Table 6-1

Percent of Total Sample Always Unemployed During the Last Year

	Ft. Worth	Memphis	Omaha	Rochester	San Diego
Males	19	27	5	23	16
Females	51	55	39	67	32

In evaluating the results, the apparent lack of success of the work test cannot be blamed fully on the ES. First, there may have been some undetected success in getting people back to work, but this effect must be relatively small. Second, some of those who did not return to work may have been unemployable, but their numbers again are probably small. Third, there may not have been jobs available that fit the qualifications of those in the sample who remained out of work. Even though the overall unemployment rates in the cities studied were low, some types of jobs may have been more plentiful than others. Nevertheless, our results must raise doubts as to whether a work test is worth the expense of operating it.

II. POLICY ALTERNATIVES

Even though the results are not fully conclusive, they do suggest that a work test is not a powerful tool in encouraging work effort. It can be used to maintain pressure on unemployed FS or AFDC/AFDC-UF recipients, but there is little assurance that the pressure can be translated into success in obtaining a job. In considering whether the work test can be made more effective, two lines of approach are possible. First, it could be argued that the work accomplishes little

because it does not apply enough pressure to registrants. Second, the work test might falter because not enough jobs are available or because long term registrants appear unattractive to employers.

As for the possibility that current work tests are not forceful enough, the five cities studied did vary considerably in the stringency of their work tests. Indeed, the work test was most stringently enforced in San Diego, which was the only city where the evidence indicated some possibility of work test success. Even in San Diego, informal discussions with ES officials indicated a belief that resources were insufficient to do a fully adequate job. In other words more frequent and more intensive monitoring of registrants than was observed even in San Diego may lead to greater success in getting registrants back to work. More monitoring requires larger staff (although there may be possibilities for economizing) and greater expense. From the evidence of this study, one cannot deduce whether such expanded efforts will succeed. They might, but there is also a risk that they might not. It is necessary to judge whether the extra cost of this approach is worth the chance of extra success plus the extra harrassment that may be imposed on registrants.

The fact that the ES cannot place registrants directly into jobs is a barrier to its success. First, suitable jobs may not be available. Second, even if they are, the ES cannot be sure that the registrants will be hired. The ES can refer a person to a job and require the person to go to an interview. But it cannot control what happens in the interview. The person still has the option of behaving

in a manner that will discourage his being offered the job. These difficulties could be overcome by a public employment program. Such a program could create enough jobs to employ all registrants. In addition, the ES could require a registrant to accept employment in the program. Thus, a public employment program joined to the work test could overcome the barriers the ES now faces in actually getting registrants into jobs. However, such a public employment program would require a major new political initiative.

To conclude, little evidence was found that existing work tests encourage the return of registrants to work. This does not mean that the work test could not be expanded or redesigned or linked to a public employment program in a way to increase its success. However, successful changes are likely to require large extra expenses and may push the government into areas of uncertain political acceptability.

FOOTNOTES

Data on how employment rates among females in the low income population change with the length of the period of time being considered are available in: Barry L. Friedman and Leonard J. Hausman, Work and Welfare Patterns in Low Income Families, a report submitted to the U.S. Department of Labor, June 1975, Chapter II.

APPENDIX A

Registrants' Views of the Work Test

Opinions of respondents concerning the work requirement and of the welfare program from which they were receiving benefits were solicited as part of the survey.

In general, the registrants did not seem to find the work requirement especially onerous or improper. To the question "what do you think of the requirement that you register at the Employment Office as part of the Food Stamp (or AFDC) program," nearly half to two thirds of the registrants in each city gave a positive response.

	Percent Offering A Response That Was:		
	Positive	Negative	Unclear or Don't Know
Fort Worth	46	8	46
Memphis	64	6	30
Omaha	67	9	24
Rochester	43	14	43
San Diego	49	11	40

Only a very small proportion in each city gave a negative response. The large proportion of unclear or "don't know" answers may reflect the respondents' fear to respond candidly. Furthermore, among those respondents who elaborated their views, very few spelled out negative views. Between one third and one-half of the respondents in each city elaborated on their attitudes towards the work requirement in an open-ended question.

Among those who elaborated, the proportions detailing a positive response were 62 percent in Fort Worth, 73 percent in Omaha, 76 percent in Memphis, 55 percent in Rochester, and 57 percent in San Diego. Notice that positive responses were least common in the two AFDC/AFDC-UF sites, the places where calls-in and frequency of calls-in were the highest. Lastly, when there were negative criticisms, they related overwhelmingly to the ineffectiveness of the ES in finding jobs for people.

Views of respondents about the Food Stamp and AFDC/AFDC-UF programs in general also were quite positive. Again, though, there was a difference between the Food Stamp and AFDC/AFDC-UF sites. In Fort Worth, Memphis, and Omaha, positive responses about the Food Stamp program came, respectively, from 55, 66, and 65 percent of the respondents. In Rochester and San Diego, positive responses concerning AFDC/AFDC-UF were elicited from but 32 and 39 percent of the respondents. This difference is especially interesting in view of the fact that for most families receiving benefits, the AFDC/AFDC-UF program is much more generous than is the Food Stamp program.

in that city affects behavior whether the sample is representative or not. (If no effect is found, it is conceivable that the missing part of the sample would have been affected. Thus a finding of no effect is not fully conclusive.) The representativeness of the sample becomes more important when evaluating quantitatively the impact of the work test. In general, effects will be studied by means of regression analysis in which the differing characteristics of individuals will be used as control variables in trying to isolate the effects of the work test on behavior. Thus, even if a particular sample is not representative, controlling for the characteristics of the sample in regression analysis can produce generalizable results. Only if some types of individuals are seriously under-represented in the sample will the results be distorted. The information in Table 2-3, indicating that the non-compliant have been missed to some extent, suggests that these issues will have to be seriously considered in evaluating and interpreting the results.

A final matter in considering the generalizability of the findings involves a comparison between the respondents and the low income population. The data in Table 2-4 compare only heads of households, who comprise 55 percent of the sample, in the low income and respondent groups on several characteristics. Since the work registration requirements exempt persons 65 and over, it is not surprising that the low income population contains more household heads who are older. Female heads in the youngest age group, however, also are not relatively heavily represented in the sample. By comparison with

TABLE 2-4

Characteristics of Heads of Household in U.S. Low-Income Population and in Sample[a]

Characteristics	U.S. Low Income Population	Sample Members
Male Heads - Number	2,635,000	586
Age:		
Percent Under 35	26	52
Percent 35-64	50	46
Percent 65+	24	1
Percent White	77	54
Percent HS Grads.	29	40
Employment:		
Percent Currently Employed	53	51
Percent Who Worked Last Year	62	87
Female-Heads - Number	2,193,000	341
Age:		
Percent Under 35	50	34
Percent 35-64	41	64
Percent 65+	9	1
Percent White	54	45
Percent HS Grads.	35	37
Employment:		
Percent Currently Employed	28	28
Percent Who Worked Last Year	39	52

a. U.S. Department of Commerce, Bureau of the Census, Consumer Income: Characteristics of the Low-Income Population, 1973, Current Population Reports, Series P-60, No. 98, Washington, D.C., 1975, Tables 1, 4, 31, and 36.

the low income population, the sample also has a low percentage of white heads. Given the relative age distributions, it is not surprising that the sample has a higher proportion of high school graduates. Of major interest, of course, are the employment data in Table 2-4. Among both male and female heads, the employment/population rates are identical as between the respondents and the broader population of poor persons. The fact that such a high proportion of male heads among the respondents worked during the year reflects their relative youth, whereas the similarly high rate for female heads in the sample reflects, undoubtedly, their concentration in the middle age group, i.e., not where they are most likely to be limited by child-rearing responsibilities. For a group of persons who entered the sample as a consequence of their receipt of welfare benefits, the important finding in Table 2-4 is their evidently high degree of employability. This is not too surprising in view of the fact that the respondents were more or less screened for their employability by the work registration procedures. Adjusted for age and race, then, the sample would appear to be not too dissimilar from their counterparts in the general low income population.

