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READY, WILLING, AND ABLE  
Lessons About Moving Employable Applicants  
For Home Relief from Welfare to Work

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## Summary

While government officials at all levels are debating how to reform welfare, there is a consensus that public cash assistance programs should encourage work over welfare and help people become self-sufficient. But who are the people who are supposed to be working? Are they trying to avoid work or do they really want jobs? Have they worked before, and are the obstacles preventing them from working amenable to government-supported solutions?

From April to November 1994, the Vera Institute of Justice conducted a small study for the New York State Department of Social Services (DSS) to explore some of these questions. The research focused on "employable" applicants for Home Relief benefits in New York City. Home Relief is New York State's cash assistance program for those not eligible for federally reimbursed benefits.<sup>1</sup> Funded entirely by state and local government, Home Relief typically includes single adults between the ages of 18 and 64. Approximately 244,000 men and women in New York City receive Home Relief. City officials estimate that between one-third and one-half can work.<sup>2</sup> The remainder are considered unemployable because they are elderly or disabled.

Our results show that the employable applicants for Home Relief are a very diverse group, belying the stereotype of the young male with no prior connection to the labor market and no real desire to work. We found that a majority want work instead of welfare, have worked in the recent past and are not chronic welfare recipients. Moreover, these applicants possess a wide range of employment experiences and skills. Yet, when employment services are not provided to these applicants, more than two-thirds end up on welfare. Finally, we learned that simply eliminating benefits will not lead to jobs, but providing real employment assistance would likely help some of these people find permanent employment.

Existing program rules require applicants for Home Relief to search for work, on their own, during the 45-day waiting period before benefit receipt begins. Once found eligible, recipients are required to work in a public works program in exchange for their benefits. Proposals to reform Home Relief, New York State's General Assistance program, mirror restrictions imposed on the General Assistance programs in a number of other states over the last five years, including a reduction in cash benefits, a limit on the period of eligibility

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<sup>1</sup>Such benefits typically include Aid to Families with Dependent Children (AFDC), Supplemental Security Income (SSI), Social Security (SSDI) or Veterans Assistance.

<sup>2</sup>Ashley Dunn, "Giuliani's Plan for Welfare Stresses Work, Not Training," *The New York Times*, October 9, 1994, p. 45.

and an increase in work requirements.<sup>3</sup> These changes are intended to press recipients to find jobs. Other states have not offered employment services. Neither has New York.

The Vera study attempted to answer three questions. First, what is the work experience of these applicants for Home Relief? Second, do these applicants want work in lieu of public assistance; and third, do enough "employable" applicants actually end up on welfare to make worthwhile the provision of employment services during the 45-day waiting period?

Among the most important findings are:

- **A significant number of employable Home Relief applicants have been attached to the labor force.**

More than half have worked in the last year, more than a third in the last six months. The applicants we surveyed who had been employed reported a median income at their last job of \$462 per week. Roughly a fourth had collected unemployment benefits in the last six months, while only 10% had relied on public assistance during the same period.

- **The vast majority of these applicants would prefer a job to welfare, but not at minimum wage without health insurance.**

Of those surveyed, 78% said they would prefer a job to continuing with their application for public assistance.

- **Most employable applicants do not find jobs on their own and therefore become Home Relief recipients.**

Of those surveyed, 70% became Home Relief recipients. That means they successfully completed their applications, met the eligibility criteria, and failed to find employment during the 45-day waiting period.

The Vera study also contained a small experiment to test the value of providing employment services to these applicants. We did not design a new program for these applicants, but instead asked if they would volunteer to use the services offered by an existing Vera employment program which provides a temporary job and help locating a permanent job. Despite the fact that Vera's program is designed to address the problems of ex-offenders recently returned from prison, about one in four (26%) of the Home Relief applicants surveyed agreed to drop their application for public assistance in exchange for a

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<sup>3</sup>Center on Social Welfare Policy and Law. *Jobless, Penniless, Often Homeless: State General Assistance Cuts Leave "Employables" Struggling for Survival*. February 1991, p. ii.

place in this program after it was described and they were informed that they would be ineligible for Medicaid.<sup>4</sup>

The most significant findings from this small experiment are:

- **Among those who joined Vera's employment program, almost a third found permanent jobs—half of which included health insurance.** Less than a third became Home Relief recipients. In comparison, more than half of those placed in a control group joined the welfare rolls.
- **The job search services offered in the program were valuable to almost all participants.** However, the minimum-wage work experience proved appropriate for only some of the participants.

These findings provide a foundation on which practical assistance could be designed to help Home Relief applicants find real work in place of welfare.

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<sup>4</sup>Although 26% wanted to join the experiment, only 16% of those originally interviewed participated because Vera rejected those individuals whom it did not believe could benefit from the program.

## A Profile of Employable Applicants for Home Relief

Home Relief is New York State's cash assistance program for single adults who are able to work.<sup>5</sup> In New York City, recipients get a maximum monthly cash benefit of \$352, about \$70 in food stamps and Medicaid. The Home Relief program has a 45-day waiting period between the time a person applies and the time benefit receipt begins. Only emergency benefits are available during this month and a half, and those applicants considered capable of accepting immediate employment are required, on their own, to search for work.<sup>6</sup>

If found eligible, employable Home Relief recipients must participate in a Work Experience Program (WEP) for a designated number of hours each month. Recipients do not receive any specialized employment services or assistance in locating permanent jobs. Failure to comply with the work rules can lead to a cessation of benefits.

In May and June of 1994, we surveyed 253 randomly selected employable applicants for Home Relief. We asked them to tell us about themselves including their age, race and gender. We also asked about their past employment experience.<sup>7</sup>

### **Applicants do not fit the stereotype of the young African-American male.**

Contrary to the popular perception that Home Relief applicants are able-bodied young men too lazy to work, we found them to be a very diverse group. Slightly more than half were African-American.<sup>8</sup> Two-thirds were male.

