

THE FINAL WORD:
WORKFARE IN SAN DIEGO
FINDINGS FROM THE MANPOWER DEMONSTRATION
RESEARCH CORPORATION;
THIRD STUDY,
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Prepared by:

Colleen Fahey Fearn
LEGAL AID SOCIETY OF SAN DIEGO, INC.
110 South Euclid Avenue
San Diego, California 92114

At the Request of:
Merkel Harris, Director
WELFARE RIGHTS ORGANIZATION
4291 Market Street
San Diego, California 92102

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INTRODUCTION

Since 1982, San Diego County has conducted a Workfare experiment requiring that all Aid to Families with Dependant Children ("AFDC") recipients work for their benefits. The men and women in this experiment were randomly selected from October 1982 through August of 1983. This random selection resulted in an experimental group of 6,997 people. Approximately half of this random selection were males and the other half were females.

Because of the 50/50 split (half female, half male) this experimental group does not reflect the real AFDC population. The real population is over 90% female. Because of this, the results cannot be projected onto the larger population. Nevertheless, that is happening. The implementation of California's GAIN Workfare Program is based on the alleged success of the San Diego Workfare Program.

Workfare in San Diego consists of two sections:

1. Job Search: This is a workshop that lasts for three weeks. The participant must write resumes and search for jobs.
2. Experimental Work Experience Program: This part is commonly referred to as Workfare. This involves labor in exchange for the welfare check and lasts for 3 months. Welfare recipients must participate in the entire Workfare program or lose their welfare benefits for three months or six months. They work up to 32 hours per week with one day for more job search activity.

Certain factors should be kept in mind throughout this report. They are:

1. Women vs. Men: Women in this study had a limited work history and received more welfare.
2. Average AFDC Recipient: The average AFDC recipient is a seven year old dependant. He/she is dependant on his/her mother for all psychological, emotional, physical and economic needs.
3. Experimental Group vs. Control Group: The randomly selected group was subdivided into an experimental group and a control group. The experimental group got Workfare treatment. The control group received "minimial" WIN services, i.e., less services than

regular welfare people. (See: Report at 4)^{1/}

4. Final Report: This report is the third and final report on San Diego's Workfare experiment.

This paper will be divided into seven sections:

- I. Women and Workfare
- II. Men and Workfare
- III. Sanctions and Workfare
- IV. Childcare and Workfare
- V. Training and Workfare
- VI. Who Benefited from Workfare?
- VII. Cost Benefit Analysis

I.

WOMEN AND WORKFARE

Women were studied separate from the men. What happened to those women that had Workfare and those that did not? The experimental group had Workfare treatment and the control group received nothing. Here are the results:

Experimental Workfare Women: 61% percent got jobs.

Control non-Workfare Women: 55.4% got jobs.

The following factors should be noted:

A. Less WIN: The control group received no services whatsoever. In fact, they received less than regular welfare people. This is because all resources are geared toward Workfare. Still, it is important to ask a question. Were the control group (non-Workfare women) lazy? Did they have to be forced into taking a job? The answer is no! Obviously, women want to work. The percentage of non-Workfare women securing jobs was very high.(55.4%) The increase in job securing behavior was only 5.6 % for Workfare women. With all the expensive sanctions and mandatory Workfare requirements, there should be an increase in employment amongst Workfare women more than a mere 5.6%.

^{1/} All references are to "Summary of Findings for the Final Report on The San Diego Job Search and Work Experience Demonstration", Manpower Development Research Corporation, Released February 24, 1986.

Remember the control non-Workfare women and the high percentage that secured jobs.

B. Trend: The report indicates a trend that is most important. The non-Workfare women are on an upward track. The figures show that she is catching up with the Workfare woman. On the other hand, the Workfare woman is on a downward track. According to the trend, the non-Workfare women will catch up with the Workfare women in approximately two more quarters. (See: Figure 1 at 10).

