



## Labour market outcomes of Veterans

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### ABSTRACT

**Introduction:** Employment is important to health, well-being, and adjustment from military to civilian life. Given the importance of employment, we examine Veteran labour force outcomes in Canada. **Methods:** We examined labour market indicators from the 2010 and 2013 Life After Service Studies cross-sectional Survey on Transition to Civilian Life, along with the 2013 Income Study for Canadian Regular Force Veterans (released since 1998). **Results:** In Canada, most Regular Force Veterans surveyed were employed after release and satisfied with their work – both employment and satisfaction rates grew over time. The unemployment rate did not differ from that of the general Canadian population. However, Veterans were more likely than the general Canadian population to experience activity limitations at work. Variations in outcomes were found across diverse groups of the population. For example, unemployed Veterans were younger at release, had the fewest years of service, and were more likely to have served in the Army than employed Veterans. Veterans who were not in the labour force were older and had more years of service, and many were experiencing barriers to work. Employment rates were lower among female Veterans and among medically released Veterans. **Discussion:** Labour market outcomes vary across sub-groups of the Veteran population, suggesting targeted approaches to improve labour market outcomes. Findings suggest that the prevention of work disability is important for improving outcomes. Best practices in preventing work disability include restructuring compensation to recognize varying degrees of earnings capacity and to encourage labour market engagement and supported employment programs.

**Keywords:** adjustment to civilian life, employment, female, labour market, medical release.

### RÉSUMÉ

**Introduction :** L'emploi est important pour la santé, le bien-être et la transition entre la vie militaire et la vie civile. En vertu de l'importance de l'emploi, cette étude examine les résultats chez les vétérans au sein de la force de travail. **Méthodologie :** Les indicateurs du marché du travail obtenus des sondages sur la vie après le service de 2010 et 2013 sur la transition vers la vie civile furent examinés avec le sondage sur le revenu des vétérans canadiens (dévoilé depuis 1998). **Résultats :** Au Canada, la plupart des vétérans de la force régulière avaient un emploi et étaient satisfait de celui-ci – de plus, le taux d'emploi et la satisfaction s'améliorent au fil du temps. Le taux de chômage n'était pas différent du reste de la population canadienne générale. Cependant, les vétérans étaient plus susceptibles que la population générale d'avoir à gérer des limitations au travail. Par exemple, les vétérans au chômage étaient plus jeunes lors de leur libération, avaient le moins d'années de service et étaient plus susceptibles d'avoir servi au sein de l'armée que les vétérans ayant un emploi. Les vétérans qui n'étaient pas sur le marché du travail étaient plus âgés, avaient plus d'années de service et plusieurs vivaient avec des limites au travail. Les taux d'emploi étaient plus bas chez les femmes vétérans et au sein des vétérans libérés pour conditions médicales. **Discussion :** Les résultats du marché du travail variaient parmi les sous-groupes de la population de vétérans, ce qui suggèrent qu'une approche ciblée est nécessaire à l'amélioration de l'emploi. Les découvertes suggèrent que la prévention de l'incapacité à travailler est essentielle à l'amélioration des résultats. Les meilleures pratiques afin de prévenir l'incapacité à travailler incluent la restructuration de la compensation afin de reconnaître les degrés variés de rémunération potentielle et d'encourager l'engagement du marché du travail via des programmes d'emploi.

**Mots clés :** ajustement à la vie civile, emploi, femme, libération médicale, marché du travail.

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## INTRODUCTION

The vast majority of Canadian Armed Forces (CAF) personnel work after release from the military. Employment is important to health and well-being,<sup>1</sup> and Veterans who are not working are more likely to report difficulty adjusting to civilian life than those who are.<sup>2</sup>

Since the late 1990s, many improvements have been made to benefits and services offered to CAF personnel in the areas of pre-retirement planning, transition to civilian life, and re-establishment in the labour market. These improvements include the introduction of the New Veterans Charter (NVC) in 2006 (*Canadian Forces Members and Veterans Re-establishment and Compensation Act 2005*).<sup>3</sup> The new programs and services aimed to help CAF Veterans successfully make the transition to civilian life through rehabilitation and re-integration programs. The NVC, which includes Career Transition Services and vocational rehabilitation, recognized that employment is important to successful transition to civilian life.

Although Veterans have often been found to do as well as or better than civilians in the labour market, some sub-populations experience difficulties.<sup>4–5</sup> For example, higher unemployment rates (i.e., looking for work) have been associated with younger age,<sup>5–7</sup> female gender,<sup>5</sup> fewer years of service,<sup>8–9</sup> and combat exposure.<sup>10</sup> Lower employment rates have been found to be associated with older age,<sup>4</sup> female gender,<sup>4</sup> medical release,<sup>11–12</sup> disability,<sup>13–15</sup> and receipt of benefits.<sup>6</sup> Female Veterans have also been found to have lower earnings than their civilian counterparts.<sup>16–17</sup> Among Canadian Regular Force Veterans, both medically released Veterans and female Veterans experienced relatively large reductions in income – up to 10 times the average reduction in income.<sup>18</sup>

Recently, Veterans Affairs Canada (VAC) has been partnering with various organizations on initiatives pertaining to the transition of Veterans to civilian employment, and the government has introduced measures to improve access to public service employment among Veterans. However, with the growing number of players providing various types of employment services to Veterans in Canada, it is important that there is a common understanding of Veteran labour market outcomes, the various Veteran experiences and outcomes, and who may require and benefit from targeted supports. Therefore, the objectives of this study were to examine (1) Veteran labour force outcomes in Canada and (2) the characteristics of the populations with various types of labour market outcomes.

