FILE COPY DO NOT REMOVE

INSTITUTE FOR RESEARCH ON POVERTY

WORK AND THE AID TO FAMILIES WITH DEPENDENT CHILDREN

Joel F. Handler Ellen Jane Hollingsworth



THE UNIVERSITY OF WISCONSIN, MADISON, WISCONSIN

WORK AND THE AFDC PROGRAM

Joel F. Handler

Ellen Jane Hollingsworth

Mr. Handler is a Visiting Professor of Law at Stanford University, California. Mrs. Hollingsworth was his project specialist while on the Institute staff. The research reported here was supported by funds granted to the Institute for Research on Poverty at the University of Wisconsin by the Office of Economic Opportunity pursuant to the provisions of the Economic Opportunity Act of 1964. The conclusions are the sole responsibility of the author.

November, 1969

WORK AUD THE AFDC PROGRAM

WORK, WELFARE AND THE 1967 AFDC AMENDMENTS

Popular attitudes toward work have always had a significant impact on welfare policy and administration. From the earliest days of charity, donors have been concerned that the act of giving endangered the moral fiber of the recipients, given that morality was defined as the ability to earn a living and to take care of oneself and one's family. Charity was for the deserving poor--those who could not work and who behaved. Though relief was available for employables, the conditions were made onerous; the poorhouses, the wood yard and stone pile were designed to deter applicants. Relief was deliberately made stigmatic for those presumed to be in the labor market. This rough distinction between employable and nonemployable recipients carried over when government assumed primary responsibility for welfare. The taxpaying public has always had more difficulty accepting welfare programs that included employables than programs for people not in the labor market. Benefits were and are generally higher and restrictive conditions fewer in programs for the aged, the blind, the widowed, and the handicapped than in those for people assumed able to work. 1

The Aid to Families with Dependent Children program (AFDC) has had a special relationship to the issue of work. It is assumed that, when these programs were first started in the beginning of this century, husbandless mothers were considered to be outside of the labor force

and thus their dependent children were among the "deserving poor." This is a misleading view. Whether or not dependent children were "deserving" depended upon the social characteristics of their parents and the reason for the dependency. The first statutes pertaining to AFDC (then called Mother's Pensions or Aid to Dependent Children) were cast very broadly; they covered mothers who were divorced, deserted, separated, and never married, as well as those who were widows. 3 From this class, aid was to be given only to the "deserving" -- those mothers who were "fit and proper" to raise children. As administered, usually only widows qualified. Questions of morality were raised about the other categories of husbandless mothers and aid was denied on the ground that they were not fit. This meant they had to work or rely on the more work-oriented relief programs or, if they could not support their families and other sources of support were not available, the children went to public institutions or to foster homes. Even the "deserving" mothers were not considered entirely outside of the labor force. For example, in Wisconsin, in 1917, just four years after the ADC program was enacted, local administrators (county court judges) were given authority to require the mothers in the program to work as a condition of receiving aid.4

By the end of World War II, the concept of the working mother was accepted. It became recognized that, by working, a mother from any social class could benefit the family in both economic and noneconomic ways. This change in attitude towards the working mother also coincided with two other changes in the AFDC program. For a variety of

reasons, the social characteristics of the AFDC rolls changed. The divorced, separated, deserted, and unmarried replaced the widows and, in large urban centers, blacks replaced whites. Then too, there was an enormous growth in the AFDC rolls. In 1935, when the Federal Government began to finance AFDC through grants-in-aid, it was thought that the program would wither away. Instead, and especially during the 1950's, the rolls increased despite periods of full employment.

In 1962, when the Kennedy Administration felt that something had to be done about the growing AFDC rolls, social service oriented amendments were sold to Congress primarily on the ground that welfare rolls would decrease as families became <u>self-supporting</u> through social services programs. Provisions were made to encourage states to institute programs of job counseling, education, and retraining. In addition, there was a liberalization of the treatment of earned income. The general rule in AFDC had been to include all net income in determining the family's need for welfare aid. This meant a 100% tax rate—the welfare grant would be reduced by the amount of net earnings on a dollar-for-dollar basis. According to the authors of the 1962 amendments, this provided little incentive to work. Under the new amendments, certain amounts of earned income were not to be deducted from the welfare grant. The approach, then, in 1962, was to encourage AFDC mothers to work.

In 1967, there was another shift in public policy. The AFDC program was under heavy attack in Congress. The rolls, and the costs to the Federal Government, had been rising steadily despite the promises of those who urged enactment of the 1962 amendments. Large industrial

states of the north, which had high benefit programs, were demanding higher Federally imposed standards to prevent what they claimed was an influx of poverty stricken families from the rural southern states. It was also claimed that the administration of the program was lax; that many were on the program who shouldn't be; that the program encouraged immorality (particularly desertion and illegitimacy); and that the treatment of earned income discouraged people from working.

Congress, in an angry mood, enacted the 1967 amendments which were designed to do four things: (1) as of July 1969, a ceiling was to be put on the proportion of children under 18 who might receive AFDC; (2) a new work incentive program, (called WIN) to increase the employment of AFDC recipients, was to be established under the joint responsibility of the Departments of Labor and of Health, Education, and Welfare; (3) local welfare departments would be required to provide day-care centers for the children of mothers who were training or working; and (4) the treatment of earned income was to be liberalized. This was a decided shift in emphasis from the 1962 Congress. Whereas the previous Federal policy toward work had been permissive and designed to fit rehabilitative goals, the 1967 amendments were bluntly described quite differently in the House Committee on Ways and Means report: "The Committee is recommending the enactment of a series of amendments to carry out its firm intent of reducing the AFDC rolls by restoring more families to employment and self-reliance, thus reducing the Federal financial involvement in the program. "6

There was little doubt about the mood of Congress in proposing the WIN program. Both the House Committee on Ways and Means and the

Senate Finance Committee opened their reports by deploring the rising costs of welfare. The House Committee report went on to say:

Your Committee is very deeply concerned that such a large number of families have not achieved independence and self-support, and is very greatly concerned over the rapidly increasing costs to the taxpayers. Moreover, your committee is aware that the growth in this program has received increasingly critical public attention. . . . It is not 5 years since the enactment of the 1962 legislation, which allowed Federal financial participation in a wide range of services to AFDC families—services which your Committee was informed and believed would help reverse these trends. . . . It is . . . obvious, however, that further and more definite action is needed if the growth of the AFDC program is to be kept under control. The overall plan which the committee has developed . . . amounts to a new direction for AFDC legislation. . . . 7

Needless to say, every major point in the proposed WIN program was hotly contested before the two congressional committees. State and local welfare administrators (including the head of the Wisconsin State Department of Health and Social Services) objected to having the Department of Labor administer the work incentive program. They argued that recipients enrolled in the program would still need social services and that public welfare agencies could do a better job of training recipients; they felt that the Department of Labor's commitment was to serve industrial needs for manpower and not to rehabilitate families. On the other hand, the National Association of Social Workers testified that social workers could not motivate clients to accept employment and that the program should be with Labor. Hew also agreed that the program should be administered by Labor; they argued that manpower programs should be centralized and Labor had the expertise.

As proposed by the President, participation in WIN was to be voluntary. Mandatory requirements were inserted by the House Committee

and were strongly protested by HEW and the Department of Labor. They argued that the proposed programs could not even train all who would volunteer. Others were fearful that this employment program would become a vehicle for harrassment and coercion, as were many of the state employment programs. There was also a vigorous attack on the "freeze."

On the other hand, there was a great deal of support for the provision requiring the states to furnish day-care services—Mitchell

Ginsberg and John Gardner testified that the lack of adequate day care was the major reason why women did not work and that the failure of previous work and training projects, as well as the liberalization of the treatment of earned income, could be traced to the lack of day care. There was very little comment on the proposed expansion of social service programs to include adults as well as children.

Under the WIN program, the Department of Health, Education, and Welfare (through the state and county department of welfare) refers welfare recipients to the Department of Labor (i.e., state employment services) for work or training. Who is eligible for referral? Each member of an AFDC family aged 16 or older (who is not in school full-time) is eligible, with the following exceptions: (1) recipients who are ill, incapacitated, or of "advanced age"; (2) recipients "whose remoteness from a project precludes effective participation in work or training"; and (3) recipients "whose presence in the home on a substantially continuous basis is required because of the illness or incapacity of another member of the household." In addition, welfare

recipients may request referrals themselves. A recipient making such a request to the welfare agency must be referred "unless the State [welfare] agency determines that participation . . .would be inimical to the welfare of such person or the family." 13

The WIN program has teeth. If a person who has been referred to the department of Labor refuses without "good cause" to participate in a "work incentive program" (which can include training) or refuses to "accept employment in which he is able to engage which is offered through the public employment offices of the State," or rejects a bona fide offer of employment, then that person's needs will no longer be taken into account in determining the family AFDC grant. Aid for that person can continue for a period of 60 days, in the form of protective or vendor payments, only if that person "accepts counseling or other services (which the State [welfare] agency shall make available . . .) aimed at persuading such [person] . . . to participate in such program . . . "14

Recipients referred to the state employment services are to be handled in one of three ways: (1) If at all possible, they are to be moved immediately into regular employment or on-the-job training positions under existing Federal programs. In deciding the appropriate action for each referral, the state employment services are to inventory the work history of all referrals and use aptitude and skill testing if indicated. The earnings exemption (explained below) would be applicable; but if earnings are high enough, the family would leave the AFDC program. (2) The state employment service may recommend training which could include "basic education, teaching of skills in a classroom

setting, employment skills, work experience, and any other training found useful." Recipients would be "assigned to the training suitable for them and for which jobs were available in the area. 115 During the training period, the family would continue to receive its AFDC grant plus up to \$30 a month as a training incentive. The training period, on the average, cannot last more than one year. (3) Special work projects would employ "those for whom jobs in the regular economy cannot be found at the time and for whom training may not be appropriate." These projects will be furnished by public agencies and private nonprofit agencies organized for a public purpose. The recipients who participate in these projects will be paid by their employer rather than receive the AFDC grant. The AFDC grant for each participant (or 80 percent of the wages, whichever is less) is paid by the state welfare agency to the state employment service which then reimburses the employers. According to the Senate Committee, a very important feature of this plan is that "in most instances the recipient would no longer receive a welfare check. The wage paid by employers to each participant will be a 'true' wage in the sense that it will be subject to all of the income, social security, and other taxes just as if it were a wage in regular private employment."16 The wage has to be at least the minimum wage (if the minimum wage law is applicable). Participants are guaranteed that their total income will be at least equal to their AFDC grant plus 20 percent of the wages. If the wages do not equal that amount, then the state welfare agencies will make a supplemental assistance grant.

