



AUSA BACKGROUND BRIEF

U.S. ARMY PERSONNEL REDUCTION PLAN, FY 90-97



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BACKGROUND The Army has taken the initiative to develop a personnel reduction management plan designed to achieve the following objectives:

- Maintain the high quality of personnel.
- Continue the high level of readiness needed to meet contingencies.
- Provide for an orderly reduction in personnel while retaining an appropriate balance of rank, military skills and leadership.
- Take care of the soldier involuntarily released from the Army.

A deliberate and carefully managed personnel reduction plan is necessary to maintain a well-trained and ready Army, while minimizing the adverse effects on the many fine men and women in the Army who will have to transition out. To accomplish this, both the mission and human aspects must be carefully considered and balanced.

READINESS It is important to keep existing units ready, trained and able to carry out mission requirements. This means keeping those units in a high state of personnel readiness by assigning and retaining people in the right numbers with the right balance of skills. A reduction of this magnitude will create turbulence throughout the Army, so it must be minimized and controlled. The plan must provide for retention of the best, matching skills and needs throughout the Army, and transferring people to where they are most needed. This can only be done effectively through a deliberate plan, over time.

PEOPLE Equally important is the human side of the equation. Approximately 180,000 people will be leaving the Army over the next several years; an as yet undetermined number on an involuntary basis. They are all volunteers and many have no future plans beyond those originally focused on a military career. Understanding and compassion are important. A properly structured transition plan is essential.

Proper time-phasing will minimize adverse impacts. Some legislative authorities which permit necessary personnel actions on the part of the Army are needed. Also needed are benefits for those leaving on an involuntary or early basis, to include provisions for separation pay, equity with the private sector on unemployment compensation, GI Bill entitlement and medical coverage for a transition period. These require legislative action and will take time. The Army plan is predicated on the assumption that all actions through FY 1991 could be handled without involuntary separations or special legislative authorities. However, a personnel cut greater than that in the Army's plan could, particularly at the front end, negate this, forcing the Army to release soldiers without reasonable benefits.

THE ARMY'S PLAN The major provisions of the Army's personnel reduction management plan are as follows:

- A total reduction of personnel from the FY 90 level of 740,000 to 580,000 by FY 97.
- First reduction of 40,000 active military personnel over a two year period, FY 90-91. This initial reduction can be achieved without involuntary reductions and within provisions of current laws.
- Starting in FY 92, the Army would be reduced annually by up to 35,000 personnel, both officer and enlisted, until the 580,000 level is reached by FY 97.
- Special legislation is needed for reductions after FY 91 in order to achieve a balanced reduction of officers and enlisted personnel. Legislation is also needed to allow separation pay for enlisted soldiers who desire a career in the Army but must be involuntarily released.

SUPPORT THE ARMY'S PLAN

Let the Army do it right. A deliberate plan, as proposed, permits careful planning and management. Erratic changes or large cuts at the front end will create a chaotic situation and be terribly unfair to the many thousands of volunteer soldiers who would be forced out with little or no notice or preparation.

It is important that we select and keep the best and, at the same time, protect the readiness of the force in-being. We must continue to have the right skills and the right balance of skills. We must also continue to have an input to the Army for future years, so cutting off the flow of new volunteers is a certain way to unbalance the future Army. This requires both planning and control.

It is most important that we consider the interests and welfare of the 180,000 people who will be leaving the Army over the next several years — a number greater than the size of Chrysler Corporation. We must be fair and we must be concerned with their welfare during transition. The Army plan is based on doing this in the fairest way possible with adequate notice for those affected. The plan will minimize involuntary releases.

The legislative proposals which will provide selective management tools to execute the reduction should be supported. Those legislative proposals which will assist in the transition of former volunteers out of the Army should also be supported (e.g. separation pay, unemployment benefits, GI Bill and extended medical care).