## METHODS

### Study population

This study examined Regular Force Veteran labour market information from the Life After Service Studies (LASS) 2010 and 2013. Outcomes examined included a wide range of indicators from the 2013 Income Study and the 2010 and 2013 Survey on Transition to Civilian Life. The 2013 LASS Income Study links tax data with Veteran status as identified using a human resources database from the Department of National Defence (DND). Data on releases were extracted from the DND Human Resources Management System to create the study population. DND's release data were linked by Statistics Canada with income data from tax files available up to 2011. The Income Study started with a population of 51,990 Regular Force Veterans released from 1998 to 2011, of whom 47,950 (92%) were linked with income tax data in the year of release and followed for 13 years after release; the records of a longitudinal cohort of 32,540 were linked to income data in the year before release and for each of the first 3 years after release.<sup>18</sup> Statistics Canada derived aggregate tables from these data. Income reflects sources reported in the T1 Family File and does not include VAC's Disability Pension or Disability Award.

The 2010 and 2013 surveys were computer-assisted telephone interview surveys of the health and well-being of a representative sample of CAF Veterans.<sup>19–21</sup> The 2010 survey included 3,154 Veteran respondents who agreed to share their data with VAC and DND, representing a population of 36,638 Regular Force Veterans released from 1998 to 2007.<sup>19</sup> The 2013 survey included 2,329 respondents who agreed to share their data with VAC and DND, representing a population of 56,129 Regular Force Veterans released from 1998 to 2012.<sup>20</sup> Both surveys had a 70% response rate, and 90% of those who responded agreed to share their data with VAC and DND.

The surveys sampled Veterans who had not re-enrolled in the CAF and were not living in institutions, the Northern Territories, or outside of Canada. We calculated weighted population estimates by using individual respondent sampling weights provided by Statistics Canada that accounted for the stratified sample design and for differences between respondents and non-respondents. Comparisons with the general Canadian population were calculated by age and gender, adjusting the Canadian comparator data to Veterans, and calculation of 95% confidence intervals to assess statistical significance.

Demographic and service characteristics

Age, gender, military rank at release, years of service, service branch, and occupation at release were ascertained from DND administrative data. Military Occupation Codes (MOCs) were categorized into comparable versus unique to the military on the basis of matching of MOCs from DND administrative data to National Occupation Codes.<sup>6</sup> Other variables were self-reported using questions largely taken from the LASS survey. Because the Income Study covered almost the same population of Regular Force Veterans, the characteristics of the cohort were similar to those in the survey.

Labour market indicators

Indicators from the Income Study included changes in income, earnings, and pension from the year before release compared with the first 3 years after release. Pension amounts include superannuation pension and Registered Retirement Savings Plan and do not include Canada Pension Plan and Old Age Security, which are categorized under government transfers.

Indicators from the Survey on Transition to Civilian Life, a cross-sectional survey, included labour market status at survey, main activity during the previous 12 months and the 12 months after release, work satisfaction (among those whose main activity was working), activity limitation at work, and transfer of skills from military to civilian work (agreement as to whether the knowledge and skills used in the current or most recent job are the same as those used in military service). The employment rate was calculated as the percentage of the population who worked at a job or business in the previous week. “Not in labour force” included those who did not have a job and were not looking for work or who were

permanently unable to work. The unemployment rate was calculated as the population who were not working and not absent from a job and who had looked for work in the previous 4 weeks as a proportion of the population in the labour market (employed plus unemployed). Canadian comparators for labour market status were adjusted for age and gender. The unemployment, employment, and not-in-the-labour-force general Canadian population comparisons were from the March 2013 Labour Force Survey and were compared with LASS 2013.

Disability was assessed in two ways: (1) whether a long-term physical or mental condition or health problem “sometimes” or “often” reduced the amount or kind of activity at home, school, work, or other and (2) need for assistance with at least one basic or instrumental activity of daily living (preparing meals; getting to appointments and running errands; doing everyday housework; personal care such as washing, dressing, eating, or taking medication; moving about inside the house; and looking after personal finances). Activity limitations “sometimes” or “often” at work were compared with the 2008 Canadian Community Health Survey.<sup>22</sup>

The LASS 2013 Income Study found that both medically released and female Regular Force Veterans experienced relatively large reductions – 10 times the average – in income after release. Therefore, we examined income and employment among these groups in more detail.