Congress encouraged the Department of Labor to work at the development of jobs and placement. Special efforts along these lines are required since "it seems obvious that the regular labor market channels are insufficient, and sometimes discriminate against those on welfare." The program is also to provide "followup" services for those families who return to welfare after an unsatisfactory work experience. Authority is granted to help families relocate "in order to enable them to become permanently employable and self-supporting." However, no family is to be required to relocate.

According to the Senate Committee, the social services that were furnished under the 1962 amendments were primarily for AFDC children.

Under the 1967 amendments, these programs were to be extended to include adults as well. The states would now be required to provide those social services "needed for an effective work incentive program."

The Committee believed "that many mothers of children on AFDC would like to work and improve the economic situation of their families if they could be assured of good facilities in which to leave their children during working hours."

Accordingly, state welfare agencies were required to make "arrangements for adequate day care facilities."

The state agencies were also encouraged to explore the possibility of using AFDC mothers to care for the children of the other AFDC mothers who took jobs.

The 1967 amendments liberalized the treatment of earned income.

The Senate Committee said: "A key element in any program for work and training for assistance recipients is an incentive for people to

take employment. If all the earnings of a needy person are deducted from his assistance payment, he has no gain for his effort." The 1967 amendments superseded all of the prior rules governing the treatment of earned income. Under the new law, all of the earnings of children, up to a maximum of \$150 per family, are exempt as long as the child is in school full time or, if in school part time, not a full time employee. All other employed AFDC family members can retain the first \$30 of their monthly earnings plus one-third of all of the rest, without reduction in their welfare benefits.

The ceiling or "freeze" on the number of children on the AFDC rolls was designed to complement the WIN program. This amendment was viewed as an incentive to the states to develop the WIN program. In the words of Wilbur Mills, "It is there to get the States to act on the other provisions of the bill requiring them to do something to reduce dependency and to take people off welfare who should not be there. It is as simple as that." The "freeze" applies to children receiving AFDC because of the absence of the father; it does not apply to children receiving AFDC because of the death or incapacity or unemployment of the father.

Although the Department of Labor administers the WIN program, AFDC recipients must be referred by state welfare agencies. How much discretion do the welfare agencies have in deciding who to refer? The statute says that the state welfare agencies shall make provision for the "prompt referral" of "appropriate" persons, with three stated exceptions (noted above), which are fairly narrowly drawn. The Senate

Committee Report listed two other exceptions, neither of which appeared in the final legislation. One exception was for a mother (or a person acting as a mother) who was in fact caring for one or more preschool age children and whose presence in the home was necessary and in "the best interest of the children." The other was even more broadly drawn. A person need not be referred "whose participation the State welfare agency finds would not be in his best interest and would be inconsistent with the objectives of the program." However, these very broadly drawn discretionary exceptions were not included in the final bill because the House-Senate Conference Committee thought that the state welfare agencies would have this power anyway when they decided who was "appropriate." In other words, a state welfare agency cannot refer a person who falls within any of three stated exceptions; but the state welfare agency must still decide, from among those potentially eligible, who is "appropriate."

The regulations of the Department of Health, Education, and Welfare attempt to guide the state and county departments of welfare in deciding "appropriate" referrals. 21 First, HEW adds to the list those persons who cannot be referred: (1) a child attending school full time; and (2) "a person whose presence in the home is required because adequate child-care services cannot be furnished." This latter provision could be very important and may even defeat the coercive features of the WIN program altogether. The regulations state that out-of-home child-care services must meet state and federal licensing requirements. In-home care must meet state standards which,

in turn, "must be reasonably in accord with the recommended standards of related national standard setting organizations, such as the Child Welfare League of America and the National Council for Homemaker Services." But in any event, "such care must be suitable for the individual child, and the parents must be involved and agree to the type of the care provided."²² In other words, according to the regulations, the mother has a veto power over the referral decision. The language is clear—the mother has to agree to the type of child care provided. No doubt, a "reasonableness" requirement will be read in—the mother's refusal has to be "reasonable." It would seem that, if the day—care services failed to meet statutory and regulatory standards, refusal to agree could not be considered "unreasonable." In any event, despite the clear language of the HEW regulations dealing with day care, there will be leeway for state and local administrative discretion.

From the pool of potentially eligible referrals (i.e., those determined to be "appropriate"), HEW says that the state welfare agencies can decide who is eligible for mandatory referrals or optional referrals. The difference between the two methods of referral is that the sanctions for refusal to participate or for quitting without good cause apply only to those who are referred on a mandatory basis. Unemployed fathers and children 16 and over who are not "substantially full-time in school, at work, or in training, and for whom there are no educational plans," must be included in the mandatory referral category. All other AFDC recipients can be considered in the optional category if a state so wishes. Alternatively a state may decide that all others would be

referred on a mandatory basis, or that only some of the others would be in the mandatory referral category. For example, mothers with no preschool children could be referred on a mandatory basis, whereas mothers with preschool children could be on an optional basis. But all recipients who volunteer must be referred on an optional basis.²³

The Wisconsin State Department of Health and Social Services has taken the narrowest allowable position—only the unemployed fathers and the children 16 and over are to be referred on a mandatory basis. All others are to be considered, in effect, volunteers. That is, at least according to the State Department, there shall be no coercion of AFDC mothers. 24

However, even though the state regulations are binding on the country departments of welfare for some areas of the AFDC program, this is not the case with employment. Here, the legislature has specifically said that discretionary authority lies with the counties and not with the state government. The statute reads: "The country agency may require the mother to do such remunerative work as in its judgment she can do without detriment to her health—or the neglect of her children or her home." The State Department regulations urge, but do not mandate, the counties to follow its philosophy that the decision to work should be voluntary.

In any event, the Department of Labor takes the position that AFDC recipients should not be coerced into accepting employment or training through its definition of what constitutes "good cause" refusal to participate. 26 Some of the reasons that are to be

considered "good cause" simply restate the legislation—incapacitation; others are fairly narrow—the job offer is below Department of Labor wage requirements; but others are quite broad—"the mother's child care plan has broken down and alternative child care cannot be arranged; the job is not within the physical or mental capacity of the person; acceptance of the assignment would be detrimental to the family life of the individual; and acceptance of the assignment would be detrimental to the health or safety of the individual or to family members."

In sum, the referral process as outlined in the Federal legislation, HEW regulations, the Department of Labor regulations, and the Wisconsin welfare regulations, looks as follows:

All AFDC-U unemployed fathers and children over 16 who are not in school full time or in training must be referred by the welfare agencies to the state employment services.

From the remaining AFDC recipients, there can be no referrals of

(a) recipients who are ill, incapacitated, or of "advanced age"; (b)

recipients who live too far away from a project to participate; (c)

recipients who are needed in the home because a member of the household is ill or incapacitated; (d) a child attending school full time;

or (e) a person who is needed in the home because of the lack of adequate day-care service.

From those that are left--that is, those who do not fall within any of the five exceptions--the welfare agencies then decide who is "appropriate" for referral.

The state employment service then applies its priorities—
employment, retraining, and special work projects—but excuses
those who refuse to participate for "good cause."

The effect, then, of the WIN amendments is as follows: The very troublesome issues of work and welfare, which have always plagued welfare policy and administration, are not "resolved" by the 1967 Congress despite its rhetoric. These issues were once again delegated to state and local governments. (2) New weapons are given to those welfare agencies that want to reduce welfare rolls by requiring recipients to work. Most of these agencies already had discretionary power over employment and many, no doubt, reduced welfare rolls by requiring people to work even when legal power was lacking. But the WIN amendments will help these agencies when they meet resistence from clients, client organizations (and their lawyers), (3) The WIN program, if adequately financed by Congress and capably administered by the Department of Labor, will assist those welfare agencies that want to help welfare recipients who want to become self-supporting through work or retraining. Greater opportunities and incentives can now be made available. (4) Agencies that are indifferent to work and retraining can probably continue as before. sum, the WIN amendments have introduced another government agency (the Department of Labor) into the work and welfare mix, but local welfare agency discretion still remains a key element in the administration of employment progrems for welfare recipients. Nobody gets to a WIN program unless he goes himself or gets a referral from the department of welfare.

THE ADMINISTRATION OF WIN IN WISCONSIN

The WIN program in Wisconsin is administered by the Wisconsin State Employment Service. 27 For the first year of operation—July 1, 1968 to June 30, 1969—the program was in operation in six areas of the state. In each of these areas there was a WIN team which administered the program, except in Milwaukee where there were four teams. A team is composed of seven members: a Project Director, Vocational Counselor, Training Specialist, Job Developer, two Job Coaches, and a Secretary. The Job Coaches and Secretary are supposed to be from AFDC rolls, and the other four are college trained.

