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Examining the Evolution of Veteran Labor Market Outcomes



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About This Report

In this report, we examine the evolution of civilian labor market outcomes of veterans who served in the era since the September 11, 2001, terrorist attacks (9/11) using newly linked administrative and survey data from the U.S. Census Bureau's Longitudinal Employer-Household Dynamics program and the American Community Survey. We provide one of the first longitudinal assessments of veterans' earnings trajectories relative to those of non-veterans, accounting for differences in education and initial occupation, industry, and firm characteristics. In our sample of those consistently employed for eight years after entering the labor market, veterans experienced faster earnings growth than comparable non-veterans. These gains are broadly consistent across demographic groups despite differences in initial earnings levels. This report is intended for policymakers, researchers, and federal and state agencies seeking to support veterans' transitions to civilian employment.

RAND Epstein Family Veterans Policy Research Institute

This work was conducted within the RAND Epstein Family Veterans Policy Research Institute, which is dedicated to conducting innovative, evidence-based research and analysis to improve the lives of those who have served in the U.S. military. Building on decades of interdisciplinary expertise at RAND, the institute prioritizes creative and policy-relevant analysis and evaluation to meet the needs of all veterans while engaging and empowering those who support them. For more information, visit veterans.rand.org or email veteranspolicy@rand.org.

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eral Statistical Research Data Center's administrative staff, particularly Melissa Banzhaf, Shahin Davoudpour, and Lanwei Yang, for their assistance in accessing the data and disclosing the results.

Summary

In this report, we examine how military service connects to earnings in the civilian labor market by tracking veterans' and non-veterans' labor market outcomes over their first eight years after entering the civilian workforce. We linked data from two major U.S. Census Bureau datasets to compare veterans' and non-veterans' earnings outcomes over time while accounting for observable differences.

Key Findings

- Post-9/11 veterans' earnings grew faster than those of comparable non-veterans in our sample of veterans who were consistently employed over the first eight years after they entered the labor market.
- Although veterans started with slightly lower earnings than non-veterans, their earnings grew about 10 percentage points more than non-veterans over those eight years.
- This earnings growth advantage was present across demographic groups, including male, female, Black, Hispanic, and White veterans.
- More research—especially datasets that link veterans' military service histories to comprehensive civilian employment records, including federal employment—is needed to understand veterans' military-to-civilian labor market transition.

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Understanding Veterans' Labor Market Outcomes

About 200,000 veterans have separated from the military each year since 2009 (Bradbard and Maury, 2021). Many enter the civilian labor market, but the transition can be difficult. Veterans must translate military skills into civilian job terms, decide whether to pursue additional education, and present their backgrounds to employers who might not know how military experience maps onto civilian roles. The challenges that veterans face as they enter the labor market could shape their earnings trajectories for years afterward.

Despite the hurdles that veterans face, there is relatively little research that examines how they fare over the long term in the civilian labor force after separating from the military (U.S. Census Bureau, 2020; Coile, Duggan, and Guo, 2015; Greenberg et al., 2022). Some studies have found significant differences in veterans' labor market outcomes depending on their military occupations (Goldman et al., 2021; U.S. Census Bureau, undated-c), and recent research among Army veterans found that military service is associated with increased earnings for Black soldiers (Greenberg et al., 2022). However, partly because of data-related challenges, much remains unknown about the civilian labor market outcomes of veterans across the service branches, including how their earnings evolve over time in comparison with earnings of non-veterans and how outcomes differ by demographic group. Understanding this is essential for addressing the labor market barriers that veterans face and better preparing them for civilian employment.

In this report, we examine how military service connects to earnings in the civilian labor market by tracking veterans' and non-veterans' labor market outcomes over their first eight years after entering the civilian workforce. We linked data from the Longitudinal Employer-Household Dynamics (LEHD) program—the largest longitudinal panel of U.S. worker employment—to data from the American Community Survey (ACS) to follow earnings from 2005 to 2019 (U.S. Census Bureau, undated-a; U.S. Census Bureau, undated-b). Although prior work has used the ACS alone to study veterans' labor market outcomes (e.g., Schulker, 2017), ours is one of the first studies to combine these two federal datasets, allowing us to examine how earnings evolve over time rather than capturing a single snapshot. The ACS-LEHD link also let us account for details that are usually unavailable in administrative data, such as workers' education, first civilian occupations, and the characteristics of initial employers. We used these data to compare veterans and non-veterans over time while

accounting for observable differences (see Appendixes A, B, and C for additional details on the sample, analytic approach, and data construction, respectively).

Our analytic sample included approximately 13,000 post-9/11 veterans and 661,000 non-veterans. Our sample was drawn from approximately 30 states that agreed to participate in this research study.¹ We focused on individuals who entered the labor market between ages 23 and 35 and who could be followed consistently for eight years.² Because the LEHD data available for this project do not cover all states and exclude federal employees, the findings should be interpreted as applying to this analytic sample—who are younger and consistently employed—rather than to all veterans. The data used here also do not support separate analyses by service branch, years of military service, or officer versus enlisted status because these data are obtained from military records, which we did not have access to.

Our central finding is that, in our sample, veterans' earnings grew about 10 percentage points more than those of comparable non-veterans (*earnings* refers to wages from a worker's primary job).³ Although veterans tended to begin their civilian careers with slightly lower initial earnings, their earnings rose more rapidly than non-veterans' earnings, narrowing or reversing early gaps. These patterns held broadly across demographic groups—including male, female, Black, Hispanic, and White veterans—and remained consistent after controlling for firm size, firm age, and initial occupation. These findings contribute to our understanding of veterans' transition to civilian life and are intended for policymakers, veterans, and other relevant stakeholders, such as the Department of War,⁴ the Department of Veterans Affairs, employers, and workforce development organizations.

What Prior Research Tells Us About Veterans' Labor Market Outcomes

Our report builds on three broad lines of prior research. The first examines earnings differences between veterans and non-veterans in the U.S. labor market. These studies vary in the period examined, data used, methods, and overall findings. Early work by De Tray (1982) used publicly available U.S. Census Bureau data to examine the signaling value of veteran status and found evidence that veterans command a wage premium because of status and human

¹ We are not able to disclose the specific states because of U.S. Census Bureau disclosure rules.

² This reflects those who were employed full time at labor market entry and had non-zero earnings in each of the subsequent years in our sample.

³ Earnings typically correspond to the job with the highest earnings in a given quarter (see Appendix C for more details on how we define a worker's primary job). We computed earnings growth for individual workers by taking the difference between later earnings and initial earnings and dividing that by initial earnings.

⁴ The Department of War is designated the Department of Defense under Public Law 81-216, National Security Act Amendments of 1949. Executive Order 14347, signed September 5, 2025, authorized the use of Department of War as a secondary name for the Department of Defense.

capital accumulation. Later work by Angrist (Angrist, 1990; Angrist, 1998) used Social Security administrative data to examine the long-term earnings of Vietnam-era veterans, finding different effects of service for White and non-White veterans. Angrist, Chen, and Song (2011) revisited these effects with updated data and found no earnings or employment differences for veterans relative to those of non-veterans. A separate set of studies using administrative military records examined how service affects earnings in both the short term and long term (Loughran et al., 2011; Martorell et al., 2014). Different periods have also produced different results: Angrist and Krueger (1994) examined World War II veterans' earnings, while Humensky et al. (2013) found different patterns for veterans of the Iraq and Afghanistan wars relative to earlier periods. Less work has examined employment and earnings for veterans in the post-9/11 era specifically, which is the sample we focus on in this report (Heaton and Krull, 2012; Kleykamp, 2013).

Several studies use instrumental variables or similar techniques to address the concern that veterans might differ from non-veterans in unobservable ways. For example, to more accurately determine the causal impacts of military service, a study by Greenberg et al. (2022) used eligibility thresholds in Armed Forces Qualification Test scores to estimate the effects of Army enlistment on long-term earnings. The authors found significant differences by race: Black veterans earned substantially more than comparable non-serving Black workers, while White veterans did not experience similar gains relative to White non-veterans. Greenberg et al. (2022) attribute this to different counterfactuals: Military enlistment increases the likelihood of stable, well-paying employment more for Black veterans than for White ones. Demographic differences also appear in Kleykamp's (2009) audit study, which found that employers preferred Black veterans over Black non-veterans. Other work likewise highlights the importance of accounting for race, sex, and education when assessing veterans' labor market outcomes (Kleykamp, 2013; Teachman and Tedrow, 2007).

