

Barriers to Employment Among CalWORKs Recipients in San Joaquin County

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California counties implemented the CalWORKs program in January 1998. In 2000, the Welfare Policy Research Project (WPRP) funded the Public Health Institute to examine “barriers to employment” and access to services among CalWORKs recipients in San Joaquin County. In this Brief, we describe the extent to which potential barriers (or “employment liabilities”) affected recipients’ ability to work part- or full-time. For additional detail, please see WPRP’s report, *Barriers to Employment: Consequences for Welfare and Work Outcomes in San Joaquin County*.

Background

Congress made significant changes to federal welfare policies in 1996, imposing a 60-month lifetime limit on federal cash aid and increasing work requirements. In 1997, to comply with the new federal program, Temporary Assistance for Needy Families (TANF), California enacted and in January 1998 implemented the California Work Opportunity and Responsibility to Kids program (CalWORKs).

California also imposes a 60-month lifetime limit on adults’ receipt of cash aid, but continues to aid eligible dependent children after their parents “time out.” And, like the “work-first” program that preceded it (Greater Avenues for Independence), CalWORKs requires most able-bodied adults to work, seek work, or train for work: 32 hours per week on average for single parents, and 35 hours for two-parent households.

Those who are not exempt from these work requirements and who fail to comply with program rules without good cause are subject to fiscal penalties or “sanctions” in the form of grant reductions: The noncompliant adult is excluded from the calculation of the family’s cash grant. (See publications from WPRP’s four-county study of CalWORKs sanctions at <http://wprp.ucop.edu/>.)

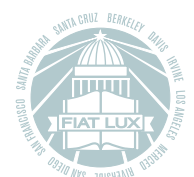
CalWORKs also encourages work by increasing the percentage of the cash grant that a family retains when an adult earns income.

Given the new work requirements and time limits on cash aid, California policymakers asked whether nonexempt CalWORKs recipients experience particular problems that affect their ability to move from welfare to work.

Surveys on Barriers to Work

To answer policymakers’ questions, we interviewed San Joaquin County CalWORKs recipients at length. Recipients were surveyed in two waves (in the spring and summer of 2000 and again in 2001) and the interviews were conducted in English, Spanish, Cambodian, and Vietnamese. Respondents were receiving CalWORKs cash assistance on behalf of themselves and their children in early 2000, and had to meet the program’s work requirements or run the risk of being sanctioned.

We asked about the following potential barriers to employment: poor health



(physical and mental health, family violence, and substance abuse); family responsibilities (inadequate child care or caring for a special-needs child); lack of transportation (no car, no driver's license); and/or "human capital" deficits (failure to graduate from high school, poor English-language skills, few work skills, or recent involvement in the criminal justice system).

We limited our subsequent analyses to 398 adults in single-parent households (196 of whom we interviewed once, and 202 twice), 90% of them mothers, and we matched their survey responses to state administrative data on work and welfare use from 1994 through 2001.

Findings

The Prevalence and Persistence of Barriers

Other studies show that poor, single parents face numerous barriers to employment. We found the same thing. In 2000, only 8% of the adults we interviewed reported having none of the barriers we studied, 16% reported just one barrier, 20% reported two, and 57% reported three or more.

More than half reported at least one barrier related to human capital (63%), health (59%), or transportation (51%). About a third (34%) reported at least one barrier related to family responsibility, such as insufficient child care (25%) and/or having a child with health or other problems who required a lot of care (16%).

With respect to human capital, 50% of the recipients we interviewed lacked a high school diploma or its equivalent; 33% reported few work skills; 16% reported that their limited ability to speak, read, or write English hampered their efforts to work; and 14% reported a recent arrest, prison or jail time, parole or probation status.

With respect to health problems, 24% of the sample reported recent alcohol or drug abuse. Nineteen percent experienced two or more physical health problems, and 18% reported severe mental health symptoms in the seven days prior to the survey. Thirteen percent reported that physical violence or a partner's controlling behavior interfered with getting or keeping a job in the 12 months before the interview.

