State, and City Civil Service Commissions, Social Security, and other public and private retirement plans whether based on longevity or disablement. Conceding that the prohibition against duplication of payment for the same disability should be maintained, payments from the Federal treasury, based on separate entitling criteria, even to the same individual does not appear inequitable.

RECOMMENDATION NO. 74

The Commission recommends equalization of military retired pay.

Background to Recommendation:

Retired members of the uniformed services have suffered a loss in their earned compensation due to the action of Congress in 1958 of suspending, and later abandoning, the direct relationship between retired pay and current active duty rates. As a result, military retirees of the same rank, who have served exactly the same length of time, enduring equivalent hardships and dangers, now draw eight different rates of pay. The difference is not related to rank or length of service but solely to date of retirement.

In illustration, the retired pay of a Sergeant (E-7) who retired in June 1958 after 24 years on active duty is \$238.72. Retirement today, of a person with equal rank and years of service, would draw retired pay of \$297.72, 24.7 per cent greater. A Major (0-4), with over 24 years of active duty, retiring in June 1958 would receive \$429.70 per month, while his counterpart retiring today would receive \$525.78, 22.3 per cent greater. In each case the lowest rate is for the oldest group of retirees and, as successive active duty pay raises and "cost of living" raises for retirees are made in the future, the disparity against the older groups will continue to increase.

The Commission believes that elimination of this growing inequity would do much to reestablish the good faith of the Government in carrying out its moral obligations. This action would also create confidence among current active duty servicemen that their earned rights would not also be swept away after completion of their service.