BUILDING JOB OPPORTUNITIES FOR RETURNING VETERANS

Executive Summary

When veterans return home, many face a new challenge: translating skills learned during their military service into civilian employment. Policymakers have taken a number of actions to ease the transition for returning veterans and these actions have begun to yield results. Recent veterans (who served in the post-9/11 era) experienced a two-percentage-point decline in their unemployment rate last year. Even with this progress, the unemployment rate for post-9/11 veterans remains above the national unemployment rate.

This report examines the unemployment situation for veterans, focusing on the challenges they face entering the civilian workforce. It explores how unemployment rates for veterans vary by age, gender, education, period of service and state. It looks at the special challenges facing veterans who have returned to the civilian workforce after the recent recession. The report also reviews steps taken by policymakers to help veterans find employment when they end their military service and highlights areas where additional steps are needed.

Among the report's key findings:

- Recent veterans are having a more difficult time finding employment than other veterans or the broader population. In 2012, post-9/11 veterans faced a 9.9% unemployment rate, two percentage points higher than the nonveteran unemployment rate and 2.9 percentage points higher than the overall veterans' unemployment rate.

- The recent recession had a larger impact on many industries that employ a high share of veterans, complicating efforts for post-9/11 veterans to find jobs. Industries in which veterans often find work, such as manufacturing and construction, still have not recovered all of the jobs lost during the recession. At the same time, recent veterans are underrepresented in fast-growing sectors of the economy, including leisure and hospitality and education and health services.

- Female veterans face a higher unemployment rate (8.3%) than male veterans (6.9%), and one in eight recent female veterans are unemployed.

- Younger veterans are facing particular challenges as they transition to the civilian workforce: post-9/11 veterans under 25 years old face an unemployment rate of more than 20%, compared to 15% for nonveterans of the same age.

- Unemployment rates for post-9/11 veterans vary significantly across the states. In 2012, Colorado had the lowest post-9/11 veterans' unemployment rate at 2.1%, while Massachusetts recorded the highest at 23.4%.

As veterans begin their civilian lives, skills learned in the military are useful in meeting civilian job requirements. But veterans might need assistance translating those skills to meet the needs of civilian employers, and employers may also need guidance on understanding the civilian applications of skills learned in the military. Some veterans will need to obtain additional training and education. Targeting training and education to those fast-growing areas of the economy will help veterans secure employment. The Post-9/11 GI bill, which took effect in 2009, offers tuition benefits for veterans who served in the post-9/11 era to help them further their education. Already, about 900,000 veterans have benefited from this legislation.

The report highlights efforts at the federal and state levels as well as private-sector initiatives that can help veterans find employment. These include:

- Providing tax incentives for private-sector employers to hire veterans, including veterans with service-connected disabilities.

- Streamlining the process of obtaining certifications and occupational licenses that will help veterans put to use skills learned in the military.

- Furthering higher education opportunities for returning veterans.

- Building upon existing programs to ensure that returning veterans can obtain the training required for jobs in growing industries.

- Ensuring that returning veterans have job-search, resume-writing and other employment assistance they need to transition from active duty to the civilian workplace.

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