The second line of related research focuses on transitions from military to civilian employment. Some of this work examines the skills and experiences that service members developed during their military service, how those capabilities translate to civilian occupations, and how military backgrounds shape later labor market outcomes. For example, Wenger et al. (2017) surveyed soldiers in Army military occupational specialties to identify the knowledge, skills, and abilities that could transfer to civilian roles, and Strong and Wenger (2025) identified civilian occupations in the energy and infrastructure sectors that are likely to align with veterans' military skills and job duties. Hall et al. (2014) conducted qualitative interviews with employers to examine veterans' transitions, highlighting specific benefits of hiring veterans in terms of the skills they acquired during their military service. Goldman et al. (2021) similarly showed that civilian earnings vary by military occupational specialty. Related work examines the civilian occupations that veterans pursue. Schulker (2017) found that veterans tend to pursue occupations that build on veterans' military experience, such as technical roles, and Makridis and Hirsch (2021) examined how veterans concentrate in certain civilian occupations and geographic regions.

The third line of study relates to adjacent research on the broader effects of military service on veterans' well-being, including health and educational outcomes. Some studies have examined the use of education benefits (Barr et al., 2025; Kofoed, 2020) and educational attainment gains (Bound and Turner, 2002; Ward, Wenger, and Kroeger, 2026; Wenger and Ward, 2022). Related work has examined health impacts incurred during service (Bedard and Deschênes, 2006) and post-service benefits, such as the Veterans Disability Compensation program (Autor, Duggan, and Lyle, 2011; Coile, Duggan, and Guo, 2015).

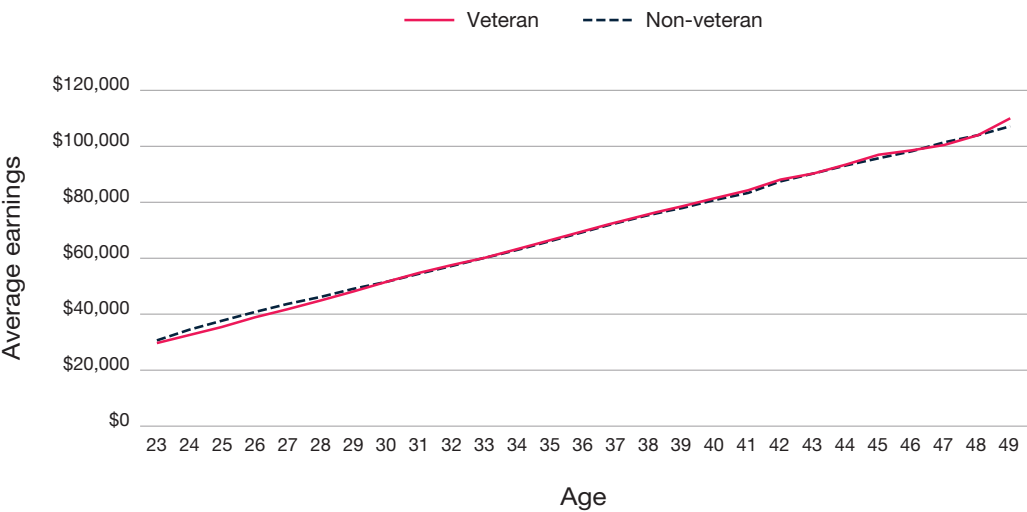
This report also complements a U.S. Census Bureau experimental data product—the Veteran Employment Outcomes program (U.S. Census Bureau, 2025), which links administrative records from the Department of War with the LEHD. In contrast, our analysis uses ACS-identified post-9/11 veterans linked to the LEHD. Although our data do not include military service characteristics, we could—in our particular sample—compare veterans with non-veterans and track earnings over time while controlling for early civilian occupations and reported demographic characteristics, among other observable factors. In this way, the results from our study further our understanding of how employed veterans' and non-veterans' earnings evolve after accounting for observable differences in initial occupation, demographics, and other early labor market characteristics.

How Veterans’ Earnings Evolve Compared with Non-Veterans’

Veterans Have Lower Initial Earnings but Close the Gap Over Time

We descriptively examined how average earnings at a given age vary by veteran status within our analytic sample. As shown in Figure 2.1, among workers in their 20s, veterans earned slightly less than their peers, but this gap closes by age 30. By the end of our observation window, veterans earned slightly more than non-veterans.

FIGURE 2.1
Average Earnings Over a Career: Veterans Versus Non-Veterans

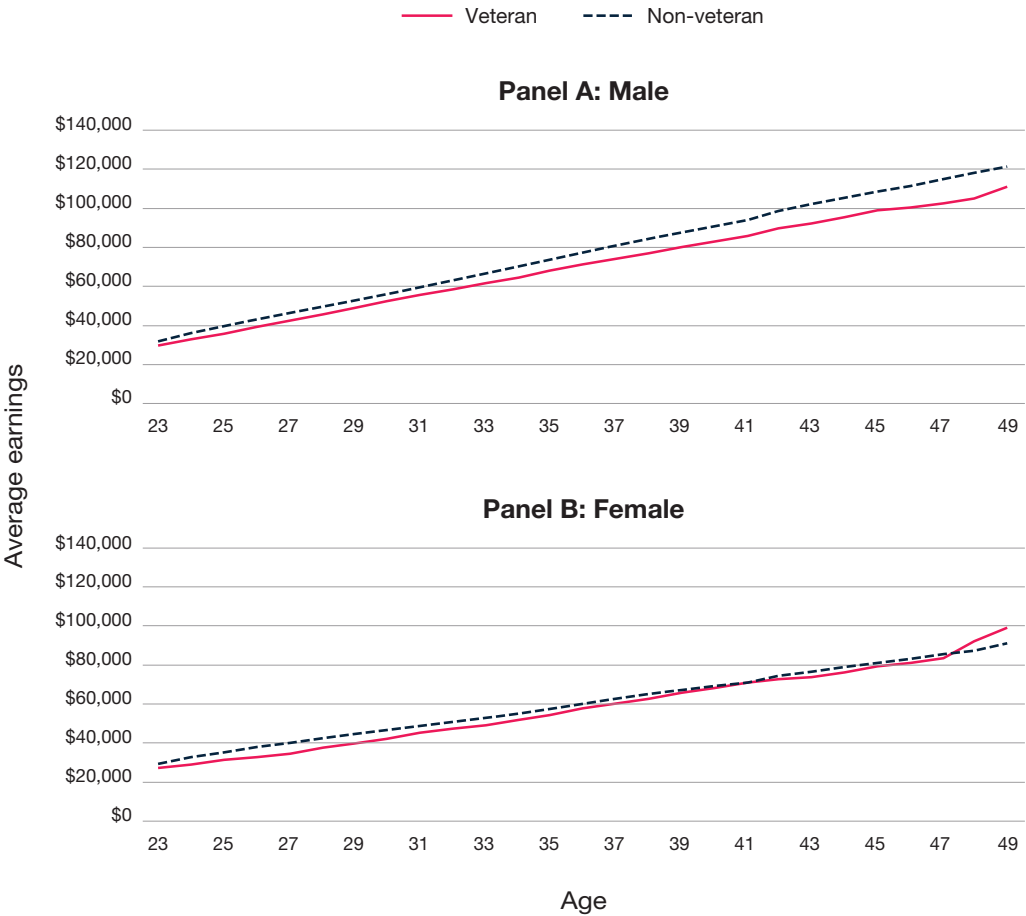


SOURCES: The figure is based on data from U.S. Census Bureau, undated-a; and U.S. Census Bureau, undated-b. The research was performed at a Federal Statistical Research Data Center under FSRDC Project Number 2759. (CBDRB-FY25-P2759-R11726)

NOTE: This figure shows average annual earnings (in 2019 dollars) by age for veterans and non-veterans in the analytic sample. Earnings reflect wages from individuals’ primary jobs and are averaged across all workers observed at each age.

Given that these averages can mask demographic differences—such as veterans being disproportionately male and prior research showing that veterans’ earnings vary by race¹—we examined differences by sex and race or ethnicity. Within each sex, veterans’ average earnings were lower than those of non-veterans at most ages, as shown in Figure 2.2.

