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Military Pay and Service-Earned Benefits: Key to Recruiting and Retaining a Ready and Capable All-Volunteer Force

Issue: Military pay and service-earned benefits are consistently seen as costing our government too much. Attempts to modify, redefine, and outright reduce pay and benefits are tactics to increase resourcing for readiness and other programs. This erosion makes recruiting all the more difficult relative to the pool of eligibles (see chart on back). For those who are currently serving, this erosion is fast becoming a game-changer, with healthcare, housing, and childcare the more visible and present dangers to the current way of life for our all-volunteer force.

Background: The National Defense Strategy acknowledges “an increasingly complex 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 focus outlined in the strategy is to build a more lethal force to preserve peace through strength and win America’s wars when necessary. The strategy states: “recruiting, developing and retaining a high-quality military force is essential for warfighting success.” Since coming into existence in 1973, the all-volunteer force (AVF) continues to be broadly representative of the American people. Our nation’s military strength comes from dedicated volunteers who want to serve. However, we are seeing challenges at both ends of the military service pipeline.

First, we are in the midst of recruiting challenges, with a smaller pool of eligibles and a waning interest in military service. The challenge was especially noted at the end of 2018, with the Army missing its goal by 6,500 soldiers — the service’s first miss since 2005. Second, getting people to stay is becoming equally difficult. The new Blended Retirement System may incentivize our experienced and most talented servicemembers to consider separation well before they hit their eight-year point, when they enter the incentive window for continuation pay. Central to any decision to stay or go are factors like their unit’s high operations tempo, deployments, and family quality of life. Adding to the challenge are reputable employers who deal with low unemployment rates and their own demand for top talent.

MOAA pays particular attention to Regular Military Compensation and its importance to recruiting and retention of our AVF. MOAA appreciates previous support for the last four years to ensure the military pay raise was aligned to the Employment Cost Index (ECI), as intended by Congress and signed into law (Title 10 U.S.C. Section 1009). Pay is not the only solution, but it matters. Surveys taken by the services and DoD consistently show military members volunteer and remain serving based on quality of life, job satisfaction, and pay and benefits.

MOAA’s Position: MOAA supports maintaining the military pay and benefits essential to recruit and retain the high-quality all-volunteer force necessary to meet the nation’s security and warfighting requirements now and in the future. This year, for the FY 2021 National Defense Authorization Act, we seek every legislator’s support for the 3.0 percent military pay raise, per the ECI and as requested in the president’s budget. We also request you join us in our efforts to ensure our currently serving members and their families are provided quality health care. Conversely, we must keep our promises to those who have already completed a career of service — their sacrifice, and that of their families, must be honored as intended in law to ensure access to affordable, quality health care. There is something more at stake when it comes to how we treat currently serving and retirees; according to the New York Times, of those recruited in the Army in 2019, nearly 30 percent had a parent who served.



Our troops deserve:

- A 3.0 percent pay raise for FY 2021, per the ECI
- Their service-earned benefits to remain intact
- Military-funded health care for themselves and their families

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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.