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<sup>5</sup>The elderly, disabled and some families with children also receive Home Relief benefits. This study only discusses single adults applying for Home Relief who are considered employable.

<sup>6</sup>HRA has recently begun a small pilot program to test the use of a job club during the application period. The program is operational in a single Income Support Center in Brooklyn. Reports on its progress are not available.

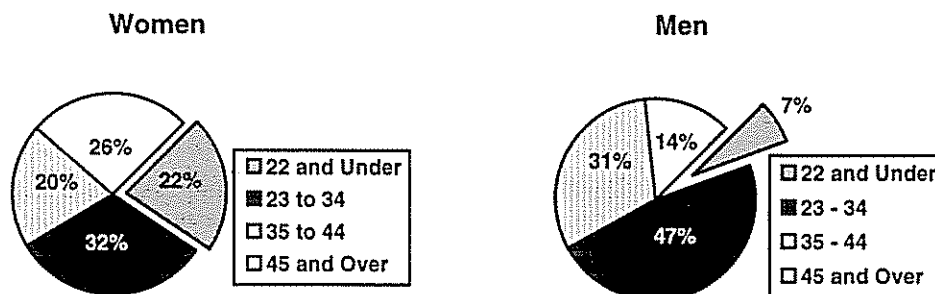
<sup>7</sup>A description of the research design and the interview instrument is included in the Appendix.

<sup>8</sup>Non-English speakers were not included in the sample and therefore the number of Hispanic and Other applicants may be underrepresented.

Ethnic Group	Percent
African-American	52
Hispanic	22
Caribbean/West Indian	12
White	11
Other	3

The sample ranged in age from 18 to 64. The average age was 34. While almost half of the men were between 23 and 34, the women tended to be both older and younger than the men. For example, 26% of the women were 45 and over compared to 14% of the men. Similarly, 22% of the women were 22 and under compared to 7% of the men.

### Age Distribution by Gender



### Many applicants have a strong prior connection to the labor market.

More than half of the applicants (58%) had been employed during the preceding year. More than a third (35%) had been employed during the preceding six months.

Those who had worked reported earnings from their last job between \$30 and \$1,500 per week. The median weekly income was \$462. Applicants reported working in a wide variety of jobs, many in the fields of construction, manufacturing, clerical and health care. The following examples illustrate the diversity of the applicants' work experience:

- A 51-year-old man who worked for Pan Am for 27 years coordinating plane routes until the airline closed. He was applying for Home Relief after exhausting his unemployment and savings.
- A 33-year-old woman who had been doing temporary work in data entry, clerical and accounting for over a year, earning between \$250 and \$330 a week. She was applying for Home Relief because she could not find any work.

- A 40-year-old man who generally works off the books doing maintenance for \$300 per week. In the past, when he was unable to find work, his mother had helped him. Because she can no longer do so, he was applying for Home Relief.
- A 24-year-old women who had been a personal care aide for a home health care agency for two-and-a- half years, earning \$520 every two weeks. She was applying for Home Relief because she had exhausted her unemployment benefits.

Only 10% of those interviewed had received Home Relief benefits in the preceding six months, although slightly more (15%) had received food stamps. None reported receiving AFDC or SSI. Almost a quarter (23%) had received unemployment insurance benefits in the preceding six months.

A substantial minority reported neither legitimate employment nor receipt of public benefits in the preceding six months. The interviewers report that some of these individuals talked about receiving financial support from friends and family while others mentioned working off-the-books. Some had recently been released from jail or prison, including a 42-year-old man who had served nine years and six months in a state prison.

In February 1995, in preparation for a series of focus groups about the role health insurance plays in employment decisions, we once again surveyed employable Home Relief applicants about their past work experience. The findings about employment from this survey compare very closely with the findings from the first survey. We again found that 58% had worked in the last year, with almost a third working in the last six months. Only a quarter had not worked in more than two years.

The majority of these workers were not casual employees. More than half (59%) had held their last job for more than a year, including 24% who had worked for more than three years. Just under a quarter had worked for less than six months. The median salary was between \$650 and \$999 each month. Only one in four of the jobs included health insurance.

### **Applicants overwhelmingly want work instead of Home Relief.**

When asked a general question about their interest in employment, the great majority (78%) said that they wanted to work and would take a job in lieu of continuing with their application for public assistance. Of the 22% who were equivocal or stated that they wanted to continue their application for welfare, about a third wanted to attend school or a training program—including a 35-year-old man who had lost his job after working three years as a nurse's aid. He had exhausted his unemployment benefits and was unable to find another job after searching for three months. He felt that he would have a better chance of finding a job if he improved his skills with additional training.



We tested the applicant's initial response to our hypothetical offer of employment, by making that offer real. Each person was offered an immediate temporary job and help finding a permanent job through the Neighborhood Work Project and the Vocational Development Program (NWP/VDP), a pair of employment programs operated by the Vera Institute of Justice. We did not design a new program for these applicants, but instead asked if they would volunteer to join these pre-existing Vera programs which were designed to address the problems of ex-offenders recently returned from prison.

Even after learning that the temporary jobs were in construction and maintenance and paid not more than minimum wage; that the other program participants were recently released from prison and that they could not receive Home Relief or Medicaid, over a quarter (26%) of the applicants wanted to abandon their welfare application and join the NWP/VDP program.<sup>9</sup>

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<sup>9</sup>After evaluating interested applicants according to the program's entrance criteria, 41 people (16%) were accepted. We rejected 14 people who wanted to join NWP/VDP because they could not perform the physical labor required by NWP, or they had a drug or alcohol problem, or they had already been through the program, or they did not appear to understand the consequences of participation.

