had the privilege of going through Barrow-in-Furness in the U.K. [home of BAE Systems Submarines] and the Groton,

Connecticut yard here [home of Electric Boat] and they've got tremendous expertise built up over a century. But they've also got the challenges of that, of being built around towns like in Barrow-in-Furness. You've got terrace houses next to assembly halls because the town and a shipyard being built up together. Having a brownfield site where we can build with the best equipment, with lots of open space, will really allow us to maximize efficiencies and learnings from our oldest partners."

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## **CMS Breakfast: Pursuing Ways to Strengthen the Workforce, Boost Readiness**



Government and industry need to work together to solve the problems of shipbuilding schedules, workforce retention and getting deployable technology into the hands of warfighters at scale, speakers said at the Center for Maritime Strategy breakfast on April 9.

“Is it time to call for the Defense Production Act?” asked Admiral James Foggo, the dean of CMS and panel moderator, noting the number of shipyards have declined over the decades from 55 to just six today.

“It’s about setting conditions,” said Nickolas Guertin, the Navy’s relatively new assistant secretary for research, development and acquisition, noting the industry saw the need to ramp up shipbuilding in the 1930s, providing critical capability when World War II began. “Setting conditions is part of what I can do.”

Guertin said defense officials and industry need to stop thinking of themselves as carrier people or submarine people, “but as delivering game-changing capability across the tyranny of distance.”

He said government and industry need to look at the workforce as national strategic assets and create environments where they want to stay in an industry adversely affected by COVID.

“Their happiness at work is a primary task for industry ... we are bleeding people on the waterfront and we need to turn that around,” he said.

Admiral Daryl Caudle, commander of Fleet Forces Command, said it has become obvious to Chief of Naval Operations Admiral Lisa Franchetti that the Navy she has inherited “will not fundamentally change in size. It just will not. We have a responsibility to wring out every ounce of readiness we can.”

The Navy needs to innovate on force generation, defining what

combat surge readiness looks like, and coupling revolutionary technology like artificial intelligence and machine learning with actual problems they can help solve, “so we can actually apply [them] where those technologies need to land,” he said.

It would also be helpful to give industry clear demand signals through clear requirements and multi-year procurements, Caudle said, and the service must turn concepts of operations into concepts of deployment. “How do I get this into the theater?”

## **DIU Evolution**

That is one of the jobs of DIU, the Defense Innovation Unit directed by Doug Beck, recruited by the late secretary of defense Ash Carter, who Beck said was prescient about the direction industry was going and realized “we must leverage the incredible technology in our commercial tech sector,” Beck said.

“What he saw was that in so many areas of technology – artificial intelligence, autonomy, biotech, space, cyber – those areas of technology are going faster in order to meet the relentless demands of billions of consumers around the world,” much faster than “they possibly could in our bespoke only” defense market.

The nation is now at a tipping point, he said, where the president, secretary of defense, commercial tech sector and Congress all “get it” and need to move that technology to the field. DIU’s first iteration was building a bridge to the tech sector, version 2.0 was proving that commercial technology could help solve military problems and the latest version, call it DIU 3.0, is aimed applying technology “with strategic effect,” and doing so at scale.

One such effort is Replicator, a Department of Defense effort to field thousands of attritable, autonomous, uncrewed systems to counter China’s growing naval capability. The initial effort is about creating the capability and then doing that

“over and over again,” Beck said. “We are on track for both of those objectives.”

He said he couldn't talk about actual systems that are part of the effort, but said tranche 1 is “off to the races” and they are working on tranche 2, with a deadline of August 2025.

## **Columbia Status**

Matthew Sermon, the executive director, PEO Strategic Submarines, addressed the Columbia-class submarine program, identified as being well behind schedule, according to a Navy shipbuilding review.

“Columbia is becoming a ship,” with the lead ship is under construction, stable requirements and a mature design, he said. However, it has experienced “lead ship challenges,” which he said could be expected in the first ship designed entirely in a 3D model.

“We're not going to surrender that lead ship schedule,” he said, and the program is moving to match the production cadence required by the Navy.

Speaking of innovative technology, he said additive manufacturing is entering the workforce, although it may not be as widely distributed as previously thought.

“We have narrowed that down to six critical materials” and the related parts, he said. “We're going to prove it out, we're going to destructively test it ... we're going to get it right.”

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# Future Challenges May Involve Rethinking How the U.S. Fights, Speakers Say



Amiral James Kilby, the Vice Chief of Naval Operations, speaks at the luncheon panel on Monday.

The United States is facing a variety of challenges, from Houthi rebels in the Red Sea to the People's Republic of China, but the preferred American way of fighting – massive overmatch – may not be tenable for the future, two panelists said during the luncheon event at the opening day of Sea-Air-Space.

China is investing in its military faster than the U.S. is, and the new U.S. defense budget is a 1% increase in the top line, which amounts to a decrease with inflation, said retired Admiral James "Sandy" Winnefeld, chair of the President's Intelligence Committee.

“Even if we could build the ships that we wanted to build, we would have trouble maintaining them all,” he said. “And then manning is a challenge for us. So, it’s entirely possible that the means that we want to apply to this problem ... are not going to be there.”

What the nation may need to do is adopt a “whole of nation approach, not just a military-on-military approach, which involves diplomacy, economics, information, and of course the military,” he said.

Vice Chief of Naval Operations Admiral James Kilby said one way forward is with disruptive technology, the sort being developed by the Disruptive Capabilities Office, the group set up last fall by Secretary of the Navy Carlos Del Toro to more quickly move technology to the field.