FOOTNOTES

1. Persons simultaneously receiving AFDC/AFDC-UF and FS are required to conform only to the procedures of the former.

2. Two types of supplementary information confirmed these rankings. One type, made available by Employment Service (ES) offices, is on their rate of "negative referrals." These are ES recommendations to welfare agencies that FS benefits be terminated because of alleged registrant non-compliance with the work test. A second type was on terminations for non-compliance in the UI program. These were utilized on the suspicion that if the ES offices are tough in adminstering the UI program they will act similarly in the FS program. Examination of these two sets of data suggest that the differences among states in ES administration of the FS and UI programs broadly are comparable and are well represented by the welfare agency termination data.

3. Robert Reinhold, "Polling Encounters Public Resistance; Decision-Making Process Is Threatened," New York Times, November 9, 1975, p. 1. Three factors probably explain most of the problems in locating respondents in this study. One is the noted general trend toward lower completion rates in survey research. Organizations other than the Bureau of Census have faced increasing difficulty in finding and obtaining the cooperation of respondents. Completion rates in surveys of the general population recently have been in the range of 60 percent. ["Report on the ASA Conference on Surveys of Human Populations," The American Statistician, February 1974, Vol. 28, No. 1.] With low income populations, completion rates, one suspects, are likely to be lower. A second factor in this study was the large number of obsolete or incorrect addresses. Especially in Omaha, where transients living in residential hotels for short periods comprised a sizable part of the sample; and in Rochester, where many respondents initially lived in an area demolished for urban renewal purposes, it is not surprising that a large number of bad addresses lead to a low completion rate. A third factor, probably not as important as the first two, is that respondents were selected for their involvement in a monitoring procedure. It would not be difficult to understand that some may have feared disclosing information to unknown interviewers if the consequences could have been costly.

   Strenuous efforts, within tight cost constraints, were made to pursue those who could not be found. Some like going to the welfare agency for more recent addresses, did yield results. Nothing that was tried could raise completion rates above the following levels:

FOOTNOTES

	No. in Sample	Percent Completed
Fort Worth	619	49.6
Memphis	897	55.9
Omaha	712	36.0
Rochester	612	36.4
San Diego	779	48.7

4. The data on the registrant pool were obtained from the ESARS reporting system operated by the U.S. Department of Labor..

APPENDIX

FORT WORTH

Our intention was to obtain a sample representative of persons who become registrants at roughly the same time. This time should have been early enough to allow spells of unemployment for most registrants to lapse before the interview was administered. If the spell of unemployment preceded the date of their interview by too many months, however, registrants may have suffered failures of memory, lessening the accuracy of their responses.

FS registrants in Fort Worth are in the "active files" for up to 6 months following registration. They are removed from the active files either if they become employed or leave welfare for any reason, including non-compliance with the FS registration process. They remain in the inactive file until one year after registration. Random selection among the older cases in the inactive file would yield a representative but somewhat dated sample. Thus a random selection was made from among the combination of all active cases and cases in the inactive file 6 months or less. The sample thus included persons who registered in the first half of 1974 and these persons were interviewed within 6 to 12 months following their registration.*

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*Fort Worth was substituted for Richmond early in the study because of difficulties encountered in locating respondents combined with an inability to replace them with others, given the small registrant caseload.

OMAHA

The dilemma posed by the Omaha filing system arose from the techniques used for separating "active" from "inactive" cases. Persons become "active" registrants when their names appear on the "daily list of new registrants" supplied to the ES by the welfare agency. Persons become "inactive" either when they leave the FS program or when the ES is notified of their re-employment. Thus, neither the active nor the inactive files themselves would contain samples representative of all FS registrants entering the FS program at a point in time. Neither could the two together be utilized, because "inactive" cases are dispersed among the very large number of all persons once listing their names with the ES for reasons unrelated to the FS program. Fortunately, therefore, the ES office retains among its records for a substantial period the "daily list of new registrants." To be able to observe persons after a stretch of unemployment, all persons appearing on the daily lists from December 1, 1973 through March 20, 1974 were selected, with the exception of those whose registrations were on a "short-term applicant basis." Persons thus were interviewed six to twelve months after they registered.

MEMPHIS

In the overwhelming proportion of cases, active and inactive cases are distinguished solely on the basis of time passed. Once a person is registered with the ES by the welfare office, he stays in the active FS file for a certain period of time, after which he

moves to the inactive FS file for another period. At the end of the second period, his file is placed in the general inactive ES files. Very frequently, a person is moved from the active FS to the inactive file when the ES is notified of their re-employment. Initially, therefore, the sample was selected by taking all cases in the inactive file who registered in December 1973 and all cases in the active file who registered between January 1974 and the end of March 1974. The interviews of these persons followed their registration by six to twelve months.

ROCHESTER

Active and inactive cases are distinguished on the basis both of their employment and welfare experience. Persons move from the active to the inactive file when they leave welfare; and move from an active to a special file for ninety days when employed. Thus, neither the active nor the inactive files separately would yield a sample representative of persons registering for the work test. A further complication is that some persons are in the file of AFDC/AFDC-UF registrants purely on a voluntary basis. Such persons are exempted from the registration procedure by law but seek the assistance of the ES. There being no possible penalty for "non-compliance," they cannot be said to be subjected to any work test. They were excluded from the sample.. Recognizing that some long term welfare cases where re-employment is very slow may have been excluded, a sample roughly representative of those registering at a point in time was obtained by selecting all cases which had become

inactive between July 1, 1973 and June 30, 1974. Interviews, therefore, followed de-activation by from six to eighteen months; and followed registration by some longer but indeterminate period of time.

SAN DIEGO

Files of employed and non-employed active registrants as well as of inactive cases are kept separately. Cases become inactive by leaving welfare, not as a result of the passing of time. Unlike in Rochester, employed cases are not transfered to the inactive file even after 90 days. They simply are kept in an employed file until they leave welfare, whereupon they enter the inactive file just mentioned. Unlike under the FS program, employed persons receiving AFDC/AFDC-UF in California and New York must register with the ES. To obtain a representative sample of registrants as well as one including persons for whom a spell of unemployment was likely to have elapsed, some mix of inactive and active employed cases had to be obtained. The latter were chosen less than in proportion to their number at registration since some of them enter the inactive file. In the first quarter of 1974, the ratio of those entering the active employed file to all AFDC/AFDC-UF recipients registering with the ES was roughly 2:7. The sample thus consists of persons in the active-employed file in June 1974 and of persons entering the inactive file between February 1 and April 30 of 1974, in the ratio of 2:7. Voluntary registrants as well as those cases becoming inactive because their cases were moved to a different San Diego ES office again were deleted. Interviews followed registration by an indeterminate period, but one that should have allowed for the elapse of a spell of unemployment.

Chapter 3

The Nature and Application of the Work Tests

During legislative debates on work tests in income maintenance programs, great attention is paid to subtleties in procedure: Should applicants have to establish an involuntary basis for leaving their last job? Once on a program, should recipients be required to conduct their own search of the labor market? Upon being offered a job, should they be required to accept only "suitable"work; and how, in fact, should suitable be defined with regard to the skill level required and the wage offered? This chapter details the formal work registration procedures nominally in effect in the welfare programs of five cities and how they differed. Then it investigates the extent to which the various registration procedures and their attendant threat of benefit cancellation actually are applied. Chapter 4 considers differences in the service features offered in conjunction with the work test procedures. In Chapter 5, the interest is in how effective these differences in coercion and service are in making the job search process more effective.

I. THE NATURE OF THE FS AND AFDC/AFDC-UF WORK TESTS

Often called "work tests," work registration requirements in income maintenance programs in fact typically are tests which monitor recipient availability and search for work. Were the payment of an income transfer conditional upon actual employment, the program disbursing benefits could be said to contain a work test per se. Such

programs do exist. In Great Britain, for example, The Family Income Supplement program offers benefits solely to those poor families whose heads work and earn wages above some weekly minimum. Wage rate subsidy programs provide benefits only to the working poor, giving more benefits the more hours per unit of time that a recipient works. Public employment programs, which can be viewed as income transfers offering a complete subsidy to a public employer for a worker's wage bill, also contain implicitly a work test per se. Programs like FS and AFDC/AFDC-UF, by contrast, do not condition benefits upon employment, but require merely that a recipient register with the ES and, possibly, search more or less assidiously for a job. In the absence of a program making government an employer of last resort, transfer benefits could not easily be conditional upon work: unemployment frequently is involuntary. Thus, other than when a person must prove that his separation from a job was involuntary, work tests in American income transfer programs become procedures wherein a government agency monitors availability for work and job search to determine the person's eligibility for benefits.