## The Cost of Not Providing Employment Services

Experience in New York and other states has shown that in the absence of employment programs, most single adults dependent on welfare do not find work on their own, regardless of their level of interest or past experience.

When we began, policymakers were nervous about expending limited resources on applicants because they assumed that many would find jobs on their own or be ineligible for benefits. Therefore, providing them with employment services would actually increase short-term costs. However, our research found that, in fact, more than two-thirds (70%) of those interviewed in 1994 became Home Relief recipients. That means they provided the required documentation, attended the scheduled appointments, met the eligibility criteria and did not find a job during the 45-day waiting period. These Home Relief applicants are not receiving help finding a job, and almost everyone is joining the welfare rolls.

Typically, New York City has not provided specialized employment services to help Home Relief recipients find jobs. City officials estimate that only 4.2% of 37,320 Home Relief recipients who completed work assignments in 1993 found jobs.<sup>10</sup> Job training and placement programs for people on public assistance are generally limited to families receiving Aid to Families with Dependent Children (AFDC). Part of the reluctance to invest significant resources in programs for Home Relief recipients stems from a lack of knowledge about their effectiveness.<sup>11</sup> Stereotypes of this population also contribute. People in need of Home Relief are often characterized as young and lazy and not worthy of public investment.

The experience of other states also shows that reducing, limiting or eliminating cash assistance to employable General Assistance (GA) recipients does not move significant numbers into the workforce. For example, in 1991, Ohio reduced its cash grant to employable adults and limited benefits to six months in any twelve-month period. Before the cuts about 15% of the employable recipients held full or part time jobs. After the cuts, only an additional 2% reported employment.<sup>12</sup> Researchers in Michigan found that only 20% of the former recipients held steady jobs two years after the State eliminated its GA

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<sup>10</sup>Rob Polner. "Job Training Falling Short," *New York Newsday*, November 23, 1994, p. A31. Cites a study conducted by the New York City Human Resources Administration.

<sup>11</sup>There is a wealth of research about the efficacy of employment programs for AFDC recipients. See Judith Gueron and Edward Pauly, *From Welfare to Work*. Russell Sage Foundation: New York, 1991.

<sup>12</sup>Claudia Coulton, et al. *General Assistance Program Reductions in Cuyahoga County, Summary Report*. Center for Urban Poverty and Social Change. November 1992.

program and just over a third had worked at any time after being terminated from assistance. Those over 40 and people suffering from chronic health conditions, but not considered disabled, were even less likely to have worked.<sup>13</sup> Similarly, evaluators in Pennsylvania found that two years after the State cut its GA program, only a third of the former recipients were working—just about 10% more than the number of people who had some income from work while receiving GA.<sup>14</sup>

There is no question that the ability of GA applicants and recipients to find jobs is constrained by the local labor market. But labor markets are dynamic and some jobs always exist as new jobs are created, people are promoted leaving vacancies below, workers quit or are fired and older workers retire. As a result of this movement, there is always some number of jobs for low-skilled and unskilled workers. As our interviews with Home Relief applicants showed, finding even these jobs is hard. However, with help people can. Over the past 15 years, Vera's Vocational Development Project has located thousands of largely entry level jobs, in New York City for ex-offenders -- among one of the hardest groups to employ.

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<sup>13</sup> Sandra Danziger and Sherric Kossoudji. *When Welfare Ends: Subsistence Strategies of Former GA Recipients*. University of Michigan. February 1995.

<sup>14</sup>Center for Social Welfare Policy and Law. p. 16.

## Helping People Move From Welfare to Work

Because of the Vera Institute's extensive experience creating employment programs for the "hard to employ," the New York State Department of Social Services asked if we thought that a pair of successful Vera projects, the Neighborhood Work Project and the Vocational Development Program (NWP/VDP) would provide useful employment services for people applying for Home Relief. We agreed to test the model in a small experiment hoping that the results could help guide the design of a demonstration project. We offered the program—as is—to a group of Home Relief applicants and compared their progress to a matched group who, although interested, were not offered our employment services. Out of the 41 people who joined the experiment, 19 people were randomly assigned to the program and the remaining 22 were followed as a control group.

**An employment service that offers a temporary job and assistance finding a permanent job can help some applicants for Home Relief get jobs instead of welfare.**

The Neighborhood Work Project and the Vocational Development Program operate in tandem. Both were designed for people on parole and have successfully provided employment services to that population for over ten years. The programs combine two features considered essential to obtaining employment: knowing how to find a job and building a work history to show a potential employer. VDP teaches participants basic job search skills including interviewing, presentation and dress, timeliness and conflict resolution. Each participant is individually assessed to determine employability and assigned a job developer to help locate an appropriate job. While receiving the services of VDP, participants are employed by NWP at minimum wage. A maintenance and repair contractor for government agencies, NWP not only teaches its employees basic contracting skills, but for those who have never been employed, it provides them with work experience and valuable lessons about how to perform on a job.

Those Home Relief applicants referred to NWP/VDP attended a mandatory orientation session and a week of job skills training. They were then hired by NWP and assigned a job developer at VDP. The following describes the progress of the 19 participants.

Most of the participants attended the orientation and started the training. Eight people dropped out during the first week. For some, we do not know why. Among the others: one person said that the NWP services would not help him; one found a job on his own; another believed he had found a job;<sup>15</sup> another was unable to verify his immigration status

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<sup>15</sup>The job never materialized. He reports that he is supported by friends and family and is not receiving Home Relief. DSS reports that this participant has an active case. Because we have found several

and could not be hired on that basis alone; one person realized after beginning the program that her social service needs were incompatible with our program. Eleven people (58%) were hired by NWP. Of these, five were terminated for excessive absences or failing to cooperate.