Although it was quite common for these single parents to experience at least one barrier when they were first surveyed, by 2001 the prevalence of barriers declined in every area we measured. In a few cases, the decline was striking. For example, reports of needing more child care dropped by two-thirds, from 25% to 8%. In addition, those reporting a large number of barriers (five or more) fell by nearly half, from 26% to 13%.

However, the prevalence of several individual barriers declined very little: alcohol or drug abuse (-0.7%), limited ability to read or write in English (-0.9%), and a child requiring a lot of care (-1.0%). Reports of other barriers declined by modest amounts.

Some barriers—particularly physical health problems, lack of child care, and family violence—also tended to be reported by different respondents at each wave of the survey. For example, while only 2% reported needing more child care in both interviews, 29% of the sample reported unmet childcare needs in one or the other interview. Although some of these barriers may have been transient, it seems likely that others—such as mental health symptoms and physical health problems—were episodic.

Four barriers were notably stable, reported at the second interview by between 68% and 95% of those who reported it at the first: limited education (reported by 50% in wave 1, 47% in wave 2, and by 47% in both waves), lack of a car and/or driver's license (51% in wave 1, 46% in wave 2, and 41% in both waves), few work skills (33% in wave 1, 27% in wave 2, and 22% in both waves), and limited English (13% in wave 1, 12% in wave 2, and 11% in both waves).

Employment and Receipt of Cash Assistance

The percentage of survey respondents that received CalWORKs declined and the percentage working increased between early 2000, when we drew the sample, and the end of 2001. The fraction of single-parent respondents who were receiving cash assistance and not working declined from 44% to 24%. The proportion of those combining work and cash aid declined from 32% to 20%, while the proportion working and *not* receiving cash aid increased from 9% to 25%. The proportion of those in the remaining category—neither working nor receiving cash aid—doubled from 15% to 31%.

Thus, among our sample, many more were working in 2001 than in 2000—and in particular working without a CalWORKs cash grant—but more respondents were also apparently unemployed and unaided.

In addition, the single parents we surveyed reported that their mean monthly household income increased from \$1,780 in 2000 to \$2,441 in 2001, with the growth attributable to increased earnings. As a result, the percentage falling below the federal poverty line fell from 54% to 38%. Income reported from public assistance (including, but not limited to, cash assistance) remained flat across the two waves of the survey.

Respondents' work effort and the prevalence and persistence of barriers do not in themselves tell us whether and to what extent barriers may have affected their ability to work the number of hours required by CalWORKs. Below, we examine relationships between reported barriers and the likelihood of working and receiving cash assistance.

Which Barriers Impeded Work?

In our models for San Joaquin County, we combined administrative records with survey information in order to assess whether those who reported barriers were less likely to be working than those who did not, holding other factors constant. We defined six mutually exclusive combinations of welfare and work that respondents could have engaged in during each of the 16 quarters we tracked them (1998–2001):

- ▶ Welfare only (CalWORKs and no earnings)
- ▶ Combining CalWORKs and part-time work (working fewer than 32 hours per week)
- ▶ Combining CalWORKs and full-time work (working 32 hours or more per week)
- ▶ Part-time work only (no CalWORKs)
- ▶ Full-time work only (no CalWORKs)
- ▶ Neither (no CalWORKs and no earnings)

We used 32 hours per week as the cut-off for full-time work because nonexempt single-parent CalWORKs adults are expected to work an average of 32 hours per week over the course of a month. We determined the number of hours worked by dividing quarterly earnings recorded in state administra-

tive data by the state minimum wage in force during each of the 16 quarters we tracked recipients' earnings and welfare use.