RESULTS

Demographic characteristics

The mean age of Regular Force Veterans among LASS 2013 respondents at the time of the survey was 44 years (see Figure 1 and Table 1 for details). Most of the

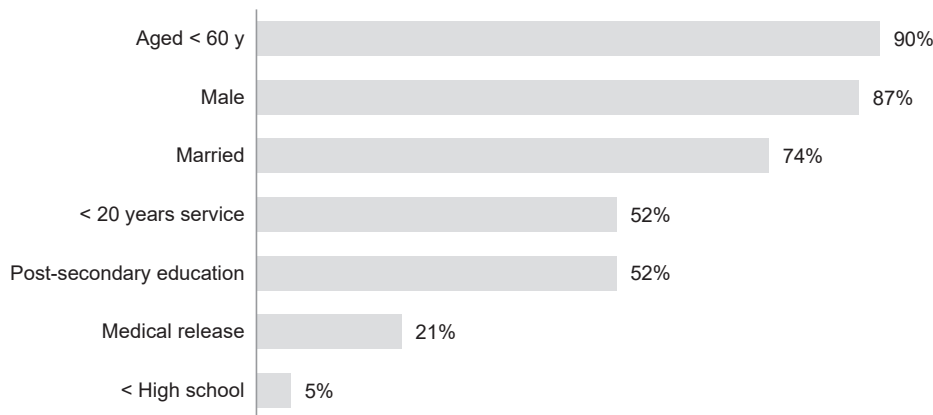


Figure 1. Demographic and Service Characteristics, Life After Service Studies Survey 2013

**Table 1.** Demographic and service characteristics by release type and gender

Demographic and service characteristics	% of total population (95% CI)*				
	Medically released (21%)	Non-medically released (79%)	Female (13%)	Male (87%)	Total (100%)
Difficult adjustment to civilian life	53 (47.6–57.5)	21 (18.4–22.9)	30 (24.5–36.6)	27 (24.6–29.1)	27 (25.2–29.4)
Average age at survey, y (95% CI)	47 (46.2–47.9)	43 (42.3–43.7)	43 (41.5–44.4)	44 (43.4–44.6)	44 (43.3–44.4)
Education at survey					
Less than high school	6 <sup>†</sup> (4.2–9.2)	5 (3.7–6.1)	4 <sup>†</sup> (2.0–8.0)	5 (4.2–6.4)	5 (4.1–6.2)
High school	44 (38.9–48.9)	42 (39.7–44.9)	38 (32.1–45.0)	43 (40.8–45.8)	43 (40.3–45.0)
Post-secondary	40 (35.1–44.9)	35 (32.2–37.5)	38 (31.7–44.6)	36 (33.1–38.1)	36 (33.6–38.2)
University	10 (7.8–12.8)	18 (16.6–19.9)	20 (15.8–24.2)	16 (14.5–17.5)	17 (15.1–17.9)
Served 20 years or more	55 (49.4–59.5)	46 (43.0–48.2)	39 (33.4–45.7)	49 (46.3–51.2)	48 (45.2–49.8)
Officer	10 (8.4–12.7)	22 (20.2–23.6)	20 (16.1–24.2)	19 (18.0–21.0)	19 (18.1–20.9)
Army at release	58 (53.2–63.0)	53 (50.1–55.3)	40 (33.9–46.9)	56 (53.5–58.4)	54 (51.5–56.1)
Occupation at release survey					
Combat arms	23 (18.7–27.3)	27 (24.9–30.2)	5 <sup>†</sup> (2.6–8.7)	30 (27.3–32.4)	26 (24.1–28.7)
Administration, etc. <sup>‡</sup>	33 (28.7–38.2)	22 (19.6–24.1)	53 (46.3–59.5)	20 (17.8–21.8)	24 (22.3–26.4)
Other	44 (39.1–49.0)	51 (48.0–53.6)	42 (35.8–48.9)	51 (47.9–53.1)	50 (47.0–51.8)
Comparable civilian occupation <sup>§</sup>	71 (66.1–75.4)	66 (62.9–68.4)	87 (82.2–91.4)	64 (61.1–66.2)	67 (64.5–69.3)

\*Unless otherwise noted.

<sup>†</sup>Sample size less than 30, estimate considered unreliable.

<sup>‡</sup>Also includes logistics, security, intelligence or emergency services.

<sup>§</sup>Based on the matching of Military Occupation Codes to National Occupation Codes. See MacLean and colleagues<sup>7</sup> for details.

population was working age (younger than age 60 y) at the time of the survey. The majority released from the forces voluntarily, followed by release on medical grounds, service complete, involuntarily, and for having reached retirement age. Most were male, married, had less than 20 years of service, and had post-secondary education. More than one-quarter of Veterans were serving in the combat arms at release. Combat arms occupations are unique to the military. Two-thirds were in occupations that had a comparable civilian occupation.

More than twice as many medically released Veterans reported a difficult adjustment to civilian life compared with non-medically released Veterans (Table 1). Compared with non-medically released Veterans, medically released Veterans were also less likely to have been an officer; were slightly older at release; and were more likely to have served for 20 years or more, to have served in the Army, to have been in a comparable civilian occupation, and to have been in an administrative occupation before release. The level of education of medically and non-medically released Veterans was essentially the same.

Female and male Veterans reported similar rates of difficult adjustment to civilian life. They also released from service, on average, at about the same age. However, compared with male Veterans, female Veterans were less likely to have served for 20 years or more and to have served in the Army. Female Veterans were more likely to have been in an administrative occupation before release and to be in a comparable civilian occupation. There was no statistical difference in education level between women and men.