When a person is referred to WIN, they first go through a two-week orientation course conducted by the WIN staff. During this time an employment and training program is worked out for each person individually. WIN itself does not train anyone; it buys training and tailors it to the specific requirements of the individual. Normally, training is provided in the area picked by the enrollee, unless psychological tests show the person to be unfit for that type of work. For many enrollees, a first step will be participation in a job experience program; an enrollee is found a job, at no cost to the employer, for a short period of time. This experience will allow him to determine whether he really wants that particular job; it will improve his work habits, or will provide him with a better recommendation, if theenrollee has a bad work record. The cost of training or counseling a person for a perioé of one year is provided through WIN "slots" or

positions. Even if a person is placed in a job right away, he is still allocated a funded slot to provide for follow-up counseling.

Although the WIN program has been in operation for less than a full year, it is fairly obvious that many of the claims made about it—both positively and negatively—at the time of its enactment will never be realized. Despite congressional statements to the contrary, we have seen that welfare still retains crucial control over employment decisions involving most AFDC families. On June 30th, 1969 the "freeze" was quietly repealed by Congress. The new taxing rule on earned income—the \$30 and 1/3 rule—was mandated on the states as of July 1, 1969, but Wisconsin, as well as other states, is not in compliance because state law has not yet been changed. It is also quite clear that WIN will not make much of a dent in welfare rolls. First, not enough positions are funded. Second, in weighting the economics of working versus staying on welfare, the new taxing rules favor staying on welfare, since the break—even point is now higher.

In 1967, when WIN was enacted, there were approximately 1.2 million AFDC families in the nation, comprising nearly 5 million individuals. Congress authorized training for 100,000 persons in 1968, with the proposed number trained to be increased each year up to 280,000 in 1972, or a total after five years of 860,000. The Senate Finance Committee estimated that there would be no full-time job placements during the first year of the program (1968), approximately 50,000 in 1969, with an increase to 95,000 in 1972, for a total of 290,000 full-time job placements after five years of

operating. Of course, we have no reason to suppose that AFDC rolls will not continue to increase too.

In 1969, on the average, there were over 21,000 families on AFDC in Wisconsin, (including 1057 on AFDC-UP); the number of WIN slots allocated for the state was 1786. In 1969-70, AFDC rolls are expected to climb to about 23,000 families and the requested WIN slots will be 2,280. AFDC-UP accounts for a little more than 5 percent of the total AFDC caseload in Wisconsin, but because AFDC-UP fathers must be referred first, they have already taken 40 percent of the WIN slots. Finally, during the first year of operation of WIN, only about 70 percent of the slots were filled. We will discuss the reasons for this below and it could be that within the next year or so all the WIN slots will be filled. But even so, the total number of mothers on AFDC will not decrease appreciably, and this is simply because the WIN program will reach so few recipients.

on AFDC caseloads and welfare costs. As pointed out, in several parts of the country the rates are not yet in effect. Also, there is great doubt about what the effective tax rate is now on the earned income of recipients. Initially, at least in theory, costs should rise. For those AFDC recipients who are working and are taxed at 100 percent, more of their earnings will become "tax free" and their welfare payments will probably increase. Leonard J. Hausman, in his article, "The AFDC Amendments of 1967: Their Impact on the Capacity for Self-Support and the Employability of AFDC Family Heads," says:

The major source of concern of welfare departments should be the impact of the new earnings exemptions on those recipients who, in the absence of such an exemption, would have become employed and left the welfare rolls. The concern should result from the inescapable arithmetic of income maintenance programs: as you raise the minimum payment in the absence of other income to be more humane, and as you reduce the 'tax rates' on earnings that are built into the program to provide financial incentives to work, you raise the level of income at which the program payments are reduced to zero. For example, in the case of an AFDC mother who now receives \$2,000 per year in assistance payments, reducing the welfare tax rate from 100 percent to the zero - 66 2/3 percent combination of the new law results in her being allowed to get some welfare payments until her earnings reach \$4,110--her new 'breakeven' level of income. 28

Using Hausman's figures, we have a breakeven of \$4,287 per year for a four person family in Wisconsin with the \$30 and 1/3 rule, or just over \$82 per week. At this figure, only 5 percent of the Wisconsin AFDC caseload is capable of self-support. Nor will retraining make that much difference. After analyzing wages of welfare recipients who completed MDTA training, Hausman concludes: ". . .[T]he WIN program can, if property implemented, enhance the employability of recipients; but it cannot, given their present productive powers and the amount of resources that will be invested in their rehabilitation, bring a large proportion of them to total self-support within the near future."29 Several Wisconsin officials dealing with the administration of WIN agree with this conclusion, particularly with regard to female-headed households. They view the WIN program as a way of getting more money to the family by reducing, but not eliminating, welfare payments and of giving the mother work experience to prepare her for the time when she leaves welfare.

During its first year of operation, Wisconsin WIN was only able to fill about 70 percent of the allocated slots. In part this was due to delays in getting the Department of Labor guidelines, federal delays in funding, and the difficulties in hiring new staff. In some areas of the state, the WIN staff cannot now handle the number of recipients being referred; in other areas, the welfare agencies are not able to provide enough referrals to keep the WIN staff working to capacity. One problem is arranging day care that complies with federal standards, particularly if the mother wants to leave the child with neighbors, which seems to be the preferred alternative. A more basic problem of low referrals has to do with the welfare agencies. WIN officials complain that caseworkers are not referring clients because they are unfamiliar with the WIN program, are not much in favor of employment and retraining, or are especially suspicious of WIN because of its legislative history and coercive provisions. worker turnover and vacancies, perennial problems in public assistance, also serve to reduce referrals. Many caseworkers are simply not that familiar with their clients to recommend referral. Milwaukee, for example, is having a great deal of difficulty in making referrals for this reason and, with forty caseworker vacancies, is having difficulty in just keeping up with its own work. Finally, AFDC-UP fathers must be referred first; these take a considerable portion of caseworker time, which further cuts down on the number of AFDC referrals.

The result of this division of responsibility between the state and HEW is that WIN officials say they spend a great deal of time

explaining the program to welfare departments in an effort to get better cooperation. WIN feels that welfare is still resentful over the fact that Labor has the responsibility for training recipients and that it is suspicious of WIN. Part of the communication process is to convince welfare that WIN is just as unhappy with the coercive features of the program as welfare is. WIN says that the program is strictly voluntary as far as women are concerned. In fact, according to local WIN administration, the woman has to make some positive effort to get in—she has to arrange for her own medical examination and child care, even though welfare pays for both.

It should be pointed out that the insistence of state WIN that the program be voluntary fits their organizational needs; they have to sell the program to welfare in order to get referrals. But it should also be pointed out that it is up to the local departments of welfare to determine how voluntary the program is going to be. State law still gives the county departments substantial authority over the employment conditions of welfare. And state welfare officials admit that counties can make involuntary referrals if adequate child care arrangements are made. Although one can only speculate as to what would happen if particular "work oriented" counties took a hard line with referrals, our guess is that they would have their way. Local WIN teams are, after all, dependent on the counties for referrals. In addition, and perhaps more importantly, if a county agency is really serious about requiring a mother to work, she would be foolish to refuse to participate in a WIN program. If WIN rejected her, because of her refusal,

she would then be subject to the usual welfare agency sanctions which no doubt would be less attractive than the WIN program.

Upon closer examination, another "new direction" in welfare policy looks pretty much like the same old pattern. The administration of employment services for AFDC will (a) be highly decentralized and subject to broad administrative discretion at the local level, and (b) touch very few AFDC recipients. In this respect, the rehabilitative services of WIN are no different from other social service programs that have been enacted for AFDC. Nationally, funding is too low to make much difference and caseloads are too high to allow for much redirective efforts by caseworkers and employment service personnel. In various parts of the country, imaginative officials will be able to help small numbers of AFDC families; in other parts of the country, punitive officials will be able to exercise their new weapons. But in the main, for the millions of individuals on AFDC, there will be no employment services other than that provided by the welfare agencies. The one part of the 1967 amendments, however, that could make a difference in the status quo are the new rules dealing with the treatment of earned income. At least on paper, they do provide a substantial incentive for AFDC mothers.

Despite the changes in the laws and despite the political rhetoric, the issues of work and welfare will still be resolved at the local level. The WIN program itself asks an existing welfare bureaucracy with an existing clientele to respond to the new program. For the vast majority of AFDC recipients, local welfare administrative practices

will be far more important than the WIN program. And, the effect of the new taxing rules will depend on how they are administered and the extent to which welfare clients can take advantage of them.

In the following sections of this paper, we will examine employment issues at the state and local level, using as our example the Wisconsin AFDC program. First, we will set out state policy--how the State Department of Health and Social Services would like the county departments of welfare to administer employment services. Even though most of these regulations are not binding on the county departments, they are a fairly accurate representation of the views of professional social work administrators who have a reputation of being liberal and progressive. And, as we shall see shortly, the ideology in the regulations is adopted, at least in theory, by the county caseworkers. Then, we will examine the welfare recipients themselves and the caseworkers. The data from the recipients are responses to a survey conducted in six Wisconsin counties. One of the counties was Milwaukee, containing the nation's twelfth largest city, with a 1960 population of 1,036,047, including a black ghetto. Two counties contained middle-sized cities--Madison (Dane County) and Green Bay (Brown County) -- and three counties were rural. The interviews, lasting about an hour and a half, were conducted in the summer and fall of 1967, with a response rate of about 80 percent. The data in this paper will deal with the recipient's work histories and attitudes toward work, the treatment of earned income, and their experiences with the caseworkers on employment problems. We will conclude this section with a discussion of the economics of work and welfare along with conclusions about the administration of employment issues.

In the final section of the paper, we will examine President Nixon's new welfare proposals that deal with employment in our experiences.

