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Monitoring Employment Conditions of Military Spouses

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The military community is largely one of families. Most active-duty personnel are married, and nearly half have children. Decisions to remain in the military are therefore influenced by how a military member views family life issues, including employment prospects for a member’s spouse.

Most military spouses are active in the labor market. Military spouses, however, confront substantial obstacles to finding work and developing their own careers. Their unemployment rates are higher than those for civilian counterparts, and most military spouses perceive that being a military spouse adversely affects their work opportunities.

Given these issues, the Department of Defense (DoD) asked RAND researchers to help develop reliable employment statistics for military spouses. Developing those statistics would require determining (1) valid measures of labor market conditions for military spouses and (2) a sample of sufficient size to allow generalization to the population of military spouses. It is the purpose of this study to make those determinations.

Traditional measures established by the Bureau of Labor Statistics (BLS) divide the population into those who are in or out of the labor force. Those in the labor force are divided into full-time, part-time, and unemployed (but seeking work) workers; those outside the labor force are divided into persons voluntarily outside (e.g., retired) or involuntarily so (e.g., discouraged job-seekers). Additional BLS measures focus on varying levels of labor underutilization, ranging from the long-term unemployed to persons who are working part-time because full-time work is not available. All these measures have been tested over time through the Current Population Survey (CPS) and could be adapted to analysis of military spouses. In fact, the Status of Forces Survey (SOFs) of Active-Duty Members currently contains CPS questions to compute the BLS measures for military spouses.

The traditional measures, however, have at least two shortcomings for analysis of military spouses. First, they are based on activities in a given week. Because military families move often, a certain number of military spouses will be replying that they have no interest in the labor market, when in fact, they are simply too busy with moving and thus are between periods of job searching. Second, the traditional measures are designed to assess labor force conditions throughout the course of a business cycle. By contrast, DoD seeks measures that help describe economic hardships associated with the labor force status of military spouses.

Moreover, to craft policy decisions, DoD is interested in more than just whether military spouses are more or less likely to be employed or unemployed compared with their civilian
counterparts. DoD needs to better understand why military spouses are less likely to be in the labor force and why they are more likely to be unemployed or underemployed. Employment and unemployment statistics alone do not help policy analysts to examine the underlying causes of relatively low employment or high unemployment. A richer characterization of labor market experiences is necessary to illuminate the possible causes that lead to different outcomes between military and civilian spouses.

Labor Utilization Framework (LUF) measures help better describe labor force status associated with economic hardship. Such measures classify workers by whether they are active or inactive, whether workers may be overqualified for the job they hold, whether they receive fewer hours than they desire, or whether they receive lower wages than are adequate. We recommend DoD develop and monitor both basic BLS and LUF indicators for military spouses.

Because such measures can be calculated through the use of the CPS, it is logical to consider whether the CPS can be used to devise measures for military spouses that are comparable to those for other civilian populations. This requires considering (1) whether the CPS includes a sufficient number of military families in its sample design, and (2) if not, whether it can still be adapted to be an efficient and cost-effective means of collecting labor force data on military spouses.

Unfortunately, the CPS is not likely to be adequate for analysis of military spouses. There are typically fewer than 500 military spouses in the CPS, a number that suffices only for measuring changes in military spouse employment or unemployment rates over the course of time that are of substantial magnitude (5 percentage points or more). Similarly, such a sample is adequate only for detecting employment or unemployment rate differences of similar magnitude between military and civilian spouses. Furthermore, the CPS, designed to assess the civilian population, systematically excludes areas such as military bases where many military families live. Redesigning the CPS to include more military families would likely carry prohibitively high costs.

Rather than collecting information on military spouses through other surveys, DoD can collect such information directly, and more efficiently, on its own. DoD could, for example, add questions to the Status of Forces Survey of Active-Duty Members or increase the frequency of the Surveys of Active-Duty Personnel and Spouses. Alternatively, given that these surveys are already quite lengthy, it could launch a new annual survey of military spouses. Such a survey could, for low cost, draw a representative sample of military spouses by using DoD’s administrative databases. A sample of 5,000 to 10,000 military spouses would allow analysts to detect all but the smallest changes in labor force status for this population, though larger samples may be needed to analyze some specific subpopulations.