

Readiness, Shipbuilding Top Priorities for Navy



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On Capitol Hill yesterday, Navy Secretary John Phelan told lawmakers that increasing shipbuilding to better outfit the Navy, developing an accountable and innovative warfighter culture and improving the welfare of the fighting force were his top priorities.

Phelan, alongside Acting Chief of Naval Operations Adm. James W. Kilby, and Commandant of the Marine Corps Gen. Eric M. Smith, briefed the House Appropriations Committee's defense subcommittee on current challenges and their plans to address them.

"My North Star, or No. 1 priority as secretary, is the readiness of our sailors and Marines," Phelan said, adding

that the priorities he outlined will guide his decision-making as he leads the department.

After Phelan was sworn in as the Navy secretary in late March, he visited troops and facilities in the Indo-Pacific region, the southern border, the USS Gravelly, several military installations, as well as public and private shipyards.

“Rebuilding our hollowed-out maritime industrial base is a national security imperative, as outlined in the Restoring America’s Maritime Dominance executive order signed by President [Donald J.] Trump,” he said. “Over the past month, I visited ... eight shipyards across the nation’s East Coast and the Indo-Pacific. I spoke directly with shipyard leaders and the hard-working tradesmen essential to our maritime operations. I now have a clear picture of where our shipbuilding dollars have been going, and [I] am developing a plan to fix what’s broken.”

Phelan told lawmakers that submarine building challenges include the complexity of the ship, workforce experience, supply chain issues and, in some cases, a lack of modernization at shipbuilding facilities. During his meetings with shipyard workers and industry leaders, he discussed the state of shipbuilding and identified ways to improve workflow.

“It was very interesting in some of [the leaders’] assessments of what they did not perceive to be as problems,” Phelan said, adding that when he met with the workers, he received the opposite response.

His visit to a shipyard in Japan showcased the difference in shipbuilding processes. There, he found workers get the same productivity in one shift that American shipyards might get in three shifts.

“I believe that’s for two reasons,” Phelan said. “One, their average worker is 50 years old; it is a career ... they’ve been

in that shipyard a very long time. Two, when I spoke to the welders in Japan, they ... spend zero time on paperwork. Our welders spend between 30% and 40% of their time filling out paperwork ... that is a problem.”

Phelan said he saw positive things at U.S. yards that might be implemented across the rest of the U.S. shipbuilding industry to speed up things like U.S. submarine production.

“I do think we can get the calendar shifted left, but it’s going to take a lot of hard work and a lot of effort,” he said.

Kilby told lawmakers the Navy faces three challenges, and it is working to solve them with congressional assistance.

First, he said, is a shortage of approximately 23,000 sailors manning ships.

“Thanks to process improvements and targeted investments, we are on plan to reduce that number significantly by the close of fiscal year 2026,” Kilby said. “We’re committed to attracting and developing Americans who can innovate, solve hard problems and dominate in combat.”

The Navy missed recruiting goals in fiscal year 2023 but raised its goals in fiscal year 2024 and then exceeded its target when it recruited more than 40,000 new sailors.

“[That’s] the most since 2003, and we are currently on pace to exceed our recruiting goal for fiscal year 2025,” he said.

Kilby said a second issue involves strain on the munitions industrial base. Ordinance expenditures in the Red Sea against the Houthis have highlighted challenges with manufacturing replacement munitions.

“The Navy is working with both our traditional [prime contractors] and new entrants to close this gap, developing kinetic and non-kinetic weapons at speed and at scale,” he

said.

In submitted testimony, Kilby said the Navy is investing in expanding capacity and adding new suppliers across its weapons portfolio, including rocket motors, warheads and engines.

Finally, Kilby said, platform readiness is a priority for the Navy.

“Our platforms are not as ready as they need to be,” he said. “We set an ambitious goal to make 80% of our ships, submarines and aircraft combat surge ready by Jan. 1, 2027. To do that, we are reducing maintenance delays. We are improving manning, training, modernization and sustainment. In all of these efforts, consistent and predictable funding is foundational. We appreciate the continued support of this committee.”

Smith said as the commandant of the Marine Corps, his top priority is achieving a 3.0 amphibious ready group/marine expeditionary unit presence. He added that this would mean the Marines have one amphibious ready group constantly deployed off the East Coast, one deployed off the West Coast and one sporadically deployed out of the naval force in Japan.

“The amphibious ready group with marine expeditionary unit embarked is the most versatile tool in our nation’s arsenal,” he said. “It is the Swiss Army knife of the joint force, and we’re working closely with our Navy partners to maximize this capability.”

Smith said accelerating force design is another priority for the Marines, adding that the Marines are in the implementation phase – integrating new technology, refining organizational structure and strengthening the joint force.

“Force design is our righteous journey to adapt to the changing character of war. The nature of war remains the same, but the character changes,” Smith said.

Regarding quality of life, Smith said Marines want the basics. He told lawmakers, "Every Marine deserves a clean, safe place to lay their head at night. They don't ask for much, but they do ask for that."

Smith called the Barracks 2030 program the most consequential infrastructure investment in Marine Corps history. He noted that it will provide every Marine with safe, modern living conditions.

"And quality of life goes beyond our barracks," he added. "We're also investing in the well-being of Marine families, because retaining our Marines means supporting those who stand by them."