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More States Now Ask Recipients of Aid To Train and Take Jobs

Massachusetts and California Also Provide Child Care, Freeing Mothers to Work

Reagan's Workfare Memories

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BOSTON—Donna Deshaies recently celebrated the first anniversary of her freedom—freedom from the boredom that many mothers on welfare suffer. In April of 1985, she began work in the payroll department of Massachusetts General Hospital, a job she got with the help of the state's Employment and Training program.

Ms. Deshaies, who is 23 years old, trained for the job during a 16-week course that covered not just clerical skills but also such subjects as interviewing for a job and dressing properly for work. During her training, she continued to get her welfare check. Child care and transportation expenses were paid by the ET program.

"I wouldn't have been able to pay for my own training," she says. And even had she found tuition money, child-care expenses for her two-year-old daughter, Talana, would have been unaffordable. Today, she no longer is on welfare.

The Massachusetts experiment is an example of new efforts by states to resolve welfare problems. California is just beginning a program called Greater Avenues for Independence, or GAIN, that, like ET, uses training to get people off public assistance and into jobs. And like ET, the California program offers child-care aid, which is crucial in a nation in which two-thirds of the 11 million people on the main federal-state welfare program are children.

Working for the Money

Just about everybody agrees that the current welfare system needs repair, if not replacement. In his State of the Union address this year, President Reagan said he was instructing his Domestic Council to evaluate federal programs for the poor and to develop, by Dec. 1, "a strategy for immediate action." Because Mr. Reagan often makes clear his belief that welfare recipients should work for their money, the White House strategy is expected to include a so-called workfare program.

Workfare is controversial, but the states may take the lead here as well. In a compromise that led to California's adoption of a plan, liberals agreed to a form of workfare so long as child care was part of the program. Some members of Congress hope that a similar federal compromise might lead to refashioning Aid to Families With Dependent Children, a $15 billion-a-year program.

Job creation and child care are critical, though expensive, elements in changing welfare, says Barbara Blum, the president of the American Public Welfare Association and of the Manpower Demonstration Research Corp., which evaluates state welfare programs. "It does get down to whether we're willing to make the front-end investment for a long-term benefit," Ms. Blum says.

Spending and Saving

ET's $50 million annual budget represents a considerably higher investment than the $12 million Massachusetts spent on welfare in 1982, the year before ET began. But ET's job-placement costs are about half those of the former program, says Charles Atkins, the state public-welfare commissioner. "For every dollar we invest in ET, we save two dollars in reduced welfare benefits and increased tax revenue," he says. Half of ET's budget is spent through child-care vouchers that parents, usually mothers, can use at any licensed facility. The state continues to pay for day care for as long as one year after the welfare recipient gets a job.

Connie Parks pays only $17.50 of the $60 weekly day-care bill for her three-year-old son, John. "If I had to pay [$60 for] day care every week, there wouldn't be any sense in working," she says. Until last October, Ms. Parks, 34, had been on welfare since another son, now 15, was born. After so many years on public assistance, she finds it somewhat hard to believe that now she is employed in the data-processing unit of Boston's Grove Hall welfare office.

Like Ms. Parks, others have been "rolled over" from welfare through ET's on-the-job training project known as supportive work and into regular, full-time employment in private industry.

'A Different Person'

The supportive-work option is one of several available to ET clients. Janice Perryman chose instead to earn her high-school equivalency diploma and enter ET's 28-week Office Skills Training Program in Boston's United South End Settlements. Beyond the typing and word-processing skills that Ms. Perryman is learning, she says she is more self-assured and thus has a better relationship with her children. "Now they can ask me questions with confidence," she says. "Before, they would say, 'She don't know.' I'm a different person, so they're different, too."

After Ms. Perryman's training is completed and employment begins, she and her children will be eligible for one year of state-paid health services if health insurance isn't available from her job.

ET is widely praised. Between October 1983, when ET began, and January 1986, the state's AFDC caseload dropped 4.1%, from 88,414 to 84,828. Without ET, Massachusetts authorities estimate the caseload would be at least 93,200.

But there are skeptics. The average annual Massachusetts welfare grant of $4,800 leaves recipients well below the poverty line, which is true of welfare recipients in all the states. Even the yearly income from the average ET full-time job—$11,000—is well below "breadwinner's wages," complains Dorothy Stevens, a Boston welfare recipient and activist. As of July 1, state officials won't pay contractors who train ET clients if the recipients aren't placed in jobs paying at least $5 an hour.

President Reagan's 1987 federal budget proposal calls for the "work incentive" (WIN) program that finances flexible state initiatives such as ET to be replaced by a cheaper "work opportunities" project. ET would lose about $8 million under the Reagan proposal, according to Gov. Michael Dukakis, who says he would try to find the money elsewhere rather than let the program die.