STATE POLICY

The State Department Manual initially assumes that "most individuals prefer to be independent and self-supporting." Accordingly, "the work potential of all employable family members is [to be] discussed and evaluated" by the caseworkers. Whether or not a mother should work requires a "thorough exploration and careful evaluation." The Manual recognizes that mothers may lack skills, or have no previous work experience, or may be fearful of trying to work, or that it may be uneconomical for them to work. Planning for employment requires consideration of the needs of both the mother and the children. If the mother can be employed without detriment to the children, but resists employment, counseling and encouragement are based on the reasons for her resistance." But,

situations shall not be condoned which may result in children being neglected or poorly cared for while the mother works. . . . The following factors are to be considered [by the county department of welfare social services] in helping a mother decide whether she can fulfill the dual role of motherhood and breadwinner, and are suggested for consideration in each case, namely:

1. The effect of disability, death or absence of the father on family relationships and responsibilities.

- 2. The prior role of the deceased or absent father in the support and care of the children.
- 3. How the mother functioned in relation to her children prior to the difficulties which brought about need for assistance.
- 4. The employment experience and training of the mother and her age, education, aptitudes, and motivation for a specific type of training for employment, or employment.
- 5. The general health of the mother and her physical and mental capacity.
- 6. The emotional and social needs of the mother and her children.
- 7. The availability of suitable employment with sufficient financial rewards or training for a vocational goal utilizing her full potential.
- 8. The possibilities of providing suitable care for the children during the work, and/or training hours of the mother. . . .

For some who have been defeated and deflated by what life has dealt them and the taxing task of motherhood and homemaking, pushing them into outside employment which they are ill-prepared to take, the result may be the breakdown of the one-parent family. The mother might be overwhelmed by all her responsibilities and the children become neglected, delinquent, or disturbed—social ills the Aid to Families with Dependent Children program is designed to treat or prevent. 30

The costs of work, including child care, education, and training, can be budgeted. There are state rules governing the treatment of earned income, and these rules are binding on the counties. The basic rule is that all nonwelfare income, from whatever source, reduces the welfare grant on a dollar-for-dollar basis; that is, there is a 100 percent tax rate. With earned income, however, the counties disregard the earnings of AFDC children up to \$50 per month per child with a family maximum of \$150 a month. Although there is no earning exemption

as such for adult members of the family, an automatic \$40 per month is exempted as work-related expenses (additional expenses can be deducted, however). This is the basic rule, but there are a number of exceptions. Earnings or any other income of an AFDC family can be set aside for specific identifiable needs of children. (e.g., education costs). "Inconsequential income"—defined as irregular and sporadic—can be disregarded, and the earnings of children under 12 are automatically considered "inconsequential." Then, there are special provisions concerning payments under the Economic Opportunity Act and under the Elementary and Secondary School Act of 1965. The first \$85 and one—half of the remainder of earnings under these laws are to be disregarded.

These are the state guidelines and rules for the county departments of welfare. If the state assumption that welfare mothers want to work is to be taken seriously, it would seem that a primary responsibility of county social services would be to explore employment possibilities. This would be what the recipients want, and it would help meet objections to rising welfare costs.

EMPLOYMENT EXPERIENCE OF THE RECIPIENTS

a. Past Work Experience

Practically all of the recipients surveyed had some experience in the labor market. Since leaving school, over 90 percent had held at least one job, and most listed two or three. Almost three-quarters of the total number of jobs listed were either (1) semi- or unskilled

work (but not service) or (2) semi- or unskilled service. Less than 5 percent of the jobs were even skilled service (e.g., beautician, cook, etc.).

TABLE 1

Jobs Held by AFDC Recipients Since Leaving School

Job classification	% of t.otal employed	Number employed
Clerical and kindred workers with trained skill, seniority position, or considerable apprenticeship (professional, technical, managers, bookkeepers, proprietors)	4.6	72
Clerical and kindred workers with low skill (switchboard, file clerk, filing, typing, unspec. clerical)	8.8	138
Sales	7.7	120
Skilled Workers	1.0	16
Semi-skilled or unskilled workers not in service (machine operator, drill press, coil winder, packer, sewing machine operator, inspection, assembly)	30.1	471
Skilled service (masseuse, beautician, bar tender, cook)	4.6	72
Semi-skilled service (waitress, food service)	21.4	334
Other service (cleaning, ironing, babysitting)	21.8	340

Table 2 indicates what percent of the total respondents worked for varying periods of time from "never worked" to "worked three years or more."

TABLE 2

Total Number of Years AFDC Recipients Worked

Length of employment	% of total (766) respondents	
Never worked	9.4	
Worked less than one year	22.4	
Worked one year	13,3	
Worked two years	11.6	
Worked three years or more	43.3	

The past work experience of the respondents is not promising.

Practically all had worked, but the jobs were of low skill and, for a significant proportion, the <u>length of time</u> in the labor market was very short. Practically half of the respondents (45.1 percent) had either never worked or worked for not longer than one year. For these women, then, there was little work experience, probably little orientation toward work, and, one would guess, not much prospect for employment.

Were there any differences in terms of race concerning past work experience? In Milwaukee County (the only county where there were sufficient blacks to make comparisons), there were no differences in lengths of time in the labor market. However, there were differences in the kinds of jobs that the recipients held.

TABLE 3

Jobs Held by Milwaukee County Recipients
Since Leaving School--by Race

Job classification	% of total (261) blacks employed	% of total (263) whites employed
Semi- and unskilled work	26	33
Semi-skilled service	18	22
Other service	41	14

b. AFDC Mothers Presently Working

A little more than a fifth (22.3 percent) of the respondents were working at the time of the interview. Again, most of the respondents were either in semi- or unskilled work (22.9 percent), or in semi-skilled service (14.7 percent), or other service (37.6 percent). Average weekly earnings varied somewhat among the counties. In Table 4, we have tabulated the percent working, types of jobs, and average weekly earnings for the three urban counties and for the total number of employed respondents from all six counties.

TABLE 4
Employment of Recipients—by County

-	Milwaukee	Dane	Brown	Entire Sample
% of total county recipients presently working	19.5%	20.1%	26.7%	22.3%
No. of recipients in each county presently working	59	36	23.	171
Average weekly earnings	\$46.08	\$32.55	\$26.55	\$37.05

TABLE 5
% Distribution of Working Recipients
Within Job Categories

				
Job classification*	Milwaukee	Dane	Brown	Entire Sample
Clerical - skilled	1.7	6.3	4., 3	4.1
Clerical - low-skilled	5.2	18.8	4.3	5.9
Sales	8.6	9.4	4.3	6.5
Semi- or unskilled workers	27.6	6.3	4.3	22.9
Skilled service	8.6	6.3	13.0	8.2
Semi-skilled service	13.8	25.0	13.0	14.7
Other service	36.2	40.6	56.5	37.6
&C Mali 1 - 1 1 - E3 - 3 + 3				

*See Table 1 for definitions of job categories.

Brown County has the highest proportion of mothers working (of the three urban counties); all but four of these women were in the services, and more than half of all the workers were doing cleaning, ironing, and babysitting. These same occupations (cleaning, ironing, babysitting) are listed for 40 percent of the Dane County working mothers; an additional 25 percent are waitresses or in food service. In Milwaukee County, a little more than a quarter are in semi- or unskilled factory work. Among Milwaukee blacks, however, service work such as ironing and babysitting was most common, whereas the largest number of white women were in semi- or unskilled factory work.

We do not know if these mothers were working at the time they entered the AFDC program. Nevertheless, practically all (90.6 percent) said they got their job without any help from the caseworker.

The data of the mothers presently working suggests that, unless there is some sort of intervention by the welfare department and/or the WIN program, AFDC mothers who enter the labor market will most likely work at semi- or unskilled, semi-skilled service, or other service jobs.

c. Mothers Who Worked While on AFDC Program But Unemployed At Time of Interview

Twenty-five percent of the respondents, while not employed at the time of the interview, had worked while on the AFDC program. As expected, the types of jobs held were the same as for those presently working. In the three urban counties, more than half of those who had worked recently were either in food service jobs, or did house-cleaning, babysitting, or took in ironing. In Milwaukee and Brown Counties, another quarter to a third had semi- or unskilled factory jobs. In Milwaukee County, whites were more likely to have worked while on the program than blacks. The average weekly earnings for all of this group, at the time that they stopped working, was \$39.22.

The reasons these respondents stopped working are listed in Table 6.

TABLE 6 Why AFDC Recipients Stopped Working	
Reasons given	% of total (191) who stopped
Respondent was terminated (i.e., seasonal work, place closed; resp. lacked skills)	16.3
Respondent needed at home; could not afford babysitting	30.1
Respondent became ill; pregnant	30.6
Respondent just said that she quit	13.8
Someone at home became ill	3.6
Respondent began training program	3.6
Other	2.0

It should be noted that, given the character of the work, the low wages, and the high costs of work for these women, it is reasonable to expect a low motivation to continue working.

d. Mothers Unemployed Since Coming on the Program but Who Tried to Find Work

Almost half of the respondents (47.5 percent) had not worked since coming on the AFDC program. However of this group 18 percent (65), had tried to find work. There were differences in employment attempts between Milwaukee and the other two urban counties—25 percent of the Milwaukee AFDC recipients who had not worked said that they tried to find work, as compared to only 9.6 percent in Dane County and 5 percent in Brown County. Just as many blacks as whites sought work in Milwaukee. Nearly half of the Milwaukee job seekers sought service work—and for most, this meant cleaning, babysitting, ironing—the rest sought semi— or unskilled factory jobs. The reasons that these 65 women gave for not being able to get jobs are shown in Table 7.

TABLE 7
Why, Despite Efforts, AFDC Mothers
Were Not Able to Get a Job

Reasons given	% of total (65) respondents	
Needed at home	10.9	
Unable to get babysitting	15.6	
Unable to qualify for job	21.9	
Job unsuitable (e.g., not enough money)	7.8	
Never heard after applying	31.3	
Still looking	10.9	
Other	1.6	

Contrary to expectations, having preschool children had no effect on a mother's attempt to find work. Of those women who had not worked in three years, but tried to find a job, 55.6 percent did have preschool children.