A. Coverage

Work registration requirements, or work tests, vary in their coverage, number of conditions to satisfy to maintain eilibility, and degree of enforcement.. These several aspects can be seen by examining the registration requirements studied in this project. In the FS program,the work registration requirement covers those not fully

employed who are not exempted. Exemptions are granted for certain objective personal characteristics or as a result of the welfare agency declaring the person to be not able-bodied. As indicated in Figure 3-1, those not having to register under the FS program fall into three categories. Entry into two of the categories is a function of objective personal characteristics, whereas entry into the third results from the exercise of administrative discretion. In Figure 3-2 coverage of the California AFDC/AFDC-UF registration requirement is depicted. In this instance, the employed are not necessarily exempt from coverage and must, along with the non-employed, establish that they cannot earn an income sufficient to make them ineligible for welfare before they can receive benefits. Thus, in contrast to the FS procedure, both initial and continuing eligibility for AFDC/AFDC-UF in California are conditional upon the monitoring of availability and search effort. The New York AFDC/AFDC-UF work registration procedure also covers both the employed and the non-employed who are not exempt by objective characteristics or administrative discretion; in contrast with California, initial eligibility for AFDC/AFDC-UF in New York is not based on job search efforts. As opposed to the UI program, in neither the FS nor the AFDC/AFDC-UF cases is initial eligibility based on the condition that separation from the last job be involuntary. To establish initial eligibility in AFDC-UF, though, the male head must show substantial prior labor force attachment, that consisting of at least 6 quarters of work in any 13 calendar quarter period ending within one year prior to application for AFDC-UF.

B. Formal Procedure

As shown in Figures 3-1 and 3-2, aspects of procedure also vary among work registration requirements. Simplest among the three procedures investigated here is that in the FS program.[1] FS recipients are registered with the ES when the local welfare office submits a form in their behalf to the ES. The ES office calls in the FS registrant only when it has a specific service to offer the particular client. It is possible, therefore, for many registrants never to visit the ES office in connection with the registration requirement. Pressure on registrants to intensify their job search may result from the call-in, encouragement to review job listings at the ES, questioning by ES officials into whether the registrant is searching for a job, requests for proof of such search, actual job referrals, and ES inquiries into client responses to job offers made by employers.

Somewhat more complicated than the FS registration procedure is that in the Work Incentive Program (WIN Program) component of the New York AFDC/AFDC-UF program.[2] In addition to containing all the opportunities for pressure on registrants in the FS process, the procedure in the New York variant of the WIN program involves personal registration by recipients and the likelihood of periodic calls-in, the latter resulting from a mandatory check pick-up provision. Family heads who neither are enrolled in school nor are fully employed and have whatever social services they require to work must pick up their welfare

FIGURE 3-1

The Food Stamp Work Test Process

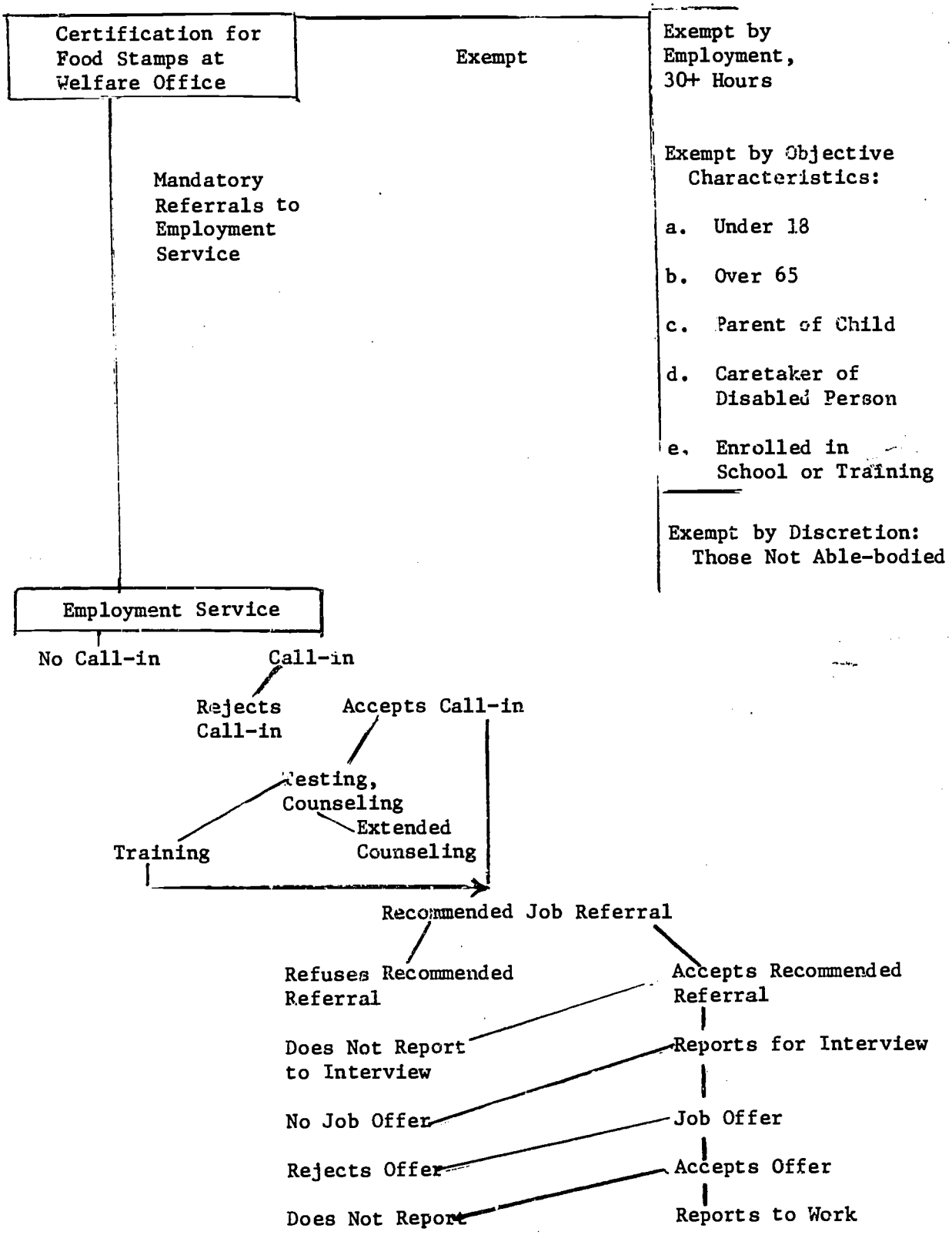
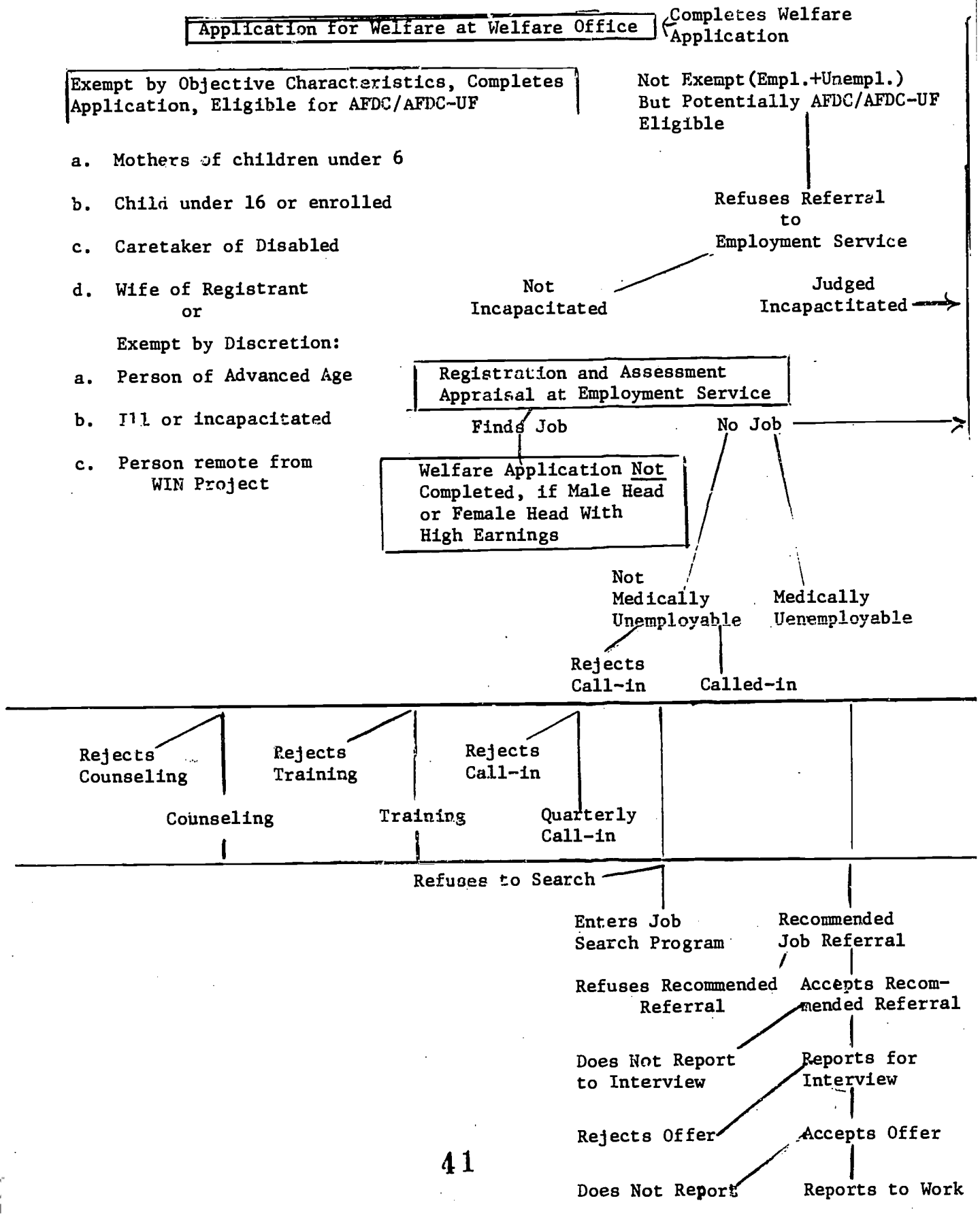