C. Economic Conditions: The labor market was in a "severe recession" when the Workfare experiment started in 1982. Later, there was an economic recovery. (See: Report at 15). The trend showing the control group catching up with the Workfare women shows this economic fact. (See: Report at 15). Employment increases were seen in both the male and female groups because of the labor market recovery.

D. Welfare Receipt: Both the Workfare women and the non-Workfare women received welfare over the time studied. Yet the Workfare women received less welfare. Is this because Workfare found her more employment? No. The reason is because the Workfare women suffered under the severe sanction system. These sanctions are eagerly embraced by county workers. (See: Report at 7). The Workfare women suffered a sanction rate 8 times that of the non-Workfare women. In reality, Workfare savings come from the average 7 year old Workfare recipient. It does not come from the modest increased employment rates among Workfare women.

E. Women In The Job Search Only Control Group: These women were non-Workfare women. Not only did they catch up with the Workfare women, but overtook them. By the last quarter, they secured more jobs than the Workfare women! (See: Report at Table 1 at 9). This fact was true for the non-Workfare men as well. (See: Report Table 2 at 18). The report could not explain this factor. Employment gains made by Workfare women were originally better, but "deteriorated rapidly". Why? Because Workfare women failed to retain their original jobs. In addition, the labor market experienced an economic upturn.

II.

MEN AND WORKFARE

The report states that the findings for Workfare men in San Diego were in "marked contrast" to the findings for women. Even the insignificant gains made by Workfare men decayed over time. (See: Report at 16 and 17).

The study showed that Workfare did not significantly increase employment for men. In other words, the men did better without Workfare at all.

Yet, a curious factor is that Workfare men received less

welfare. (See: Report Table 2 at 18). Why is this? This doesn't make sense. Both Workfare and non-Workfare men found jobs. The answer is simple. Workfare men suffered from a sanction rate 8 times that of non-Workfare men. (See: Report at 7). For Workfare men, the entire family, including young children, is punished severely for such transgressions as car break down, lack of childcare, death of the senior father, prior training, and pneumonia.^{2/} Any savings from Workfare is due to its severe sanction rate. This is the essence of Workfare.

III.

SANCTIONS AND WORKFARE

The "staff was persistent . . . in their recommendation of sanctions." (See: Report at 7). The sanctions meted out to the Workfare women were "considerably higher" than those sanctions for the non-Workfare women. (See: Report at 7). Workfare women had a sanction rate anywhere from 4%-8% while non-Workfare women experienced a sanction rate at 1% or less.

When queried, Workfare people said that the program was fair, but that the welfare agency received a better deal. Finding the Workfare requirement qualifiedly fair is understandable in light of the fact that 85% of the Workfare recipients were threatened with the dreaded sanctions. (See: Second Report at 97).

Sanctions under Workfare are terrifying. The primary caretaker has his entire family sanctioned for three months for the first offense and six months for the second. If the recipient is not the primary caretaker, he/she will be removed from the grant for three months and six months respectively.

IV.

CHILDCARE AND WORKFARE

The average AFDC recipient is seven years old. Obviously if his/her only caretaker is forced into Workfare on a full-time basis, this child needs adequate childcare or will become a latchkey child. In addition, such children suffer under modern day problems of child snatching, child abuse and inadequate childcare facilities.

In light of this modern day phenomenon, why does the study ignore childcare costs in the Workfare program? Over 90% of the

^{2/} See State sanction statistics regarding San Diego sanctions compared to the rest of California counties. Public Welfare in California, Data Processing and Statistical Services Bureau, Health and Welfare Agency, Department of Social Services, September, October and November 1983. These statistics show San Diego's sanction rate well above the other counties.

Workfare participants are female heads of families with children. If they are forced into Workfare, their children will be alone. They must have childcare. Yet, when projecting Workfare costs over the next five years, the study states that all support services will cost the Workfare women \$31 over five years! The childcare cost for Workfare men is \$36.00! This amount is so preposterous that it is not even worth mentioning. Obviously, childcare is ignored.

