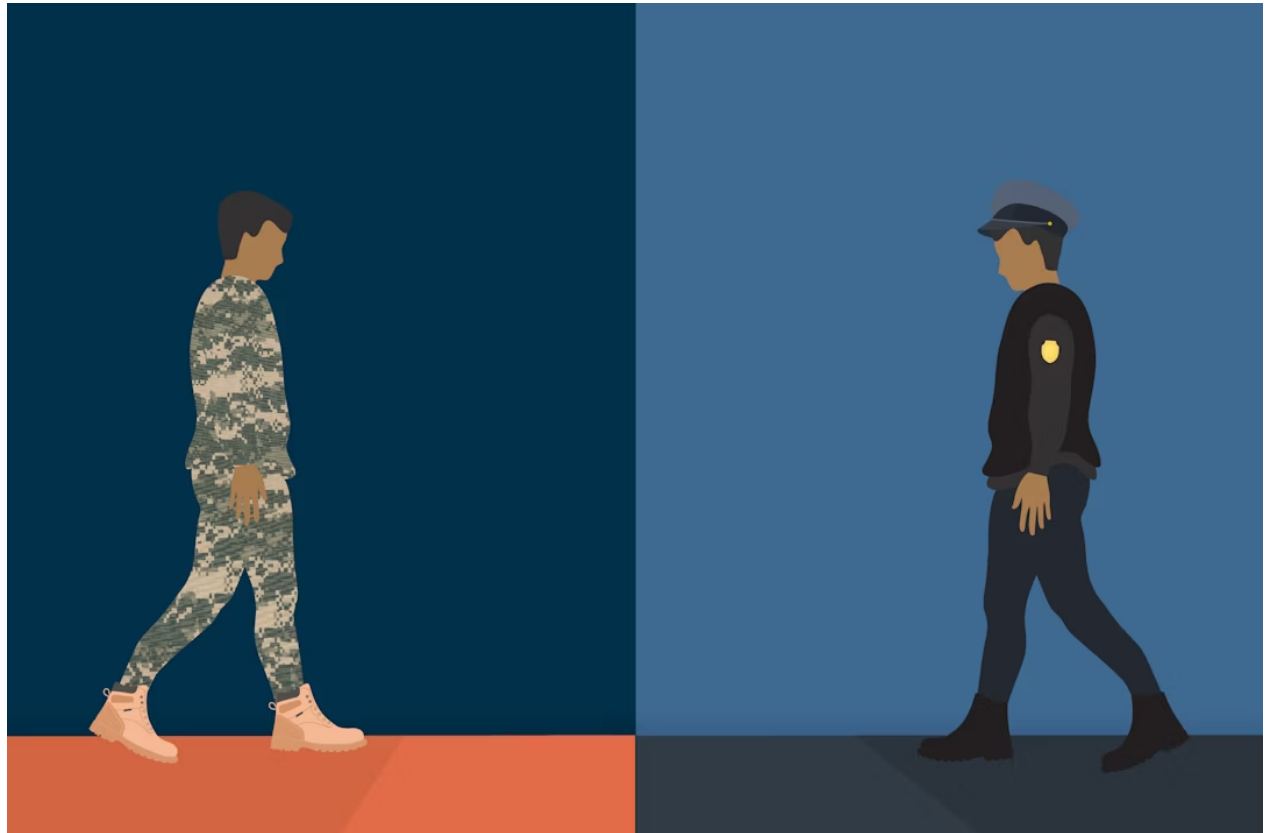


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What the Economy Looks Like for Non-College Veterans



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There are 5.2 million veterans who served during the Gulf War and throughout the era of the Global War on Terrorism. Most of them (3.5 million) do not have a four-year college degree. The safety net implemented by the Veterans Administration has had a significant impact on these servicemembers. As a result, non-college veterans have been able to attain a middle-class lifestyle more readily than their non-veteran peers.

As these servicemembers transition to civilian life, it's important for policymakers to understand their economic realities. ¹ Below, we break down the numbers on non-college veterans. We examined data from the US Census Bureau and the US Bureau of Labor Statistics made available by the Minnesota Population Center at the University of Minnesota (IPUMS). And we focused our analysis on those aged 18-54, a slightly larger group than the official post-9/11 cohort designation.

Who are they?

Mostly lacking a four-year degree: Just like the non-college civilian population, two-thirds of veterans lack a four-year college degree. ² However, veterans were more likely to be enrolled in school or have at least some college education or other formal training. ³ This is likely due to the generous nature of the Post-9/11 GI Bill, which provides veterans with up to 36 months of educational funding, and can also cover technical schools and other training. ⁴

Diverse community: Forty percent of non-college veterans are people of color. ⁵ Black and Hispanic veterans constitute 15% each. ⁶ The remaining 8% of non-college veterans are Asian or from other minority populations. ⁷

Likely to be working: Eighty percent of all noncollege veterans are in the labor force, well above the national labor force participation rate. With an unemployment rate of only 3.6%, veterans are very employable. ⁸ Only 600,000 non-college veterans fell outside the labor force, a significantly lower rate than their civilian counterparts. ⁹

