

FACES OF CHANGE *ANALYSIS*

ENDS THAT DON'T MEET: EMPLOYMENT UNDER WELFARE REFORM

by

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Chapter 1 from

Welfare Policy Through The Lens of Personal Experience

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The authors of the stories that we quote extensively must remain anonymous, in keeping with our promise to them. Their courage and honesty in sharing personal experiences that are by turns painful, stressful, and sometimes gratifying testify to their character. We hope the trust they invested in the Alliance members who collected their stories is rewarded by our fidelity to their words and by our effort to transform the meaning of their experiences into compassionate and realistic social policy.

EDITORS' NOTE

In 1999, the Alliance for Children and Families launched *Faces of Change: Welfare Reform in America* in collaboration with the Community Service Society of New York. This project set out to gather personal narratives from a sample of people who had recent contact with the welfare system. The first phase of the research gathered 218 stories, of which 100 were published in April 2001 as *Faces of Change: Personal Experiences of Welfare Reform in America*. The full archive of stories is available and searchable on-line at: www.alliance1.org.

The policy analysis that follows is based on our study of 208 of those stories. We apply the term “authors” to the individuals who related their experiences to us, since they are, literally, the authors of these accounts. They also represent the irreducible human side of the social policy that is welfare reform, and are therefore the faces that embody this momentous change. That is the source of the title of the project.

Quotations from *Faces of Change* stories are presented exactly as they were given orally, or, in some cases, as they were written out longhand by the authors. Any elements added during editing for readability appear in brackets. Each quotation is followed by a parenthesized code that gives the state of origin and sequence number of the full story, keyed to their publication in *Faces of Change* and on the Alliance Web page. Readers are invited to consult the full narrative accounts at those locations for more context and information about each author and their experiences.

Chapter 1

ENDS THAT DON'T MEET: EMPLOYMENT UNDER WELFARE REFORM

Jamie Harris and Thomas E. Lengyel

Jennifer Rogers is a 24-year-old single parent from East Orange, New Jersey. Her story is typical of many transitioning workers who find jobs with low pay, few or no benefits, and little flexibility when a child becomes sick:

My job now is at a security company making \$8 [an hour]. It was hard with a child. They weren't that flexible. It's hard with a child and [with him] having asthma. It's extra rough.

Pulled in opposite directions, these working parents attempt to meet their employment and family obligations.

I can get a job, and everything can be going along fine for a month or so, and then he gets sick. And then it's like, "Oh, God, what should I do? Should I stay here with him, or should I try to go to work?" If I go to work and he has an attack, they are going to call me, and then if I'm at work, I'm not supposed to leave post. So that's rough. I've usually tried to take the first job that comes my way, no matter what it pays. I feel like maybe something else will open up.

For Jennifer and workers like her who have few resources to manage the competing demands of family and work, the real challenge for them, and for welfare reform in general, is for employment to be flexible enough to accommodate the needs of parents, and materially rewarding enough that it provides a path to self-sufficiency.

So I'm not really worried about finding a job, because I know I can get one. It's the challenge of keeping it, with my son, and not letting the employer think I'm a person who doesn't want to work. It's not that. It's that I've got a lot of responsibility being the only one and maintaining my apartment and everything else with my son being sick. (NJ-9)

Overview

Experiences like Jennifer's—juggling the competing demands of work and family while working in a low-wage job market—are crucial to understanding the challenges that confront current workers transitioning off welfare. The narratives in the *Faces of Change* study provide an

important vantage point from which to see how the conflict of work and family come together and unfold in this new policy context. While the author narratives reveal a dogged determination to leave welfare behind and go to work, it is a determination tempered by the day-to-day realities workers must confront in a low-wage labor market, realities that can make their efforts seem futile or even leave them worse off.

The main thrust of PRWORA has been a “work-first” approach, with federal rules requiring work participation in exchange for TANF benefits. A key assumption of this welfare reform is that there are ample jobs available for former welfare recipients to take, and that by requiring work, PRWORA will be able to increase the job skills and work experience of former welfare recipients and end their present and future dependence on public assistance in the process (Strawn, Greenberg, and Savner 2000). However, as discussed in greater detail in each of the following chapters, many authors face significant barriers to work and need several supports in order to find and keep jobs that will meet the basic needs of maintaining a household and family. In addition, most of the jobs authors find are not sufficient in and of themselves to support a family above the poverty line. Nor are they flexible enough to accommodate the needs of single parents.

This chapter focuses on the employment experiences of the authors participating in this study. It is divided into two parts: The first part examines briefly those authors who face significant barriers to employment or who have been unable to find a job. These unemployed authors represent nearly half the participants in the study (45 percent). The second part examines the experiences of authors who have found jobs and have been working for some time. Here we address the nature of the job market these transitioning workers encounter and consider the strategies and adaptations these authors pursue to meet their employment, family, and TANF obligations in a specific labor market and policy context.