Keep in mind, that the average AFDC recipient is seven years old and often gets out of school early. Where are they to go? Are they to walk to their childcare situation? Are they to wait in the street for their older brothers and sisters? Are they to go home and watch television? There was very little childcare given in San Diego and that given was "surprisingly small." (See: Second Report at 174). Households with at least one child under 14 were indentified as in need of childcare. (See: Report 2, n. 23 at 97). Workfare men said they did not need childcare. (See: Report 2 at 146). Other participants (female) said that their children were "in school"; "left alone"; with a relative; or were in their own home with "someone else". (See: Report 2 at 147). Notice that leaving a child alone was indentified as a "regular" childcare arrangement. (See: Report, n. 21 at 197).

In fact, 50% of the sample studied were men with no childcare needs. In addition, Workfare women were not told of the availability of childcare. Obviously, Workfare costs will soar when the childcare issue is seriously addressed. Workfare is not synonymous with the well being of children. This is particularly true when children are left alone so their mothers can provide free labor in the marketplace.

V.

TRAINING AND WORKFARE

Admittedly, the San Diego Workfare program is not a training program.^{3/} Other Workfare programs emphasize training, childcare and education. (See: The Washington Post Weekly Edition, "When ET Came to Massachusetts; Welfare Dependency Declined," August 26, 1985, at 31.) Yet, San Diego Workfare women are not referred to any training. (See: Second Report at 165). Workfare jobs in San Diego were entry level, clerical, maintenance, park work, and health. (See: Report at 7). The primary consideration in placing Workfare women at particular sites was convenient location. (See: Id.). This is so the agency would not have to pay transportation or childcare costs. (But see: Childcare

^{3/}Notice that the CBS Charles Kurault television show had a San Diego Workfare woman receiving computer training. This conflicts with the final report and actual experiences. (February 23, 1986) In addition, the show featured a welfare recipient with no employment history, one teenage child and no childcare needs. This does not depict the needs of the average AFDC women.

section above where childcare was not met in any event.)

VI

WHO BENEFITED FROM WORKFARE?

Under the final analysis, who and what type fared best under the Workfare System?

The study decided to select the "more disadvantaged" female, i.e., those with no recent employment history one year prior to the receipt of welfare. These "more disadvantaged" females would be compared with the "more advantaged" female. The more advantaged female did have employment within one year prior to welfare. (See: Report at 15, 16 and 19)

The report found that the "more disadvantaged" female fared far greater under Workfare than the "more advantaged." As a matter of fact, the inexperienced females took a leap in their earnings increase. They experienced a gain that was three times that of the more experienced people (Id.).

This confirms what welfare rights groups have always stated. Welfare is good for the inexperienced person for a limited time. Nevertheless, inexperienced people are not singled out for the Workfare experience. All welfare recipients are lumped into the mandatory program . . . both experienced and inexperienced people of all ages.

Most importantly, the reported earnings gains for Workfare women is skewed by including the inexperienced women in the same report. (See: Table 1 at 9). This is because the inexperienced female increased her earnings three times that of the experienced female.

VII

COST BENEFIT ANALYSIS

To show a savings, this report had to speculate on a "projected savings" over a future five year timeframe. Notice that the report did not observe five years worth of savings. It simply stated that, if you accept certain assumptions about future programs, then certain savings should take place. (See: Report at 20, 21, Table 3)

It would be difficult to find a savings during San Diego's actual Workfare tenure. MCRD did not analyze San Diego's overall caseload and expenditures to see if Workfare did cause any significant reductions. The California State Department of Social Services' statistical information shows that San Diego was primarily above the State's case load and expenditure norm while Workfare was in force. (See: San Diego Workfare: The Illusion of Success, by Casey S. McKeever at Chart I, Exhibit A attached).

In addition, Workfare did displace regular workers. (See: Second Workfare Study, n. 16 at 199). Also, Workfare people often did work that would have been done by regular employees but for budget cuts that forced lay-offs. (Id. n. 15 at 199). The displaced worker would be thrown onto Welfare/Workfare laboring for free at a similar job for which she used to get paid. This critical displacement fact was ignored in the report's analysis and distorts any "projected future" savings discussed below.