The Reagan proposal would require that up to 75% of able-bodied welfare recipients, excluding mothers of young children, enroll in a work-related activity. The National Council of State Legislatures has told Congress it "opposes the imposition of a national, mandatory work program because such a program fails to recognize special state and local conditions."

Cutting costs while increasing benefits to the "truly needy" long has been a central element of Mr. Reagan's welfare philosophy. Budget cuts made in fiscal 1981 reduced the 3.5 million AFDC cases by about 442,000, according to the General Accounting Office of Congress. Yet real income for recipients continued to drop, as it had been doing for years. From 1971 to 1985, the AFDC benefit fell by one-third in constant dollars. When food stamps are included in the computation, the drop still is 20%.

Mr. Reagan's views on welfare have been shaped to a large extent by his experiences as governor of California between 1966 and 1974. He and the state legislature developed a welfare program that the president continues to cite as a "tremendously successful" model of welfare reform that included workfare.

Report for Work

In a press conference earlier this year, he defined workfare in describing the program's goal—"We are going to order able-bodied welfare recipients to report for these useful jobs. . . . They're doing it in return for their welfare grants." He stated that the program reduced the welfare caseload by 300,000 people and funneled 76,000 recipients into private-industry jobs.

Others say the California program wasn't as successful as the president remembers. A 1974 California auditor general's report on workfare said that "at the maximum" 2,045 clients participated in the program during the first 21 of its 36 months. Gerald Hawes, an author of the report, says that it is "inconceivable" that more than 3,000 people were placed by

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workfare. Researchers say Mr. Reagan's program accounted for far less of the caseload decline than he claims.

Robert Carleson, who was the state's social-welfare director under Mr. Reagan and who was a White House adviser during the president's first term, says workfare was just an experimental project. But he argues that the Reagan program was a significant factor in the caseload decline.

President Reagan firmly opposes automatic cost-of-living increases in AFDC grants, but that is one of his legacies in California's program. In order to get his revision package passed by the state legislature, he agreed to index welfare grants to the inflation rate. Largely because of that, California's monthly grant of $587 for a family of three is higher than almost every other state's.

No Pain, No GAIN

Today, California again is experimenting with changing welfare. The program called Greater Avenues for Independence was enacted last year, and county administrators now are drawing up plans to put it into effect. GAIN is similar to ET but has a workfare component.

How California's new workfare is constructed was the "key to compromise" that allowed liberals and conservatives in the state legislature to pass the welfare package, says Assemblyman Art Agnos, a San Francisco Democrat. Under GAIN, a recipient isn't placed in workfare until various training and employment programs have been exhausted. And then the placement must be in a job for which the client was trained.

A written contract between the client and the system outlines the recipient's benefits, including food stamps, Medicaid, child care and transportation services. It also stipulates the welfare recipient's responsibilities, including a work activity. If a dispute should develop over carrying out the contract, it may be resolved by arbitration.

The program has its critics. Kevin Aslanian, of the Coalition of Welfare Rights Organizations in Sacramento, says GAIN will lead to dead-end jobs that won't encourage independence from welfare. State Sen. Diane Watson says she voted against GAIN because it provides no funds for job development, which she feels is crucial if recipients are to move off the welfare rolls.

Sparing the Children

Mr. Agnos says he voted against workfare previously because he believes it is generally punitive and smacks of make-work. GAIN, however, has its own punitive element. If a recipient repeatedly fails to keep an agreement with the welfare system, checks can be sent to a third person, such as a friend or minister, who pays the client's bills. "The emphasis here," Mr. Agnos says, "is not to punish the children who are the real recipients in AFDC."

Major child-care provisions were an important element in attracting liberal support for GAIN and a concession conservatives realized they had to make, says Carl Williams, California's deputy director for social services, who helped negotiate the GAIN compromise for the conservative Republican administration of Gov. George Deukmejian.

Liberals acknowledged that workfare needn't be slave labor and agreed that money can be poured into the welfare system without generating self-reliance, says Mr. Williams, who also worked on Gov. Reagan's workfare program. Conservatives recognized that workfare isn't the entire answer and that comparatively expensive programs for training and supportive services must be considered part of the solution. "So we moved a long, long way in our view," Mr. Williams says of conservatives. "We weren't willing to do that until recently."

Rep. Harold Ford of Tennessee, the chairman of the House Ways and Means subcommittee on public-assistance programs, believes "the atmosphere is there" for conservatives and liberals in Washington similarly to develop a compromise on welfare.