He wouldn’t go into specifics of what the office is working on, but it’s intended to look at a broad swatch of technology and see what can be tested and moved rapidly to the warfighter.

“The Disruptive Capabilities Office is meant to look across the whole DoD spectrum and understand what can be brought to bear quickly and to put that together in a test environment, test it, and have some confidence in it before we go after it,” he said.

“... That is different behavior than how we’re used to doing it, and it’s basically capability focused,” he said. It builds on the work of Task Force 59, which deployed maritime unmanned systems, and is aimed at ways to “produce some capability now versus the perfect in future,” he said.

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# Retention is Good but Workforce Challenges Remain, Service Chiefs Say



Navy CNO Admiral Lisa Franchetti speaks at the opening session of Sea-Air-Space 2024

Retention in the Navy and Marine Corps is going well, but recruitment remains a challenge across the services, including the Maritime Administration, and the services must set priorities in a time of great challenges and tight budgets, sea service chiefs said in the kickoff keynote panel of Sea-Air-Space 2024.

Undersecretary of the Navy Erik Raven, who introduced the panel, asked what is needed to continue U.S. dominance. "We need budgets to support our strategy, with people and readiness coming first," he said.

He noted the fiscal 2025 Navy budget request involves "some tough choices, putting quality of service and readiness at the top of the priority list means other program must either must make do or take risks."

But the proposed budget "boldly advances our undersea capabilities for both U.S. and AUKUS demands, solidifies our commitment to 31 amphibious ships, and advances the landing ship medium into production," he said.

The panelists then took up the issue of budgets and the challenges facing the services. Chief of Naval Operations Admiral Lisa Franchetti said the service has only a .7% increase in its budget in the fiscal 2025 request, forcing it to set priorities.

Number one is the Columbia-class submarine program, next is near-term readiness in "our forces and our people," and next is working with industry partners to make that happen.

"You can see the demand signal: 88 ships under contract, 66 under construction ... we know we need a larger Navy, every study since 2016 has shown that," she said. "I think the most effective way to work on that right now is invest in our industrial base, invest in the workforce, invest alongside our industry partners in the infrastructure necessary to really set the conditions to speed up the production and the throughput of the ships and submarines that we need to put more players on the field."



General Chris Mahoney, the assistant commandant of the Marine Corps.

General Chris Mahoney, the assistant commandant of the Marine Corps, said the fiscal '25 budget funds the LPDs, LHAs and LSMs the service needs, so “for what allows us to be ready, the 25 program right now is looking very strong.”

Admiral Linda Fagan, commandant of the Coast Guard, said “demand for the Coast Guard is deafening and it’s worldwide,” from dealing with the aftermath of the collapsed bridge in Baltimore to working with small nations that need the presence of cutters to help defend their interests.

She noted there is great Coast Guard demand for new ships as well.

“We, too, are in the largest acquisition that we’ve had since

World War II. We compete for the same industrial base space, both new construction and repair with the Navy. And it's critical for the nation that we've got that kind of reliable access and commitment to the new ship capacity and then repair capacity and maintenance capacity for the ships that are operating."

The Maritime Administration, too, is building new ships, albeit on a much smaller scale, said MARAD Administrator Ann Phillips. Its new builds, five new training ships, are for the Merchant Marine academies.



Admiral Linda Fagan, commandant of the U.S. Coast Guard.

"We thank Congress for the funding to be able to build these vessels, but when you have a 100% design, when you have firm

fixed-price contracts, when you have by law a very small change order budget, and you have commercial best practices being applied, you are able to move through this vessel construction and vessel procurement,” Phillips said. “We’re on budget. We’re nearly on time.”

## **Retention and Recruitment**

Of course, having ships is one thing, but the services must be able to crew them and maintain them, which are challenges of their own.

“I’m happy to say that retention is very good in the Navy right now in almost all of our fields. And so, to me, that’s a signal that people are really committed to our mission,” Franchetti said.

The service is “very focused” on recruiting, she said. “We can have all the best platforms in the world, but if we don’t have the warfighters that can deploy them, we’re not going to be an effective Navy,” she said. “So, we’re focused hard on recruiting,” including by elevating the head of Navy recruiting to a two-star admiral.

The Navy is also “expanding the pool of folks that can join our Navy team,” including by boosting the age of enlistment to 42. “If anybody out there is not turned 42 yet, there should be some recruiters around who are going to sign you up,” she said. “And if your kid is above 18, you and your kid can be enlisted simultaneously.”

The Coast Guard has had a shortfall as well, Fagan said, but has “kind of recovered” and is looking to recruit more effectively as well, including by boosting its recruiting capacity by nearly 25% and going after young people where they are, including standing up junior ROTC programs and even going on Twitch.

“It’s an online collaborative gaming site, which,

surprisingly, there were a lot of 20-year-olds," she joked. "There's the target audience."

Mahoney said retention numbers in the Marine Corps are "very, very good. We've made mission, we will make mission this year. You heard here first, our attention numbers are good and getting better, but it's not a condition of stasis. You don't declare victory and walk on to the next issue."

The Marines must look at the factors that make and keep young men and women Marines, "and that equates to their conditions of the barracks, access to healthcare, access to childcare, good childcare, good gyms. And you've got to bring in new ideas to continually, not sit there and declare victory once again, but to make sure that you are addressing needs that they have," Mahoney said.