The estimated savings to the taxpayer will be emphasized. (See: Report at 25) The taxpayer savings had to factor in the following:

1. Free labor: The value of the free labor performed by Workfare recipients was factored in, even though such labor was not to displace regular workers at regular jobs. Nor does this labor save any money out of the taxpayer's pocket. Rather, he pays dearly for this "free" labor.

2. Sanctions: All savings from punishing the Workfare woman's seven year old were factored in.

3. Childcare: Most significantly, adequate childcare costs were not factored into the cost of welfare. (See: Report Table 3 at 21). The report estimated that each Workfare woman would spend approximately \$31 over the next five years and each Workfare man would spend approximately \$36 over the next five years for childcare.

Why is childcare utterly ignored when Workfare forces the child's only caretaker to labor eight hours a day, four days a week? Perhaps the reason that childcare was totally ignored is because the sample studied was 50% male. These males stated they did not need childcare because their wives provided same. Nevertheless, the real welfare recipient is a head of family female and needs childcare because her average dependent is seven years old. Only in television do all Workfare women have one teenage child and no childcare problems. What will happen to the average AFDC recipient . . . the seven year old child? Will Workfare create an army of latchkey children?

CONCLUSION

Workfare is not a contest. Workfare is not trying to pit the Workfare woman against the non-Workfare woman. Yet, attention must be focused on the non-Workfare woman and her accomplishments. With absolutely no encouragement, she did beautifully. As a matter of fact, she made an excellent showing in spite of her serious child care problems. Not only did she find a paying job, she showed a definite catching up trend that will close the small gap existing between herself and the welfare woman. In some cases, she even surpassed the welfare woman! What does this tell us? It tells us:

1. The mandatory nature of Workfare is not necessary. Women want to work and will do so without the

punitive Workfare system.

2. The inexperienced welfare woman fares best with limited Workfare experience.
3. Any voluntary Workfare experience should emphasize training rather than lump all women together.
4. Child care needs must be seriously addressed.
5. The punitive nature of any program must be eschewed by eliminating sanctions. The control group's superb performance was done without the severe and unfair sanction system. The result of sanctions is to simply punish the average AFDC seven year old because of his/her parent's alleged noncooperation with Workfare.

In summary, the fundamental philosophy of Workfare needs to be changed. The current program in San Diego is based on the philosophy that Welfare women are lazy and thus, benefits must be conditioned on mandatory participation. Further, the nature of the program is punitive, harsh and threatening. The vast majority of Workfare participants were threatened at some time with the dreaded sanctions (See: Second Report at xix). The non-Workfare women proved that a mandatory program is unnecessary.

