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## Military Pay and Benefits: Necessary to Recruit and Retain an All-Volunteer Force

**Issue:** Maintaining military pay and benefits is necessary to recruit and retain an all-volunteer force (AVF).

**Background:** The 2018 National Defense Strategy (NDS), released in January 2018, acknowledges “an increasingly complex and global security environment characterized by overt challenges to the free and open international order and the re-emergence of long-term, strategic competition between nations.”

A main area of focus outlined in the new strategy to achieve success is the building of a more lethal force. This, the strategy states, “requires a competitive approach to force development and a consistent, multiyear investment to restore warfighting readiness and field a lethal force.” The strategy goes on to emphasize that “recruiting, developing and retaining a high-quality military force is essential for warfighting success.”

Since coming into existence in 1973, the AVF has changed the military in remarkable ways. However, ahead lie challenges to its sustainability as the world’s finest military, and these challenges must be addressed. Key here, as stated in the new NDS, is the recruiting and retention of a high-quality force in an ever-challenging environment.

In particular, MOAA is concerned about Regular Military Compensation and its importance and impact on recruiting and retention for the AVF. MOAA appreciates the 2.6-percent pay raise, consistent with current law, in the FY 2019 National Defense Authorization Act, but this is only one component of Regular Military Compensation.

Regular Military Compensation, which consists of the pay and benefits provided to servicemembers in exchange for their service to the nation, is a key factor to recruiting and retention for the AVF. Surveys taken by the services and DoD consistently show one of the main reasons — along with factors such as quality of life and job satisfaction — for someone to volunteer to serve in today’s military and remain in service is the pay and benefits to include the GI bill, housing allowances, and family support programs provided for that service.

Further, in an increasingly competitive environment to recruit and retain talent, any reductions of pay and benefits will only serve to make recruiting and retention for the AVF that much more challenging, and the quality force deemed essential to warfighting success in the NDS that much harder to achieve.

**MOAA’s position:** MOAA supports maintaining the military pay and benefits that are essential to recruiting and retaining the high-quality AVF necessary to meet the nation’s security and warfighting requirements now and in the future. The president’s budget should consistently be aligned with the Employment Cost Index (ECI) as stated in law. If future pay raises continue to match the ECI, military pay raises only keep pace with private-sector wage growth for upcoming fiscal years and still leaves the military behind civilian wage growth by the residual pay-raise gap of 2.6 percent (the function of pay-raise caps called for by the president in 2014, 2015, and 2016). The only way to fix this cumulative gap would be to raise military pay above the ECI, as Congress did between 2000 and 2010 when they resolved a 13.5-percent pay raise gap.



### Congress, we need your help

- Continue to support military pay raises equal to the Employment Cost Index
- Protect against erosion of military pay and benefits

### MOAA Contact

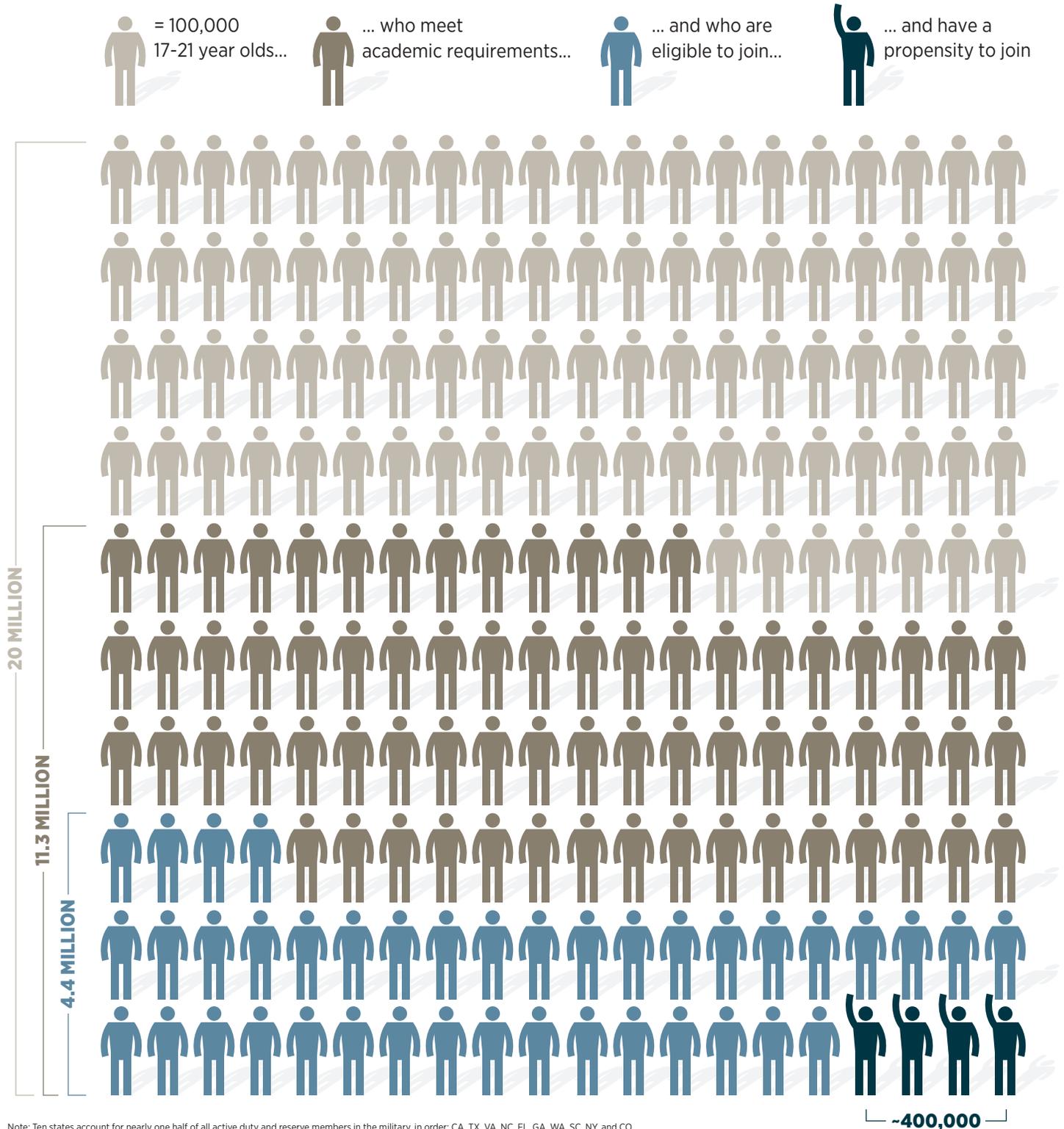
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## SHRINKING POOL OF RECRUITS

Service chiefs face an uphill climb when trying to find qualified recruits; the factors are many. At the heart of the issue is basic eligibility like academics, health, and fitness. Add criminal records and drug abuse and you narrow the 20-million person pool down to about 4.4 million. Propensity to join is another factor, reducing the pool even further to about 400,000. The Army alone will need 80,000 of these potential recruits, and the other services combined with the Guard and Reserve will push the need to about 265,000. Throw in a low unemployment rate, and the competition for talent gets tougher.

**Bottom Line:** We must ensure military pay and benefits stack up if recruiters are to have a chance in this competitive environment.



Note: Ten states account for nearly one half of all active duty and reserve members in the military, in order: CA, TX, VA, NC, FL, GA, WA, SC, NY, and CO. The least represented regions are the northern Midwest and Northeast states.

SOURCES: DOD, DOD DEFENSE MANPOWER DATA CENTER

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