## Income

Although on average the earnings of Regular Force Veterans declined after release, much of this decline was offset by pension income. The average total income among Regular Force Veterans released from 1998 to 2011 was \$69,300 in the year before release. This income declined by 2% in the first 3 years after release – much of which was due to a 36% decrease in earnings. Pension income made up much of the difference in income after release. Pension income accounted for 32% of pre-release earnings; almost half of Veterans served for 20 years or more,



**Table 2.** Income and earnings indicators

Indicator and category	Medically released (21%)	Non-medically released (79%)	Female (13%)	Male (87%)	Total
<b>Total income</b>					
Average income before release, \$	73,600	68,125	62,100	70,400	69,300
Average income for 3 y after release, \$	59,200	70,285	48,800	70,700	67,900
Change in income for 3 y after release compared with before release, %	-19.6	3.2	-21.4	0.4	-2.0
<b>Earnings</b>					
Average earnings before release, \$	72,400	65,180	58,900	67,900	66,700
Average earnings for 3 y after release, \$	29,700	46,111	28,800	44,600	42,600
Change in earnings for 3 y after release compared with before release, %	-58.0	-29.3	-51.1	-34.3	-36.1
Pensions*: Average pension income as % of pre-release earnings	35	29	25.5	33.0	32.2

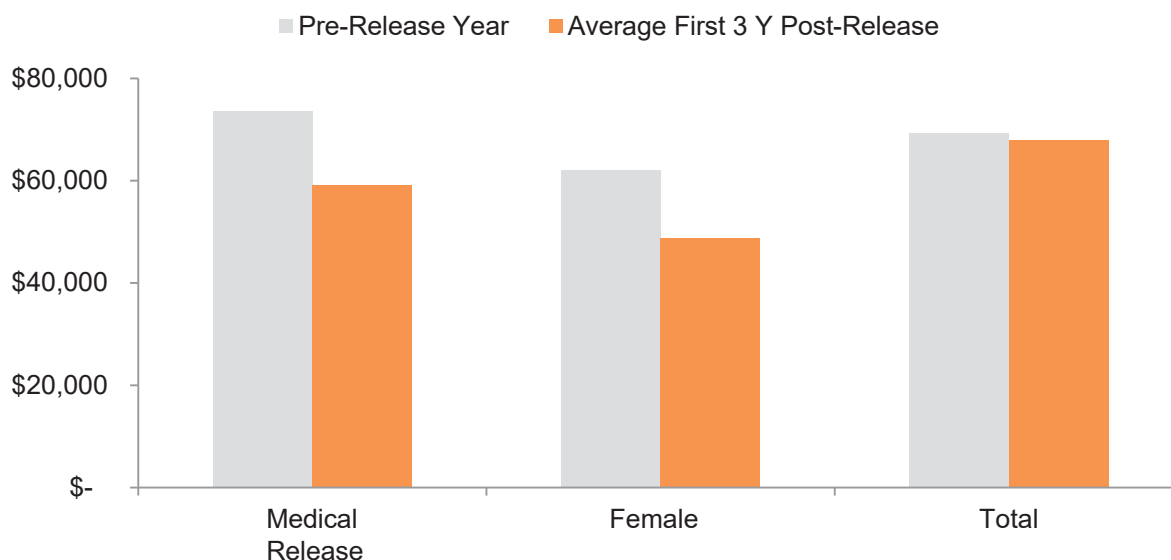
\*Includes superannuation pension and Registered Retirement Savings Plans. Veterans Affairs Canada disability benefits (disability awards and pensions) are not included because they are not taxable. Canada Pension Plan and Old Age Security are categorized under government transfers.

the period of employment necessary for a full CAF pension annuity.

Although medically released Veterans had higher pre-release income than non-medically released Veterans, they experienced a relatively large decline in income after release (Figure 2). Compared with non-medically released Veterans, medically released Veterans were more likely to experience a larger decline in earnings after release, to have served for 20 years or more, and to have a higher pension value (Table 2). However, the

higher pension income was not enough to offset the decline in earnings.

Women had lower pre-release incomes than men and also experienced a relatively large decline in income after release (Figure 2). Much of this decrease was due to a 51% decline in the employment earnings of women, compared with a 34% decline for men (Table 2). At least some of the income decline was due to lower pension income among female Veterans. Women were less likely to have served 20 years or more, the point at which they

**Figure 2.** Average Income, Regular Force Veterans, Life After Service Studies Survey 2013

would become eligible for a full pension. Their pensions were also smaller relative to their pre-release earnings.

### Main activity

More than half of Veterans reported that their main activity in the year after release was working (Figure 3; for details, see Table 3). Among those working, about three-quarters were satisfied with their work. However, in the year before the survey, an average of 7 years after

release, both the rate of working and the satisfaction rate with work had risen. Combined, about one-quarter of the population was either attending school or training or looking for work in the year after release. In the year before the survey, this proportion declined to 6% attending school and looking for work. The proportion of Veterans reporting that their main activity was retired and the proportion reporting being disabled or being on disability did not change over this period.