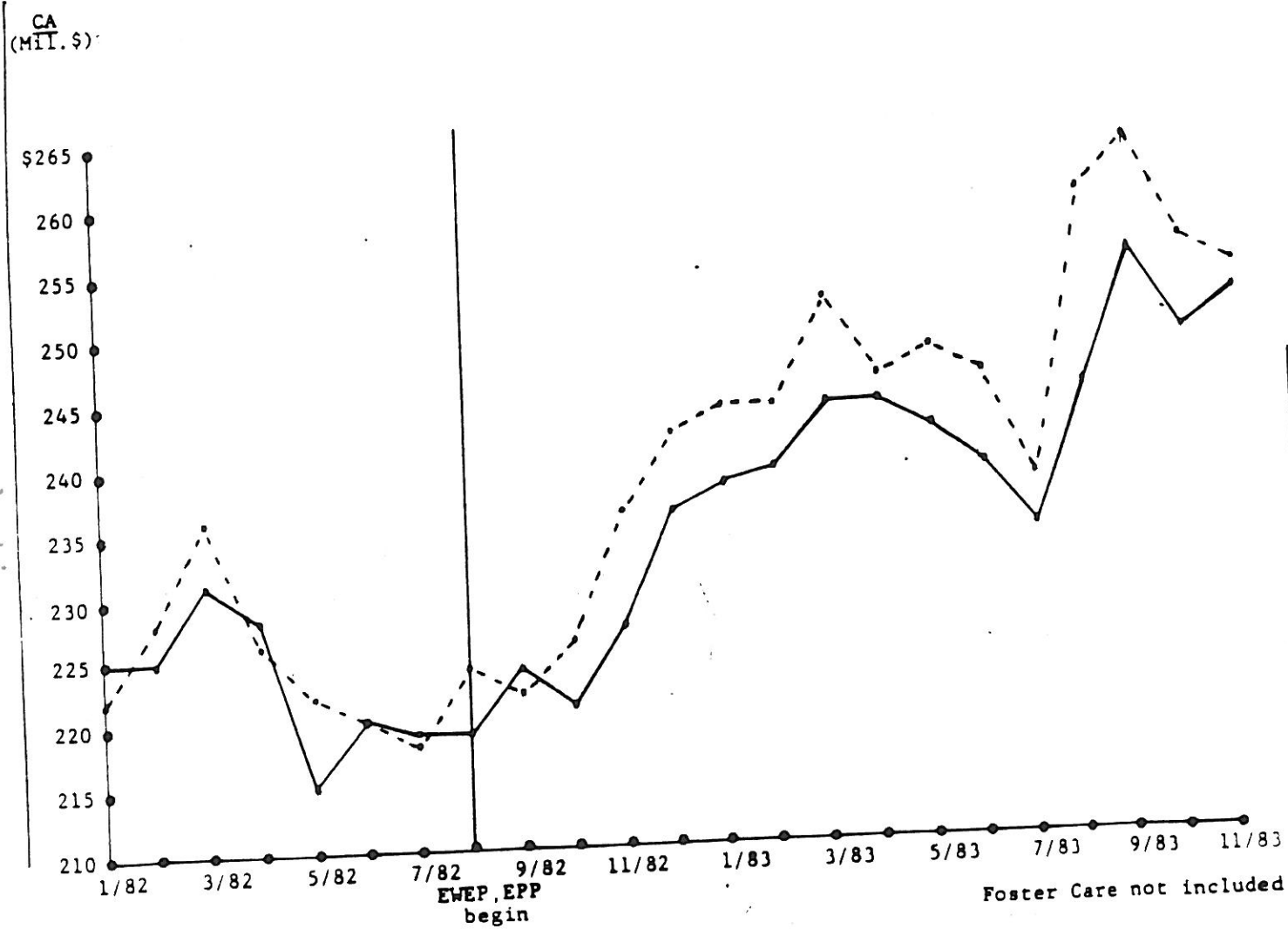
On the other hand, in a voluntary program, success would be properly measured by the training, type, and number of jobs secured, rather than the suffering of 7 year olds under the harsh sanction system. A voluntary program should emphasize training; employment; childcare; serious conciliation; and much less harsh and unfair sanctions that never fall on the children. These changes would comport with other successful Workfare programs^{4/}.

^{4/} Voluntary Employment and Training programs do exist. Massachusetts tried a mandatory approach, but opted for a voluntary employment incentive program in lieu of the "take work or else" approach. (See: The Washington Post Weekly Edition, "When ET Came To Massachusetts; Welfare Dependency Defined," August 26, 1985 at 31). The program is initially voluntary, stresses education and training, provides childcare, is not sanction oriented, and is successful. California chose to reject this type of Workfare (See: SB203 Watson). Instead it has passed GAIN as the type of mandatory, sanction oriented, non-training Workfare program for California's AFDC women. This program mandates one year of continuous public service as long as you are on Welfare.

CHART # 1

SAN DIEGO COUNTY AND CALIFORNIA AFDC EXPENDITURES - FG & UP

JANUARY 1982- NOVEMBER 1983



California _____

San Diego County -----

Source: California State Department of Social Services, Public Welfare in California. November, 1983 is the most recent information available to the public.

Prepared by Western Center on Law & Poverty