In our analysis, most workers find it difficult to make ends meet even though they are working, while for a small group of employed authors, the transition to employment has been more positive and has successfully moved their families toward self-sufficiency. This chapter will discuss the factors that distinguish these two groups of workers, and what specific policy recommendations emerge from an examination of their varying employment experiences.

What Accounts for a Lack of Employment?

The group of nonworking authors in this study is quite diverse and their lack of employment relates to a number of different factors. The most common explanation for nonworking status appears to be having multiple barriers such as a chronic health problem coupled with limited education or work experience; a second smaller group relates to those who, though healthy, have been unable to find work or get hired; a third group is made up of authors involved in job readiness programs or other training and education opportunities, often outside the TANF framework.

Barriers to Employment

Many of the unemployed authors in this study must contend with a significant single barrier or multiple barriers to employment. This includes such conditions as serious, chronic health problems (among both children and adults), drug addiction, mental health limitations, domestic abuse, and limited education and work experience. Of those authors who fall in this group, a chronic health problem is the most frequent and significant barrier to working.¹ One third of the unemployed authors identified a chronic health condition,² and 40 percent described their health condition as a major conflict with work or school. In fact, many authors report more than one chronic health problem as is true for this 48-year-old unemployed mother of four from Bridgeport, Connecticut:

I have a lot of health problems. For me to get a job would be difficult because I have arthritis in all my body, and in the morning [it] is hard for me to get out of bed and to function because I'm in pain, and I take medication for my anxiety and my depression and some days my depression is so bad that I don't want to get out of the room. I stay in the room all day long. I don't want to see nobody, don't want to do nothing. And, you know, I'm afraid to get a job because some days I won't be able to go to work. Difficult problems I have with my health. (CT-13)

Among nonworking authors, mental health issues were nearly twice as common as the group of working authors.³ In addition to health issues of varying degrees, authors in this group often have severe educational deficits and, not surprisingly, the least job experience. This can make the transition to employment particularly difficult and make them less appealing to potential employers.

For me getting a job is kind [of] difficult because I'm illiterate and I was never sent to school and now it's very hard for me to learn. It seems like I would know something right then ... but then 10 minutes later it'll go back and I won't even understand it or know what it was. So they want to do some type of testing to see if I do have a disability 'cause I have a child with a disability ... a learning disability. So the jobs are very limited that I can ... could get and they would not pay enough for me to be able to pay rent and doctor bills and so forth and so on. So it's very difficult for me to find a job with my education ... which is near none ... be able to support a family right now. —A 36-year-old mother of three with no education, living with HIV in East Point in Atlanta. (GA-10)

¹ Chronic health conditions were only slightly less common among employed authors in the study (29 percent to 33 percent). However, a much higher percentage of the nonemployed authors identified their chronic health issue as creating an impediment to work or school than working authors (40 percent to 26 percent).

² A recent GAO study found that 44 percent of current TANF recipients have work impairment or disability, three times the non-TANF population. The study also found, though not surprisingly, that those with impairments were much less likely to work. (Government Accounting Office 2001). Similar findings were reported by Lengyel, Thompson and Niesl (1997, 40-41).

³ Eighteen percent of nonworking authors described mental health limitations compared to 10 percent for working authors. Both figures, however, are likely underestimates since authors were not asked to comment directly on their mental health, and there is probably some reluctance to do so.

There are also several authors in our study who have a serious disability or care for a child or spouse with a disability. While some of these authors are receiving SSI, Social Security Disability Income, or Veteran's Administration assistance, at least five authors were not receiving disability for themselves, and at least seven were not receiving disability for a disabled child or spouse. Some had recently applied for disability and had been denied. Without disability assistance, these individuals face a daunting set of challenges to meet the work requirements imposed on TANF participants as this mother of a child with spina bifida in Brooklyn, New York relates:

It was very hard for me as a mother of two young kids and one with spina bifida in the wheelchair. I have to come home to get her off the bus every day by 3:15 p.m. That make it very hard to keep a job and her doctor appointment—some time it two a week. No job don't want that and then time I work I don't make enough money to pay all the bills and buy food. All I can say some morning I get up cry because it very hard for me and my kids. (NY-9)

These “hardest to serve” families with significant barriers increasingly make up the bulk of welfare recipients remaining on caseloads nationally. To overcome their multiple barriers, this group will need more time and access to an extensive array of supports. And for some, employment simply may not be possible. Despite this, many of these individuals are facing or will shortly face time limits to assistance. Any discussion of TANF reform needs to consider strategies that address the needs of individuals with multiple barriers and that ensure that TANF continues to provide a safety net for these families.

Why Healthy Authors Are Unable to Find Jobs or Get Hired

Even for authors who are otherwise healthy, many still find it hard to find work. Even with low levels of unemployment nationally at the time authors were interviewed (spring 2000), many unemployed authors report being unable to find work. Part of the high level of unemployment among this group may be explained by the spatial mismatch of jobs and workers, a problem compounded by poorly developed public transportation systems. Unemployment also may be related to some reluctance on the part of employers to hire workers with limited skills.