Table 8 summarizes the work experience of the recipients while on the AFDC program.

TABLE 8
Work Experience While on AFDC

	% of total (766) respondents	No.
AFDC mothers who are presently working	22.3%	171
AFDC mothers who have worked while on the program but are not presently working	25.1	192
AFDC mothers who have not worked while on the program	47 . 5*	364

*Out of this unemployed group, 18%, or 65 women, have tried unsuccessfully to find work.

ATTITUDES OF AFDC RECIPIENTS TOWARDS WORK AND THE TREATMENT OF EARNED INCOME

Respondents who were not presently working were asked whether they would like to have at least a part-time job if good babysitting or day care were available for their children; their responses are found in Table 9.

TABLE 9

% Distribution of Responses of Unemployed Recipients to the Question: "If good babysitting or day care for your children were available, to what extent would you like to have at least a part-time job?"

Responses	Milwaukee (of 195)	Dane (of 137)	Brown (of 63)	Walworth (of 61)	Sauk (of 41)	Dodge (of 36)	Entire Sample (of 533)
Very much	44.6%	33.6%	41.3%	41.0%	17.1%	19.4%	37.2%
Somewhat	16.4	19.7	17.5	19.7	22.0	19.4	16.5
Not especially	9.7	13.1	12.7	8.2	19.5	8.3	11.3
Not at all	29 . 2	33.6	28.6	31.1	41.5	52.8	33.1

The question, of course, was hypothetical and one must treat the responses with great caution. The type of job, the wages, and the child care arrangements were not spelled out. Still, more than half of the respondents were positive toward the idea of working.

Attitudes toward work were related to past work experience. Those who had worked recently and those who had tried to find a job were more inclined to say that they would like to work, when compared with those who had neither worked recently nor tried to find a job. In other words, the respondents who said they wanted to work, given the right opportunities, could point to their past behavior as evidence of the validity of their responses. The total years of working experience, however, was not related to work attitudes. Nor did the best job held by a woman since leaving school help predict how she felt about the prospect of working. Respondents who had worked in semi-skilled service (food service) or other service

(cleaning, ironing, babysitting) were just as willing to work as respondents who worked in at least the semi- or unskilled factory jobs or in skilled service.

In addition to work experience, one would expect that social characteristics such as the number of preschool children, the respondent's age and perhaps race, affect attitudes toward work. Having preschool age children seems to increase the desire to have a job. Of those women who said that they wanted a job "very much" or "somewhat," but had not tried to find one, 67.2 percent did have preschool children. It may be, then, they did not try to find a job because arrangements could not be made for their children. Although we will discuss the caseworker activity below, we can note here that caseworkers tend not to have discussions about employment with mothers who have preschool children. Attitudes toward work are related to age; younger mothers are more anxious to work than older mothers. Attitudes toward work are also related to race. Seventy-one percent of the blacks, as compared to 50 percent of the whites in Milwaukee, wanted a job either "very much" or "somewhat".

Other factors may limit the extent to which AFDC mothers want to work. It is assumed that the welfare treatment of earned income acts as a disincentive to work. Do welfare recipients know how earned income is treated, and, if so, does this knowledge affect work effort and attitudes toward work?

All of the respondents, including those presently working, were asked whether they understood how the welfare department treats earned income. 31 Half of the respondents had the general idea but either did

TABLE 10
% Distribution of AFDC Respondents' Understanding
 of the Treatment of Earned Income

							
	Milw. (302)	Dane (179)	Brown (86)	Walw. (80)	Sauk (57)	Dodge (62)	Entire Sample (766)
Resp. was hasically correct as to dollar amounts	14.6	52.0	39.5	31.3	33.3	35.5	30.9
Resp. had process correct but wrong dollar amounts	68.2	35.8	44.2	55.0	49.1	45.2	53.3
Resp. who thought there would be no change in AFDC grant	e 5.3	3.4	3.5	1.2	1.8	3.2	3.8

not know the specific dollar amounts that were taxed or were vague. Since we don't know whether they thought the tax rate was higher or lower than the actual rate, we cannot really determine the disincentive effects of this group.

The recipients, however, did differ in the extent of their knowledge about the treatment of earned income. Did the extent of this knowledge influence work effort? In comparing those recipients who were not working but tried to find work and those who did not try, we found no difference in their knowledge of the treatment of earned income. Was knowledge, then, acquired as a consequence of working? The results of a comparison of working and nonworking women in the three urban counties were completely contradictory. In Brown County, workers had greater knowledge than nonworkers;

and in Milwaukee County, the results were exactly the opposite. In Dane County (which had a lower proportion of workers than the other two counties), there was no difference in knowledge between workers and nonworkers.

It is likely that the decision to seek work depends on many factors, only one of which is earned income knowledge. This would account for the lack of differnce in knowledge between those who tried to find work and those who did not. But what accounts for the differential lack of knowledge among those who are working? Why do some know about the specifics of the policy and others not? The most plausible explanation is that the earned income policy is not uniformly enforced. We have some quantitative evidence that in Dane County, employed AFDC respondents are taxed at a far lower rate then the state regulations call for, and the working Dane County mothers, in fact, keep a good deal of their earnings. 32 Caseworkers and State Department officials say that the policy is not enforced in other counties as well. They point out that, in the present administrative context, there is very little of a specific, tangible nature that caseworkers can do for clients. If clients are working, and the caseworker knows about it, then the caseworker can exercise his discretion by treating the income as "inconsequential". This would be particularly easy in Brown County where most of the working mothers are doing cleaning, ironing, and bebysitting. This exercise of discretion has a number of benefits to the caseworker. He can do something for the client which the client wants, resulting

in a better relationship, and moreover he is saved the job of recomputing the budget. Though this decision costs the agency money, it is easier for the caseworker to cost the agency, by ignoring earned income of clients, then it is to ask for an increase in the client's budget. Somewhat similar considerations would lead a caseworker to encourage a client not to report earnings to the caseworker, whereby he becomes a "good guy" in addition to saving himself some extra work. There are also pressures on the caseworker to avoid asking whether or not the client is working. A caseworker generally visits the client once every three months for a little more than 30 minutes per visit. This pressure of caseloads, plus general professional social work orientations, results in the caseworker discussing general family matters rather than specific regulations during the home visit. Clients report that caseworkers do not go over the budget, do not deal with specific social matters, and generally keep away from sensitive areas. This pattern would indicate that caseworkers would avoid asking clients if they are working, especially since an affirmative reply might lead to more work for the caseworker, to his making an illegal decision, or to incurring the wrath of the family.

What do welfare recipients think about the earned income policy and does this affect work effort or attitudes toward work? As Table 11 shows, large numbers of women in all of the counties disapproved of the earned income policy. Those who approved of the policy either said that "the rule is fair" or that the "policy

TABLE 11
% Distribution of AFDC Recipients' Attitudes toward the Treatment of Earned Income Policy

								_
"Do you believe that this is the best policy?"	Milw. (302)							
Yes	30.8	27.4	38.4	25.0	28.1	25.8	29.6	
Not sure	10.6	16.2	15.1	16.3	26.3	24.2	15.3	
No	46.4	49.7	36.0	46.2	31.6	33.9	43.9	
Don't know	12.3	6.7	10.5	12.5	14.0	16.1	11.2	

encourages you to do the best you can for yourself, but still helps you." Those who disapproved said that deducting the earnings hurts initiative and that a person on welfare who works ought to be able to keep all of the earned income. Although the number of respondents who answered "not sure" is small, their reasons indicated that they disapproved of the policy; that is, they generally gave the same reasons as those respondents who said directly that they did not believe the department's policy was the best policy.

We expected to find that working women, who would be most aware of the official policy, would be more likely to disapprove of the treatment of earned income than those not working. However, in Milwaukee and Brown Counties, those presently working tended to favor the policy as compared to those who were not working. This again suggests that the policy was not being applied to them, and that these welfare recipients were doing what is fairly common

among welfare recipients -- distinguishing between themselves, as "deserving," and others on welfare as the "undeserving," and being willing to have restrictive policies applied to the latter. who know the most about the treatment of earned income are more likely to say that they want to work (if good babysitting were available) as compared to those who know less about such treatment. Those who have no idea whatsoever about the treatment of earned income are the least inclined to work. It may be that women who work, or who want very much to work, disregard the official earned income policy in their decisions to seek employment. If employment is a way to leave the AFDC program, to get out of the house regularly, to move away from the role of a welfare dependent, then perhaps the treatment of earned income receives little weight in decisions about whether to work. On the other hand, other studies show that the poor are very likely to make decisions about working solely in economic terms: given their skill levels and work experience, they cannot and do not expect security in work, job satisfaction, etc. They are working primarily for income, and not for fringe benefits. This would lead to the conclusion that, because of the lack of enforcement, the earned income policy does not have a disincentive effect.

In summarizing the client attitudes toward employment, we find

(a) most AFDC recipients, especially younger women or women with

recent employment, would like to work if their children could be

taken care of; (b) most clients have short work histories, with

low skill jobs and only a short time in the labor force; and (c) although most women are aware of the treatment of earned income and don't approve of it, it is not clear that this affects their desire to work.

THE CASEWORKERS: ATTITUDES AND ACTIVITY

The AFDC caseworkers in the six counties were asked a series of questions designed to tap their attitudes toward employment.³³

Generally, there were very few differences in attitudes among the caseworkers. All agreed that discussions about employment possibilities were very important "in helping the client to independence."

They felt that employment possibilities should not only be discussed with the clients but that the caseworkers should initiate the discussions.

