Severance Pay—Not Many Military People Can Get It

Many members of the press and the public are convinced that all anyone has to do to stay in the military until eligible to retire is to sign a new set of enlistment papers every three years or, in the case of officers, to stay out of trouble. This is far from true. At many points between the first enlistment and eventual eligibility to retire, service members are evaluated and a decision is made whether they should be permitted to continue serving. There is no absolute “tenure” in a military job. Actually only about 11 percent of enlisted personnel and 29 percent of the officers stay on active duty long enough to reach retirement eligibility. Every day some service people decide on their own to make a career change and others have that decision made for them at promotion or reenlistment time and it is decided they have not been doing as well as their peers. This latitude on the part of military personnel managers applies equally to officers and enlisted people. There is little difference between what an officer leaves the service with, in the form of severance or readjustment pay, and what the separated enlisted person receives. Unless the enlisted person is eligible to retire he walks out empty handed, with nothing more than unemployment compensation to fall back on. The officer can collect as much as $15,000 in severance pay.

This inequity is not new. Its existence has been pointed to by the Defense Manpower Commission, by the Department of Defense Quadrennial Review of Military Compensation and, most recently, by the President’s Commission on Military Compensation. The reports of all groups recommended establishment of severance pay for enlisted people forced to terminate their honorable service short of retirement eligibility. The need is obvious and there have been no dissenting voices in Congress but a vehicle to accomplish the job has been slow in coming.

The Administration has recently submitted legislation implementing certain findings of the President’s Commission on Military Compensation, including severance pay for all. The Administration is convinced, probably correctly, that the complex legislation will take a long time to get through Congress, but, at the same time they have not authorized separate submission of bills to correct existing glaring defects, such as that on severance pay. Now, however, an individual member of Congress has sent in his own bill to provide enlisted severance pay.

The correction of this inequity to the enlisted members of the armed forces is long overdue. Hopefully, action will match urgency.