Right now I'm looking for a job. I don't have one but I've been looking hard, but it seems like every place [I go] I have to fill the application out, I end up calling them but they don't ever call me back ... so I don't know what the problem is there. But I look over the application and it's filled out the way it's supposed to, but they just never call me back. —An 18-year-old woman raising her child and currently training at a tech school in Milwaukee. (WI-13)

Some unemployed authors are not working currently because they are engaged full time in job training or education. While some authors are currently engaged in job readiness programs through TANF, other authors are pursuing education or vocational training. Most of these authors have been terminated from receiving TANF assistance because most states do not allow for postsecondary education. As a result, these authors must rely on family and other sources of

help such as student financial aid to complete their studies or training programs. The chapter on job training examines these authors' experiences more fully.

Ends That Don't Meet

The group of working authors, a little over half of those in the study (55 percent), found employment and had been engaged in work for some period of time, often as a direct result of new TANF rules that make employment a requirement of the 1996 law. Despite being employed, however, most in this group struggle to make ends meet and are unable to attain self-sufficiency for their families. A smaller number of working authors have had a more positive work experience, and as a result can be described cautiously as a something of a "success story."

For the vast majority of working authors in this study, employment has not brought them out of poverty. Eighty percent of working authors reported incomes that place their families just at or below the poverty line. These authors report frequent loss of jobs or fluctuating income due to family conflicts, erratic work schedules, and part-time work. And, when employed, they have jobs that pay low wages without benefits, often with few or no opportunities for advancement. Given the relatively low skill and training levels of most of the authors in this study and the relatively few job training and education options available to workers, these are the working conditions that most workers transitioning off of welfare must confront. These conditions often complicate their efforts to achieve self-sufficiency and sustain employment. Their experiences highlight the need for a range of worker supports and increased training and advancement opportunities if the transition to work is to be meaningful.

Wages, Benefits, Flexibility, and Opportunities

Analysis of the authors' narratives reveals a wide variety in the kinds of employment transitioning workers have found after leaving welfare. Employment in the health, retail, food, and beauty fields, as well as a variety of light manufacturing and factory positions indicate both a diversity of employment options and a variety of skills and interests among the participants in this study.⁴ Although these jobs vary significantly in their content and required skills, many of them share some key features that bear on the economic health of transitioning workers and their families.

Although the pay for the jobs authors found ranged from minimum wage to \$12.50 per hour, most jobs were grouped in the \$7 to \$9 an hour area.⁵ The ability to sustain a decent income, however, is more dependent on the hours and consistency of the work available than the wage paid by a job. For many authors, employment did not provide full-time work.

⁴Food service jobs were most frequently reported among authors in the study, followed by in roughly equal proportions, health, retail, and temp jobs that typically involved clerical-office type work.

⁵ A recent, national study found that the median wage for families who left the welfare rolls between 1997 and 1999 was \$7.50 an hour in 1999 dollars (Goldberg and Collins 2001).

The work I found was only \$8.50 an hour and very inconsistent with the hours available. The personnel director said I was hired after other employees, so I was at lower priority to get hours ... I was getting 25, if I begged for it. —A 21-year-old TANF recipient living with her three children in Lafayette, Indiana. (IN-4)

Many workers report work that is temporary, or jobs they got through temp agencies that vary from day to day.

When I get a job, it's mostly temporary. So if they need me, they do, if they don't, they don't. Work availability is ok if you call in the morning for a temporary job. It's kind of harder getting a permanent job, depending on your application. —A 20-year-old woman living with her spouse and child and working temp jobs in Green Bay, Wisconsin. (WI-8)

Many jobs also lack general employment benefits such as annual leave and sick days or these critical benefits are deferred for significant periods. Without these benefits, workers face economic hardship if they have to take off for the inevitable illness or family problem.

My job doesn't offer any benefits. Nothing. If I don't work, I don't get paid. I don't have sick leave or annual leave. —A 48-year-old mother with one child working full time with no benefits in Washington, D.C. (DC-6)

I started working at Sears Outlet on August 25, 1999. They usually give me 32 hours per week but they have cut back my hours because there is not enough work. I will go full time in June. After I have been here for a year I will get benefits. I like this job because it is something I can do. I only have a 5th grade education, so a lot of places won't hire me. My starting pay was \$6.50. Now I am making \$7.35 an hour —A 46-year-old mother working and living with her two children in Pinellas Park, Florida. (FL-4)

Many of the jobs authors found provide little in the way of security or opportunities for advancement. Some authors recognize that these jobs promise little for their future.

My current job started in February of 2000. I am a cashier and I do odds and ends: collect paper work, keep refreshments stacked and stuff like that. There are no opportunities to advance. On rainy days, I don't work at all because it is closed. It is not a great job because it is dead-end.... My hours are 7:45 a.m., until closing. I never get out before 6 or 6:30. It is a long day. There are no benefits of any kind. —A 24-year-old car wash cashier living with her two children in an extended household in Washington, D.C. (DC-1)

Some workers indicated that their skill level and the lack of training opportunities limited their potential for advancement.