The remaining six people (almost a third of the group that joined the program) found permanent jobs within a month—with the help of their VDP job developer. All but one person is paid more than minimum wage, and half of the people have health insurance. As of November 15, 1994, four people were still employed. One is receiving public assistance.

Here are profiles of the six persons placed in unsubsidized jobs:

- A 38-year-old man who had worked and received unemployment benefits in the year prior to applying for public assistance found a job as a Fine Arts Manager in an art supply store. He earns \$7.00 per hour and has health insurance.
- A 22-year-old woman who had both worked and received Home Relief benefits during the year prior to joining the experiment was placed in a job as a stock clerk. She earns \$6.00 per hour and receives health benefits.
- A 25-year-old man who had worked and collected unemployment benefits in the year prior to his referral to NWP/VDP was placed in a job as a mover's helper earning \$5.00 per hour without health insurance. He worked for 90 days, but is no longer employed. He is receiving public assistance and attending school.
- A 22-year-old woman who had neither worked nor received public assistance prior to joining the experiment was placed after only two weeks as a trainee in a pillow factory earning minimum wage. Although the job does not currently provide health benefits, it may in the future.
- A 42-year-old man who had worked during the year before applying for Home Relief was placed in a job at a waste disposal company making \$7.00 per hour after two months at NWP. He was fired because he complained that the wage was too low and was rehired by NWP. Shortly thereafter he was terminated for insubordination.

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instances where the DSS data is internally inconsistent, we rely on self-reported information where there is a conflict. For example, DSS does not show an application for several of the people in the experiment. If they had not filed an application, they would not have been at a job-search orientation.

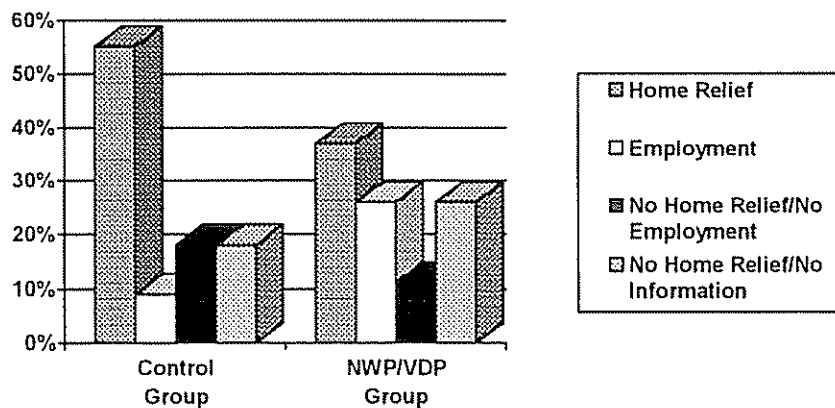
- A 53-year-old woman who had neither worked nor received public assistance before applying for Home Relief was placed in a job as a packer in a factory. She earns \$5.35 per hour with health benefits.

To test the efficacy of the services, 22 people who wanted to join NWP/VDP were randomly assigned to a control group. All were advised to continue with their applications for public assistance and were not provided with any specialized employment services.

More than half of this group was found eligible and was still receiving Home Relief almost six months later.<sup>16</sup> Two more had been recipients but were off as of November 15, 1994. One left the rolls in July because he became eligible for unemployment. One person's benefits were cut off in August for failure to comply with the employment rules.

The control group shows a higher rate of public assistance usage than the group referred to NWP/VDP. Fifty-five percent of the members of the control group were on Home Relief after six months compared to 37% of the group referred for employment services.

**Means of Support Six Months Later**



<sup>16</sup>Research staff attempted to contact each member of the control group approximately six months after the first interview. Data on case activity is valid as of November 15, 1994. DSS reviewed its electronic public assistance file for each. In some cases, the electronic information provides the only up-to-date information on the participant.

Additionally, members of the control group have been receiving public assistance for a longer period of time than those participants who received employment services. Everyone in the control group was receiving Home Relief by the end of June 1994. In contrast, only three of the NWP/VDP group members had been accepted by that date, with four others joining the rolls in August 1994.

## Why Some Applicants Didn't Join the Employment Program

One of the goals of this experiment was to learn whether NWP/VDP could serve as a model employment service for people applying for Home Relief. Observing the experience of people entering the program taught us how it worked, inviting people to join the program and recording the reasons why they did not also taught us what a model program must include.

Despite a strong interest in work, applicants' responses indicated that many are confronted with a number of obstacles that prevent them from working. People rejected NWP/VDP because they were able to identify, in advance, some aspect of the program that did not seem right for them. Others rejected the program because they believed that low wage work without health insurance was not better than welfare with Medicaid. Finally, some people rejected the offer because they were not ready to take a job because of some intervening emergency that they believed required immediate resolution.

Building an intervention that will move people from welfare to work will have to deal with people's real needs when they walk in the door of a welfare center. The reasons these applicants gave when they rejected NWP/VDP are instructive for designing programs that help people find and retain work.

### **Some applicants recognized that this employment program would not work for them.**

Many people were not rejecting work, they were rejecting NWP. Sixteen percent of those choosing not to join identified some feature of the program that was not viable for them. Some said that they didn't feel physically able to do light construction or maintenance; some just didn't want to do this kind of work; others said they were uncomfortable working with people on parole; others were concerned that they could not manage their monthly expenses on a daily payroll because they wouldn't know how to save money. A wider range of temporary jobs might have attracted more participants.

Additional people would have joined the experiment if our program had not required them to work at NWP, but allowed them to take advantage of the job developers only. Almost 10% of the people who decided not to join the program said that their time would be better spent looking for a job than working for NWP four days a week. Some people only need help finding a job. Others need the job experience NWP provides.