**Table 3.** Main activity and labour force indicators by release type and gender

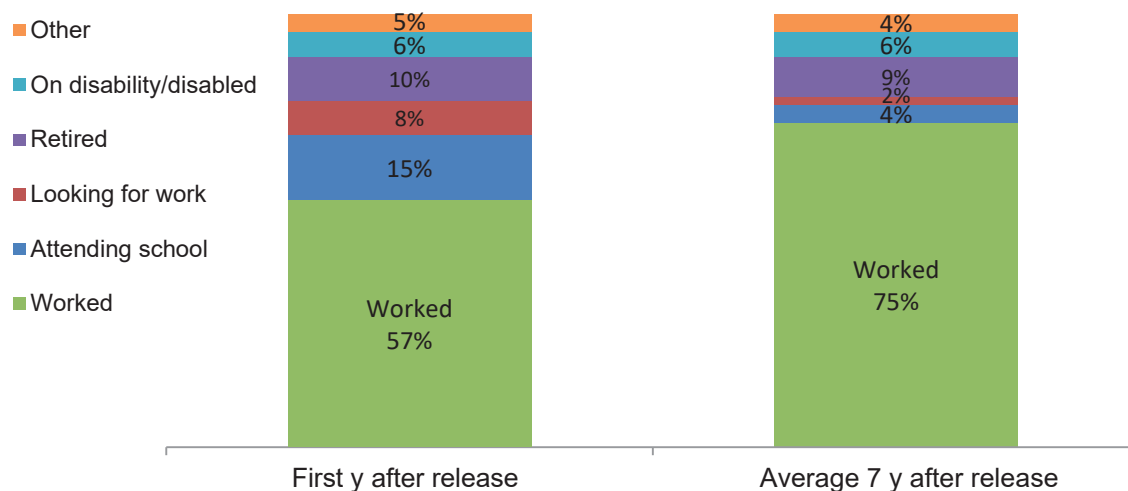
Main activity and labour force indicators	% of total population (95% CI)				
	Medically released (21%)	Non-medically released (79%)	Female (13%)	Male (87%)	Total (100%)
<b>Main activity year after release*</b>					
Worked at a job or ran a business	30 (27.5–33.6)	65 (62.7–67.2)	39 (33.4–44.4)	59 (56.9–61.0)	57 (54.6–58.7)
Retired and not looking for work	9 (7.2–10.8)	11 (9.5–12.2)	11 (7.9–15.0)	10 (9.1–11.4)	10 (9.2–11.5)
Attending school or training	27 (23.8–29.6)	11 (9.7–12.9)	22 (18.0–27.2)	14 (12.5–15.5)	15 (13.6–16.4)
Looked for work	6 (4.8–8.0)	8 (7.0–9.7)	6 <sup>†</sup> (3.8–9.4)	8 (6.8–9.2)	8 (6.7–8.9)
Cared or nurtured a family member or partner	2 <sup>†</sup> (1.4–3.4)	2 (1.0–2.2)	7 <sup>†</sup> (4.4–10.1)	1 (0.7–1.5)	2 (1.3–2.3)
Was disabled or on disability	23 (20.8–25.9)	1 <sup>†</sup> (0.7–1.6)	10 (7.6–13.5)	6 (5.3–6.8)	7 (5.8–7.3)
Other	2 <sup>†</sup> (1.6–3.6)	2 (1.7–3.2)	5 <sup>†</sup> (3.1–8.2)	2 (1.5–2.7)	2 (1.8–3.0)
Satisfied or very satisfied with work <sup>‡</sup>	68 (61.9–73.0)	74 (71.0–76.3)	64 (55.0–72.7)	74 (71.2–76.2)	73 (70.5–75.3)
<b>Main activity past year*</b>					
Worked at a job or ran a business	60 (57.2–63.3)	80 (78.4–82.7)	63 (57.6–68.2)	77 (75.4–78.7)	75 (73.8–77.0)
Retired and not looking for work	10 (8.0–11.7)	9 (7.7–10.2)	11 (7.9–14.8)	9 (7.8–9.9)	9 (8.1–10.1)
Attending school or training	3 (2.3–4.3)	4 (3.0–5.1)	4 <sup>†</sup> (2.2–6.2)	4 (3.0–4.7)	4 (3.0–4.6)
Looked for work	3 (1.8–4.0)	2 (1.6–3.1)	2 <sup>†</sup> (0.7–4.2)	2 (1.9–3.2)	2 (1.8–3.0)
Cared or nurtured a family member or partner	2 <sup>†</sup> (1.5–3.3)	2 (1.2–2.5)	8 (5.8–12.2)	1 (0.6–1.4)	2 (1.4–2.4)
Was disabled or on disability	20 (17.9–22.7)	2 (1.1–2.2)	10 (7.5–13.3)	6 (4.9–6.3)	6 (5.4–6.8)
Other	2 <sup>†</sup> (1.1–2.7)	1 (0.9–2.0)	2 <sup>†</sup> (1.0–4.6)	1 (1.0–1.9)	1 (1.1–1.9)
Satisfied or very satisfied with work <sup>‡</sup>	72 (68.2–75.8)	82 (80.1–84.2)	83 (77.5–87.8)	80 (77.9–81.8)	80 (78.4–82.0)
<b>Status at survey</b>					
Employed	50 (45.2–55.2)	78 (75.4–79.6)	67 (60.5–72.6)	73 (70.4–74.8)	72 (69.8–73.9)
Unemployed	6 <sup>†</sup> (3.7–8.3)	5 (4.1–6.7)	3 <sup>†</sup> (1.5–7.0)	6 (4.5–7.0)	5 (4.3–6.5)
Not in the labour force	44 (39.3–49.2)	17 (15.4–19.1)	30 (24.4–36.1)	22 (19.9–23.7)	23 (21.1–24.8)
Unemployment rate	10 (6.7–14.7)	6 (4.9–8.1)	5 <sup>†</sup> (2.1–9.8)	7 (5.8–8.9)	7 (5.6–8.4)
Worked part-time among those working	13 (9.2–18.6)	10 (8.2–11.9)	25 (17.9–33.3)	9 (7.7–11.2)	10 (8.8–12.2)
Skills transfer from military to civilian job ("strongly agree" or "agree") <sup>§</sup>	42 (35.6–49.4)	51 (47.5–53.6)	40 (32.3–47.7)	51 (47.8–53.8)	49 (46.5–52.2)