The caseworkers' approach to employment problems was through personal services. When asked about introducing changes in welfare administration, most said that programs to "increase vocational and rehabilitation plans should definitely be done." They were decidedly less enthusiastic about liberalizing the earned income policies, supporting families when the father is in the home (AFDC-UP, which has since been enacted), and providing a minimum income to all people below the "poverty line." These three reforms are designed to get more money to poor families and will also reduce the authority of the caseworker. Liberalizing the earned income policies would provide a market stimulant for self-help, as distinguished from a counseling stimulant or social service. With AFDC-UP, the caseworker

obviously has a lesser role—he is dealing with an intact family—and continued welfare support is tied very closely to employment and the state employment services. Minimum income plans are usually put forth as nondiscretionary grants having work incentive tax rates. Thus, although the caseworkers had a very "positive" attitude toward the importance of employment and their own role in helping clients in this area, it is crucial to recognize the very traditional nature of their approach—counseling and training programs. In any event, the views of the welfare clients toward caseworker activity present a very different picture from what the caseworkers said they were doing.

The group that was not presently working (556 respondents) was asked whether the caseworkers "ever discussed a job for you or tried to find a job." Less than a third of the respondents (31.5 percent) said "yes." In comparing the three urban counties, 52.4 percent of the Brown County respondents reported such discussions as compared to 29.5 percent in Milwaukee County and 27.1 percent in Dane County.

Are caseworker discussions related to employability (skills and experience), to work orientation (attitudes) of the clients, or to social or family characteristics? One might expect that the caseworkers would be inclined to discuss employment with, or help find employment for, those clients with higher employment potential, even though clients with little work experience and low work orientation would be more in need of casework assistance in entering the labor market. That is, even though the caseworkers were so positive

that employment was important to a client's achieving independence, they would be more likely to meet less resistence about employment and achieve better results among the more work-oriented and experienced recipients. We therefore expected to find more caseworker activity among women who were younger, had fewer preschool children, had longer work experience, had higher skills, were more interested in working, and were white.

For the most part, there was no relationship between work experience and caseworkers' discussions or help in finding a job. In five out of six counties, the same proportions of women reported discussions regardless of whether or not they had worked since coming on the AFDC program (or within the last three years, whichever was shorter). The one exception was Brown County, where clients who had worked reported more discussions than those who had not.

Nor was there any relationship between caseworker discussions about employment and the number of jobs a respondent had held since leaving school. Similarly, there was no relationship between caseworker discussions and the total number of years employed prior to coming on the program. In other words, work experience did not seem to have much effect on whether a caseworker discussed work with an AFDC mother.

Did caseworker discussions concern social characteristics that bear on employability? Discussions were related to the age of respondents and to the number of preschool children living in the home. Younger women were more likely to report discussions than older women, and the more preschool children she had, the less likely was the respondent to report caseworker discussions. Finally, in Milwaukee County, discussions were related to race—more white respondents reported such discussions than blacks.

Attitudes toward work were related to caseworker discussions; the more one wanted to work, the more likely she was to report discussions with her caseworker. This relationship was strongest for those who both wanted to work and had work experience. On the other hand, the relationship between attitudes toward work and caseworker activity did not apply with blacks. Even though more blacks than whites wanted to work, caseworkers still tended to not discuss employment with blacks.

If caseworker behavior—as reported by clients—reflects the caseworker assessment of employability, then the most important employability factors are age, the number of preschool children, and attitudes toward work. Employment skill and experience are apparently not considered very important, and they may not be important for the type of job that the AFDC mother is likely to get. The differential treatment afforded black AFDC mothers seems to indicate that caseworker activity reflects, and therefore supports, the general societal pattern of discrimination in employment.

Table 12 gives the percentages of unemployed respondents who reported caseworker discussions about employment. Those who had such discussions were asked what happened and what were their attitudes toward the caseworker activity. The responses are tabulated in Table 13.

TABLE 12

% Distribution of Unemployed Respondents
Reporting Caseworker Discussions
About Employment

	Mil.	D <i>a</i> ne	Brown	Entire Unemployed Sample
% of unemployed reporting discussions	29.5	27.1	52.4	31.5
No. of unemployed reporting discussions	62	38	33	174

For over 80 percent of this particular group of respondents, very little, if anything, happened—the respondents weren't interested or the caseworker just gave general advice and encouragement. In Milwaukee and Brown Counties, something specific did happen, at least for a small group of respondents; they reported that the caseworker did make a special effort or that they got a job or went to school. 35 Interestingly, in Dane County—the county that is supposed to be the most progressive—only two clients reported specific help; for the rest, not much, if anything, came from caseworker activities.

Most women who had these discussions said they were not bothered by them. Clients who thought they were helped were more likely to say that they were not bothered by the discussions; and 80 percent of the clients who were very bothered reported not being helped at all. In another study³⁶ we found that when caseworkers had something tangible to give to the clients, as distinguished from general advice

TABLE 13

% Distribution of Response of Unemployed Recipients
Reporting Employment Discussions

Questions addressed to those who reported discussions	Milw.	Dane 38	Brown 33	Entire Unemployed Sample 174
What happened as a result of the discussions?				
Nothing	8.1	15.8	6.1	8.0
Resp. not interested; needed at home; medical difficulties	37.1	44.7	27.3	42.0
Caseworker just gave general encouragement	32.3	34.2	45.5	33.3
Resp. got job or schooling	12.9	2.6	15.2	9.2
Caseworker made specific effort to find job or schooling	9.6	2.6	6.0	7.4
Did you find the discussions helpful?				
Very	27.4	7.9	21.2	17.2
Moderately	17.7	13.2	15.2	14.4
Somewhat	22.6	28.9	36.4	29.3
Not at all	32.3	50.0	27.3	39.7
Did the discussions bother you?				
Very much	8.1	13.2	12.1	11.5
Moderately	3.2	5.3	12.1	7.5
Somewhat	14.5	15.8	21.2	14.9
Not at all	74.2	63.2	54.5	66.1
Did you feel that you had to follo the caseworker's advice?	W			
All the time	145	5.3	9.1	9.8
Most of the time	22.6	10.5	39.4	27.0
Not very often	14.5	13.2	24.2	16.1
Not at all	48.4	65.8	27.3	46.0

or conversation, clients tended to say the discussions were helpful and were more inclined to say that they had to follow their caseworker's advice. Here, the number of clients who had been helped specifically by caseworker discussions about employment is too small for a refined analysis. However, we do note that, in contrast with Milwaukee and Brown Counties, in Dane County—where the Least specific help was reported—significantly higher proportions of respondents said that they were not helped at all by the caseworker discussions, and they did not have to follow the caseworker's advice.

The respondents presently unemployed, who said that the caseworkers had not discussed employment, were asked whether they had ever asked the caseworker to help them find a job. Only 28 respondents (7.7 percent) of this group (not working and having no caseworker discussions) said "yes."

CONCLUSIONS: THE ECONOMICS OF WORKING, AND WELFARE PRACTICES

Although most welfare recipients say that they would like to work, they apparently do not discuss employment problems with their caseworkers, and the caseworkers, on the whole, do not do much for the clients. Under the existing rules, it is easy to see why the caseworkers stay away from employment; there is very little reason for an AFDC mother to work unless the rules on the treatment of earned income are to be violated.

A family will choose work rather than welfare if its earned income exceeds the welfare grant plus the minimum work related expense allowances. Under the earned income rules at the time of the survey, everything

over expenses was to be taxed at 100 percent; therefore, the fulltime wage was the break-even point level. If the full-time wage was more than the welfare grant plus expenses, there would be an incentive for the family to choose work; if it was lower, the incentive would be for the family to stay on welfare.

The basic need for a family of four, which is met at 100 percent in Wisconsin, is \$218.³⁷ There is some variation in the expense allowance. In Dane County, in what was described as a "typical expense allowance," there was the automatic \$40 exempted from income; \$64 (or \$16 per week) was allowed for the expenses of child care; \$10 was allowed for transportation (assuming public transportation); and \$2 was allowed for miscellaneous items such as uniforms, hose, shoes, etc., for a total of \$116 for work expenses. Added to this was the basic grant of \$218, for a total of \$332 per month, or \$77 per week, as the breakeven level.

Where possible, estimates were made of the prevailing wage rates during 1967 for the job categories in which the AFDC mothers had worked in the six counties. ³⁸ If we assume that AFDC mothers can work fulltime at a job at least commensurate with the occupational level before welfare then only about 5 percent of the AFDC mothers were definitely capable of making wages at about the breakeven level. These included all skilled workers, skilled clerical, and skilled service workers in Dane and Milwaukee Counties. Another 9 percent could make wages fairly close to the breakeven point. These included all clerical low skill workers and sales workers in Dane and Milwaukee Counties.

Probably some of the skilled service workers in the rural counties could come near the breakeven point, but there would certainly be some of the low skill clerical and sales workers in the urban counties who would not equal the breakeven wage. Although all of these estimates are crude, it is still difficult to see how more than about 15 percent of the AFDC recipients are capable of self-support based on past work experience and prevailing wages in the related job categories.

Therefore, unless a caseworker can disclose to the recipient that the earned income policy will not be applied, there is little point in having discussions about employment with clients. Even with full-time work, very few recipients will be able to get off welfare. Furthermore, employment discussions are bound to produce strain since the clients and the caseworkers differ on how earned income should be treated. Even though the earned income policies are not applied as stated when AFDC mothers do work, this type of relaxation or evasion of the rules has to be done at the client's initiative and probably only applies to part-time work. ³⁹ Caseworkers say that they "know" when recipients are working and this is probably true. But it is easier and far less risky to be flexible (i.e., define the income "inconsequential") with part-time work, particularly if it is irregular, such as housework, babysitting, and ironing, or to ignore the situation altogether, than with full-time work.

It should also be recognized that social workers are not in favor of an AFDC mother working simply to reduce welfare costs.