- A 48-year-old applicant who had worked as a mental health counselor at a hospital for 22 years did not believe NWP would help him find a job. His annual salary was \$28,000. He had worked in the last 12 months and received unemployment during the last six.



- A 27-year-old man who was trained as an X-ray technician had already sent out 50 resumes and believed that he would probably find a job on his own more efficiently than if he worked at NWP.

A program with more flexibility in assessing a participant's needs and matching them with appropriate services, might have interested and included more people.

The interviewers also noted that their appearance in a welfare office with an unexpected offer of employment confused people. If an offer of work were a routine part of the application process, more people might have accepted it. On the other hand, many people had no previous experience with the welfare system and did not understand that they would not be offered similar employment services later on in the process. Still others wanted to join the program but felt that they had already psychologically committed themselves to applying for benefits and could not make an abrupt decision to the contrary.

### **Applicants for Home Relief want to work, but many want a job with health insurance or one that pays enough for them to purchase it themselves.**

Almost a third of those surveyed rejected NWP/VDP because they would lose Medicaid eligibility if they took a minimum wage job for four days a week. More than a third (39%) who were afraid of losing Medicaid reported a health condition that requires regular medical attention.<sup>17</sup> Although not disabled, these people reported health problems including asthma, diabetes, back injuries, substance abuse, dental problems and high blood pressure. Roughly half (52%) had medical insurance in the past.

The following were among those citing their need for Medicaid as the reason for rejecting employment:

- A 47-year-old applicant with asthma who requires regular medical attention and prescription drugs. She has never had medical insurance and usually relies on her mother to purchase her medication. Although she goes to the doctor, she does not pay the bills.

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<sup>17</sup>In February 1995, in a second survey, funded by a grant from the Commonwealth Fund, we conducted interviews and focus groups with employable applicants for Home Relief to understand how the availability of health insurance plays into people's decisions about accepting low-wage work. We asked 95 applicants for Home Relief whether they would accept a low-wage job without Medicaid instead of welfare. Unlike the first survey, this survey question explicitly stated that if they chose work over welfare they would have neither health insurance nor Medicaid. Fifty-eight percent said they would work. The remaining 42% said they would opt for welfare with 60% citing the need for Medicaid as the primary reason. Fifty percent of these respondents reported a health condition requiring regular medical treatment.

- A 42-year-old woman who worked as a security guard for four years and was trying to get certified as a day care worker. Her health insurance had lapsed and she needed a complete physical.
- A 42-year-old applicant who tested HIV+ and felt able to work but needed health insurance immediately.
- A 36-year-old man who had run his own general contracting business earning approximately \$600 per week was forced to close his business because of injuries suffered in a car accident. He needed Medicaid to pay for his recovery.

Some of the people who told us they needed Medicaid described themselves as healthy and also said that they had never had health insurance. Interested in understanding why they would reject a low-wage job without health insurance in favor of welfare, we held several focus groups around this question.

These applicants told us that low-wage work without health insurance carries real risks. Many worry that if they get sick or hurt, they would be earning too little to pay their own medical bills or to buy private health insurance. Others, particularly men, worry that the kind of work they are most likely to find (e.g. construction) is likely to be dangerous. Women are concerned about regular gynecological examinations for early detection of cancer and other illnesses. All felt that if the wage were high enough to cover doctor bills or buy insurance, they would take the job. They also agreed that if the job provided health insurance, they would work, despite the low wage.

**Most people who have worked in the past made more than minimum wage, have no prior experience with Home Relief and don't understand the relationship between welfare and work.**

Almost a quarter of those who did not want to join NWP/VDP said that it paid too little. The vast majority (82%) giving this as their primary reason for rejecting NWP/VDP are people who had worked in the last 12 months, and 93% of them had earned more than the minimum wage.

These same people didn't know, when asked, how much money they would get each month from public assistance. Almost two-thirds (63%) did not know that a minimum-wage job four days a week paid more than welfare. For example:

- A 39-year-old man who had worked as a jeweler for six years. His last salary was \$31,000 annually. He did not know how much he would get from public assistance but believed that working for minimum wage was "too low."

- A 21-year-old man who had worked at a day care center for several years earning minimum wage. He thought minimum wage was too little to survive on but did not know how much welfare would pay each month.

**Applicants are often in crisis and need help getting stabilized before they can focus on searching for work.**

Applicants suggested another type of obstacle preventing them from choosing work over welfare. Many people approach the public assistance system when other systems of support have broken down. Some are recently unemployed, others have exhausted their savings or unemployment insurance benefits. Still others have relied upon friends and family or sporadic off-the-books work and are no longer able to do so.

Many applicants turn to welfare for help with an emergency. Some people owe landlords rent and face eviction, others owe utility bills and face shut off, and still others have no food and no idea where to get money to buy food. These kinds of problems stop people from thinking clearly about the best way to find a job.

Finally, some applicants were concerned that if they discontinued their application for ongoing public assistance and took a job they would be denied an emergency grant to help meet an immediate need.

- A 26-year-old man who had just been released from prison and was on parole did not join the employment program because we could not guarantee that, if he was employed, welfare would still help him with his rent and security for a new apartment. He was staying in temporary housing and knew that he couldn't save enough on minimum wage to cover these expenses and would become homeless.
- A 38-year-old applicant with a previous work history chose not to take the NWP/VDP job because he owed his landlord four-and-a-half months rent; he was afraid that if he started a job, welfare would not pay his rent arrears. He wanted to stabilize his circumstances before joining the program.

## Conclusions

Most people applying for Home Relief in New York City— who are considered capable of employment—want to work, and many have proved that they can. Their strong interest and experience make them a promising group to move from welfare to work. Additionally, they face fewer obstacles to employment than the AFDC population because they do not have children and can accept lower starting salaries. But without employment programs to help them find jobs, most do not.