FIGURE 2.2
Differences in Earnings of Veterans Versus Non-Veterans, by Sex



SOURCES: The figure is based on data from U.S. Census Bureau, undated-a; and U.S. Census Bureau, undated-b. The research was performed at a Federal Statistical Research Data Center under FSRDC Project Number 2759. (CBDRB-FY25-P2759-R11726)

NOTE: This figure shows average annual earnings (in 2019 dollars) by age for veterans and non-veterans in the analytic sample grouped by sex. Earnings reflect wages from individuals’ primary jobs and are averaged across all workers observed at each age.

¹ Because of U.S. Census Bureau disclosure rules, we were limited in the types of groups we could examine. We focused on subgroup analyses by sex (male versus female) and race or ethnicity (White, Black, or Hispanic).

This indicates that the overall earnings advantage for veterans shown in Figure 2.1 is driven by composition: Veterans are disproportionately male, and men earn more than women on average. Among men, veterans earned less than non-veterans, and this gap widened with age. Among women, veterans started out earning less than non-veterans but appeared to close the gap in their 30s.

Among both Black and Hispanic workers, veterans' average earnings were higher than non-veterans' average earnings, and these earnings advantages grew with age, as shown in Figure 2.3. By their 30s, Black veterans earned \$2,000 to \$5,000 more than Black non-veterans, and Hispanic veterans earned \$6,000 to \$14,000 more than Hispanic non-veterans. The pattern is different for White workers: White veterans earned slightly less than White non-veterans in their 20s, and the two groups earned roughly the same by their 30s.

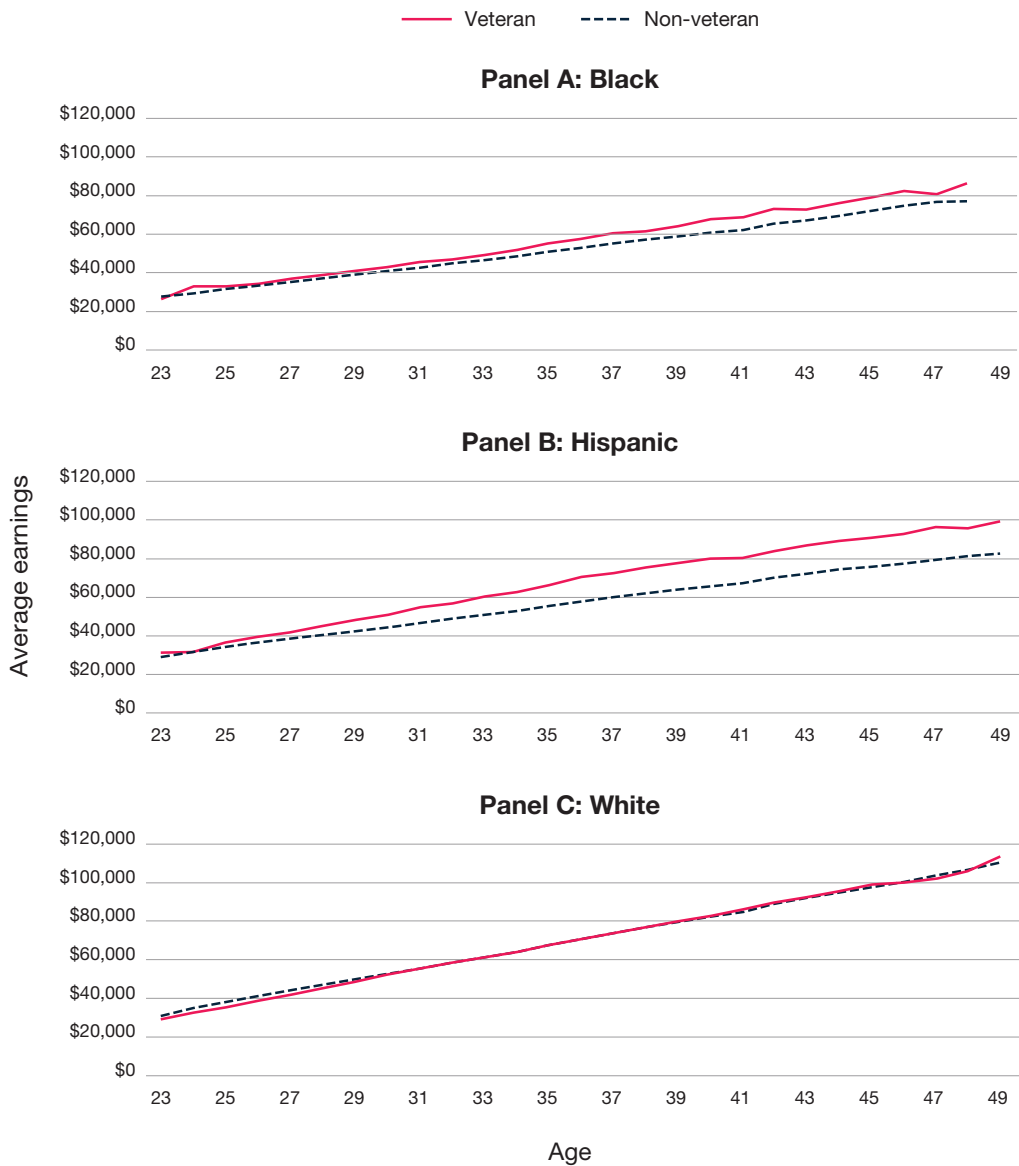
What Drives the Earnings Growth Advantage for Veterans in Our Sample

To move beyond the unadjusted comparisons shown in the previous section, we estimated regression models that compared veterans and non-veterans who had similar observable characteristics. These models adjusted for education, sex, race or ethnicity, initial job-relevant characteristics (occupation, industry, firm size, firm age, state), and timing of the entry into the labor market (see Appendix A for more details on these variables). These adjustments allowed us to assess whether the earnings growth pattern for veterans remained after accounting for differences in worker and initial job characteristics (we provide additional details on the analytic strategy in Appendix B).

We focused on earnings growth over an eight-year period rather than levels because this allowed us to account for baseline earnings differences across groups. We used an eight-year window because it was the longest period over which we could follow a large share of our sample.

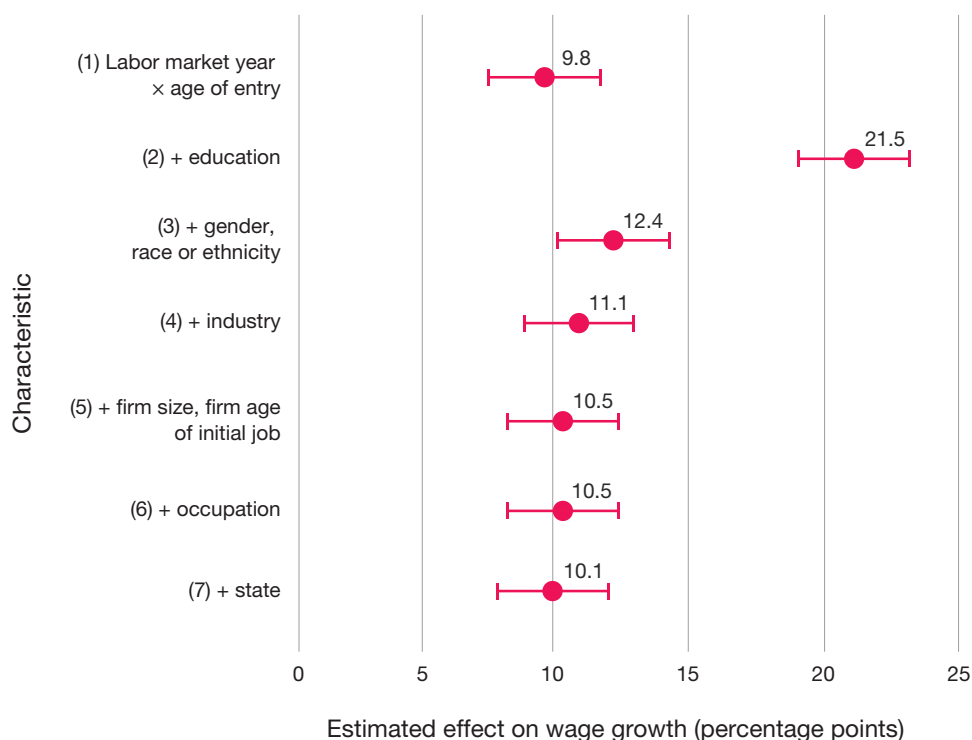
Our results show that, conditional on employment over the first eight years after entering the labor market, veterans in our sample experienced faster earnings growth than non-veterans, and this persisted even after accounting for the major predictors of earnings growth. The baseline model, shown at the top of Figure 2.4, includes only fixed effects of the year of entry by age and yielded a veteran advantage of 9.8 percentage points. Accounting for education more than doubled the estimate to 21.5 percentage points, likely because recent veterans in our sample had lower educational attainment on average—in part because military service might substitute for additional schooling—so accounting for education made their earnings growth look even stronger by comparison. Additionally, accounting for sex and race or ethnicity brought the estimate down to 12.4 percentage points, and successively adding industry, characteristics of the initial job's firm, occupation, and state further reduced it to 10 percentage points—about one-seventh of the sample's average wage growth of roughly 70 percent. Importantly, comparing these regression results with the simple averages shown previously