Diverse careers: A 2020 census study shows many veterans were in management positions, with security services close behind. ¹⁰ Veterans are also frequently employed at high rates in installation and repair services, business administration, and financial services. ¹¹

More likely to own a home: Nearly two-thirds of non-college veterans report being homeowners compared to 57% of the general population. ¹² Nearly 55% of minority non-college veterans reported being homeowners, which is higher than the national averages for all civilian minority groups. ¹³

More likely to be insured: Only 5% of non-college veterans reported they lacked any form of health insurance. ¹⁴ This is an astonishingly low rate when you consider that the civilian non-college uninsured rate sits at nearly 16%. ¹⁵ For veterans, health insurance can overlap, as they are allowed to carry both VA health coverage and private health coverage simultaneously. Three million non-college veterans reported receiving coverage from either Tricare or the VA in the last year. ¹⁶

Higher disability levels: One-third of non-college veterans have some level of disability. ¹⁷ When income calculations for veterans account for VA disability benefits, the earnings of non-college veterans increase dramatically. For those with disability benefits, income jumps nearly \$12,000. ¹⁸ For the 20% of non-college veterans, with disability ratings above 70%, their monthly income rises to an average rate of \$2,774/month or about \$33,000 a year. ¹⁹

Gender Disparities

Overwhelmingly male: While the veteran population is racially diverse, it is far less so when it comes to gender. A whopping 85% of non-college veterans are men. ²⁰

A 2015 VA study also found female veterans were generally more diverse than male veterans. When separated by gender, about 35% of female veterans were minorities, compared to only about 20% of all male veterans. ²¹

Female vets ahead on education: Female veterans outpace their non-college male veterans in educational attainment by nearly 12 percentage points. ²² In 2018, the Census Bureau reported that one-in-three female veterans had enrolled in college or school. ²³ While female veterans enroll in college at higher rates and are more likely to have a degree than their civilian counterparts, they are still experiencing similar unemployment rates. ²⁴

But behind on employment: Non-college female veterans are not fairing as well as their male veteran counterparts regarding earnings and employment. In 2018, the Census Bureau reported nearly one-third of female veterans were non-employed. Twenty four percent were out of the labor force entirely, compared with only 13% of male veterans not being in the labor force. ²⁵

And earning less: For those that were employed, non-college female veterans earned an average of \$28,000/year. ²⁶ In comparison, this was only 70% of what non-college male veterans earned in an average year. ²⁷ Female veterans are also more likely to have service-connected disabilities and more likely to be considered a part of the working poor than veteran males. ²⁸

Veterans Benefits

There are many benefits that veterans have earned by their service.

The GI Bill: Veterans receive up to 36 months of educational funding. This could be used for college but can also cover technical schools and other training. The GI Bill benefit can directly affect whether a veteran goes to college or not.

VA Backed Home Loans: The VA will back any qualifying home loans for US military veterans, allowing no money needed for a downpayment and generally better loan terms. The Veteran Administration's targeted home loan underwriting program contributed to higher rates of homeownership.

VA Health Coverage: Any veteran with or without qualifying injuries is eligible for care within the VA national hospital network. While not all choose to enroll, the expansive eligibility has built a floor for veterans to always have access to a form of health insurance. Insurance does not mean access to care, however. Veterans still have prolonged waiting times and difficulty accessing needed outpatient and mental health services.

VA Disability Compensation: Veterans can receive compensation from the Department of Veterans Affairs due to injuries sustained during or worsened as a result of their service in the military. When a veteran is determined to have a service-connected disability that is eligible for compensation, the VA pays out a monthly non-taxable stipend to the veteran. This stipend is a set rate that is not changed based on the veterans' earnings, savings, or number of hours worked in each week. Disability is often awarded in perpetuity for the remainder of the veteran's life. Overall, the VA disability compensation program ensures that hundreds of thousands of veterans remain out of poverty by providing high-quality, non-restrictive compensation.

Conclusion

While the Veterans Administration continues to receive scrutiny for shortcomings, failures, and challenges, let it be clear: the safety net implemented by the VA has had a tangible benefit to veterans. Non-college veterans are experiencing greater rates of homeownership, educational attainment, income security, and health insurance because of targeted and continually revamped VA supports. **The result has allowed non-college veterans to more easily attain a middle-class**

lifestyle compared to their non-vet peers. And recent improvements in the PACT Act made further strides in veterans' care, but it will take time for the impacts to be felt.

And yet, evidence still shows differences continue to exist between various groups of veterans. Female veterans still lag male veterans economically. Limited studies conducted by the VA in the mid-2010s suggest minority veterans are also lagging behind their white male veteran counterparts.

The economic picture of non-college veterans highlights how targeted federal assistance programs can radically change outcomes for groups. Without targeted strong safety nets deployed by Congress to support an array of different economic circumstances surrounding veterans, the community would likely be faring much worse. Congress and the VA must continue to improve and develop structured programs to ensure the middle class remains attainable for all those who served.

ENDNOTES

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