We found that applicants are willing to take advantage of employment services and that such programs produce results. A larger demonstration built to measure the impact of providing a range of employment services designed specifically for the employable Home Relief population is needed. Our small experiment offers valuable lessons about the features and design of such a program.

Foremost, no single strategy to promote employment will be sufficient because of the diverse work experience and job skills of the applicant pool. Many applicants have recent and significant attachments to the labor force. For these individuals, targeted services—up front—could help them stay off the welfare rolls, thus conserving limited resources.

There is a window of opportunity that opens when a person applies for benefits. Government can capitalize on this opportunity by providing trained employment counselors as well as access to job listings, classes in job search strategies and skills, facilities, telephones, computers, fax and copying machines, and help in understanding the benefit of work over welfare.

Some people should be able to find jobs with this level of assistance and never join the welfare rolls. For those who do not find jobs quickly and are found eligible for public assistance, an effective employment program should provide a broad range of job services geared to the individual's particular needs. More intensive service options should include job developers like VDP provided, supervised work assignments such as NWP, or a combination of the two. Basic educational opportunities for those who lack necessary job skills should also be provided.

Finally, any comprehensive program must address the problem of health insurance. Many low-wage jobs do not include benefits. People report needing health insurance. Providing transitional health care would induce many applicants to accept low-wage jobs without health insurance. A limited package of benefits—less than full-scale Medicaid—would likely meet health care needs while people gain job seniority and employer-paid health insurance or an increased wage sufficient to purchase a plan on their own.

## Appendix

The study was conducted in two stages. Initially, 253 randomly selected employable Home Relief applicants were interviewed about their interest in working. From that pool, a smaller group of 41 people was selected to participate in further research evaluating whether an employment service could help Home Relief applicants get jobs instead of welfare.

### I. Stage One: Interviewing Home Relief Applicants

The subjects of this study were English speaking, employable applicants for Home Relief in New York City.<sup>1</sup> As used here, "employable" applicants refers to those who described themselves as capable of working when they first applied for Home Relief. The study did not include applicants who were attending college or vocational school, homeless, over 60 or caring for a child under 18.

The interviews were conducted in person at the Human Resources Administration (HRA) Job Search office.<sup>2</sup> Employable applicants are required to search for work during the 45-day period between applying for and receiving benefits. Within five days of applying, most applicants attend a mandatory orientation session where their job-search responsibilities are described. At the time of our interviews, none knew whether they would be found eligible for ongoing assistance. Some had already received emergency food stamps. Others were told they would receive some emergency assistance.

The interviewer first recorded basic identifying information about the respondent, including age, gender and ethnicity. Any prior receipt of public benefits—including unemployment insurance—and brief work histories were also recorded. Then the interviewer asked:

*If my office was able to get you a job within the next week, with a salary from minimum wage or higher (depending on your experience), would you be interested in working instead of continuing with your application for public assistance?*

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<sup>1</sup>The study was limited to English speaking applicants because of the language limitations of the interview staff.

<sup>2</sup>Prospective interviewees were advised of the purpose of the research, that their participation was voluntary and that all information would be confidential. Two people refused to be interviewed. A third began the interview but did not complete it.

Those who responded "No" were asked for a reason, and the interview was terminated. There was no penalty for choosing welfare over employment.

Those who expressed an interest in employment were offered the opportunity to join NWP/VDP. They were told that, if they joined, they would not be eligible for Home Relief or Medicaid. Those who chose not to join were asked why, and the interview was terminated.

Finally, for persons still interested in joining NWP/VDP, the interviewer explained the specific rules of the employment program and the nature of the research, and asked for their written consent to participate in the employment assistance experiment.<sup>3</sup> Anyone who declined to sign the consent form was asked why, and the interview was terminated.

## II. Stage Two: The Employment Assistance Experiment

The evaluation of NWP/VDP as a model employment service for Home Relief applicants used a matched comparison design. Interview respondents who signed the consent form were randomly assigned to a control or experimental group.

Members of the experimental group were referred to NWP/VDP for employment services and advised that they would begin work following a brief orientation and a week of employment skills training.<sup>4</sup> They were also advised not to continue their Home Relief applications because the income from their NWP jobs would exceed the public assistance threshold.<sup>5</sup> Participants who completed training were immediately hired by NWP for four days a week at minimum wage. On the fifth day each participant was required to work with their VDP job developer in a search for permanent employment.

Members of the control group were not provided with any specialized employment services and were advised to continue their applications for public assistance in the customary manner. These participants agreed to participate in a follow-up interview and to allow research staff to view their public assistance case records.

Six months after the research sample was selected, we attempted to track the participants in two ways. First, an effort was made to schedule a second interview. In

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<sup>3</sup>Prior to placing a person in the research pool, interviewers asked several questions to determine whether the program could accommodate the respondent. Persons who were actively using drugs or alcohol, physically unable to do light construction, or unable to understand sufficient English were rejected. Additionally, the interviewers had the discretion to reject people whom they believed would not benefit from the program, for example, anyone who had previously completed the program or who appeared unable to appreciate the consequences of participation.

<sup>4</sup>VDP uses a version of the Adkins Life Skills curriculum.

<sup>5</sup>A single person with an income of more than \$352 per month is not eligible for Home Relief. A person working for NWP four days per week at minimum wage (\$4.25 per hour) would gross approximately \$455 per month and therefore would be over the income limit for Home Relief and Medicaid. Depending upon other factors the person may still be Food Stamp eligible. Since the NWP job would begin before the 45-day period ended, participants would not be eligible for any cash benefits.

addition, the New York State Department of Social Services (DSS) reviewed each participant's electronic file and provided Vera with a summary of activity during the research period.<sup>6</sup>

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<sup>6</sup>DSS staff electronically reviewed the case files of all 41 members of the research sample. A report of their case status was provided to Vera on November 15, 1994. The public assistance status was valid as of that date.