FIGURE 2.3
Differences in Earnings of Veterans Versus Non-Veterans, by Race



SOURCES: The figure is based on data from U.S. Census Bureau, undated-a; and U.S. Census Bureau, undated-b. The research was performed at a Federal Statistical Research Data Center under FSRDC Project Number 2759. (CBDRB-FY25-P2759-R11726)

NOTE: This figure shows average annual earnings (in 2019 dollars) by age for veterans and non-veterans in the analytic sample grouped by race. Earnings reflect wages from individuals' primary jobs and are averaged across all workers observed at each age.

FIGURE 2.4**Earnings Growth for Veterans Versus Non-Veterans: First Eight Years in the Labor Market**

SOURCES: The figure is based on data from U.S. Census Bureau, undated-a; and U.S. Census Bureau, undated-b. The research was performed at a Federal Statistical Research Data Center under FSRDC Project Number 2759. (CBDRB-FY25-P2759-R11726)

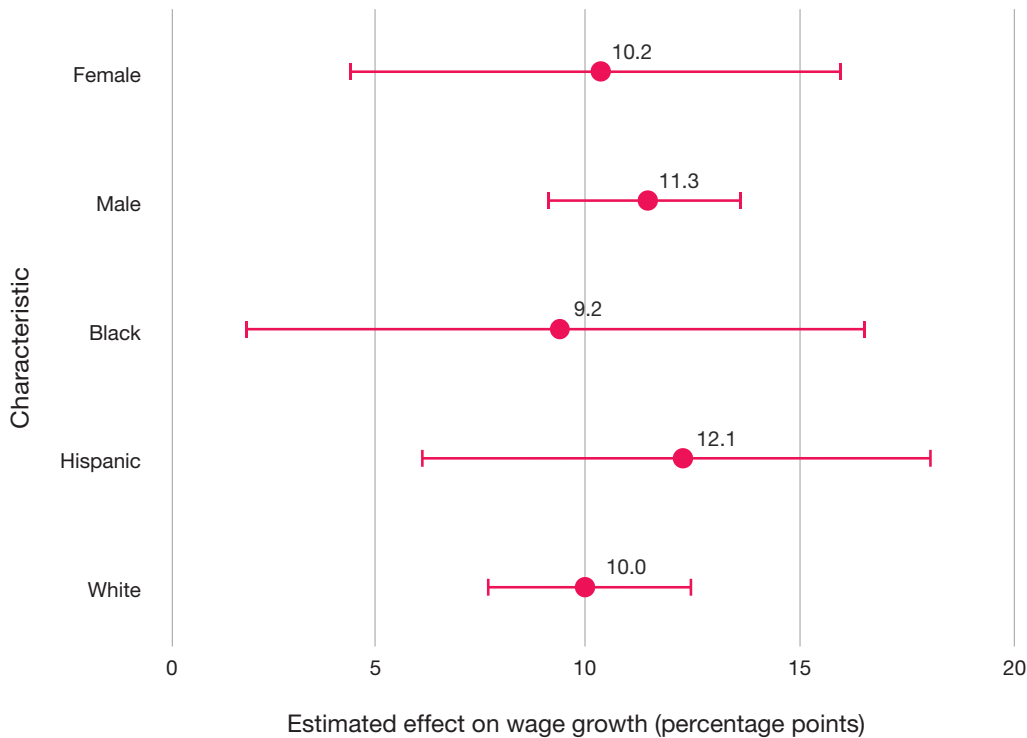
NOTE: Each dot represents the coefficient estimate of veteran status on earnings growth over the sample period along with the 95-percent confidence interval.

highlights the limits of comparisons that do not account for differences in sex composition, economic conditions, and year and age of entry into the labor market.

The other values in our analysis line up with what we would expect (shown in Table B.1 in Appendix B). For example, workers with bachelor's degrees or higher earned significantly more than workers without them. These comparisons put the veteran advantage in perspective: The advantage is roughly the same size as the earnings boost from having some college education, and it is large enough to offset the typical earnings gap between Black and White workers.

Finally, we examined whether the earnings growth advantage for veterans relative to non-veterans held consistently across demographic groups. For each subgroup we examined, veterans showed higher earnings growth than similar non-veterans (as shown in Figure 2.5, which reflects estimates from models that account for all observable factors). The earnings growth advantage is similar across groups, ranging from 9 percentage points to 12 percent-

FIGURE 2.5
Earnings Growth for Veterans Versus Non-Veterans, by Demographic Group



SOURCES: The figure is based on data from U.S. Census Bureau, undated-a; and U.S. Census Bureau, undated-b. The research was performed at a Federal Statistical Research Data Center under FSRDC Project Number 2759. (CBDRB-FY25-P2759-R11726)

NOTE: Each dot represents the coefficient estimate of veteran status on earnings growth over the sample time period for the given demographic group, along with the 95-percent confidence interval.

age points, which represents between one-seventh and one-fifth of the average wage increase depending on the subsample. The largest advantage was for Hispanic veterans at 12 percent-age points, or one-fifth of the subsample average wage increase.

Our results are in line with prior research, which finds that some veterans see faster earnings growth than non-veterans (Greenberg et al., 2022). In our sample, this pattern held across demographic groups, even though earnings levels varied widely.

Limitations

These findings come with some limitations arising from data constraints. First, our sample was restricted to non-federal workers who consistently worked over the eight years after they entered the labor market and who were employed in the states that the LEHD covered.

As a result, individuals who were, at any point in our sample period, unemployed, federal employees, or employed in states that did not participate in the LEHD were not included in our sample. This limits the generalizability of our findings. Second, although the linked ACS-LEHD data allowed us to control for an unusually rich set of factors at the veterans' and non-veterans' entry into the labor market—including their education, initial occupations, and firm characteristics—we could not observe the universe of factors that could have affected both the decision to serve and later earnings growth, such as an individual's intrinsic motivation or health. This limits the interpretation of our findings as being entirely attributable to being a veteran. Relatedly, because we could not account for factors that might have influenced veterans' selection into military service, the earnings growth differences we observed between veterans and non-veterans represent descriptive associations instead of the causal effect of military service.

More Analysis Is Necessary to Understand and Support Veterans' Transition to the Civilian Labor Market

Our findings show that the veterans in our sample experienced higher earnings growth than the non-veterans, but more research is needed to understand what drives this pattern—in particular, whether the pattern reflects the skills and experience that veterans gained through military service, unobserved differences between those who serve and those who do not, or some combination of the two. Future work should examine how selection into military service and differential on-the-job training and skill development contribute to labor market outcomes; future work should also study how these dynamics play out for groups that are not well represented in existing data—including unemployed individuals, federal employees, and workers in nonparticipating states.

Advancing this effort will require continued investments in longitudinal data infrastructure that links Department of War service records to federal, state, and private-sector earnings data at the U.S. Census Bureau. The U.S. Census Bureau's Veteran Employment Outcomes product is an important step in this direction, but it is limited to veteran outcomes alone (without a non-veteran comparison group), excludes federal employees and workers in nonparticipating states, and does not capture civilian occupations, which limits what researchers and agencies can learn about the military-to-civilian labor market transition. Investing in a data infrastructure that address these gaps would allow the Department of Veterans Affairs and other agencies to more fully evaluate veterans' long-term labor market outcomes.