\*Life After Service Studies survey 2010; otherwise, Life After Service Studies survey 2013.

<sup>†</sup>Sample size less than 30, estimate considered unreliable.

<sup>‡</sup>Among those whose main activity was working.

<sup>§</sup>Knowledge and skills used in current or most recent job were the same as those from military service. Among those currently working or worked in the past year.



**Figure 3.** Main Activity at Release and in Year Before Survey

Less than one-third of medically released Veterans reported that their main activity was working in the year after release compared with about two-thirds of those not medically released (for details, see Table 3). Although the employment rate among medically released Veterans had risen to 60% in the year before the survey, it had risen to 80% among non-medically released Veterans. Medically released Veterans who were working were also less likely to report being satisfied with their work both in the year after release and in the year before the survey. Few medically released Veterans were looking for work after release, a rate not statistically different from that of non-medically released Veterans. Medically released Veterans had lower labour market participation; 44% were not in the labour force compared with 17% of non-medically released Veterans. At the time of the survey, 30% of female Veterans were not in the labour force compared with 22% of male Veterans.

In the year after release, 39% of women reported that their main activity was working compared with 59% of men (Table 3). Women were more likely to be attending school and to report being on disability than men. In the year before the survey, the employment rate had risen to 63% among women and to 77% among men. In the year before the survey, women were also more likely than men to report that their main activity was caregiving and to report being on disability. Women and men did not differ in their satisfaction with work both in the year after release and in the year before the survey. Women did not differ from men in

unemployment and employment rates but were more than twice as likely as men to work part time. Although female Veterans were more likely to have been in a comparable civilian occupation at release, they were less likely to agree that the knowledge and skills used in their civilian job were the same as those used during their military service. Medically released Veterans did not differ from non-medically released Veterans in unemployment rate or working part time but were much less likely to be employed. Also, medically released Veterans who were employed were less likely to agree that their military skills transferred to their civilian career.

### Labour force status

Most Veterans were working in the 4 weeks before the survey. However, the employment rate was lower than the rate for the Canadian general population (see Figure 3 and Table 4 for details), and the unemployment rate was not different from that of Canadians. However, more than one-third of working Veterans reported activity limitations at work, compared with 13% of Canadians, and almost one-quarter of Veterans were not in the labour market, compared with 18% of Canadians.

The rate of both unemployed Veterans and those not in the labour force reporting a difficult adjustment to civilian life was twice that of employed Veterans (Table 5). Those who were unemployed were younger at release than both those who were employed and those not in the labour force. The unemployment rate among medically released Veterans at the time of the survey was

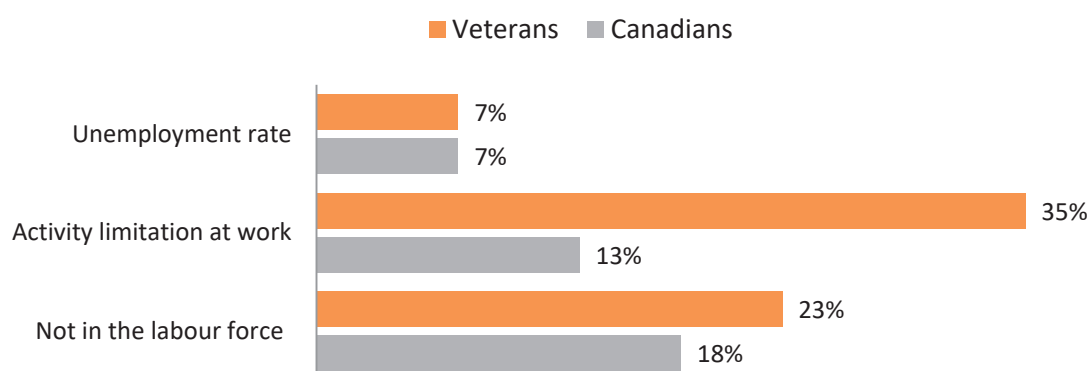
**Table 4.** Comparisons with Canadians

Indicator	% (95% CI)	
	Veterans	Canadians, Adjusted*
Unemployment rate	6.9 (5.6–8.5)	7.4 (0–13.4)
Employment rate	72 (69.7–73.8)	76 (74.3–78.3)
Health-related activity limitations at work <sup>†</sup>	35 (33–37)	13 (7–19)
Not in the labour force <sup>‡</sup>	23 (21.9–24.8)	18 (15.6–19.6)

\*Canadian comparators are from the March 2013 Labour Force Survey and are adjusted for age and gender.