Vera Institute  
Employment Opportunities for Applicants For Home Relief Research

FIRST STAGE INTERVIEW

\_\_\_/\_\_\_/\_\_\_  
Date

\_\_\_\_\_  
Interviewer

(1.) What is your name?

\_\_\_\_\_  
Last Name, First Name

(2.) 0 0 0 7 \_\_\_ \_\_\_ \_\_\_ D Vera ID #

(3.) What is your case number?

\_\_\_\_\_ - \_\_\_\_\_ HR case #

(4.) CIN number (to be supplied by HRA)

[#'s range from 8-11 digits put zeros in front to equal 11]

\_\_\_\_\_

(5.) What is your Social Security number?

\_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ SS#

(6.) In what year were you born?

\_\_\_\_\_

[ANSWER QUESTION 7 BY OBSERVATION ONLY IF ANSWER IS OBVIOUS]

(7.) Respondent sex:

- 1 Male
- 2 Female



(8.) What is your racial or ethnic background?

- 1 White, not Hispanic
- 2 African American
- 3 Hispanic
- 4 Caribbean, West Indian
- 5 Asian/Pacific Islander
- 6 Native American
- 7 Other

(9.) Have you received any form of public assistance within the last 6 months?

- 0 No [SKIP TO QUESTION 11]
- 1 Yes

(10.) What form of public assistance did you receive?  
[CIRCLE ALL THAT APPLY]

HR	Yes	No
AFDC	Yes	No
MAP	Yes	No
FS	Yes	No
SSI	Yes	No

(11.) Have you been employed in the last six months?

- 0 No
- 1 Yes

(12.) Have you been employed in the last 12 months?

- 0 No
- 1 Yes

(12a.) Have you received unemployment in the last 6 months?

- 0 No
- 1 Yes

(13.) As I mentioned before, we are conducting research about whether people are interested in jobs instead of welfare. If my office was able to get you a job within the next week, with a salary from minimum wage or higher (depending upon your experience) would you be interested in working instead of continuing with your application for public assistance?

- 0 No [ASK QUES. 14 & 15 AND THEN STOP]
- 1 Yes [READ PROGRAM DESCRIPTION AND SKIP TO QUES. 16]
- 2 Maybe [READ PROGRAM DESCRIPTION AND SKIP TO QUES. 16]

(14.) What is the **major reason** why you are not interested in working?

[CIRCLE ONLY **FIRST** RESPONSE - IF RESPONSE IS #1, ASK QUES. 15, 15a, b & c.]

- 1 The job pays too little.
- 2 I would not be able to get medicaid.
- 3 I would not be able to get food stamps.
- 4 I don't want to work.
- 5 Health problems prevent me from working.
- 6 Health problems prevent me from doing the kind of work you are offering.
- 7 This is not the kind of work I want to do.
- 8 I don't want to work full time.
- 9 I can't work because I have other family obligations.
- 10 I already have a job.
- 11 I have a drug or alcohol problem.
- 12 I would rather attend school.
- 13 I would rather attend a training program.
- 14 I am too old to work.
- 15 I might not get emergency assistance to pay my back bills.
- 16 Other \_\_\_\_\_

(15.) Are there any other reasons why you are not interested in working?

[CIRCLE ALL THAT APPLY - IF RESPONSE INCLUDES "PAY IS TOO LITTLE," ASK QUES. 15a, b & c]

- Yes No The job pays too little.
- Yes No I would not be able to get medicaid.
- Yes No I would not be able to get food stamps.
- Yes No I don't want to work.
- Yes No Health problems prevent me from working.
- Yes No Health problems prevent me from doing the kind of work you are offering.
- Yes No This is not the kind of work I want to do.
- Yes No I don't want to work full time.
- Yes No I can't work because I have other family obligations.
- Yes No I already have a job.
- Yes No I have a drug or alcohol problem.
- Yes No I would rather attend school.
- Yes No I would rather attend a training program.
- Yes No I am too old to work.
- Yes No I might not get emergency assistance to pay my back bills.
- Yes No Other \_\_\_\_\_.

(15a.) How much money do you think you will get each month from public assistance?

- 0 Less than \$352 per month
- 1 Correct Amount
- 2 More than \$352 per month
- 3 Don't know

(15b.) How much did you earn at your last job?

\$ \_\_\_\_\_ per \_\_\_\_\_ days

(15c.) Can you describe the kind of assistance you would want to help you get a job?

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## Program Description

My organization runs two programs that help both men and women get jobs. The programs, called the Neighborhood Work Project and the Vocational Development Project generally help people who have recently been released from prison and are on parole get jobs. Over the next month, they are going to add a group of people applying for welfare.

The Neighborhood Work Project is a small program that does simple contracting and maintenance work for government agencies -- including painting and housekeeping. People who work for us work 4 days a week, 7 hours a day for minimum wage (\$4.25 per hour). We have job sites in all five boroughs and can try to coordinate the job site with where you live. This is a temporary job and there are no benefits.

On the fifth day of each week, the Vocational Development Project will help you find a permanent job. You will have a job developer who will talk with you about your past employment history, what skills you might have, and what you would like to do. The job developer will work with you to find a suitable job. People who come to our program usually find permanent jobs within 90 days. The jobs are generally in the fields of manufacturing, stock, food service, cashiering, some maintenance and clerical. The average wage is about \$5.50 per hour depending on a person's previous experience and skills. Few people start off with benefits. More get benefits after one year on the job.