My last dietary job started at \$6 an hour and increased to \$7.50 an hour after training. I was paid \$8 an hour as a home health aide.... There is no room for

advancement as a home health aid unless you get more medical training. —A 36-year-old unemployed mother living with her two children in St. Petersburg, Florida. (FL-7)

Choosing Between Parenting and Wages

Given the low wages, poor benefits, and limited opportunities in this labor market, many authors are faced with a choice between meeting their parenting responsibilities or working. Although all parents have difficulty balancing work and family, most parents are able to rely on employer-based provisions such as vacation and sick leave to cover time missed to care for a sick child or a day care conflict without fear of a loss of income or losing one's job. In addition, given that the vast majority of parents in our study are single parents, their ability to manage the day-to-day demands of parenting or to care for the needs of a child is stretched thin. Without the benefit of employer provisions and a second parent, many transitioning workers find they are forced to choose between neglecting their families and neglecting work.

In these narratives, the authors frequently acknowledge their limited employment options. They often identify with clarity the trade-offs that working in certain jobs presents for their families. However, they also recognize that they have few options and while disturbed by their limited options, many transitioning workers accept unfavorable employment even if it means neglecting family needs.

Yes, I am working ... I go along with the rules but the work hours are very difficult for me ... I start at 10 p.m. and I leave at 5 a.m. They pay me \$7 an hour ... what I need to do is learn English ... for the moment I am studying and working but I ignore my children a lot in order to advance at work ... there is no opportunity to move up because there are too many people.... The qualifications they want is that you have two years [on the job] to change positions and it's impossible for the people to last that long since the work is very hard and the work hours, too. — A 45-year-old mother living with her spouse and four children in Chicago Lawn, Chicago. (IL-1) [translated from Spanish]

I put in a lot of hours at my job. I work Monday to Friday from 9 to 4:30, then I go home and work at least every night five hours on opening mail for my company. I work for a mail order company. By me bringing work home at night I am able to spend very little time with my four children. On weekends, I spend as much as 8 to 11 hours opening mail, so I don't get to spend as much time with my family as I would like to. —A 31-year-old mother working for a mail order company, living with her spouse and four children in Norwalk, Connecticut. (CT-6)

I don't have anything against going to work, but my daughter was sick a lot, and my son had ADHD so it was hard to find sitters. It still is hard to find sitters. Now my main problem is I am working two and three jobs, driving my kids nuts,

stressed out all the time, and public aid is helping me even less. —A 30-year-old mother working three jobs, living with her two children in Le Claire, Iowa. (IA–2)

These examples illustrate some of the ways authors respond to the conditions inherent in a low-wage job market. By pursuing a strategy of working long hours and/or working multiple jobs, authors are able to increase their earnings to some degree. However, as the first author points out, it is often an unsustainable strategy.

While some transitioning workers accept this trade-off, many do not, and are willing to sacrifice potentially higher wages or increased hours for work that is more compatible with meeting what they perceive to be their parental responsibilities. For these authors, their primary concern is providing adequate care for their children. Employment becomes secondary, and is frequently looked upon as self-defeating.

I believe that my son comes first, that I feel I have to work around his needs. Bartending is not an end-all, but it's a solution for me right now. If a job can work around my son's needs, then that's where I'll put my efforts.... I think being a parent is the most important job, and I take it seriously. My life centers around him. —A 42-year-old bartender home-schooling her son in El Paso, Texas. (TX–1).

Most job[s] I obtain, I have to make sure that the hours are suitable to work around my son's school schedule. Most of those types of jobs are too far out for me to travel to. By me remaining local, I'm limited to very low paying jobs with no room for advancement. —A 34-year-old mother supporting her three children in St. Petersburg, Florida. (FL–8)

Lately, my jobs have been hard. You want to earn more money, but then your benefits suffer, and most jobs I go for are not set schedules, so I can't receive child care. Because I would like to be with my kids during the day, it's hard to find night child care. —A 25-year-old single mother supporting her two children in Green Bay, Wisconsin. (WI–10).

Making sure the needs of their children are met, even if it means sacrificing higher paying jobs or employment itself, represents one type of family adaptation to the set of contradictory pressures facing these working parents. In striving to increase employment outcomes and reduce the welfare rolls, questions about parenting and how welfare leavers should best care for their children have often been ignored. This reflects, in part, the sharply divergent work and parenting experiences of most policy makers and the public as a whole, for whom work and family do not frequently represent such a stark trade-off. Although the public may not fully appreciate the trade-offs that confront these parents, their desire to do what is best for their children is a broadly shared value.