FIGURE 3-2

The California AFDC/AFDC-UF Work Test Process



check at the ES on a bi-weekly basis -- and simultaneously review ES job listings.[3] The work registration procedure offering the widest range of opportunities to impose more intensive search is that in the WIN Program related to the California AFDC/AFDC-UF program. Registrants there frequently are required to conduct their own job search and report on that search to the ES, the report potentially being subject to verification. As in New York, California registrants also are required to appear frequently at the ES office to report on their search, review job listings, and possibly receive referrals.

Lastly, FS registrants are not expected to accept employment outside their "major or general field of experience" until 3 months after they register.[4] There are, however, several restrictions on the type of work to which AFDC/AFDC-UF registrants may be referred. It must be work within the registrants "capability" and reasonable commuting distance of his residence; it must be above a certain wage minimum; and it must be free of conditions that would violate a variety of Federal employment laws. This particular protection is not offered AFDC/AFDC-UF registrants.

C. Enforcement of Procedures

Lastly, enforcement also varies among work registration requirements. Enforcement, in turn, has several aspects. First, it relates to the proportion of registrants experiencing coercion in any of the previously indicated ways. So enforcement varies as the proportion called-in or referred differs among programs and jurisdictions. Secondly, particular registrants may experience a given type of pressure with varying frequency. Referrals, for example, may come bi-weekly or bi-monthly. Thirdly, enforcement varies with the provisions in a registration requirement for punishments for non-compliance as well as with provisions for appeal in the event that a registrant feels aggrieved.

Thus, in FS an entire household may lose its benefits if a member is found to be non-compliant. In AFDC/AFDC-UF, the household loses only that fraction of its benefits attributable to the non-compliant individual.

D. Coercion vs. Service

Before concluding this section, it is important to note that work registration requirements, while basically coercive in origin, also often contain the prospect of services to assist job search. Registration with the ES by the employment eligible recipient allows the resources of the ES to be utilized to assist the individual to obtain a job. Whereas the coercive features of work search tests are studied in this chapter, the assistance features are a consideration in the next chapter.

II. THE APPLICATION OF THE WORK TESTS

A. A General View

Differences among the five cities in the application of the various work tests can be measured. Six means by which the ES can pressure registrants to intensify their search are considered in this study. The first measure of pressure or the application of the work registration requirements is the extent to which registrants actually are called into the ES office. Especially in the FS program, where registrants bear no responsibility to conduct self-initiated search, no pressure to intensify search can be felt in the absence of a call-in. Thus, one way to examine differences among the cities in degree of pressure applied to registrants is to compare the proportions of registrants receiving a call-in from the ES.

A second type of pressure applied to registrants is the frequency with which they are called-in. Repeated contact with ES officials may increase both the probability that a registrant receives ES services

and has his search behavior monitored. Among those called in, various overlapping subsets of registrants were subject to further means of pressure to intensify search. Thus, some registrants were pressured by being questioned about their search, although how strenuously this was done is unknown. Of those questioned, some registrants were further requested for proof of their search effort. Yet a different, possibly overlapping subset of those called-in was referred to jobs. Lastly, some registrants actually reported that they were pressured to take jobs other than ones they would have chosen in the absence of ES pressures. Consequently, comparisons among the five cities as to differences in the proportions of registrants called in frequently, questioned about their search, asked for proof of their search efforts, and pressured into taking otherwise unacceptable jobs offer alternative ways of measuring differences in the application of work tests.

A last indicator of the degree of pressure applied by the ES is the rate at which benefits are denied to registants because of their non-compliance with some aspect of the registration requirement. Respondents were asked during the interview whether they responded, for example, to an ES call-in or job referral. "Potential non-compliance" reflected a failure to respond to some such ES request, where the respondent's failure is explained by something other than his having found a job at the time of the ES request. Clearly, no direct measure of actual non-compliance was available. Note also that a benefit denial rate is not an unambiguous measure of the degree of ES pressure on registrants: it

could be low, for example, either because the ES chooses not to enforce the registration requirement or because it has so stringently enforced the requirement in earlier periods that registrants have been intimidated into compliance. Additionally, a summary measure of such pressure also was developed for each individual by summing the number of different pressures he faced. This summary measure thus could take on values between zero and six. Means of this summary measure, then, also could be compared for different groups of individuals among the five cities.

There being several aspects of the registration procedures, it remains to be determined whether implementation varied by city and demographic group. Also of remaining interest is the question of which registrants, those looking for work or those not looking, experienced the more demanding pressures applied by the ES.

B. Variations in Application of Work Test

1. By City

Contrasts are apparent when comparing among cities the degree of ES pressure applied to registrants. Initial call-in rates vary among the three FS cities, Ft. Worth, Memphis, and Omaha; they also differ on the average between FS and AFDC/AFDC-UF cities.[5] Fort Worth calls in far fewer FS registrants than do the other FS sites. The two AFDC/AFDC-UF cities call in higher proportions of registrants than have to appear in two of the three FS cities, and the San Diego call-in rate exceeds that of all three FS sites.