If you were to participate in these programs, because you would be employed and earning more than welfare would pay, you would not be eligible for Home Relief or Medicaid. You might be eligible for food stamps. You might be eligible for emergency benefits.

(16.) Are you interested?

- 0 No [ASK QUES. 17 & 18 AND STOP]
- 1 Yes [SKIP TO QUES. 19]

(17.) What is the **major reason** why you are not interested?  
[CIRCLE ONLY **FIRST** RESPONSE - IF RESPONSE IS #1,  
ASK QUES. 18, 18a, b & c.]

- 1 The job pays too little.
- 2 I would not be able to get medicaid.
- 3 I would not be able to get food stamps.
- 4 I don't want to work.
- 5 Health problems prevent me from working.
- 6 Health problems prevent me from doing the kind of work you are offering.
- 7 This is not the kind of work I want to do.
- 8 I don't want to work full time.
- 9 I can't work because I have other family obligations.
- 10 I already have a job.
- 11 I have a drug or alcohol problem.
- 12 I would rather attend school.
- 13 I would rather attend a training program.
- 14 I am too old to work.
- 15 I might not get emergency assistance to pay my back bills.
- 16 Other \_\_\_\_\_.

(18.) Are there any other reasons why you are not interested?  
[CIRCLE ALL THAT APPLY - IF RESPONSE INCLUDES "PAY IS TOO  
LITTLE," ASK QUES. 18a, b & c]

- Yes No The job pays too little.
- Yes No I would not be able to get medicaid.
- Yes No I would not be able to get food stamps.
- Yes No I don't want to work.
- Yes No Health problems prevent me from working.
- Yes No Health problems prevent me from doing the kind of work you are offering.
- Yes No This is not the kind of work I want to do.
- Yes No I don't want to work full time.
- Yes No I can't work because I have other family obligations.
- Yes No I already have a job.
- Yes No I have a drug or alcohol problem.
- Yes No I would rather attend school.
- Yes No I would rather attend a training program.
- Yes No I am too old to work.
- Yes No I might not get emergency assistance to pay my back bills.
- Yes No Other \_\_\_\_\_.

(18a.) How much money do you think you will get each month from public assistance?

- 0 Less than \$352 per month
- 1 Correct Amount
- 2 More than \$352 per month
- 3 Don't know

(18b.) How much did you earn at your last job?

\$ \_\_\_\_\_ per \_\_\_\_\_ days

(18c.) Can you describe the kind of assistance you would want to help you get a job?

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(19.) Where do you live? Is this an apartment or a house?

- 1 Apartment/House
- 2 Homeless [VERA REJECTS]

(20.) The jobs we have are simple contracting and maintenance work -- painting, cleaning, and some sheet rocking. Do you believe that you are physically able to do any of these kinds of work?

- 0 No [VERA REJECTS]
- 1 Yes

(21.) We do not believe that our employment program will help people who are using drugs or have an alcohol problem. If you regularly use drugs or have an alcohol problem, you should not go on with this interview. Do you wish to continue?

- 0 No [VERA REJECTS]
- 1 Yes
- 3 In the judgment of the interviewer, the applicant appears mentally unstable [VERA REJECTS]

(21a.) [DOES RESPONDENT UNDERSTAND ENOUGH ENGLISH TO FOLLOW VDP TRAINING?]

0 No [VERA REJECTS]

1 Yes

[IF VERA HAS NOT REJECTED, FOLLOW INFORMED CONSENT PROTOCOL FOR PEOPLE WHO WANT JOBS, AND THEN FINISH THIS FORM]

(22.) Will you sign this informed consent form?

0 No [ASK QUES. 23-24]

1 Yes [INTERVIEW ENDS]

(23.) What is the **major reason** why you will not sign the informed consent?

[CIRCLE ONLY FIRST RESPONSE - IF RESPONSE IS #1, ASK QUES. 24, 24a, b & c.]

1 The job pays too little.

2 I would not be able to get medicaid.

3 I would not be able to get food stamps.

4 I don't want to work.

5 Health problems prevent me from working.

6 Health problems prevent me from doing the kind of work you are offering.

7 This is not the kind of work I want to do.

8 I don't want to work full time.

9 I can't work because I have other family obligations.

10 I already have a job.

11 I have a drug or alcohol problem.

12 I would rather attend school.

13 I would rather attend a training program.

14 I am too old to work.

15 I might not get emergency assistance to pay my back bills.

16 Other \_\_\_\_\_

(24.) Are there any **other** reasons why you will not sign?

[CIRCLE ALL THAT APPLY - IF RESPONSE INCLUDES  
"PAY IS TOO LITTLE," ASK QUES. 24a, b & c]

- Yes No The job pays too little.
- Yes No I would not be able to get medicaid.
- Yes No I would not be able to get food stamps.
- Yes No I don't want to work.
- Yes No Health problems prevent me from working.
- Yes No Health problems prevent me from doing the kind of work you are offering.
- Yes No This is not the kind of work I want to do.
- Yes No I don't want to work full time.
- Yes No I can't work because I have other family obligations.
- Yes No I already have a job.
- Yes No I have a drug or alcohol problem.
- Yes No I would rather attend school.
- Yes No I would rather attend a training program.
- Yes No I am too old to work.
- Yes No I might not get emergency assistance to pay my back bills.
- Yes No Other \_\_\_\_\_.

(24a.) How much money do you think you will get each month from public assistance?

- 0 Less than \$352 per month
- 1 Correct Amount
- 2 More than \$352 per month
- 3 Don't know

(24b.) How much did you earn at your last job?

\$ \_\_\_\_\_ per \_\_\_\_\_ days

(24c.) Can you describe the kind of assistance you would want to help you get a job?

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