Caseworkers view employment within a rehabilitative framework. are in favor of work if it means a more useful, satisfying life for the family. This is why they favor retraining rather than relaxation of the earned income policy. The latter would merely provide an incentive for the mother to leave the home to increase earnings at low-level jobs. Whether or not an AFDC mother should work is considered by caseworkers to be a professional social work decision (which means in theory a decision made by the clients but with professional advice). In addition, professional social workers have always been suspicious of employment programs, and, it might be added, with good reason. We have had a long history, which is by no means over, of menial work being imposed on welfare families for the sole reason of reducing welfare costs and without any regard to the welfare of the family itself. It is, therefore, natural for social workers to view employment as only one of the techniques available for rehabilitation and not necessarily the most important technique at that. Families have other "needs" besides earned income. And, in view of our welfare tradition, it is also natural for social workers to be very uneasy about losing control of employment decisions, particularly to another agency of government.

This, then, was the situation in 1967. Despite the promises of the proponents of the social service amendments, the issues of work and welfare were at a stand-off. Clients couldn't do anything except part-time work, and without engaging in deliberate fraud, caseworkers could not or would not help clients get work because of the clients'

level of skill and the job market. And, in the meantime, welfare rolls and costs kept rising. It was in that context that the WIN program was enacted.

Although the employment services of the WIN program will not reach many AFDC mothers, the new taxing rules might make a difference. Under the new rules, the breakeven level is higher than under the old rules—from \$77 to \$82 per week—which means that even fewer AFDC recipients will probably be able to earn their way off welfare. However, there will now be strong incentives for the recipients to supplement their grants with employment earnings, and they can do this without using county welfare department caseworker services and without committing fraud. If this happens, then a comparison of the different effects of two techniques for improving the conditions of AFDC families is a lesson that should not be lost on welfare reformers.

PRESIDENT NIXON'S PROPOSALS FOR WELFARE REFORM--FROM WELFARE TO "WORKFARE"

On August 11, 1969, President Nixon announced his intention to reform the welfare system, and on October 2, the bill, called the Family Assistance Act of 1969, was sent to Congress. In the words of HEW Secretary Finch, the Family Assistance Plan (FAP) is a "revolutionary effort to reform a welfare system in crisis." As usual, the basic objective is to reduce welfare through employment. The President himself characterized his proposals as "the transformation of welfare into 'workfare'." However, contrary to public pronouncements, it is quite obvious that "welfare" (meaning, of

course, the AFDC program) will not be abolished, as is claimed, nor will it be reduced by the employment of recipients. In about 30 states, AFDC will have to be continued as a supplement to FAP. This will not be a matter of state choice, but will be required by federal law. 42 Thus, if FAP is implemented, in most states, there will be three classes of beneficiaries: (a) those on FAP only; (b) those on FAP and the state AFDC program; and (c) those whose break-even points are higher than FAP but who still qualify for AFDC. Rather than reducing welfare rolls, FAP covers all families with children (whether or not there is a husband in the house) below certain income levels, and thus will add about 14 million people to the present relief rolls. To upgrade skills and increase employability, the Administration proposes to fund only 150,000 new training opportunities and 450,000 day care provisions. Under the taxing rules, break-even levels will be sufficiently high so that more people will be able to work and receive welfare benefits than under the present program; or, stated in another way, it will be even more difficult for people to work their way off of welfare.

One of the conditions imposed on the state AFDC programs (to be called "state supplementary payment programs") is that the states apply the same work requirements as provided for in FAP. Thus, all three classes of welfare recipients will be subject to the FAP work requirements. The work requirements are to be administered by the state local employment offices under regulations of the Secretary of Labor. All who are eligible for benefits must register with these

offices for "manpower services, training, and employment" with six exceptions: (1) persons who are ill, incapacitated or of an advanced age; (2) a mother or other relative who is taking care of a child under the age of 6; (3) the mother or other female caretaker of a child if the father or another adult male member has to register; (4) a child; (5) one who has to stay at home on a "substantially continuous basis" because of illness or incapacitation of a member of the household; or (6) a person who is working full time. An individual can also register voluntarily. The HEW Secretary is also authorized to provide for the referral of persons with disabilities or handicaps to state vocational rehabilitation programs.

If an individual who has registered has been found by the Secretary of Labor (after "reasonable notice and opportunity for hearing") to have refused without good cause to participate in "suitable manpower services, training, or employment, or to have refused suitable employment offered through the employment service or a bona fide offer of employment, then that individual loses his benefits, although his income will still be counted as part of the family income.

At this point it is very difficult to predict how the preposed work requirements will affect the welfare population now covered by the AFDC program. One of the major purposes of this paper has been to emphasize the importance of field level administration—who is doing the administering and under what standards and controls. We have seen that in the WIN program, despite the publicity and announced

intentions of Congress, state and local departments still retained most of the control over the employment of welfare recipients. As the FAP bill now reads, this issue is still not settled. First of all, it is not clear who is going to administer FAP. The bill provides that the states can contract with HEW to have HEW administer the state welfare programs or HEW can contract with the states to have them administer some or all of the FAP. 45 In the past, the state and local welfare agencies have fought very hard to retain control not only of their own welfare programs but also of the spending of federal money in the state welfare programs. Even though the federal government pays wost of the public assistance bill, its efforts to impose standards on state and local administration have been notably unsuccessful. The usual practice would be the second option in the bill -- the state contracts with HEW to administer FAP through the state and local departments of welfare. The bill also provides that, in developing "policies and programs for manpower services, training, and employment," the Secretary of Labor has to get agreement from HEW "with regard to such policies and programs_which are under the usual and traditional authority of the Secretary of Health, Education, and Welfare (including basic education, institutional training, health, child care, and other supportive services, new careers and job restructuring in the health, education, and welfare professions, and work-study programs). 46 Thus, there is ample opportunity for welfare to play a large role in the employment program, and, again, in light of the WIN experience, this eventuality is not unlikely. One example

would be in the definition of what constitutes a good cause for refusal to participate. Hopefully, HEW could insist that even though a mother of children over 6 has to register, she does not have to participate if doing so would be detrimental to the family. But then, it is not clear to what extent the FAP rules on employment would preempt present state and local authority over employment. Under the WIN legislation, state and local agencies still have substantial authority to carry out their own employment programs. Under FAP, in a state where AFDC continues, can a local welfare department require a mother with a child under 6 to work even though that person is not required to register under FAP? Can a local welfare department determine that suitable work is available after the state employment service has decided that the work is not suitable? The states are to be required to retain AFDC-U or adopt it as part of state supplementation. The work test rules of AFDC-U are very different from the FAP rules. To what extent will the states retain authority over their programs for unemployed fathers? There are many such unanswered questions.

The bill allows for voluntary registration of welfare recipients (although no sanctions will apply if they subsequently decide not to participate). We have already discussed how meaningless this type of safeguard can become in a welfare context. There are many ways to persuade welfare recipients that it is in their best interests to volunteer and participate—welfare departments have a wide range of benefits that recipients need and want—and it is very difficult to control this type of administrative discretion. 47

The largest unknown will be the state employment service agencies. In a state such as Wisconsin, they seem to be committed to volunary employment only and to upgrading skills and providing opportunities rather than cutting welfare costs. In other parts of the country, no doubt there will be employment agencies that need no help from local welfare officials in requiring welfare recipients to take menial, deadend jobs against their will. Reports of discriminatory practices where housework or cleaning lavatories in the court house is "suitable" for black recipients but never for white recipients may be a harbinger of things to come.

With our understanding of the work of welfare agencies and others that deal with poor, disenfranchised, and dependent people -- police, voting registrars, schools, juvenile courts, etc .-- it should be perfectly clear that there is no way of systematically controlling the exercise of official discretion at the field level. Standards in statutes and regulations will be vague -- for example, that work has to be "suitable" -- and even if they are clear and objective, there is no way of insuring compliance. Substantive standards and procedural due process are for those who have the ability to use them, and, unfortunately, despite the significant work of welfare client organizations, the vast majority of welfare recipients are simply not in a position to challenge local officials. We are committing a grave injustice if we think otherwise. Sensitive poverty lawyers tell us that even those clients that have the courage to go to them run serious risks of subsequent retaliation. When the lawyer's work is over, the client still has to deal with the agency.

We may make, therefore, the same depressing prediction of the work requirements in the President's proposals that we made about the WIN program. For the vast majority of those now on the AFDC program, the work requirement will be meaningless formality. Either jobs will not be available, or state employment services will merely act as a clearing house. These agencies will become swamped with work and their reaction will be either to "cream" (i.e., to work with only those of the highest employment potential) or to become highly routinized. Employment agencies in some parts of the country, that have the will and the resources, will do some good for some poor people. The sad part is that additional weapons have been created for those agencies wanting to harass and punish the poor.

Secretary Finch's own words should give aid and comfort to those who still think that coercion is the way to make the poor work: "[T]he program includes a strong work requirement: those able bodied persons who refuse a training or suitable job opportunity lose their benefits. For this reason, the program is not a guaranteed annual income. It does not guarantee benefits to persons regardless of their attitudes; its support is reserved to those who are willing to support themselves."

The new taxing rules and set—asides take a completely opposite approach; they assume that, with proper monetary incentives, recipients will seek their own jobs and work to improve their situation. One would think that a conservative administration would have more faith in the market, and less faith in government regulation.

FOOTNOTES

The late Professor tenBroek viewed welfare systems as "an indispensable part of the overall system of labor legislation." J. tenBroek, "California's Dual System of Family Law: Its Origin, Development, and Present Status," Parts I, II, and III, Stanford Law Review, 16, (Nar. 1964 and July 1964); 17 (April 1965). The literature is full of the differences in welfare programs in terms of employability and moral characteristics of their clientele. For a general theoretical statement, see L. Friedman, "Social Welfare Legislation: An Introduction," Stanford Law Review, 21 (1969), p. 217. For the problems of the ablebodied and not so able-bodied poor, see, in addition to tenBroek, M.K. Rosenheim, "Vagrancy Concepts in Welfare Law," tenBroek, ed., Law of the Poor (San Francisco: Chandler Publishing Co., 1966) p. 187. For an historical comparison of different types of welfare programs in Wisconsin see J. Handler and A. Goodstein, "The Legislative Development of Public Assistance," Wisconsin Law Review, 1968, 2 (1968) p. 414, also available as Institute Reprint 16.