Low-Wage Jobs and the Demands of Family

Even when working and increasing one's income is a central priority, the conditions of work found in the low-wage job market can frustrate the best of efforts. For example, temp jobs which are often endorsed by welfare offices in job fairs or promoted by caseworkers to their clients present a set of distinct challenges. In addition to having virtually no job security, limited hours, low pay, and few or no benefits, these jobs can be especially difficult for working parents, who, unable to predict when they may be called to work, must quickly secure daycare arrangements.

I have not been able to find full-time employment, but have had some part-time jobs through a temp service as a secretary. The pay is ok. Once I find full-time employment, I know I'll be able to provide for me and my child. Working with a temp agency is kind of hard because I have to go in when they call and I need a babysitter right away. —A 22-year-old single mother with one child making \$800 a month in Detroit working through a temporary agency. (MI-7)

Erratic work schedules or hours that are incompatible with family life or daycare mean transitioning workers will have difficulty keeping their jobs. The authors in this study often describe losing jobs because they missed some time from work to care for a sick child or due to conflicts with work hours and arranging daycare.

I found a job working for GIANT, and the hours did not work out with daycare, so I left. I missed three days, when my daughter was sick, and got laid off because you can't miss three days in the first 90 days on the job. I then moved on to inventory and the hours again did not work out, because I was supposed to report at 5:30 in the morning at the babysitter but she can't accept children that early in the morning. —A 19-year-old mother working and living with her two children in Washington, D.C. (DC-2)

Working low-wage jobs compounds problems for transitioning workers who lack transportation and have high daycare costs that absorb much of their income. These workers may lose their jobs when they miss work or need to reduce hours in order to take care of children.

I had problems with transportation ... buses are infrequent and don't go where I need to go ... and do not work for getting to and from work because most work is too early or too late for buses. Also, when I or my children got sick, jobs didn't like that. Work is hard to find where I live. The pay is low and employers do not help a small family. —A mother of four from Laurel, Delaware, trying to make ends meet on \$350 a month. (DE-3)

I have not had a job in the last year that I was able to keep. My son needed day care and I did not have any transportation. After I paid someone to watch him, I barely had enough money to pay bills. They were just minimum wage jobs, with no chance for advancement. If I didn't work the extra hours they needed me to, I

would get fired, but I had to get my son. I'm currently unemployed. —A 23-year-old unemployed mother with one child living in Detroit. (MI-4)

These examples illustrate the contradictory pressures felt by transitioning workers. Even when working, these authors find that their “success” in the labor market can be quickly derailed by the routine disruptions of parenthood since their jobs provide few of the resources or flexibility needed to manage family responsibilities. Rather than provide the route to self-sufficiency that policymakers have envisioned the intersection of work and family in a low-wage job market appears deeply problematic and incompatible.

TANF Rules and the Transition to Work

Finding Employment May Reduce Critical TANF Supports

While these workers encounter a host of problems in the labor market that complicate their transition to employment and self-sufficiency and challenge their ability to meet parental responsibilities, TANF rules can offset some of the problems facing workers. Rather than compensate for the inadequacies found in a low-wage job market, however, TANF rules often reinforce them, a subject that will be taken up in greater detail in the following chapter on public benefits. In many cases, workers find they are unable to pay for day care and other family needs once they start working and their benefits are reduced or ended.

When I started working, it was only three days a week for two or three hours. Not to mention my check being cut down to \$130 a month. So it seems like after I got a part-time job, I started struggling. I had to pay \$100 a month for daycare, and also buy diapers and wipes for the month. The little bit of change I made from work was spent to buy my son's clothing. I was struggling because they cut my check down. —An 18-year-old woman raising a child with a chronic illness and attending school, living in College Park in the Atlanta area. (GA-9)

*It's really hard when you work. When you're on W-2 and you're going through their program you have no problems with getting food stamps, but [as] soon as you get a job—they won't cut your medical benefits, you'll always get medical benefits—but they'll cut your food stamps. The food stamps are gone; they'll give them to you for a couple of months—*A 26-year-old certified nursing assistant living with her two children in Milwaukee. (WI-7) [W-2 is the acronym for Wisconsin Works, the state's welfare reform program.]

Meeting Family Responsibilities May Reduce TANF Supports

In addition, family needs that arise can complicate meeting TANF obligations, which in turn can further exacerbate both family and employment problems. Some authors report being sanctioned or losing TANF assistance or other benefits because they were unable to meet a program

requirement or had to leave a program to care for a sick child. A 38-year-old mother who was working for the 2000 U.S. Census and living with her child in Hartford, Connecticut, relates:

My daughter started failing in her grades.... So, what I did was that I left that position, for her. Because I felt like she was accustomed to having me there, so, you know, to help her with her homework and so forth and I wasn't there so you know, that had to be the reason for it. So I left that position and the state terminates me, completely. And that left me in dire straits. Um, I went through the hearing and everything and it still turned out with my having no monies to actually pay my rent. Because that's what that helped me for and if I worked and that's to get odds and ends for the house and pay bills and whatever. So she went up in her grades, thank the Lord. But we lost our monies and so forth. I've been temping since. I'm trying to obtain a permanent position but it hasn't been easy.
(CT-3)

TANF Rules, Advancement and Higher Wages

Current TANF program rules may inadvertently function to restrict advancement and higher wages for transitioning workers by sanctioning or ending benefits if a participant leaves a job. Under TANF program rules in many states, transitioning workers who are stuck in dead-end jobs frequently face the dilemma of losing valuable supports if they lose their jobs or reduce their hours to look for something better or to seek out job training and education to land better paying jobs. This, despite the fact that several studies find that voluntary job changes lead to higher wages among former welfare recipients,⁶ and the long established positive correlation between income and education.