Our results also point to several practical implications for programs that support veterans' transition to civilian employment. The pattern of lower initial earnings followed by faster growth suggests that transition programs might be especially valuable when they help veterans enter civilian jobs that build on the skills they developed during their military service and offer opportunities for advancement over time. The Department of War's SkillBridge program, which connects transitioning service members with civilian apprenticeships and on-the-job training, is one example. Similarly, programs that translate military training into civilian-recognized credentials might further reinforce the earnings growth pattern we observed. The United Services Military Apprenticeship Program, for instance, helps service

members earn Department of Labor–recognized credentials in trades aligned with the service members’ military occupations.

Ultimately, investments in understanding veterans’ transition to civilian work—and in the programs and supports that ease this transition—are a vital step toward ensuring that military service translates into durable economic success for every veteran. Continued collaboration among researchers, policymakers, and the agencies that serve veterans will likely be essential to achieving this goal.

Description of the Analytic Sample

We drew on ACS and LEHD data from 2005 through 2019.¹ Our main sample consisted of individuals surveyed in the ACS at some point when they were between ages 23 and 35 and who were also linked to the LEHD dataset. We focused on individuals ages 23 to 35 between 2005 and 2011 so we could follow them for at least eight years (through 2019); we chose this age range because veterans tend to enter the labor market at later ages than non-veterans (the typical entry is between ages 18 and 26) (Staiger, 2025). We restricted the veteran sample to those who served in September 2001 or later to focus on more-recent veterans (as identified by the ACS). We excluded data after 2019 to avoid capturing earnings and employment changes during the coronavirus pandemic and because data-collection challenges affected the 2020 ACS wave.

Individuals' LEHD records include their quarterly wages, firm characteristics (such as location and size), and industry of employment. We used the quarterly wage data to define a worker as first entering the labor market as the year in which we first observed earnings that exceeded what the worker would have earned working full time (2,000 hours per year) at the minimum wage in their state. Because the LEHD does not record hours worked, this was our best proxy for full-time employment at individuals' entry into the labor market. We define age at labor market entry as the worker's age at the end of that year (year minus birth year). We define earnings as wages from a worker's primary job, which typically corresponds to the job with the highest earnings in a given quarter. In Appendix C, we describe the process for refining this definition in more detail.

The ACS contains information on individuals' occupations,² education, and demographic characteristics at the time of the survey.³ Because we are interested in how initial occupational sorting relates to later career outcomes for veterans and non-veterans, we dropped

¹ The LEHD records that we used reflect employment outcomes from participating states during this period. The LEHD data are restricted to workers in private-sector positions covered by unemployment insurance; federal government employees, individuals who are self-employed, and workers in the states not covered are excluded.

² Throughout our analyses, we used two-digit codes of occupation groups, which came from the first two digits of the six-digit Standard Occupational Classification System from 2010, and we used four-digit occupations that were from the 2010 U.S. Census codes.

³ Our dataset does not contain information on disability payments to veterans.

individuals who responded to the ACS before they entered the labor market (according to our classification).⁴ We also dropped individuals who were in school when they responded because their earnings were low and they likely changed occupations when they finished school or moved into full-time work. We did not observe occupations for everyone in the year they entered the labor market because individuals are not always surveyed in the same year that they enter the labor market. We therefore used occupation data for individuals who met the conditions stated previously and who responded to the ACS between ages 23 and 35. For some individuals, occupation data came from after they entered the labor market; however, we still measured occupations at a relatively early career stage when workers were likely in one of their first jobs. On average, individuals in our sample responded to the ACS within three years of entering the labor market.

Because of how we defined initial jobs, everyone in our sample was employed at baseline. We excluded individuals without LEHD records eight years after labor market entry, so all individuals in our sample had non-zero earnings at that point. We retained earnings records below the state minimum wage if we observed earnings after an individual first entered the labor market; we did this to capture a more complete picture of underemployment. We winsorized all earnings by replacing values above the 99th percentile with the 99th-percentile value.⁵ All earnings were inflation-adjusted to 2019 dollars. We computed earnings growth for individual workers as the difference between later earnings and initial earnings divided by initial earnings.

Our final analytic dataset included approximately 13,000 veterans and approximately 661,000 non-veterans from participating states, shown in Table A.1 (Column 1 and Column 4, respectively). Veterans in the sample were predominantly White and more likely to be male than non-veterans. They also had, on average, lower educational attainment than non-veterans.⁶

To assess how representative our analytic sample was relative to the broader population, we compared our sample with the ACS. This comparison, shown in Columns 2, 3, 5, and 6 in Table A.1, helped us identify whether our sample differed systematically from the ACS population of veterans and non-veterans. Among individuals ages 23 to 35 between 2005 and 2011—and, for veterans, those who served after 2001—both veterans and non-veterans in our analytic sample were more likely to be White and less likely to be Black than in the ACS. These consistent shifts across both groups likely reflect differences in the sampling frame, such as the exclusion of certain government workers or specific states rather than substantive demographic differences between veterans and non-veterans.

⁴ We matched the LEHD records to the ACS records before we restricted our sample to full-time working status, which is why we dropped those who responded to the ACS before they entered the labor market full time.

⁵ We winsorized earnings separately for each year in the sample.

⁶ Throughout this report, we define *White workers* as White non-Hispanic workers and *Black workers* as Black non-Hispanic workers.

TABLE A.1

Summary Statistics for Veteran and Non-Veteran Sample

	Model Specification					
	(1)	(2)	(3)	(4)	(5)	(6)
	Veteran: Analytic Sample	Veteran: ACS Sample	Veteran, Excluding Federal Workers: ACS Sample	Non-Veteran: Analytic Sample	Non-Veteran: ACS Sample	Non-Veteran, Excluding Federal Workers: ACS Sample
White (%)	78	66	68	72	59	59
Black (%)	7	15	13	6	13	12
Asian (%)	2	3	3	6	7	7
Hispanic (%)	11	13	13	14	19	19
Female (%)	11	18	16	48	50	50
Male (%)	89	82	84	52	50	50
Average age (in years)	30.2	32.8	32.7	30.1	33.7	33.7
Highest degree earned						
High school (%)	34	30	32	28	31	31
Some college (%)	46	41	40	30	25	25
Bachelor's degree or higher (%)	19	28	27	42	36	35
Total number of observations (approximate)	13,000	186,356	141,939	661,000	7,663,489	7,437,052

SOURCES: The table features data from the ACS and LEHD (U.S. Census Bureau, undated-a; U.S. Census Bureau, undated-b). The research was performed at a Federal Statistical Research Data Center under FSRDC Project Number 2759. (CBDRB-FY25-P2759-R11726)

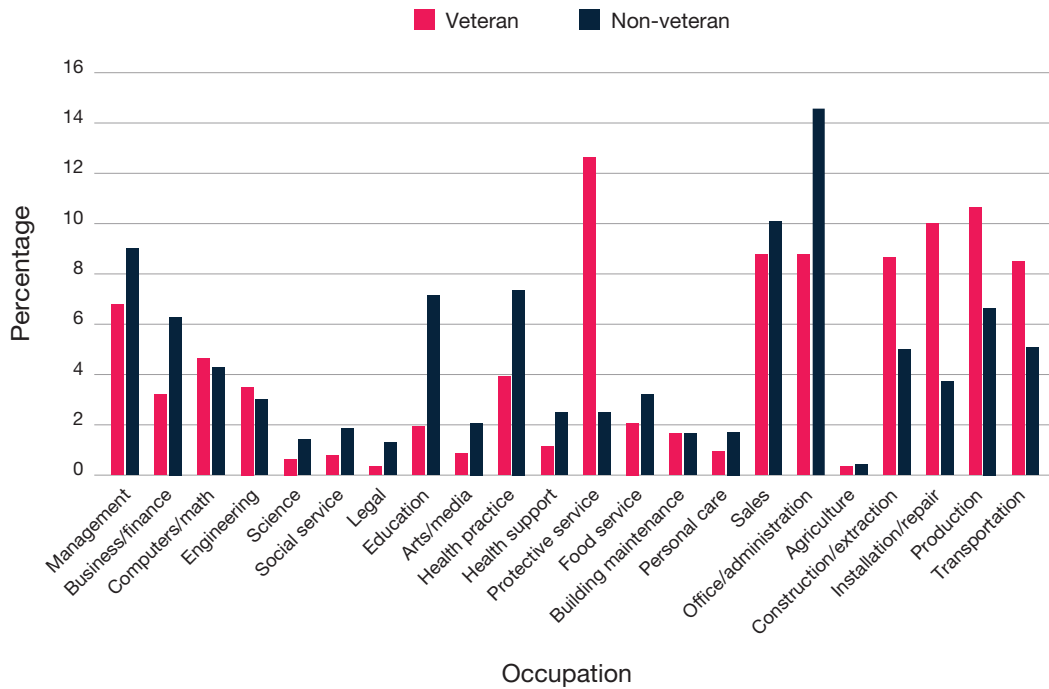
NOTE: This table presents summary statistics over the 2005–2019 period for our analytic sample and the comparable ACS sample (workers ages 23 to 35 between 2005 and 2011 and, for veterans, those who served in 2001 or later; veterans have been weighted by person weight). Columns 3 and 6 have data from the comparable ACS sample, excluding federal workers, for greater comparability with the analytic sample. Sample sizes for the analytic sample are rounded per U.S. Census Bureau disclosure rules.

