



AMERICAN LOGISTICS ASSOCIATION

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What does our military think of commissaries, exchanges and reform proposals?

Testimony before House Armed Services Committee, January 13, 2016

The Military Coalition, representing 30 Veteran and Military Advocacy Organizations and over 40 million current and past service military

“DoD’s Deputy Chief Management Officer (DCMO) Peter Levine acknowledged that past proposals focused on cost-cutting over maintaining the benefit. He has assured us that, thanks specifically to your efforts, savings to the patron is now the Department’s priority, and cost cutting will only be implemented to the point that patron savings are sustainable at current benchmark levels. In that vein, the Coalition believes any proposed changes to commissary programs must be evaluated against these same NDAA-established standards – i.e., would the proposal sustain patron savings and satisfaction?”

“The commissary remains a landmark benefit common to generations of servicemembers. It is tremendously efficient for the cost of maintaining it, putting real compensation value in the pocket of every servicemember, retiree and wounded warrior who uses it far exceeding the amount of federal outlays for the commissary subsidy. That value can’t be replaced, and if broken, may not be easily repaired.”

“The commissary is not just a DoD-operated grocery store. It is not a failing business model. In fact, it is not a business at all. It is a landmark benefit provided by DoD as part of the cost of doing business and supporting an all-volunteer-force. It provides food and goods to servicemembers stationed in remote locations with few shopping choices, and an opportunity to connect with their military community in high-density areas. For those stationed overseas, it allows them to recognize the food that they buy, be able to afford it, interact with store employees in a language they understand, and experience a little taste of home to ease some of the challenges of military life. It gives access to the retiree to help make ends meet and an opportunity to maintain a connection to their military community. It is also important to families who are straining to make ends meet financially, providing them with more goods for their dollar than they can get elsewhere.”

The Military Family Association

The challenges associated with military life only increase the importance of the commissary benefit. Due in part to frequent military-ordered moves, military spouses face much higher levels of unemployment than their civilian counterparts; research shows there is a 25 percent unemployment rate among military spouses. As a result, military families often find themselves relying on one income. Many of these young military families are eligible for nutrition assistance through the Women, Infants, and Children (WIC) program operated by the Department of Agriculture. For these families, commissary savings allow them to stretch their grocery budgets farther, helping ensure even the most junior service members can afford to feed their families.”

*“The value of the commissary is not just in the brick and mortar building on an installation; it is in the **savings** military families realize by shopping there. Research by the Defense Commissary Agency (DeCA) has shown families save an average of 30 percent when they shop at the commissary rather than at civilian grocery stores¹. We recognize the actual savings realized by individual families will vary based on their location and their buying habits. But, the fact remains the commissary’s mandate to sell products at cost plus five percent provides service members with the reassurance they will be able to feed their families at a reasonable price wherever they’re stationed. While this reassurance is important to all military families, it is especially vital to young families, those stationed in remote or high cost areas, and families living overseas.”*