<sup>†</sup>Percentage of those working who experienced activity limitations at work. See Thompson and colleagues.<sup>22</sup>

<sup>‡</sup>Percentage of the population who did not have a job or were permanently unable to work.

**Figure 4.** Veterans Compared with Canadians

not statistically different from that of non-medically released Veterans.

Veterans who were unemployed had fewer years of service and were more likely to have served in the Army than those not in the labour force. Those who were not in the labour force had the longest service. Two-thirds of those not in the labour force served for 20 years or more, whereas fewer than half of employed Veterans served that long.

### Health status and employment

Veterans who were unemployed were less likely than those who were employed to be satisfied with life, main activity, and finances (Table 5). Veterans who were not in the labour force were much more likely to have been medically released. Veterans not in the labour market were less likely to be satisfied with life, were more than three times as likely to require assistance with at least one daily task, and were less likely to perceive their health as very good or excellent.

Although the employed Veterans were better off in many areas than both those who were unemployed

and those who were not in the labour force, some experienced difficulties – 1 in 5 reported a difficult adjustment to civilian life, and the same proportion were not satisfied with their main activity. One-quarter were not satisfied with their finances, and about 1 in 10 were not satisfied with life. Many also had activity limitations, and some needed help with activities of daily living.

### DISCUSSION

We found that, overall, Veteran labour market outcomes in Canada appear quite positive. However, a subset of Veterans experience difficulty. In addition, the outcomes for sub-groups of the Veteran population differed considerably, which suggests the need for targeted as opposed to universal approaches to improving labour market outcomes. Although most Veterans are employed, high rates of activity limitations among working Veterans may suggest precarious employment or accommodation needs. Moreover, although the unemployment rate among Veterans was not different from that of Canadians, the rate of unemployed Veterans reporting



**Table 5.** Labour force participation by demographic characteristics and health status

Demographic Characteristics and Health Status Indicators	% of total population (95% CI)*		
	Not in the labour force (23%; 21.0–24.8)	Unemployed (5%; 4.3–6.5)	Employed (72%; 69.8–73.9)
Difficult adjustment to civilian life	43 (38.2–47.3)	40 (29.8–50.6)	21 (19.2–23.8)
Demographic characteristics			
Average age at survey, y (95% CI)	50 (49.1–51.5)	39 (35.9–41.1)	42 (41.6–42.8)
Male	83 (78.5–85.8)	92 (83.1–96.2)	88 (85.5–89.3)
Education at survey			
< High school	8 (5.9–11.2)	8 <sup>†</sup> (3.5–16.8)	4 (2.8–5.0)
High school	51 (46.1–55.2)	43 (32.6–53.7)	40 (37.3–42.9)
Post-secondary	29 (25.3–33.8)	41 (30.5–52.0)	38 (34.9–40.4)
University	12 (9.8–14.3)	8 <sup>†</sup> (5.1–13.6)	19 (16.8–20.4)
Low income (below LIM in 2012)	10 (7.2–13.2)	20 <sup>†</sup> (11.7–31.5)	6 (4.6–7.7)
Length of service			
<2 y	7 <sup>†</sup> (4.9–10.5)	32 <sup>†</sup> (22.5–44.1)	25 (22.4–27.8)
2–9 y	14 (10.1–17.9)	25 <sup>†</sup> (16.0–35.7)	21 (18.9–23.9)
10–19 y	13 (10.1–17.0)	12 <sup>†</sup> (6.3–20.3)	11 (9.3–12.9)
≥20 y	66 (61.2–70.7)	32 (23.6–40.8)	43 (40.1–45.4)
Release type			
Involuntary	5 <sup>†</sup> (2.6–7.7)	10 <sup>†</sup> (4.7–19.5)	7 (5.7–9.0)
Medical	41 (36.1–45.2)	22 <sup>†</sup> (15.0–31.6)	15 (12.8–16.7)
Voluntary	30 (26.3–34.5)	55 (44.6–65.5)	59 (56.3–61.8)
Retirement age	11 (8.9–13.3)	4 <sup>†</sup> (1.9–7.8)	3 (2.1–3.3)
Service complete	14 (11.1–17.0)	9 <sup>†</sup> (4.8–15.9)	17 (14.7–18.6)
Officer	20 (17.3–23.0)	13 <sup>†</sup> (8.5–19.0)	20 (18.1–21.5)
Army	47 (42.8–51.9)	67 (57.4–75.9)	55 (52.1–57.7)
Military occupation			
Combat arms	21 (16.8–24.9)	33 <sup>†</sup> (23.3–45.4)	28 (25.1–30.6)
Administration, etc.	33 (28.5–37.4)	28 <sup>†</sup> (18.9–38.3)	21 (19.0–23.7)
Other	47 (42.1–51.3)	39 (29.0–50.0)	51 (48.1–53.9)
Comparable civilian occupation	72 (67.4–76.0)	62 (50.6–72.9)	66 (62.7–68.5)
Health status			
Satisfied with life (“satisfied” or “very satisfied”)	71 (66.3–75.0)	77 (67.0–85.2)	91 (89.3–92.7)
Satisfied with main activity (“satisfied” or “very satisfied”)	65 (60.5–69.5)	46 (35.3–56.5)	80 (77.8–82.4)
Satisfied with finances (“satisfied” or “very satisfied”)	67 (62.4–71.2)	35 (25.9–45.3)	74 (71.1–76.2)
Activity limitation (“often” or “sometimes”)	71 (67.0–74.9)	48 (37.2–58.3)	43 (40.0–45.5)
Needs help with ≥1 daily activity task	41 (36.8–45.8)	20 <sup>†</sup> (13.1–30.1)	13 (11.6–15.3)
Self-perceived health (“very good/excellent”)	31 (27.2–35.2)	50 (39.2–60.4)	60 (56.9–62.4)
Self-perceived mental health (“very good/excellent”)	44 (39.4–48.3)	49 (38.4–59.6)	68 (65.5–70.8)