It is expected that for a given procedure differences in enforcement will arise among ES agencies. Further, it is anticipated that different

procedures will result in differences in the extent of pressure applied to registrants. The data in Table 3-1 on the measure of ES pressure discussed above are consistent with these expectations. They reflect greater pressure in Memphis than in Fort Worth and Omaha and even greater pressure in the two AFDC/AFDC-UF sites. Thus, Memphis is more likely to call in registrants frequently, questions more registrants about their search, demands proof of such search with greater frequency, and refers a higher proportion of registrants to jobs than do the FS programs in Fort Worth and Omaha. Rochester and San Diego generally score higher in each of these areas than do the three FS sites. An overall index of ES pressure is presented in line 11 of Table 3-1, where mean scores are provided for each city-sex grouping. For males, the cities in ascending order of ES pressure are Fort Worth, Omaha, Memphis, Rochester, and San Diego.

Apparently, the frequent calls-in in Rochester and San Diego result in relatively high rates of questioning and proof of search. A substantial difference appears between San Diego and the other four cities on the extent of questioning of registrants about their search efforts. Recall that a distinctive aspect of the work test in the state of California is that registrants are required to initiate their own search efforts. Although only two-fifths of the eligible[6] registrants in San Diego were questioned, and, of these, only three-fourths had to produce evidence supporting their claims about search efforts, these percentages are substantially higher than those in the other cities. Interestingly, though, with the exception of males in Rochester, referral rates do not differ makedly among cities. Differential enforcement and more demanding procedures also are apparent in the variation among cities

TABLE 3-1

Application of Work Registration Requirements, By City and Sex

		MALES					FEMALES			
		Ft. Worth	Memphis	Omaha	Rochester	San Diego	Ft. Worth	Memphis	Omaha	Ro
1.	Number in Sample	215	244	182	48	125	92	257	74	
2.	Eligible for Work Test[a] Number	161	216	145	33	81	78	233	59	
	Percent	100	100	100	100	100	100	100	100	
3.	Called-In[b] (Percent of Line 2)	34	73	45	73	84	31	70	44	
4.	Call-In Frequency[c] Infrequently	16	40	34	9	19	19	51	42	
	(Percent of Line 2) Frequently	18	33	11	64	65	12	19	2	
5.	Questioned on Search[d] (Percent of Line 2)	16	35	22	42	51	9	23	14	
6.	Proof of Search Demanded[e] (Percent of Line 2)	9	17	3	18	43	1	7	3	
7.	Referred to Job[f] (Percent of Line 2)	15	21	16	49	19	9	12	9	
8.	Pressured to Take Job[g] (Percent of Line 2)	1	1	1	6	3	0	0	2	
9.	Potentially Non-Compliant[h] (Percent of Line 2)	9	19	10	29	22	15	20	16	
10.	Denied Benefits[i] (Percent of Line 2)	1	2	1	4	5	7	2	0	
11.	Index of ES Pressure (Mean)[i]	.93	1.78	.95	2.59	2.64	.61	1.30	.72	

TABLE 3-1

Application of Work Registration Requirements, By City and Sex

MALES					FEMALES				
Ft. Worth	Memphis	Omaha	Rochester	San Diego	Ft. Worth	Memphis	Omaha	Rochester	San Diego
215	244	182	48	125	92	257	74	175	254
161	216	145	33	81	78	233	59	116	150
100	100	100	100	100	100	100	100	100	100
34	73	45	73	84	31	70	44	48	67
16	40	34	9	19	19	51	42	24	24
18	33	11	64	65	12	19	2	24	43
16	35	22	42	51	9	23	14	16	31
9	17	3	18	43	1	7	3	6	24
15	21	16	49	19	9	12	9	10	16
1	1	1	6	3	0	0	2	3	3
9	19	10	29	22	15	20	16	17	15
1	2	1	4	5	7	2	0	0	2
.93	1.78	.95	2.59	2.64	.61	1.30	.72	1.07	1.77

TABLE 3-1

Footnotes

a. Persons "eligible for work test" are those in the sample for whom a period of unemployment or part-time employment could be found in the twelve months preceding their interview when they also were receiving Food Stamps (in Fort Worth, Memphis, or Omaha) or AFDC/ AFDC-UF (in Rochester and San Diego).

b. Persons "called-in" are those who actually were requested to report to the ES in connection with the work registration requirement.

c. Persons called-in "frequently" had to report to the ES either every week, two weeks, three weeks, or month in connection with the work test. Reporting "infrequently" means coming in one time or either every three, six, or twelve months, or more irregularly but not frequently.

d. Those "questioned for search" were asked by the ES at some time during their period of registration whether they had looked for employment.

e. Among those "questioned on search," some persons were asked to document the fact that they had been seeking work. Such persons are those for whom there was "proof of search demanded."

f. Persons "referred to jobs" are those who during their period of registration were sent by the ES to an employer at least once.

g. Persons "pressured to take job" responded affirmatively to a question about whether they had taken a job other than one that they normally would have taken because of ES pressure during their period of registration.

h. Persons "potentially non-compliant" are those who at some time during their period of registration either did not report when called in to the ES, or failed to make use of a service offered by the ES, or did not furnish proof of search when asked for it by the ES -- and explained any of these difficulties with a reason other than that they had found a new job. No way of getting at non-compliance per se in interviews with registrants was available.

i. Persons "denied benfits" are those whose benefits were denied because of their non-compliance with some aspect of the work test and who also were unable to get the denied benefits restored as a consequennce of their negotiations either with the ES or the welfare department.

j. The summary index of ES pressure is constructed for each individual by summing values of one for each type of ES pressure to which a registrant was subjected. The types of pressure are representated in lines 3-8. Thus, for any individual the index can take on a value between zero and six.

in potential non-compliance and benefit denial rates.[7] Among males, benefit denials are more common in the two AFDC/AFDC-UF sites than in the other three cities -- and might have registered as being higher had the non-compliant not been missed so much in the interviewing process in those two cities. In sum, then, ES offices apparently can vary markedly in the extent to which they apply pressure, both by being stringent in implementing given procedures as well as by implementing a broader array of procedures.

2. By Demographic Group

In addition to examining differences between cities, an attempt was made to determine whether pressure is applied differentially to registrants based on personal characteristics. Separating the registrants by sex in Table 3-1, one notes a very clear pattern within each city of greater pressure placed on males as opposed to females. Except for initial call-in rates, every means of pressure is applied substantially more frequently to men. Even job referral rates uniformly are higher for men. In the AFDC/AFDC-UF program this pattern is consistent with USDOL regulations calling for priority treatment for unemployed fathers. No such priorities are specified, however, for the FS program. The greater attention given to males in the FS program as well as in the AFDC/AFDC-UF program may result either from the existence of jobs in the various labor markets that more frequently are given to men and/or from an attitude of ES personnel that men have a greater responsibility to work and not to rely on welfare.

Efforts were made to determine whether other labor market related characteristics of registrants were associated with the degree of pressure applied by the ES. In a regression analysis, the index of ES pressure (defined in footnote j of Table 3-1) was regressed on race, age, education, health status, household status, and family income as well as on four indicators of a registrant's interest in finding a job. One indicator was whether the registrant typically looked for work when out of a job. A second was whether job search was begun while still employed. The third was an index of motivation. The last indicator was the number of techniques used by the registrant in searching for work. For females, this regression yielded no significant results. For males, the results are weak, but it does appear that the ES selects for work-testing those who are most highly motivated to work. In Table 3-2, one notes that in Fort Worth, Omaha, and Rochester those who typically looked for work when unemployed and who started their search before they left their last job were work tested more intensively by the ES. Also in Fort Worth, Rochester, and Memphis, heads of household were tested more heavily than were non-heads. This apparent selectivity, involving the choice of men over women, heads of households over non-heads, and the more highly motivated over the less in some locations conforms with recent findings in another study by Stevens.[8] In two Missouri ES offices, Stevens found that veterans, low income, and more highly educated persons all received more referrals than their counterparts.

Of additional interest may be the data in Table 3-3, which show, without controlling for other variables, that racial groups did not differentially experience any form of pressure in any of the five cities.