Other differences emerged between veterans and non-veterans. Non-veterans in the analytic sample included a smaller share of Hispanic individuals and a somewhat more educated population than in the full ACS sample. Veterans in the analytic sample were slightly less likely to hold a bachelor's degree or higher and were slightly less likely to be female than veterans in the ACS sample. Similar patterns appeared when we further restricted the ACS sample to non-federal government workers to more closely approximate our analytic sample. Because demographic composition differed somewhat between the analytic and ACS sam-

ples, our analyses controlled for education, sex, race, and ethnicity to account for potential compositional differences across groups.

When we examined the occupational distribution for veterans and separately for non-veterans (shown Figure A.1), we found that veterans were disproportionately concentrated in production, transportation, installation and repair, construction, and protective services—occupations that are generally skill-intensive, which is consistent with military technical training, and tend to have relatively high earnings growth. Veterans in our sample were most underrepresented relative to non-veterans in office and administrative, health practitioner, and education occupations. Notably, these data did not capture federal government employment: 24 percent of veterans in our ACS sample were working for the federal government, compared with 3 percent of non-veterans, and federal workers were excluded from the LEHD.

FIGURE A.1
Share of the Sample in Each Occupation, by Veteran Status



SOURCES: The figure is based on data from U.S. Census Bureau, undated-a; and U.S. Census Bureau, undated-b. The research was performed at a Federal Statistical Research Data Center under FSRDC Project Number 2759. (CBDRB-FY25-P2759-R11726)

NOTE: This figure presents the occupational share at the two-digit level for veterans and separately for non-veterans from our analytic sample over the 2005–2019 period.

Analytic Strategy and Supplemental Figures and Tables

Our analytic strategy used a series of regression models to examine whether the veteran earnings growth difference persisted after accounting for observable differences between veterans and non-veterans. In these analyses, earnings growth was modeled as a function of veteran status, controlling for education, sex, race or ethnicity, ACS industry,¹ the size and age of the firm of a worker's first job, initial occupation,² and state. We added controls sequentially to understand how much each set of factors explained the veteran earnings growth difference:

$$\begin{aligned} WageGrowth_i = & \alpha_0 + \beta_1 Veteran_i + \beta_2 Education_i + \beta_3 Demographics_i + \beta_4 Industry_i \\ & + \beta_5 Firm Char_i + \beta_6 Occ_i + \beta_7 State + \eta_i + \epsilon_i. \end{aligned}$$

In all models, we also included fixed effects for how the year of labor market entry interacted with the age at labor market entry (represented by η_i) to account for cyclical shocks to earnings trajectories and variation in earnings profiles by age. The coefficient on veteran status captures the difference in earnings growth between veterans and non-veterans. For regressions estimated separately for demographic subgroups, we included the same set of controls except for the demographic characteristic used to define the subgroup.

The regression tables that follow, Tables B.1 through B.6, show how the estimated veteran coefficient changed as controls were added across specifications. This sequential approach helps illustrate how much of the observed veteran and non-veteran earnings growth difference is associated with differences in education, demographics, industry, firm characteristics, occupation, and state.

¹ We used demographic characteristics and the initial industries of employment from the ACS (versus the LEHD).

² Our regressions controlled for four-digit occupational codes from the 2010 U.S. Census codes.

TABLE B.1

Earnings Growth Between Veterans and Non-Veterans

	Model Specification						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Veteran	0.0978**** (0.0108)	0.215**** (0.0107)	0.124**** (0.0107)	0.111**** (0.0106)	0.105**** (0.0107)	0.105**** (0.0106)	0.101**** (0.0106)
Some college		0.140**** (0.00288)	0.169**** (0.00291)	0.154**** (0.00296)	0.151**** (0.00296)	0.116**** (0.00304)	0.116**** (0.00305)
Bachelor's degree or higher		0.598**** (0.00324)	0.624**** (0.00335)	0.607**** (0.00365)	0.597**** (0.00365)	0.442**** (0.00411)	0.439**** (0.00411)
Female			-0.276**** (0.00278)	-0.269**** (0.00313)	-0.269**** (0.00313)	-0.251**** (0.00342)	-0.247**** (0.00341)
Black			-0.0948**** (0.00517)	-0.0948**** (0.00519)	-0.112**** (0.00523)	-0.0816**** (0.00520)	-0.102**** (0.00533)
Asian			0.204**** (0.00745)	0.184**** (0.00747)	0.173**** (0.00748)	0.124**** (0.00727)	0.0910**** (0.00759)
Hispanic			-0.00427 (0.00358)	0.000587 (0.00357)	-0.00744** (0.00358)	0.00507 (0.00358)	-0.0524**** (0.00413)
Other race			-0.0173 (0.0122)	-0.0165 (0.0122)	-0.0212* (0.0122)	-0.0239** (0.0120)	-0.0406**** (0.0120)
Firm age					-0.00190**** (0.000160)	-0.00177**** (0.000158)	-0.00139**** (0.000158)
Medium firm					0.0624**** (0.00380)	0.0684**** (0.00381)	0.0673**** (0.00380)
Large firm					0.137**** (0.00442)	0.122**** (0.00442)	0.114**** (0.00444)
N	675,000	675,000	675,000	675,000	675,000	675,000	675,000

Table B.1—Continued

	Model Specification						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Controls^a							
1. Labor market year × age of entry	X	X	X	X	X	X	X
2. Education		X	X	X	X	X	X
3. Gender, race, or ethnicity			X	X	X	X	X
4. Industry of first job				X	X	X	X
5. Firm size, age of first job					X	X	X
6. Occupation of first job						X	X
7. State							X

SOURCES: The table features data from the ACS and LEHD (U.S. Census Bureau, undated-a; U.S. Census Bureau, undated-b). The research was performed at a Federal Statistical Research Data Center under FSRDC Project Number 2759. (CBDRB-FY25-P2759-R11726)

NOTE: Standard errors are in parentheses. * = $p < 0.10$; ** = $p < 0.05$; *** = $p < 0.01$; **** = $p < 0.001$.

^a The controls included in the given model (in each column) are indicated here.

