



Coalition and Valued Associates Advocacy and Actions...

Coalition valued associate members, as well as other military and veterans service organizations, have worked tirelessly alongside the ALA to defeat the Pentagon's proposed 2015 budget cuts to military compensation and benefits. These organizations have consistently pointed out in Congressional testimony, written statements, and articles that the Pentagon's assertion that personnel costs are "unsustainable" is blatantly inaccurate.

The Military Coalition, comprised of 33 organizations representing more than 5.5 million members of the uniformed services, included the following statement in their 2014 testimony before the Senate Armed Service Subcommittee on Personnel:

The fact is that since 2000, personnel and health care costs experienced an average 7.6% rate of growth but that cost growth was essential to keep the previous compensation cutbacks from breaking the career force – and since 2010, personnel cost growth has already slowed to less than 2% per year.

The troops' last three raises averaged less than 1.4%, with the FY 2014 pay raise being the lowest in 50 years only to be matched by the FY 2015 proposal. Yet this overall budget submission is not limited to pay – this proposal of capping pay, increasing out-of-pocket expenses for housing, consolidating TRICARE, and significantly reducing the commissary benefit would be major steps backward towards repeating the insidious measures which led to retention and readiness problems in the past.

Our recommendation to Congress is to not allow budget cuts undo needed compensation improvements since 2000 to match the extraordinary demands and sacrifices of a military career. What's needed is to sustain pay and benefits for the men and women in uniform and their families.

The Military Officers Association of America (MOAA), a Coalition valued associate, has analyzed the Pentagon's budget data and determined that personnel costs have held steady at about 30 percent of the defense budget for more than 30 years. In his monthly update, Mike Hayden, MOAA Director, Government Relations, makes the case that the Military Compensation and Modernization Commission's Interim Report, released on July 3, 2014, confirms MOAA's position regarding personnel costs.

In the recent *Army Times* article "[Curbs on pay and benefits finally taking hold](#)," retiring DoD Comptroller Robert Hale (who left the Pentagon at the end of June) acknowledged military personnel costs are coming down and claimed, "We are making some progress."

Now hold on a minute.

For years — and as recently as this spring — DoD and service leaders have insisted military personnel pay and benefits costs are "exploding out of control," that "by 2025 ... 98 cents of every dollar will be going to pay and benefits," and the time will soon come when "all we'll be doing is paying our people."

A few short months later, DoD leaders (whose proposals to whack pay and benefits have been mostly rejected by Congress) are saying costs are falling — and it's due to their plan?

Here's the truth. MOAA's analysis of the Pentagon's own budget data showed:

- personnel costs have held steady at about 30 percent of the defense budget for more than 30 years, and
- despite Congress' rejection of draconian pay and benefits cuts year after year, personnel cost growth was already in decline.

The July 3 release of the Military Compensation and Retirement Modernization Commission's (MCRMC's) interim report removed any doubt about who's been stating the facts and who's been blowing smoke...

We recommend you read the entire article: **The Bottom Line - Pay Commission: MOAA is Right on Personnel Costs.**