TABLE 3-2

Application of Work Registration Requirements, Males

	Ft. Worth	Memphis	Omaha	Rochester	San Diego
1. LFCOMMIT	.6828 (.2519)		.6706 (.2385)	1.4298 (.7769)	
2. STRTSRCH	.5965 (.3488)		.4258 (.2588)		
3. MOTVINDX		-.0394 (.0160)			.0283 (.0198)
4. TCHNIQS		.1848 (.0684)			
5. NHEAD	-.6484 (.3079)	-.3556 (.2463)		-1.4844) (.7579)	
6. UHEALTH	-.4199 (.2395)	.2833 (.2565)	.2458 (.2381)		-1.4215 (.4309)
7. BLACK	.5546 (.2680)			-.9062 (.6907)	
8. FAMINC		-.00004 (.00003)	-.00003 (.00002)	-.00017 (.00012)	-.00006 (.00004)
9. AGE					.0285 (.0202)
10. EDUC		.0855 (.0466)	-.0483 (.0361)	-.1190 (.1141)	
11. CONSTANT	.8247	2.1332	.9617	4.5441	1.3163
R^2	.1414	.0840	.0905	.3127	.1510
n	160	210	142	32	80
F	5.1052	3.1158	2.7264	2.4567	3.3800

TABLE 3-2

Footnotes

Numbers in parentheses are standard deviations of estimated coefficients. Blank spaces in table result from variables being clearly insignificant, not from their being omitted. Sample is limited to those who are "eligible" for the work test, as eligibility was defined in Table 3-1. The dependent variable is an index number, constructed for each individual by summing values of one for each type of ES pressure listed in Table 3-1 to which a registrant was subjected. The index number can take on values between zero and six.
Regressions were run stepwise with variables added as long as they contributed significantly to R^2.

LFCOMMIT:	equals 1 if person ususally looked for work when unemployed, zero otherwise.
STRTSRCH:	equals 1 if person began to look for work before leaving old job, zero otherwise.
MOTVINDX:	an index of motivation, based upon answers to questions used by H. Sheppard and H. Belitsky in their book, The Job Hunt, p. 113. In short, the more the individual perceived himself able to command his destiny, the higher his score; the more the respondent felt at the mercy of exterior forces, the lower his score.
TCHNIQS:	a measure of the number of ways an individual looked for work, which takes on values between zero and seven for any one person.
NHEAD:	equals one if not head of household, zero otherwise.
UHEALTH:	equals one if person has health problem limiting amount or kind of work he can do, zero otherwise.
BLACK:	equals one if person is Black, zero otherwise.
FAMINC:	income of the family excluding earnings of the person interviewed.
AGE:	equals the age of the individual in single years.
EDUC:	number of years of school completed.

TABLE 3-3

Application of Work Registration Requirements, By City and Race

	FORT WORTH			MEMPHIS			OMAHA			ROCHESTER		
	White	Black	Span. Spkg.& Others	White	Black	Span. Spkg.& Others	White	Black	Span. Spkg.& Others	White	Black	Spa Spk Oth
1. Number in Sample	107	63	45	38	206	0	150	28	4	19	22	7
2. Eligible for Work Test[a] Number	85	47	32	37	183	0	122	21	2	14	14	6
Percent	100	100	100	100	100	100	100	100	100	100	100	100
3. Called-IN[b] (Percent Line 2)	38	34	28	70	74	0	46	43	0	93	64	50
4. Call-In Frequency[c] (Percent Line 2)												
Infrequently	25	12	9	29	43	0	34	38	0	14	7	0
Frequently	13	26	19	41	31	0	12	5	0	79	57	50
5. Questioned on Search[d] (Percent Line 2)	12	26	13	46	32	0	24	10	0	71	21	33
6. Proof of Search Demanded[e] (Percent of Line 2)	8	13	3	27	14	0	4	0	0	21	14	33
7. Referred to Job[f] (Percent of Line 2)	14	19	9	16	22	0	16	14	0	71	36	33
8. Pressured to Take Job[g] (Percent of Line 2)	0	2	3	0	1	0	2	0	0	14	0	0
9. Potentially Non-Compliant[h] (Percent of Line 2)	8	14	4	21	19	0	11	11	0	37	23	29
10. Denied Benefits[i] (Percent of Line 2)	1	2	0	0	2	0	1	0	0	0	9	0

Footnotes for this table are the same as those for Table 3-1.

TABLE 3-3

Application of Work Registration Requirements, By City and Race

FORT WORTH			MEMPHIS			OMAHA			ROCHESTER			SAN DIEGO		
White	Black	Span. Spkg.& Others	White	Black	Span. Spkg.& Others	White	Black	Span. Spkg.& Others	White	Black	Span. Spkg.& Others	White	Black	Span. Spkg.& Others
107	63	45	38	206	0	150	28	4	19	22	7	95	17	13
85	47	32	37	183	0	122	21	2	14	14	6	60	11	10
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
38	34	28	70	74	0	46	43	0	93	64	50	88	64	80
25	12	9	29	43	0	34	38	0	14	7	0	16	18	30
13	26	19	41	31	0	12	5	0	79	57	50	72	46	50
12	26	13	46	32	0	24	10	0	71	21	33	55	36	40
8	13	3	27	14	0	4	0	0	21	14	33	47	36	30
14	19	9	16	22	0	16	14	0	71	36	33	20	0	30
0	2	3	0	1	0	2	0	0	14	0	0	2	9	0
8	14	4	21	19	0		11	0	37	23	29	23	6	39
1	2	0	0	2	0	1	0	0	0	9	0	4	0	15

Footnotes for this table are the same as those for Table 3-1.

One would expect differences by racial group only if there was racial discrimination. None can be detected in these data.

3. By Whether Registrants Seek Work

A substantial number of interviewers claimed they were not seeking work at all. It was found that at least half of these suffered from poor health that limited their ability to work. In Fort Worth and Rochester over 80 percent of those not looking for work reported bad health. Furthermore, proportions suffering from bad health were far greater among those not looking than among those looking. Apparently, a sizable fraction of those who did not seek work probably were inappropriately registered with the ES.

To obtain more information on those not looking for work, their treatment by the ES is examined in Table 3-4 where the numbers experiencing each form of ES pressure are compared for those looking and not looking for work. Although many of those not looking for work are called in, few of them go on to more stringent stages of the work test in most cities. Thus it appears that the ES in many cases finds that these individuals should not be subjected to the work test.

It was decided to eliminate the individuals not looking for work from further analyses of the effects of the work test on the assumption that most of them should not have been subjected to it in the first place. In any case, those not looking for work will not find it. Thus, no effect of the work test will be observable among these individuals.

TABLE 3-4

Number of Registrants Experiencing Differences in Application of Work Test By Whether or Not They Sought

			MALES					FEMALE		
			Ft. Worth	Memphis	Omaha	Rochester	San Diego	Ft. Worth	Memphis	Omaha
1.	Total Number	a. Looking for Work	133	167	115	29	70	45	141	29
		b. Not Looking for Work	28	49	30	4	11	33	92	30
2.	Called In	a. Looking for Work	48	127	58	23	60	18	107	16
		b. Not Looking for Work	7	31	7	1	8	6	57	10
3.	Called Freq.	a. Looking for Work	28	56	16	21	50	9	19	1
		b. Not Looking for Work	1	15	0	0	3	0	24	0
4.	Questioned	a. Looking for Work	26	67	31	14	39	7	36	7
		b. Not Looking for Work	0	9	1	0	2	0	17	1
5.	Proof Dmd.	a. Looking for Work	14	33	5	6	34	1	12	2
		b. Not Looking for Work	0	3	0	0	1	0	5	0
6.	Referred	a. Looking for Work	23	42	23	16	15	7	17	4
		b. Not Looking for Work	1	3	0	0	0	0	11	1
7.	Pressured	a. Looking for Work	1	1	2	2	2	0	0	1
		b. Not Looking for Work	1	0	0	0	0	0	0	0
8.	Test Index Score	a. Looking for Work	1.05	1.96	1.13	2.82	2.86	.93	1.36	1.07
		b. Not Looking for Work	.36	1.25	.27	.25	1.27	.18	1.23	.40

a. The six work test measures are defined in the footnotes to Table 3-1.