Serendipitous Success

Some of the employed authors in this study can be considered a kind of “success story.” Of the 106 families in our study that are working, approximately 14 have found jobs and life circumstances that bring their families a degree of material security and appear to be on the path to self-sufficiency or to have already achieved it. For this group success is as much based on the coincidence of family supports, positive life circumstances, and simple good fortune as it is on finding that “great job.” Thus, rather than being able to point to some successful strategy, these authors’ success reflects a decidedly serendipitous element. In many ways the work histories and training and educational backgrounds of this successful group are quite similar to those who are working but aren’t “making it.”

Still, their level of success is quite relative and precarious. The more successful workers are only marginally better off than the other working authors. With incomes that put them in a “near poor” status, and with several lacking postsecondary education or a clearly defined vocational

⁶ For a review of several studies, see Strawn, Greenberg, and Savner (2001, 15–17).

degree, their situation is delicate enough that one change in their life situation could place them in the group of workers struggling to make ends meet.

Working Conditions That Distinguish the “Success Stories”

These authors have higher earnings than other workers in the study. Many of these workers were employed in jobs that paid \$8 to \$12 an hour which generally included benefits, a slightly better wage rate than the majority of working authors. Often these workers have found employment that offered advancement in the last couple years. However, nothing about the type of jobs or fields represented among this group of “success stories” suggests a distinct advantage from working in a particular field or industry. These workers hold jobs in the health field, in clerical office jobs, and in retail—fields that are common to both groups of workers.

What distinguishes this group is these workers appear more likely to have full-time work, and in some cases overtime, which help to increase their incomes. Their higher incomes help to absorb the high costs of child care, though some describe needing more assistance in this area. Many of these workers are also offered advancement and tell of employers who encourage them to apply for new positions and show concern and support when problems arise in their work or family life. Some of these employers provide flexible scheduling to manage family needs, something that many workers in the other group cite as a cause of losing or having to quit a job. One author describes a workplace that is flexible enough to accommodate the parenting needs of caring for a small infant while working.

I applied for a job as a bookkeeper before I had my baby, and got it because of the skills I learned while at the nursing agency. I make \$11 an hour and have room for advancement. I make the best money I have ever made. I got really lucky with this job because I don't have set hours. I get paid for a 40-hour workweek, but only have to work until I get everything done that needs to be done. Also, I can also take my son with me, which works out wonderful because I am breastfeeding. —A 22-year-old bookkeeper living with her two children in Raleigh, North Carolina. (NC-1)

Many of these workers also had affordable private insurance through their work. Although this group in general had few health issues to contend with, the combination of good benefits with the willingness of an employer or supervisor to be supportive of an employee's family life is noteworthy. One author describes the support she received from her supervisor during a rocky period after a divorce. She explains that she was encouraged to seek out some counseling through her private health insurance to help her through this hard time. Without this level of support from a supervisor and the easy access to counseling services, it is possible she might have quit or lost her job. Taken individually, each of these aspects may not seem significantly different from other worker experiences, but taken as whole for this group of workers, they represent a more optimal labor market situation than for the majority of workers for whom employment has not brought self-sufficiency for their families.

In addition to experiencing a better set of working conditions and benefits, these workers are also notable for some of their life circumstances and the level of social resources they are able to bring to bear on managing the demands of work and family. For example, this group of workers and their children have few health problems. This contrasts sharply with the other group of workers and those not working, among whom chronic health problems are common. This group is also notable for its access to private transportation. Nearly all of the authors in this group had a car or access to one. They commented that it was needed to manage work with family, as when children had to be dropped off at multiple locations some distance from home, or when getting to work involved a significant commute.

I own my own car. I fill my tank when I get paid each week and it lasts until the next week. I have just always budgeted for that. I spend about 30 to 35 minutes one way to get to work, including dropping my daughter off at school and dropping my son off at daycare. —A 34-year-old mother with three children balancing work and family life in Wake Forest, North Carolina. (NC–5)

The overall resemblance of this group of workers with those workers not making it is instructive. Although this group of authors and their stories are not distinguishable by some successful strategy they have adopted, the few but significant differences in their social resources, life circumstances, and work experiences do suggest a formula for expanding the reach of self-sufficiency to more families. Such a formula must address both supports for working parents and improvements in the job market environment.