▶ *Association of reported barriers with work and welfare outcomes*

Greater numbers of barriers were associated with being more welfare-reliant in any particular quarter. This was a strong pattern. Compared with those who reported no barriers, those who reported three or more barriers (61% in wave 1 and 46% in wave 2) were at least twice as likely to be unemployed and receiving CalWORKs benefits as they were to be working (any number of hours) or combining work with cash aid. Those who reported just one barrier (16% in wave 1 and 18% in wave 2) were less than half as likely to be working full-time, either alone or in combination with CalWORKs. In other words, having many barriers to employment appears to impede working at all, and experiencing even one barrier appears to interfere with working the required 32 hours per week.

▶ *Association of specific barriers with work and welfare outcomes*

The two individual barriers most often associated with an increased likelihood of welfare reliance in a given quarter were transportation and child care problems.

Compared with those who did not own a car or have a driver's license, those who did (49% in wave 1 and 54% in wave 2) were three to four times more likely to be working full-time, either alone or in combination with CalWORKs, than to be receiving cash aid alone. Compared with those who needed additional child care, those who did not (75% in wave 1 and 92% in wave 2) were more than twice as likely to be working full-time, either alone or in combination with CalWORKs, than to be receiving cash aid alone.

Although lack of transportation and child care impeded full-time work, respondents who reported these problems were generally able to engage in part-time employment at the same rates as other respondents. There was one exception: those who reported a transportation barrier were 1.7 times as likely to be receiving CalWORKs alone as to be combining it with part-time work.



Recent work experience was also strongly associated with an increased likelihood of working, either alone or in combination with CalWORKs. In comparison to those with no recent work experience, those who had worked every quarter between the beginning of 1994 and the end of 1997 were between six and 13 times more likely to be working at least part-time than to be receiving cash assistance alone.

► *Simulations that eliminate barriers*

When we simulated removing from our sample all child care difficulties for a typical CalWORKs recipient in San Joaquin County, the probability of working full-time, either alone or in combination with cash assistance, increased from 13% to 67%. Similarly, removing transportation difficulties increased the probability of working full-time from 20% to 37%. Finally, in a simulation that reduced the number of reported barriers from five or more to zero, we found that the absence of barriers increased the probability of working full-time from 12% to 54%.

These predicted increases are large. Still, our models predicted that, even with zero barriers, this hypothetical respondent had between a 33% and a 47% probability of working less than full-time.

Policy Implications and Recommendations

Inadequate child care and transportation limited full-time work among our sample of single-parent CalWORKs recipients in San Joaquin County more consistently than other barriers. Our analysis implies that providing more help with transportation and child care will increase full-time work among welfare recipients and recent welfare leavers in counties like San Joaquin. Of the two, transportation difficulties were more prevalent and persistent for our sample.

Although the state faces severe budget problems, policymakers should strive to maintain both subsidies at current levels. When revenues permit, they should consider providing more generous transportation subsidies and increasing the rate at which eligible households avail themselves of child care subsidies. Ideally, both child care and transportation subsidies should remain available to former recipi-

ents who are working for low wages and lack other sources of income.

Our analysis also suggests that experiencing even one barrier substantially reduces welfare recipients' ability to fulfill the 32-hour-per-week work requirement. Experiencing three or more barriers reduces their likelihood of working even part-time.

These findings support early screening and assessment of the numbers and kinds of barriers affecting CalWORKs recipients, followed by quick referral to appropriate services. Providing access to better-targeted services should help low-income parents subject to time limits and make better use of scarce program resources.

Drs. Richard Speigman and Jean Norris were senior researchers with the Public Health Institute when WPRP engaged PHI to conduct this research. Speigman is currently a research specialist with the Institute of Industrial Relations, University of California, Berkeley, and Norris is currently with Block Dietary Data Systems, Berkeley. They are also partners in Speigman Norris Associates.

The authors' complete report—"Barriers to Employment: Consequences for Welfare and Work Outcomes in San Joaquin County"—may be found online at <http://wprp.ucop.edu>.

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