TABLE B.2
Earnings Growth, by Veteran Status: Female

	Model Specification						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Veteran	0.0475 (0.0305)	0.114**** (0.0296)	0.123**** (0.0296)	0.113**** (0.0295)	0.103**** (0.0295)	0.105**** (0.0295)	0.102**** (0.0295)
Some college		0.137**** (0.00386)	0.136**** (0.00389)	0.123**** (0.00396)	0.122**** (0.00397)	0.0874**** (0.00409)	0.0879**** (0.00409)
Bachelor's degree or higher		0.556**** (0.00426)	0.538**** (0.00433)	0.534**** (0.00480)	0.525**** (0.00479)	0.381**** (0.00536)	0.377**** (0.00536)
Black			−0.0388**** (0.00647)	−0.0410**** (0.00650)	−0.0604**** (0.00656)	−0.0358**** (0.00653)	−0.0570**** (0.00672)
Asian			0.278**** (0.0103)	0.254**** (0.0103)	0.244**** (0.0104)	0.192**** (0.0101)	0.155**** (0.0105)

Table B.2—Continued

	Model Specification						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Hispanic			0.0198**** (0.00482)	0.0227**** (0.00481)	0.0162**** (0.00482)	0.0244**** (0.00482)	-0.0267**** (0.00558)
Other race			0.00975 (0.0158)	0.00918 (0.0157)	0.00378 (0.0157)	-0.00334 (0.0155)	-0.0186 (0.0155)
Firm age					-0.00114**** (0.000217)	-0.00112**** (0.000215)	-0.000820**** (0.000215)
Medium firm					0.0746**** (0.00527)	0.0773**** (0.00532)	0.0784**** (0.00532)
Large firm					0.154**** (0.00607)	0.135**** (0.00611)	0.130**** (0.00613)
N	316,000	316,000	316,000	316,000	316,000	316,000	316,000
Controls^a							
1. Labor market year × age of entry	X	X	X	X	X	X	X
2. Education		X	X	X	X	X	X
3. Gender, race, or ethnicity			X	X	X	X	X
4. Industry of first job				X	X	X	X
5. Firm size, age of first job					X	X	X
6. Occupation of first job						X	X
7. State							X

SOURCES: The table features data from the ACS and LEHD (U.S. Census Bureau, undated-a; U.S. Census Bureau, undated-b). The research was performed at a Federal Statistical Research Data Center under FSRDC Project Number 2759. (CBDRB-FY25-P2759-R11726)

NOTE: Standard errors are in parentheses. ** = $p < 0.05$; *** = $p < 0.01$; **** = $p < 0.001$.

^a The controls included in the given model (in each column) are indicated here.

TABLE B.3
Earnings Growth, by Veteran Status: Male

	Model Specification						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Veteran	0.0220*	0.138****	0.141****	0.124****	0.119****	0.117****	0.113****
	(0.0116)	(0.0115)	(0.0115)	(0.0114)	(0.0114)	(0.0114)	(0.0114)
Some college		0.187****	0.183****	0.172****	0.169****	0.137****	0.135****
		(0.00412)	(0.00415)	(0.00423)	(0.00424)	(0.00433)	(0.00433)
Bachelor's degree or higher		0.721****	0.701****	0.665****	0.657****	0.500****	0.498****
		(0.00484)	(0.00495)	(0.00542)	(0.00544)	(0.00623)	(0.00622)
Black			-0.172****	-0.172****	-0.185****	-0.139****	-0.158****
			(0.00834)	(0.00840)	(0.00845)	(0.00838)	(0.00853)
Asian			0.127****	0.103****	0.0928****	0.0595****	0.0294***
			(0.0107)	(0.0107)	(0.0107)	(0.0104)	(0.0108)
Hispanic			-0.0233****	-0.0198****	-0.0278****	-0.00845	-0.0725****
			(0.00519)	(0.00518)	(0.00521)	(0.00518)	(0.00598)
Other race			-0.0417**	-0.0403**	-0.0440**	-0.0386**	-0.0584***
			(0.0186)	(0.0185)	(0.0185)	(0.0182)	(0.0183)
Firm age					-0.00242****	-0.00229****	-0.00181****
					(0.000231)	(0.000228)	(0.000228)
Medium firm					0.0486****	0.0627****	0.0590****
					(0.00538)	(0.00536)	(0.00536)
Large firm					0.112****	0.112****	0.0990****
					(0.00634)	(0.00633)	(0.00636)
N	359,000	359,000	359,000	359,000	359,000	359,000	359,000
Controls ^a							
1. Labor market year × age of entry	X	X	X	X	X	X	X
2. Education		X	X	X	X	X	X
3. Gender, race, or ethnicity			X	X	X	X	X

Table B.3—Continued

	Model Specification						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
4. Industry of first job				X	X	X	X
5. Firm size, age of first job					X	X	X
6. Occupation of first job						X	X
7. State							X

SOURCES: The table features data from the ACS and LEHD (U.S. Census Bureau, undated-a; U.S. Census Bureau, undated-b). The research was performed at a Federal Statistical Research Data Center under FSRDC Project Number 2759. (CBDRB-FY25-P2759-R11726)

NOTE: Standard errors are in parentheses. ** = $p < 0.05$; *** = $p < 0.01$; **** = $p < 0.001$.

^a The controls included in the given model (in each column) are indicated here.

TABLE B.4**Earnings Growth, by Veteran Status: Black**

	Model Specification						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Veteran	0.101*** (0.0381)	0.160**** (0.0376)	0.111*** (0.0376)	0.0997*** (0.0374)	0.0998*** (0.0374)	0.0921** (0.0376)	0.0920** (0.0375)
Some college		0.138**** (0.0100)	0.148**** (0.0101)	0.143**** (0.0102)	0.142**** (0.0101)	0.113**** (0.0105)	0.111**** (0.0105)
Bachelor's degree or higher		0.541**** (0.0134)	0.559**** (0.0135)	0.537**** (0.0145)	0.534**** (0.0145)	0.421**** (0.0158)	0.418**** (0.0158)
Female			-0.139**** (0.0101)	-0.128**** (0.0111)	-0.129**** (0.0111)	-0.124**** (0.0118)	-0.123**** (0.0119)
Firm age					0.000269 (0.000581)	0.000291 (0.000577)	0.000572 (0.000580)
Medium firm					0.00407 (0.0172)	0.0160 (0.0172)	0.0158 (0.0172)
Large firm					0.0393** (0.0187)	0.0413** (0.0187)	0.0354* (0.0187)
N	39,000	39,000	39,000	39,000	39,000	39,000	39,000

Table B.4—Continued

	Model Specification						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Controls^a							
1. Labor market year × age of entry	X	X	X	X	X	X	X
2. Education		X	X	X	X	X	X
3. Gender, race, or ethnicity			X	X	X	X	X
4. Industry of first job				X	X	X	X
5. Firm size, age of first job					X	X	X
6. Occupation of first job						X	X
7. State							X

SOURCES: The table features data from the ACS and LEHD (U.S. Census Bureau, undated-a; U.S. Census Bureau, undated-b). The research was performed at a Federal Statistical Research Data Center under FSRDC Project Number 2759. (CBDRB-FY25-P2759-R11726)

NOTE: Standard errors are in parentheses. ** = $p < 0.05$; *** = $p < 0.01$; **** = $p < 0.001$.

^a The controls included in the given model (in each column) are indicated here.

**TABLE B.5
Earnings Growth, by Veteran Status: Hispanic**

	Model Specification						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Veteran	0.230**** (0.0307)	0.244**** (0.0306)	0.170**** (0.0307)	0.150**** (0.0306)	0.146**** (0.0306)	0.129**** (0.0307)	0.121**** (0.0307)
Some college		0.122**** (0.00665)	0.151**** (0.00669)	0.134**** (0.00690)	0.132**** (0.00691)	0.0983**** (0.00717)	0.102**** (0.00716)
Bachelor's degree or higher		0.540**** (0.00996)	0.585**** (0.0101)	0.568**** (0.0110)	0.563**** (0.0110)	0.455**** (0.0122)	0.458**** (0.0122)
Female			-0.212**** (0.00643)	-0.202**** (0.00713)	-0.203**** (0.00713)	-0.185**** (0.00788)	-0.184**** (0.00787)
Firm age					0.0000473 (0.000363)	0.0000141 (0.000360)	0.0000492 (0.000361)
Medium firm					0.0377**** (0.00884)	0.0398**** (0.00887)	0.0396**** (0.00885)
Large firm					0.0757**** (0.0103)	0.0706**** (0.0103)	0.0665**** (0.0104)

Table B.5—Continued

	Model Specification						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>N</i>	94,500	94,500	94,500	94,500	94,500	94,500	94,500
Controls ^a							
1. Labor market year × age of entry	X	X	X	X	X	X	X
2. Education		X	X	X	X	X	X
3. Gender, race, or ethnicity			X	X	X	X	X
4. Industry of first job				X	X	X	X
5. Firm size, age of first job					X	X	X
6. Occupation of first job						X	X
7. State							X

SOURCES: The table features data from the ACS and LEHD (U.S. Census Bureau, undated-a; U.S. Census Bureau, undated-b). The research was performed at a Federal Statistical Research Data Center under FSRDC Project Number 2759. (CBDRB-FY25-P2759-R11726)

NOTE: Standard errors are in parentheses. ** = $p < 0.05$; *** = $p < 0.01$; **** = $p < 0.001$.