The Role of Worker Supports

As their accounts reveal for both working and nonworking authors, finding jobs, sustaining employment, and advancing in the labor market do not occur in a vacuum. These goals are mediated by the level of family and worker supports that may or may not be in place to meet such vital needs as child care, transportation, and health care. Although the group of “success stories” generally had access to health care through an employer, and either could rely on family help to provide child care or could afford private child care, the vast majority of transitioning workers need these supports through TANF and other programs. Currently, many do not receive them.

The levels of worker supports offered to transitioning workers vary in part due to state-by-state differences in the scope of programs and eligibility. In terms of health insurance, a relatively high percentage of authors (83 percent) who were employed have access to medical insurance, most of it coming from state Medicaid programs rather than private health insurance from an employer. While this finding is encouraging, it signals that a significant number are without any health insurance and that very few working authors receive health insurance through their employer.⁷ As will be discussed in the chapter on health care, a number of gaps exist in Medicaid programs and many participants lose these benefits once they are working or their incomes rise, regardless of whether they have access to private forms of health care from their

⁷ Only 18 working authors received private health insurance through their employers.

employers. Rather than base Medicaid eligibility on income, the availability of private health insurance should be the main criterion for continued eligibility.

On the other hand, a much smaller percentage had access to child care assistance (roughly one half of those working in our study). However, the need for child care assistance and greater access, particularly hours of operation that fit with many work schedules, emerge clearly in these narratives as a worker support absolutely critical to transitioning workers.

Child care on the most part is good but sometimes it impacts on getting to work or looking for work. There should be more child care options, like having one at my apartment complex. Also a lot of child care is geared at 8 to 4 or 9 to 5 jobs, but about half the jobs are very early starting jobs or end late or on weekends. Then child care becomes a nightmare. This is especially where central locations of child care should be available. —A mother with four children from Laurel, Delaware. (DE-3)

I have had a lot of trouble finding a job. I don't have any degrees or experience, so I am blown off right away most of the time. However, most recently I found that I could have applied for many jobs. I have a better chance than I've ever had before now. Yet, the biggest pitfalls remain the same. Many employers want you to be very flexible with your schedule and work weekends and holidays. My babysitter doesn't work weekends or evenings. This makes it hard for me to find a job sometimes. Also, I have to work around my son's school schedule because I don't have any family [or] friends to help me do things. I really need a job that is flexible with me—one that allows me to take care of my family as well as my work. Most jobs just don't understand that you may not have anyone else who can take your kids to the doctor's, etc. I make more money right now than ever before, but I still couldn't pay for child care for two children. I just don't know what I will do when my child care assistance ends! Will I be on the streets again? Probably! It is very sad! —A 28-year-old mother working and living with her two children in El Cajon, California. (CA-2)

The disparity between health insurance coverage and child care assistance is most likely a reflection of the greater institutionalization of state Medicaid programs and the relatively recent focus on child care programs nationally since the passage of PRWORA in 1996. Nonetheless, these accounts point to the need for greater resources and assistance directed at child care for transitioning workers. One state that has provided such an approach is Wisconsin. Wisconsin recently increased the income eligibility for child care assistance to 185 percent of the federal poverty level (or \$26,172 for a family of three) and participants remain eligible until their income exceeds 200 percent (or \$27,756) of the poverty level (Ehrle et al. 2001). These issues will be taken up in greater detail in our chapter on child care.

Finally, having access to a car appears to be an important factor in the group of success stories. Innovative programs that provide loans to purchase a car, and other programs that help transitioning workers gain access to private transportation are likely to be an effective strategy to

help families manage the competing demands of work and family and promote self-sufficiency. The chapter on transportation will outline these programs in greater detail.

The Role of the Private Sector

Although most of the jobs authors found lacked a number of basic provisions and the flexibility needed to manage both family and work, a few authors (from both groups of working authors) describe some positive work experiences that made the difference between losing a job and keeping one. These authors describe a workplace that is family-friendly and willing to accommodate frequent interruptions in work to care for a child.

Holding a job was very hard for two reasons. It was my weight and the other was my son's disability. I would often need days off for my son's doctor's appointments or even weeks if he was hospitalized. I knew there wasn't an employer on this earth that would be that flexible or understanding. So needless to say, I lost a lot of jobs. Child care has always been my field and the only jobs that I ever had...which brings me to where I am today at a very family-oriented day care center where they are very flexible to my situation and they help me out a lot. —A 29-year-old mother of two from East Orange, New Jersey. (NJ-3)

I've worked at Food Lion for about a year and a half.... The management works with me because I have young children I care for, so they work around my schedule. They give me time to find someone to take my grandchildren so I can come in if they need me. —A 55-year-old single mother caring for her two grandchildren and working full time as a baker at a local grocery store in Raleigh, North Carolina. (NC-4)

These positive examples of employers providing greater flexibility with time off and increased understanding of the challenges faced by transitioning workers appear to be an important influence on whether workers are able to succeed in the labor market. Thus far, however, there has been no real effort to provide incentives for employers to provide these kinds of benefits and flexibility. While having a policy influence in the private sector poses some serious challenges, a number of incentives could be developed such as providing tax credits to employers who provide provisions for such things as on-site day care and offer flexible scheduling for working parents.