\*Unless otherwise noted.

<sup>†</sup>Sample size < 30; estimate considered unreliable.

LIM = low income measure.

difficulty adjusting to civilian life was twice that of employed Veterans; unemployed Veterans were also younger with fewer years of service, were more likely to have served in the Army, and were less likely to have been an officer than other Veterans.

Female Veterans in Canada have been found to experience relatively large reductions in post-release income – much of which is due to a larger decline in employment earnings, resulting at least in part because of lower labour force participation and higher rates of part-time work compared with male Veterans. Their lower labour force participation may be related to their higher rates of disability and caregiving. Female Veterans have been found to experience higher overall disability risk.<sup>23–24</sup> Women have also been found to experience a higher rate of injuries in initial military training.<sup>25</sup> Occupation may also play a role in women's lower earnings. Women were found to be much more likely to have been in administrative occupations at release. On average, Veterans in administrative occupations experienced a greater decline in earnings than Veterans overall. More research, however, is needed to examine the role of occupation and gender in civilian earnings.

Almost one-quarter of recently released Veterans in Canada were not in the labour force, a rate exceeding that of Canadians.<sup>26</sup> This rate may reflect barriers to the labour market, including potential bias, stigma, and discrimination faced by Veterans; difficulty translating military experience to the civilian workplace; and the effects of disability.<sup>28</sup> Veterans are perceived by the public to be more likely to have a mental health condition than the general population<sup>28</sup> and may face discrimination in hiring. However, evidence suggests that even those with severe mental health conditions can and do work,<sup>29</sup> and in fact work leads to recovery and well-being.<sup>1</sup> Although some persons have a disability so severe that they cannot work, many others would like to work but face barriers unrelated to their condition, which suggests that many Veterans could benefit from employment supports and particularly the VAC's rehabilitation program, which is designed to help Veterans remove barriers to work. In fact, many Veterans who report their main activity is being on disability have been found to have low rates of satisfaction with both life and their finances and would likely benefit from employment supports.<sup>26</sup>

Work re-integration is becoming a greater focus for disability compensation programs internationally and in Canada.<sup>30</sup> Best practices in preventing work disability include designing compensation systems to encourage

work and interventions aimed at improving employment integration. Some jurisdictions use approaches to compensate for earnings loss that recognize varying degrees of work capacity and are designed to encourage labour market engagement.<sup>31</sup> Veterans receiving benefits for a service-connected psychiatric condition who received benefits counselling worked significantly more days than Veterans without counselling.<sup>32</sup> Interventions to improve mental health have been found to increase the likelihood of employment, work-related QOL, or both.<sup>33–37</sup>

Work – specifically supported employment programs – can also be part of the recovery process. A literature review on workplace re-integration found that people with mental health conditions can return to work after a prolonged absence, a reduction in symptoms is not required before seeking work, return to work can improve mental health, and the most promising intervention for work was Individual Placement and Support or supported employment.<sup>29</sup> In 2004, the US Veterans Health Administration began an effort to nationally disseminate supported employment in addition to its array of other vocational rehabilitation support programs. It used the Individual Placement and Support Fidelity Scale to train and report on the implementation of supported employment.<sup>38</sup> Although the literature has found supported employment to be more effective than traditional vocational rehabilitation for homeless Veterans,<sup>39</sup> Veterans with posttraumatic stress disorder,<sup>40</sup> and Veterans with spinal cord injuries,<sup>41</sup> barriers to implementation have also been highlighted. “Paternalistic-uninformed concerns”<sup>41(p. 1290)</sup> about the ability of persons with serious mental illness to be gainfully employed and a lack of organizational structures and leadership to promote and integrate the supported employment program were found to be common implementation barriers. Further research is needed to identify the barriers to labour market participation being experienced by Veterans in Canada. To this end, VAC, Employment and Skill Development Canada, and Statistics Canada have partnered to include a Veteran identifier question on the 2017 Canadian Survey on Disability.

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## CONTRIBUTORS

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