^a The controls included in the given model (in each column) are indicated here.

TABLE B.6
Earnings Growth, by Veteran Status: White

	Model Specification						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Veteran	0.0995**** (0.0124)	0.223**** (0.0122)	0.117**** (0.0123)	0.105**** (0.0123)	0.0976**** (0.0123)	0.104**** (0.0122)	0.100**** (0.0122)
Some college		0.141**** (0.00351)	0.178**** (0.00353)	0.165**** (0.00358)	0.162**** (0.00358)	0.123**** (0.00367)	0.121**** (0.00368)
Bachelor's degree or higher		0.567**** (0.00380)	0.623**** (0.00387)	0.609**** (0.00422)	0.598**** (0.00423)	0.437**** (0.00478)	0.432**** (0.00478)
Female			-0.306**** (0.00330)	-0.295**** (0.00374)	-0.296**** (0.00374)	-0.280**** (0.00412)	-0.276**** (0.00411)

Table B.6—Continued

	Model Specification						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Firm age					−0.00245**** (0.000192)	−0.00224**** (0.000189)	−0.00174**** (0.000190)
Medium firm					0.0693**** (0.00444)	0.0744**** (0.00446)	0.0725**** (0.00446)
Large firm					0.148**** (0.00516)	0.132**** (0.00519)	0.121**** (0.00521)
N	486,000	486,000	486,000	486,000	486,000	486,000	486,000
Controls^a							
1. Labor market year × age of entry	X	X	X	X	X	X	X
2. Education		X	X	X	X	X	X
3. Gender, race, or ethnicity			X	X	X	X	X
4. Industry of first job				X	X	X	X
5. Firm size, age of first job					X	X	X
6. Occupation of first job						X	X
7. State							X

SOURCES: The table features data from the ACS and LEHD (U.S. Census Bureau, undated-a; U.S. Census Bureau, undated-b). The research was performed at a Federal Statistical Research Data Center under FSRDC Project Number 2759. (CBDRB-FY25-P2759-R11726)

NOTE: Standard errors are in parentheses. ** = $p < 0.05$; *** = $p < 0.01$; **** = $p < 0.001$.

^a The controls included in the given model (in each column) are indicated here.

Data Construction

Our analytic dataset included all LEHD records from 2005 through 2019 for ACS respondents surveyed over that same period. We constructed the dataset in several steps. First, we limited our selection of individuals included in the ACS to those with data from 2005 through 2019 and who had a job, which we assessed using the employment status recode and class-of-worker variables. We further restricted the sample to those ages 16 or older. The data reflect the states that agreed to make their data available for this project and cover all private-sector workers (the LEHD excludes federal government employees).

We then matched the dataset to Protected Identification Keys (PIKs). This process was not a perfect match because the PIK is probabilistic and not deterministic (Wagner and Layne, 2014). We removed records with a blank PIK, records whose PIKs matched to multiple households, and records whose PIKs matched to multiple people within the same household. We also removed duplicate records within a given ACS year. This procedure produced the ACS-PIK file.

Next, we matched the ACS-PIK dataset to the Employment History File (EHF) of the LEHD to identify each individual's primary job (identified by a firm's identification [ID] using its State Employer Identification Number [SEIN]) and corresponding earnings. The EHF captures quarterly earnings per individual per firm and year. We matched records using the PIK (present in both files) and the year's quarter of the ACS's primary job reference week.¹ We did not match on the year because respondents whose ACS interview occurred in early January might have had a reference week in the prior year. Instead, we matched on a PIK within the range of possible reference weeks. In all cases, we identified jobs (defined by the SEIN) that occurred within one week of the ACS interview. When no such job appeared within that window, we looked as far back as 30 days before the interview to identify the most likely job corresponding to the ACS primary job reference week, using methods described in Isenberg, Landivar, and Mezey (2013). When the reference week crossed a quarter or year boundary, we considered all jobs in both relevant quarters or years.

After identifying all jobs worked during or near the reference week and the jobs' corresponding earnings, we determined the most likely job associated with the primary job listed in the ACS. For individuals with one job during or near the reference week, the selection was

¹ The ACS is administered in a given week, which falls within one of a year's four quarters. *Primary* refers to how we classified the highest-earning job.

straightforward. For individuals with two or more jobs, we applied the following hierarchy: We selected the job with the highest quarterly earnings; if quarterly earnings were equal, we selected the job with the highest annual earnings; if annual earnings were also equal, we selected randomly. This procedure produced the ACS-PIK-EHF file.

The next step was merging in individual-level characteristics, establishment IDs, and firm- and establishment-level characteristics. We first merged the ACS-PIK-EHF file with the Individual Characteristics File (ICF) at the PIK level. We then compared individual demographic variables in the ICF with the same or similar variables in the ACS, including date of birth, place of birth, sex, race, ethnicity, and education.² This procedure produced the ACS-PIK-EHF-ICF file.

Next, we merged the ACS-PIK-EHF-ICF file with the Job History File (JHF) to obtain the SEIN establishment (SEINUNIT) ID for each record. We matched at the PIK-SEIN level. The JHF is organized at the spell level: Each person has a record per spell per firm (e.g., the SEIN), and each spell includes dates of first accession and last separation. We selected the establishment ID from any spells whose employment dates encompassed the primary job's employment dates for that year. Establishments are imputed, so we selected the first of the ten establishment implicates. This procedure produced the ACS-PIK-EHF-ICF-JHF file.

Finally, we linked the ACS-PIK-EHF-ICF-JHF file with the Employer Characteristics File (ECF) to obtain firm and establishment characteristics, specifically size and age. We obtained firm location and industry characteristics by matching at the SEIN-state-year level. We obtained firm age and size by matching at the SEIN-state-year-quarter level. We obtained establishment location, industry (using NAICS [North American Industry Classification System] codes at the two-digit supersector level), age, and size by matching at the SEIN-SEINUNIT-state-year-quarter level. This procedure produced the ACS-PIK-EHF-ICF-JHF-ECF file.

The last step was repeating the above process for LEHD records without a corresponding ACS match in a given year but belonging to an individual with an ACS match in another year (for example, earnings records from 2006 through 2019 for a worker surveyed in the 2005 ACS). For these records, in the absence of an ACS reference week, we identified the primary job from the EHF as the one with the highest quarterly earnings or the highest annual earnings if quarterly earnings were equal across two or more jobs. We then matched the primary job to the ICF, SEIN, and SEINUNIT files as described above.

² In general, these variables are constructed similarly, with one exception: Education is imputed in the ICF for the vast majority of records and reflects the highest level obtained, while education in the ACS reflects attainment at the time of the interview (see McKinney et al., 2017).

Abbreviations

9/11	September 11, 2001, terrorist attacks
ACS	American Community Survey
ECF	Employer Characteristics File
EHF	Employment History File
FSRDC	Federal Statistical Research Data Center
ICF	Individual Characteristics File
ID	identification
JHF	Job History File
LEHD	Longitudinal Employer-Household Dynamics
NAICS	North American Industry Classification System
PIK	Protected Identification Key
SEIN	State Employer Identification Number
SEINUNIT	State Employer Identification Number establishment

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The transition from military service to civilian employment can be difficult for veterans: They must translate military skills into civilian job terms, decide whether to pursue additional education, and present their backgrounds to employers who may not understand how military experience maps onto civilian roles. These early transition challenges may have lasting implications for veterans' earnings trajectories. Yet despite these hurdles, relatively little research examines how veterans fare over the long term in the civilian labor force after leaving the military.

In this report, the authors examine how military service connects to earnings in the civilian labor market by tracking veterans' and non-veterans' labor market outcomes eight years after entering the civilian workforce. The authors linked data from the Longitudinal Employer-Household Dynamics program—the largest longitudinal panel of U.S. worker employment—to data from the American Community Survey to follow workers' earnings from 2005 to 2019.

The resulting dataset allows the authors to account for factors that are usually unavailable in administrative data, such as characteristics of a worker's initial occupation. The authors used these data to compare veterans' and non-veterans' earnings outcomes over time while accounting for observable differences.

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