Flexibility is not enough, however. As the working poor status of the majority of authors in this study attests, most of their jobs simply do not offer a wage capable of sustaining a family, even when working full time. Two strategies that can be pursued in tandem should be explored to address this wage reality. On the one hand, TANF should be expanded to allow recipients to continue receiving assistance while they work. These wage supplements, known as Earned Income Disregards (EID), create both a strong incentive to work and ensure that employment provides a route to material security for families. Providing this kind of worker wage supplement will be addressed more thoroughly in the chapter on public benefits. A second and broader strategy attempts to address the issue of low-wage work in the economy as a whole by advocating for increases in the minimum wage and increases in the EITC benefit. Minimum

wage laws have not kept up with the cost of living. If the minimum wage had kept up with its actual value in 1968, it would currently be \$8.14. Current minimum wage standards need to be raised and indexed for inflation. Currently, the level of \$5.15 an hour cannot support a family of three above the official poverty line, with one adult working and assuming full-time, year-round employment, an assumption that this study shows applies infrequently to transitioning workers. Given that many poverty scholars consider the official poverty level far too low, a much higher wage is needed to provide family-supporting income for welfare leavers and low-wage workers. Without addressing these problems of low-wage work, many families will find it difficult, if not impossible, to make the transition to work and become self-sufficient, an outcome that is contrary to the objectives of PRWORA and sound social policy.⁸

Recommendations

1. Given the reliance on low-wage work, and the frequent inability of transitioning workers to work full time, policies should be implemented that increase the earnings of workers and make it financially meaningful to leave welfare.

Federal and state policy should be committed to reducing poverty and promoting work that provides for a family-supporting wage. Several policies can be pursued to ensure that employment and poverty do not go hand-in-hand and which make allowances for working parents. One approach is to increase the minimum wage and index it to inflation. Minimum wage levels have not kept up with the cost of living and the current level of \$5.15 an hour cannot support a family. To that end we support HR 2812, Minimum Wage Restoration Act. In addition to increasing the base wage of workers, changes to the tax code that would count dependent child exemptions and credits for families who do not owe income taxes would further help to supplement workers' income.

2. Expand the Earned Income Tax Credit.

Currently EITC levels are capped at \$4,000 for a family with two children and decline as income exceeds \$12,500. Either the cap should be raised, or the level at which it begins to decline should be increased. The measure should also take into account family size. The 11 states that currently offer a state income tax EITC should make similar changes and states that do not currently offer the benefit should offer it.

3. While policy changes directed at increasing the wage and yearly income for low-wage workers are important, finding ways to address the competing demands of parenting and work are also important.

⁸ For a discussion of the inadequacy of minimum wage laws and the federal poverty standard see Schorr (2001). A self-sufficiency standard developed by Diana Pierce at the University of Washington as part of the Family Economic Self-Sufficiency Project is a useful alternative to the federal poverty benchmark. The self-sufficiency standard used here incorporates many more factors than the current "bread basket" federal poverty formula. The self-sufficiency measures encompasses geographic location, taxes, age of children which reflect different level of costs, and costs associated with working, to come up with an income level needed by a family to be considered self-sufficient. The Web site can be reached at: <http://www.sixstrategies.org/homepage.cfm>

This means acknowledging the much higher level of physical and mental impairments for this group of working parents and their children. One approach that moves in that direction is to strengthen and expand the Family and Medical Leave Act so it applies to smaller businesses and to workers who have worked less than 12 months. In addition, states should be allowed to link the FMLA benefit to their unemployment trust fund program or similar program. To that end, we support HR 226, Family Income to Respond to Significant Transitions Insurance Act. Expanding FMLA in this way would help low-income parents who must take time off to care for a child or parent by providing a needed income supplement.

4. Make it a national goal to promote a family-friendly work environment.

Provide tax incentives to employers who offer flexible work scheduling for families, on-site day care, health care, and other provisions such as various forms of leave. TANF funds could also be used in various ways to provide these incentives to employers who hire TANF recipients.

5. Expand the wage supplements known as Earned Income Disregards (EID) to help to create a strong incentive to work and ensure that employment provides a route to material security for families.

Access to worker supports such as Medicaid, food stamps, child care subsidies, and other benefits for TANF leavers and other low-income workers should also be expanded. And states should add post-employment supportive services such as job training and retention. Finally, TANF should remain available to all workers as a safety net. TANF is a vital protection against unemployment, disability, or when family responsibilities interfere with work for wage earners. To ensure TANF is able to provide this needed role, the percentage of caseloads that can be exempted from five-year time limits should be expanded to reflect the need of current recipients.

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