

## How Are Iraq/Afghanistan-Era Veterans Faring in the Labor Market?

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### RESEARCH HIGHLIGHTS:

- Although expanded resources are available to Iraq/Afghanistan-era veterans, including Veteran Resource Centers and the Department of Defense (DoD) Yellow Ribbon Program, they face significant challenges as they re-enter civilian life. In this study, researchers found significant differences in employment among recently returned veterans based on age, health and service era.
- Although Iraq/Afghanistan-era veterans ages 18-24 were more likely to have higher earnings if employed, they also had higher rates of unemployment compared to their non-veteran counterparts.
- Older veterans, ages 37-64, who served in previous eras, had higher odds of unemployment, while those in poor or fair health had lower earnings and lower odds of having earnings compared to non-veterans, illuminating the importance of age-based employment interventions for veteran populations.

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### ABSTRACT:

“This study examines labor market status of Veterans of the Iraq/Afghanistan-era and previous eras, and variations by age and by health status, using the Current Population Survey (CPS) March supplement from 2006 to 2011. Although this observational study does not demonstrate a causal effect of military service on labor market outcomes, the authors find that Iraq/Afghanistan-era service among the youngest Veterans (ages 18-24) was associated with higher earnings and greater odds of being enrolled in school, but also higher odds of unemployment. Military service in previous eras by older Veterans, particularly those in fair or poor health, was associated with higher odds of unemployment and lower earnings than their nonveteran counterparts. Future research should examine the reasons for the higher unemployment rates of the youngest Veterans and should examine whether receipt of services such as health care services, disability benefits, and military reintegration programs are associated with improved labor market outcomes.”

## Implications

### FOR PRACTICE

The results of this study show that among veterans from the Iraq/Afghanistan era, younger veterans (ages 18-24) have greater odds of being enrolled in school, having earnings from employment and having higher earnings. However, these same young veterans have higher rates of unemployment compared to their non-veteran counterparts. Older veterans from previous eras have lower odds of having any earnings, lower earnings among those with earnings and higher odds of unemployment compared to their non-veteran counterparts. Older veterans in poor or fair health have lower earnings compared to non-veterans as well as lower odds of having earnings. Programs aimed at improving the veterans' employment situation should create interventions targeted to specific age groups, focusing on unemployment for younger veterans and on earnings and employment for veterans over the age of 37. Veterans may be experiencing an employment divide in which those who are able to find work command high wages, while others are not able to find work at all. Interventions are especially important for older veterans in poorer health who may have additional healthcare costs to consider. Organizations and community advocates should be aware of these variations in employment challenges, addressing the needs of each age group and service era to effectively improve employment outcomes for veterans. Community organizations should be particularly concerned with labor market participation for veterans in poor health, and work to increase the accessibility of employment support programs for this group.

### FOR POLICY

For Iraq/Afghanistan-era veterans, there are many resources available to assist with transition to civilian life that were not available for veterans returning from World War II, Korea and Vietnam. Changes in the Department of Veterans Affairs (VA) and DoD policies have led to universal eligibility for VA healthcare, comprehensive Veteran Resource Centers and initiatives like the Yellow Ribbon Program to assist veterans with educational and vocational goals. The results of this study indicate that veterans from the Iraq and Afghanistan conflicts are faring well in the current labor market, largely because of the support that these programs provide for reintegration. Policy makers may wish to revisit these issues, increasing the availability of programs and services for older veterans and those from previous eras who are faring less well in the labor market, especially those with poor health. Policies increasing the availability and affordability of housing, vocational training and healthcare for veterans can be greatly beneficial in improving the welfare of veterans from all service eras.

### FOR FUTURE RESEARCH

Future research should focus on the impact of specific health problems, including mental health issues and substance abuse, and on employment outcomes for veterans. Employment outcomes for veterans may vary based upon whether these health problems originated from military service, as well as whether veterans receive disability benefits and utilize existing treatments and therapies. Researchers should investigate whether the DoD and VA reintegration program participation improves labor market performance among young veterans, and how occupational training in the military impacts veterans' labor market status upon reentering the civilian workforce. In future studies, researchers should collect information on whether service members saw combat or served stateside, specific dates of service and information on employment status prior to service entry, as the data used for this study has limited information on military service. Future studies should also include larger samples of veterans over the age of 37, as well as more in-depth information about this group and their deployment experiences. Finally, researchers should investigate the role that educational programs play in veterans' labor market productivity, and whether increased educational enrollment among veterans indicates difficulties in gaining employment

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