A very clear example is the treatment of orphans in the nineteenth century. Orphans, along with other dependent children, were generally placed in county homes and poorhouses along with paupers, criminals, and other deviants. Civil War orphans, however, were treated differently; they were placed in separate state institutions to avoid the pauper stigma. See J. Handler and A. Goodstein, supra, n. 1, p. 421.

³*Id.*, p. 432.

⁴Ch. 589, §1 (1917) Wis. Laws 1006.

⁵See G. Steiner, *Social Insecurity* (Chicago: Rand McNally and Co., 1966), ch. 2, "The Withering-Away Fallacy."

⁶U.S. Congress, House, Committee on Ways and Means, Report of the House Committee on Ways and Means on H.R. 12080, 90th Congress, 1st sess., (1966), H. Rept. 544, p. 96.

^{7&}lt;sub>Ibid</sub>.

⁸Testimonies of Wilbur J. Schmidt (Chairman, National Council of State Welfare Administrators, American Public Welfare Association), President's Proposals for Revision in the Social Security System, Hearings before the Committee on Ways and Means, 90th Congress, 1st sess., (1966), HR 5710, pp. 835, 841, and Elizabeth Wikenden (Technical Consultant on Public Social Policy, National Social Welfare Assembly, Inc.), p. 1582. Mr. Schmidt is the head of the Wisconsin State Department

of Health and Social Services. See also, testimonies of Wilbur H. Lowe (Chairman, Public Assistance and Welfare Committee, Illinois State Chamber of Commerce), id., pp. 1867-9, and Eugene F. Burns (Director, Cuyohoga County Welfare Department), id., pp. 2060-61.

⁹Testimony of Mitchell I. Ginsberg (Chairman, Division on Social Policy and Action, National Association of Social Workers), Social Security Amendments of 1967: Hearings Before the Committee on Finance, United States Senate, 90th Congress, 1st sess., p. 947.

Testimony of John W. Gardner (Secretary of Health, Education and Welfare), id., p. 216. Willard Wirtz (Secretary of Labor) also agreed with this position, id., p. 795.

11 Testimony of John W. Gardner, Wilbur J. Cohen, and Willard Wirtz before the Senate Finance Committee, id., pp. 215, 338, 351, 796, 812. Whereas Mr. Cohen was willing to accept the work incentive program even with the mandatory features, Mr. Wirtz was so much against the mandatory features of the work incentive program that he was willing to see the whole program dropped if these features were retained.

Testimonies of Senator Robert F. Kennedy, id., pp. 775-797, Edward V. Sparer, id., pp. 930-951 and Mitchell I. Ginsberg, id., pp. 1761-1787.

 13 The relevant 1967 amendments are in 42 U.S.C., tit. II, 602, (1967).

There is a right to a fair hearing on any of these determinations. For a recent discussion of the fair hearing provisions under the WIN Program, see "Comment, Public Welfare 'WIN' Program: Arm-Twisting Incentives," University of Pennsylvania Law Review, 117 (1969), p. 117.

¹⁵U.S. Congress, Senate, "U.S. Senate Report No. 744," 90th Congress, 1st sess., U.S. Code Congressional and Administrative News, 2 (1967), p. 2985.

¹⁶Id., p. 2986.

¹⁷*Id.*, p. 2992.

18*Id.*, p. 2994.-

19 113, Congressional Record 36368, (1967) (remarks of Rep. Wilbur Mills).

- ²⁰U.S. Congress, "Conference Report No. 1030," 90th Congress, 1st sess., U.S. Code Congressional and Administrative News, Vol. 2, pp. 3179, 3204 (1967).
- The Department of Health, Education, and Welfare regulations on the WIN program are in the Federal Register, 34, 220.35 (Jan. 28, 1969).
 - 22 Ibid., (emphasis added).
- ²³U.S. Department of Health, Education and Welfare, Social and Rehabilitation Service, *Guidelines for Work Incentive Program*, CB-11, § 41 (1969).
- Letter from Robert S. Baldwin, Chief, Administrative Services Section, Division of Family Services, Wisconsin State Department of Health and Social Services, to Professor Handler, Aug. 12, 1969.
 - ²⁵Wis. Stat. 49.19 (1967).
- The Department of Labor regulations are in Manpower Admin., U.S. Department of Labor, Work Incentive Program Handbook (July 25, 1968).
- ²⁷Much of the data on the actual operation of the WIN program in Wisconsin was collected by Michael Fentin, a graduate student in sociology and Ronald Hurdelbrink, a graduate student in economics, as students in Professor Handler's seminar on welfare administration at the University of Wisconsin, spring semester, 1969. In addition to documentary research, they conducted several interviews with state and local officials administering the WIN program. We gratefully acknowledge their help.
- ²⁸Leonard J. Hausman, "The AFDC Amendments of 1967: Their Impact on the Capacity for Self-Support and The Employability of AFDC Family Heads," Labor Law Journal, 19, No. 8 (August 1968), pp. 496-500.
- ²⁹"The Welfare System as a Rehabilitation and Manpower System," (November, 1968, mimeo), p. 19, (emphasis added).
- Unless otherwise indicated, the quotations in this section of the text are from the Wisconsin State Department of Health and Social Service, Division of Family Services, *County Manual*, Section III, Service to Clients.
- The question was: "As you understand it, how does the welfare department treat money you might make from a job you might hold—that is, do they let you keep all that you make or do they lower the amount of your aid grant and, if so, by how much; or what do they do?"

- ³²Joseph Heffernan, "Adequate Grants and Work Incentives in Public Assistance, Children's Allowances, and Negative Tax Programs," (Institute for Research on Poverty, University of Wisconsin, unpub. 1969).
- The questionnaire was designed by Anthony Costonis for his study on AFDC caseworkers, and is available at the Institute.
- Among the three urban counties, there was some variation in the responses. The Brown County caseworkers attached more importance to employment discussions than the caseworkers in Milwaukee and Dane Counties, and more women in Brown County worked than in the other two counties. The Milwaukee County caseworkers were more strongly in favor of vocational and rehabilitation programs than the caseworkers in the other two counties. This may reflect the difficulty that Milwaukee AFDC mothers have in obtaining employment. But, on the whole, these differences were quite small.
- 35 It is not clear from the data whether the job or schooling was the result of caseworker efforts. We are assuming that it was, since this was the answer that the respondents gave to the question of what happened as a result of the caseworker discussions.
- See J. Handler and E.J. Hollingsworth, "The Administration of Social Services in AFDC: The Views of Welfare Recipients," Institute Discussion Paper 37.
- The average grant per welfare recipient (for both Wisconsin and the six counties in the survey) is about \$50 per month, which is very close to the basic need of a family of four.
- Ronald Hurdelbrink, a graduate student in the Department of Economics, University of Wisconsin, made the wage rate estimates from U.S. Department of Labor, Bureau of Labor Statistics, Area Wage Survey for the Milwaukee, Wisconsin Metropolitan Area (April 1968), Bulletin No. 1575-67; Wisconsin State Employment Service, Survey of Wage Rates in Selected Occupations (December, 1967), Bulletin W.S.E.S. 3142; U.S. Dept. of Labor, Bureau of Labor Statistics, Area Wage Survey for the Green Bay, Wisconsin Metropolitan Area (August 1966), Bulletin No. 1530-5; and U.S. Dept. of Labor, Manpower Administration, Earnings Mobility of MDTA Trainees, (April 1967), Manpower Evaluation Report Number 7. . Wages reported in the above wage surveys were not reported under the same classifications used in Table 1 of this study, but for specific jobs. We placed as many jobs as possible in the Table 1 categories and then averaged the wages for all of the jobs in each category. All wages given were either medians or averages, and in many categories, the sample was quite wide. Using the average wage probably overstates what would be available to beginning workers, even with experience. Another possible upward bias arises because most of the jobs do not differentiate between male and female wage rates, and the former are usually always higher than the latter.

No data were available for Sauk and Walworth Counties. However, the figures for Dodge County were fairly typical of 21 areas surveyed by the W.S.E.S. Survey of Wage Rates, except for Dane County. Therefore, it is assumed Sauk and Walworth were the same as Dodge. We also assumed that wage rates in Dane County were the same as Milwaukee County when separate figures were not available.

- Although we did not ask the working mothers whether they were working full or part-time, we infer that it was part-time work in view of the nature of the work and the very low average weakly wage. See Table 4.
- 40 Statement of Secretary of Health, Education, and Welfare Robert H. Finch, "In Explanation of the Family Assistance Act of 1969," Congressional Record, 115, 91st Congress 1st sess., pp. 511723-511727.
- Message of President Richard M. Nixon to the Congress of the United States, Office of the White House Press Secretary (San Clemente, California), Vol. 115, Congressional Record; 91st Congress 1st sess., (August 11, 1969), pp. H 7239-H 7241.
- 42 Family Assistance Act of 1969, Part E. S. 2986 91st Congress 1st sess., Introduced October 2, 1969.
 - 43 *Id.*, Part d., § 452(a).
 - ⁴⁴The work requirements are in id., Part D., §447 and 448.
 - 45 *Id.*, Part F.
 - ⁴⁶*Id.*, Part F, § 435.
- For an elaboration of this point, see J. Handler, "Controlling Official Behavior in Welfare Administration," *California Law Review*, 54 (1966) p. 493-495, also available as Institute Reprint 16.
 - 48 Statement of HEW Secretary Finch, supra note 40, at p. 5.