

## Veteran Employment

*The search for full-time employment can be a daunting task for our nation's veterans. Faced with the half-dormant ghosts of war and a sudden disconnect from the camaraderie and support of the military, many veterans find the prospect of employment difficult, demoralizing and, in too many cases, hopeless. Yet it is employment, more than any other factor, which informs the sense of self-worth, purpose and financial security so critical to successful reintegration.*

### Overview of the Issue

Unemployment is a challenge facing many of our nation's citizens. Though veterans often acquire unique and valuable skills during their military service, they are disproportionately unemployed when compared to comparably qualified civilians.

- According to the most recent statistics released by the Bureau of Labor Statistics (BLS), the unemployment rate of post 9-11 veterans is 13.3 percent, compared to a non-veteran rate of 9 percent
  - The unemployment rate of veterans between 18-24 is 21.9 percent<sup>i</sup>
- The Reserve Officers Association estimates National Guard and Reserve unemployment to be as high as 40 percent<sup>ii</sup>

### *The Salary Gap*

Research over the last decade has indicated that veterans entering the civilian workplace do not earn salaries commensurate with their experience, education and skill. In particular, recently separated service members earn far less than comparable civilian peers.

- The annual wage deficit of recently separated service members with a four-year degree is \$9,526
  - Those with postgraduate degrees face an annual deficit of \$7,573
- This trend holds for veterans without college degrees as well, and is consistent across a range of age spectra:
  - 25-30: \$2,751
  - 36-45: \$6,281
  - 46-55: \$8,957<sup>iii</sup>

### *Barriers to Employment*

Despite the loyalty, diligence and integrity cultivated by their training, a profound disconnect has formed between civilian employers and transitioning service members.

- According to the Chamber of Commerce, about 90 percent of military occupations are directly transferable to the private sector<sup>iv</sup>
- Employers typically do not understand the unique strengths of veterans, and many worry about behavioral health disorders
  - 61 percent of employers “do not have a complete understanding of the qualifications ex-service members offer”
  - 64 percent believe veterans need additional assistance to make a successful transition into the civilian job market
  - 53 percent of employers spend less than 2 percent of their recruitment budget on veterans<sup>v</sup>

- Most veterans feel that the military does not adequately prepare its service members for the post-service job hunt
  - 72 percent feel unprepared to discuss salary and/or benefits
  - 76 percent don't believe their military skills will translate to the civilian sector
  - 57 percent are uncomfortable networking<sup>vi</sup>
- Reservists and National Guardsmen also face prejudicial treatment
  - 60 to 70 percent of employers admitted to being less likely to hire Reserve or Guard applicants, despite the requirements of the Uniformed Services and Reemployment Act (USERRA)<sup>vii</sup>
  - 36 percent of employers were unaware of their requirement to provide returning Reserve and Guard veterans with the same or an equivalent job<sup>viii</sup>

#### Existing Services

Growing concern about veteran unemployment has led to a recent flurry of activity on Capitol Hill. Many nonprofits and corporations have also explicitly stated their desire to reduce veteran unemployment, and have begun taking strides to do so.

- On Aug. 5, 2011, President Barack Obama announced several measures designed to combat veteran unemployment
  - The “Returning Heroes” and “Wounded Warriors” Tax Credits, offering up to \$2,400 for the hiring of short-term unemployed veterans; up to \$4,800 for every long-term unemployed hire; and up to \$9,600 for veterans with service-related disabilities, double the current credit of \$4,800
    - These tax credits are also available to tax-exempt entities and public universities
  - The formation of a “Reverse Boot Camp,” which will extend the transition period, provide greater counseling for exiting service members and will leave our veterans career-ready
  - A challenge to the private sector to hire 100,000 veterans or their spouses by the end of 2013, to which companies like Microsoft, Lockheed Martin, Accenture, JP Morgan, AT&T and Siemens have already acceded<sup>ix</sup>
- Nonprofit organizations such as Hire Heroes USA and Return2Work, as well as Department of Defense projects like the Transition Assistance Program (TAP) exist to help veterans through their separation from the military
- The Uniformed Services Employment and Re-employment Act (USERRA) was signed into law in 199 and protects the civilian job rights of Reservists and National Guardsmen
- Veterans receive preferential treatment in the federal job market dependent on a range of criteria defined by the VA

#### How You Can Help

The years of service veterans devote to their country instills in them qualities too rarely found in the civilian population: leadership, integrity, loyalty and respect along with a number of more specialized skills. These qualities do not disappear when the veteran leaves the military. They are brought to bear in thousands of communities across the nation. These communities benefit immensely by employing veterans. Companies can earn tax breaks; communities can broaden their tax base; and, most importantly, they can reward the long years that veterans have devoted in support of their freedoms.

In order to mitigate unemployment and resolve the fundamental disconnect between employer and veteran expectations, we must educate both parties as to the unique strengths cultivated by the military. Service members are some of the most talented, hard-working citizens of the United States. There is no reason whatsoever for the rampant unemployment in their ranks. By providing our veterans with productive, lasting careers, we can both reward their service and strengthen communities throughout America.

The Promising Practices in the following section have been designed to fill the gaps in the communities across the country. Each targets an area of the employment problem that is both sweeping and easily remediable, such as hosting job fairs, identifying military-friendly practices for employers, and conducting an annual media campaign geared towards employers and the military community. By undertaking these practices, communities will be able to simultaneously support their service members, veterans, families; increase their taxable workforce; and provide a new hope to some of the most valuable members of modern society.

Quote

“For too long, we have been investing billions of dollars training our young men and women to protect our nation, only to ignore them when they come home. For too long, we have patted them on the back and pushed them into the civilian job market with no support. Our hands-off approach has left us with...one in five of our nation's heroes who cannot find a job to support their family and who do not have an income to provide the stability that is so critical to their transition home.

- Senate Veterans' Affairs Committee Chairman Patty Murray (D-WA)  
in an address before the Senate, May 26, 2011

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- <sup>iii</sup> Abt. Associates Inc. U.S. Department of Veterans Affairs, (2008). *Employment histories report: final compilation* Washington, DC: Retrieved from [http://www.va.gov/VETDATA/docs/SurveysAndStudies/Employment\\_History\\_080324.pdf](http://www.va.gov/VETDATA/docs/SurveysAndStudies/Employment_History_080324.pdf)
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- <sup>vi</sup> Ibid.
- <sup>vii</sup> Hanson, M. (June 2011). Oral testimony for House Veterans Affairs Committee. Retrieved from [http://www.roa.org/site/DocServer/HVAC\\_Employment\\_06\\_01\\_2011.pdf?docID=32043](http://www.roa.org/site/DocServer/HVAC_Employment_06_01_2011.pdf?docID=32043)
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