b. The test index score is developed for each individual by summing values of one for t work test measures to which he was subjected. Thus, it can vary between zero and si

TABLE 3-4

ing Differences in Application of Work Test By Whether or Not They Sought Work, By City and Sex

MALES					FEMALES				
Ft. Worth	Memphis	Omaha	Rochester	San Diego	Ft. Worth	Memphis	Omaha	Rochester	San Diego
133	167	115	29	70	45	141	29	42	89
28	49	30	4	11	33	92	30	74	61
48	127	58	23	60	18	107	16	22	64
7	31	7	1	8	6	57	10	34	36
28	56	16	21	50	9	19	1	11	49
1	15	0	0	3	0	24	0	17	16
26	67	31	14	39	7	36	7	10	35
0	9	1	0	2	0	17	1	9	11
14	33	5	6	34	1	12	2	5	31
0	3	0	0	1	0	5	0	2	5
23	43	23	16	15	7	17	4	8	20
1	3	0	0	0	0	11	1	3	4
1	1	2	2	2	0	0	1	3	3
1	0	0	0	0	0	0	0	0	1
1.05	1.96	1.13	2.82	2.86	.93	1.36	1.07	1.41	2.27
.36	1.25	.27	.25	1.27	.18	1.23	.40	.87	1.20

k test measures are defined in the footnotes to Table 3-1.

dex score is developed for each individual by summing values of one for the number of easures to which he was subjected. Thus, it can vary between zero and six for any one person.

III. CONCLUSION

Work tests in American income transfer programs typically are tests monitoring the availability and search for work. Benefits are conditional upon satisfactory search efforts, not upon work per se. Such work tests vary potentially in their coverage, conditions, and enforcement. Among the three cities distributing only Food Stamps to respondents, Fort Worth was found to be lenient, Omaha moderate, and Memphis tough in their enforcement of the standard FS work test. Differences in enforcement were measured by comparing among cities the proportion of registrants experiencing several different forms of ES pressure on them to intensify their search efforts. Between the two cities administering their own AFDC/AFDC-UF work tests and the three administering the (formally identical) FS work test, differences in ES pressure on registrants also were detected.

Besides the inter-city differences in the application of work tests, disparities also were found among demographic groups. Thus, men experienced far more pressure than women; heads of households more than non-heads; those looking for work more than those not looking. The question that remains is whether the differences found in the application of the work tests are of any consequence for search process, the probability of registrant re-employment, and the quality of jobs obtained by registrants. These matters are considered in Chapter 5.

FOOTNOTES

1. The procedures described for the FS and AFDC/AFDC-UF programs are those that were in effect in fiscal year 1974. Some modifications in the FS procedure were supposed to go into effect on July 15, 1974.

2. The procedures described for the New York and California AFDC/AFDC-UF programs were different from those in effect elsewhere in the country.

3. A report, submitted to Governor Hugh Carey shortly after he assumed office, recommended termination of the check pick-up program. (Peter Kihss, "Panel Urges Suspension of Work-Relief Project," New York Times, March 26, 1975.)

4. As of July 15, 1974, FS registrants may be expected to accept such employment one month after registration.

5. This finding is consistent with a similar one reported in: U.S..Department of Labor, Manpower Administration, Office of Manpower Program Evaluation, Division of Special Studies, "Pilot Evaluation of the Work Registration Activity Under the Food Stamp Program," Washington, D.C., July 1974, p. 34.

6. Sample members are defined as eligible for purposes of this study if they were at some point simultaneously receiving welfare benefits and either unemployed or employed part-time. This period had to come in the year preceding their interview, which was the period of the study.

7. These benefit denial rates cannot compared with those appearing in Table 2-1. First, they are computed on the base of "eligibles" as defined for this study, not the base of total registrants as in Table 2-1. Secondly, these are denials that have not been reversed in the appeals procedure. Denials in Table 2-1 are sometimes reversed. Lastly, having missed disproportionately the non-compliant, one suspects that we must have also missed those whose benefits were denied because of their non-compliance.

CHAPTER 4

Patterns of Job Search

The work registration requirement under FS and AFDC/AFDC-UF programs has two goals, one helping and one coercive. Registration with the Public Employment Service (ES) by the recipient eligible for employment allows the resources, training, and knowledge of the ES to be utilized to assist the individual to obtain a job. At the same time, by making the continuation of an individual's welfare benefits dependent upon his effectively seeking suitable employment, Congress hoped to encourage rapid re-employment of eligible individuals. In this chapter interest lies in the degree to which a) the ES assisted individuals in the sample to obtain employment, and b) the extent to which registration and its attendant threat of benefit cancellation served to speed up or make more effective the search process.

The chapter divides into three parts. The first describes the job seeking patterns of the overall sample and compares them with the patterns found in other studies. The second considers the [illegible] power services provided by the ES as distinct from its coercive measures. A third contains an analysis of the determinants of job seeking patterns. An analytical assessment of success in obtaining a new job is contained in Chapter 5, while implications for policy and procedures are discussed in Chapter 6.

I. Job Seeking Patterns

This section discusses some general characteristics of the work search patterns in our sample. The following sections then examine the ways the ES can influence job search. Two aspects of job seeking patterns are of interest here: the channels of information which are used by the individuals looking for new jobs, and the intensity with which they seek work.

A. Channels of Information

Individuals were asked three questions concerning the channels through which they sought jobs. The first question was how they looked for work, with the interviewers putting down a yes answer for each of eight channels which they might have named. These eight were Public Employment Service; Private Employment Agencies; Company Personnel Office; Union; Community Organizations; Friends and Relatives with a Company from Which Employment was Sought; Friends and Relatives with Other Companies; and Newspaper Ads. Approximately 28 percent of all "eligible"[1] respondents named either no or just a single source of information. Among males, Fort Worth had the largest proportion of such replies, 38 percent, while San Diego had the lowest proportion, 16 percent. Among females, Fort Worth again had the largest proportion of such replies, 54 percent, while San Diego had the smallest, 29 percent. These numbers are interesting in view of the finding in Chapter 3 that Fort Worth had the most lenient work test enforcement and San Diego the most stringent.

Individuals who indicated more than one job channel were then asked which was the one they used most. Newspapers were cited as being used most often by female registrants in each of the five cities. For males, newspapers were cited in two of the five cities, Omaha and San Diego, while direct application to employers were used most often in two other cities. At its peak, in Omaha, better than one-half of the females and two-fifths of the males responding said they used newspapers the most.

The third question involved ranking the channels on the basis of which was the most useful in finding employment. Newspapers and the ES, two formal channels of information, generally were considered the most useful. In four of the five cities, newspapers were cited by roughly one-third of the female registrants as the most useful information source. In three of the five cities, roughly three of every ten male registrants held a similar view of newspaper job ads. Moreover, among two of the three city-sex groups in which another source was thought to be most valuable by the largest number of registrants, newspapers were considered the most valuable by the second largest group of registrants.[2] Among earlier studies, only the Kenakee survey of secondary workers by Richard Wilcock and Walter Franke produced comparable results. There, in an expanding labor market, 19 percent reported that they obtained their jobs through the use of newspapers.[3] The closest comparable figures, 40 percent, was reported for unskilled workers seeking employment in Glasgow, Scotland.[4]

Next to newspapers, the ES held a strong position as a "most useful source." Among both females and males, it was considered the most useful source by the largest proportion of registrants in one of the five cities, Memphis in each case. Recall in the previous chapter that the ES enforced the FS work test the most in Memphis among the three FS cities. Apparently, it also was providing a service in the process. Among females in the other four cities, the ES was just behind newspaper ads in the proportion of citations as the most useful source. Among males, this was the case in Rochester and San Diego, but not in Fort Worth and Omaha. Again, recall that the two former cities had active registration enforcement whereas in the two latter cities enforcement was less extensive. Among nine of the ten city-sex groups, the lowest proportion, 18.5 percent, citing the ES as the most useful source exceeds the rate to be found in all but three other groups of employees covered in 14 previous studies covering some 26 occupational or geographical labor markets.[5] The two city-sex groups with the highest percentages, both around 42 percent in Memphis, exceeds that reported everywhere else.

