



# Income Study: Regular Force Veteran Report

## Executive Summary

### Objective

The Income Study is part of the Life After Service Studies (LASS) program of research. This report examines relative income and family income using Statistics Canada's low income measure (LIM); and describes income trends and income differences between sub-populations within a larger population of Veterans.

### Methods

Statistics Canada linked together DND records for 36,638 Regular Force Veterans released between January 1, 1998 to December 31, 2007 to the general family tax records from 1997 to 2007 and produced tables based on this record linkage.

### Results

Total average Veteran income was \$62,000 in the year prior to release and rose in the release year and then declined in the year after release. Income is in 2007 constant dollars (excluding VAC Disability Benefits) for those released from 1998 to 2007. Subsequently total average income rose and eventually exceeded the pre-release level. Compared to the year prior to release, income declined on average by 10% during the first three years post-release. Declines differed considerably between groups. Females experienced a 30% decline, the medically released personnel a 29% decline and Veterans who served from 10 to 19 years a 21% decline while subordinate officers experienced an increase of 27%. The groups with the highest declines in income post-release were more likely to be current VAC clients.

Many Veterans received EI post-release. In the year following release, the rate of receipt of EI was 17%. This rate declined each year post-release. Over one-third (35%) of Veterans received EI at least once post-release. The highest rates of ever receiving EI were among Veterans living in Newfoundland (60%) and those released as privates (59%). The lowest rate was among those released as senior officers (8%). While 35% received EI at least once post-release, less than 3% received EI consistently in every year post-release.

The rate of low income peaked at 7% in the year following release and eventually declined to below 4%. While 15% had ever experienced low income post-release, for some groups this rate was more than double. The highest prevalence rates were among those released between the ages of 15 and 19 (41%), involuntary releases (37%), and those released as recruits (35%). The lowest prevalence rate was among those released at ages 55 and older (1%). Less than 2% of Veterans had low income in

every year post release and receipt of social assistance peaked at about 1% in the year following release.

Non clients accounted for the majority (68%) of the Regular Force Veteran study population, followed by 25% for DP clients and 7% for NVC clients as of March 2009. Not including the impact of VAC programs, VAC clients had experienced the greatest declines in income post-release at 32% for NVC clients, 19% for DP clients and 4% for non clients. NVC clients were also more likely to have received EI and to have had low incomes. For the most part, this held true even after accounting for the younger age of NVC clients. Rehabilitation Program clients, experienced an even greater decline in income post release and were more likely to have had low income.

## **Conclusion**

Post-release, Veterans on average experience a decline in income. VAC programs reach the groups with the largest declines. Small numbers of Veterans experience low income. Unfortunately, most low income Veterans are not clients of VAC.