

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

Issue: Military pay and benefits are essential enablers to recruiting and retaining an all-volunteer force.

Background: The National Defense Strategy 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 focus outlined in the strategy is to build a more lethal force to preserve peace through strength and win America's wars when necessary. To that end, 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) has changed the military in remarkable ways and 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. (See chart, back.) 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. Getting people to join is increasingly difficult right now.

Second, getting people to stay is becoming increasingly difficult. The newly implemented 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 are dealing with remarkably low unemployment rates.

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 three 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, alone, is not the only solution, but it certainly matters. Surveys taken by the services and DoD consistently show the main reasons today's military members volunteer and remain serving — along with factors such as quality of life and job satisfaction — are the pay and benefits provided for that service.

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 2020 National Defense Authorization Act, we seek every legislator's support for the 3.1 percent military pay raise, per the ECI. Further, we oppose any changes that decrement military compensation, to include housing allowances. Join us, please, to ensure our men and women in uniform get the pay raise they have earned, and as intended by law. And help us ensure housing allowances are protected from arbitrary cuts to fund other programs.



Congress, we need your help

- Support the 3.1 percent pay raise for FY 2020
- Protect against erosion of military pay and benefits

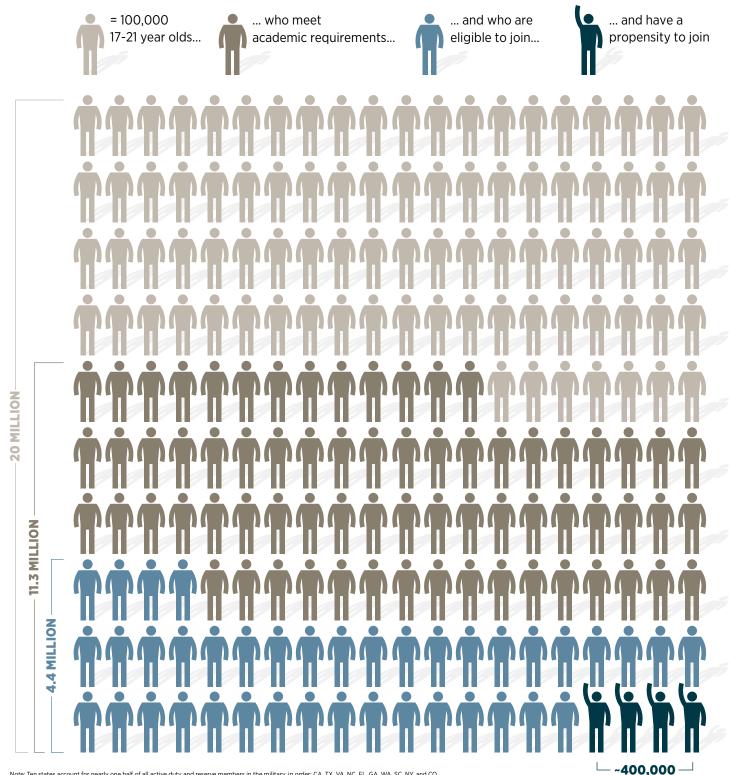




SHRINKING POOL OF RECRUITS

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