Direct applications to the employer and the utilization of friends and relatives, the latter a more informal method of search, which were extensively used by workers in other surveys of job seeking channels, were little used by persons in this sample. Friends and relatives were seen as the most useful channel by but 15 percent of persons in each of the ten city-sex groups. The results are similar for all groups

except the Spanish-surnamed, among whom more than one-fifth gave friends and relatives as the most useful source. These percentages are substantially lower than those reported in other studies. The closest comparable figures was the 16 percent reported in The Job Hunt[6] and the 17 percent obtained in a study of older managers, 37 percent of whom got their new jobs through the use of 40 plus clubs.[7]

The importance of direct application to an employer also was low. The two highest figures for males, 38.7 percent in Rochester and 25.5 percent in Fort Worth, are in the low range reported for other studies, while the lowest figure of roughly 15 percent in Memphis is below that reported in any other study. Again, the Spanish-surnamed often were an exception, with one-third of them typically saying that calling at the employer's office was the most useful. Certain occupations in the recent study of the Chicago labor market had lower values, though it must be recalled that close to 50 percent of the sources of jobs in the Chicago data were classified as unknown.

B. Intensity of Search

The only measures available on intensity of search are the degree to which alternative channels of information were used, and how often particular channels were used. Consider first the use of alternative channels of information. In every city males more frequently used more than one source than did females. The greatest use of multiple sources was in San Diego, where 84 percent of the male registrants used more than one. The least use of multiple sources was in Fort Worth,

where 62 percent of the males and 46 percent of the females used more than one channel. It should be noted that in the cities with tougher work tests use of more than one channel was more common. Comparatively, in a national survey of job search in 1973, 80.2 percent of those interviewed indicated that they used more than one channel.[8] The least use of multiple sources in that sample was by women, but even here 79.9 percent used more than one, considerably in excess of the 56 percent of women in this sample who used multiple channels.

Other measures of intensity of search are the numbers of visits to a public or private employment agency and the numbers of calls on employers. Again, men more frequently made visits to employment agencies and to employers than did women. Generally, over 60 percent of the men visited an employment agency one or more times per week. Forty percent, therefore, typically made no contacts with an employment agency while unemployed. Further, roughly 70 percent in each city visited one or more employers per week. Interestingly, again, in San Diego 84 percent of the males visited one or more employers per week and 83 percent visited two or more per week. In each of the other four cities, roughly 60 percent of the males visited two or more employers per week. This greater degree of activity in San Diego reflects, most likely, the California requirement for job search initiated by the registrant. Among "eligible" female registrants, roughly half in each city visited an employment agency one or more times per week; thus, roughly half made no visits in the typical week. And from one-third to two-thirds of the women, depending upon the city,visited one or more employers per week. Again, though, in

San Diego the intensity of job search seemed the greatest. While in the four other cities between 28 percent and 44 percent of the women reported calling on two or more employers per week, in San Diego 64 percent of the eligible female registrants did so.

A study of individuals who had exhausted their unemployment insurance (UI) benefits, conducted in different states about the same time as the present survey, found that the average number of in-person contacts with employers ranged from 1.1 per week for white females to a high of 1.7 per week for non-white males.[9] Overall the survey average was 1.35 in person contacts per week. The methods of counting are not directly comparable, but it would appear that among those exhausting UI benefits the differences between men and women with respect to employers contacted per week are consistent with what was found with this group of FS and AFDC/AFDC-UF recipients. Moreover, the levels of search are comparable in this and in the UI study.

In the 1973 survey of job seeking, 65 percent of those interviewed indicated that they usually spent five hours a week or less looking for work. This would seem to imply a limited number of employers or employment agency contacts, and seemingly would be consistent with the results here. In an experimental study investigating the value of supplementary job information to UI beneficiaries, employer contacts over an eight week period in the control group were similar to those for persons in this study.[10]

II. MANPOWER SERVICES PROVIDED BY THE ES

The requirement of registration at the ES was intended to provide assistance as well as to monitor the applicants efforts in finding a new job. The degree of assistance given was measured by questions concerning job referrals and other manpower services offered by the ES and what happened as a result of these activities. Table 4-1 presents the number of individuals receiving each manpower service. Aside from job referrals, the only additional manpower service offered to any substantial number of registrants was the opportunity to review lists of jobs. Only in the two AFDC/AFDC-UF cities were very small numbers of persons given services other than these two.

At first blush, it appears that the eligible registrants in this sample received minimal service from the ES. As can be seen in Table 4-2, only 51 of 1310 registrants received jobs as a result of ES referrals. In general, the ES was more successful in placing men than women; and the percentage of eligible registrants placed in jobs was higher in the two AFDC/AFDC-UF sites than in the three FS sites (Line 5a of Table 4-2). Typically, though, fewer than 5 percent of the registrants were placed in jobs by the ES.

A second approach to evaluating the level of service offered by the ES involves determining the proportion of total jobs found by persons in the group that were found for them by the ES. Whereas 51 of 1310 registrants found jobs via the ES, only 544 of the 1310 found any job during the survey period. Among the 544, as the data in

TABLE 4-1

Manpower Services Offered to Registrants, By City and Sex

	MALES					FEMALES		
	Ft. Worth	Memphis	Omaha	Rochester	San Diego	Ft. Worth	Memphis	Omaha
1. Eligible for Work Test[a]								
Number	161	216	145	33	81	78	233	59
Percent	100	100	100	100	100	100	100	100
2. Referred to Jobs (Percent of Line 1)	15	21	16	49	19	9	12	9
3. Shown Job Lists (Percent of Line 1)	19	35	19	49	43	12	24	10
4. Given Search Money (Percent of Line 1)	0	0	0	6	4	0	0	0
5. Given Interview Lessons (Percent of Line 1)	0	0	0	15	7	0	0	0
6. Given Training (Percent of Line 1)	0	0	0	9	2	0	0	0
7. Given Public Jobs (Percent of Line 1)	0	0	0	0	1	0	0	0
8. Given Day Care (Percent of Line 1)	0	0	0	0	0	0	0	0

See Table 3-1, footnote a.

TABLE 4-1

Manpower Services Offered to Registrants, By City and Sex

MALES					FEMALES				
Ft. Worth	Memphis	Omaha	Rochester	San Diego	Ft. Worth	Memphis	Omaha	Rochester	San Diego
161	216	145	33	81	78	233	59	116	150
100	100	100	100	100	100	100	100	100	100
15	21	16	49	19	9	12	9	10	16
19	35	19	49	43	12	24	10	12	31
0	0	0	6	4	0	0	0	3	3
0	0	0	15	7	0	0	0	1	5
0	0	0	9	2	0	0	0	3	5
0	0	0	0	1	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0

See Table 3-1, footnote a.

TABLE 4-2

Referrals For Job Offers Received, and Placements Made Among Registrants, By City and

	MALES					FEMAL		
	Ft. Worth	Memphis	Omaha	Rochester	San Diego	Ft. Worth	Memphis	Omaha
1. Number of Eligible Registrants	161	216	145	33	81	78	233	59
2. Number Finding Jobs Via All Channels	89	106	87	18	62	20	48	17
3. Number Referred to Jobs by ES	24	45	23	16	15	7	28	5
4. Number Who Received Job Offers From ES Referral	9	17	5	7	7	2	7	2
5. Number Finding Jobs From ES Referrals	6	9	4	6	5	1	4	2
a. As Percent of Line 1	4	4	3	18	6	1	2	3
b. As Percent of Line 2	7	8	5	33	8	5	8	12
c. As Percent of Line 3	25	20	17	38	33	14	14	40
6. Number Who Received Job Offers	24	26	18	7	23	2	17	2
7. Number Finding Jobs From Employers Directly	19	19	13	4	21	2	13	0

TABLE 4-2

rals For Job Offers Received, and Placements Made Among Registrants, By City and Sex

MALES					FEMALES				
Ft. Worth	Memphis	Omaha	Rochester	San Diego	Ft. Worth	Memphis	Omaha	Rochester	San Diego
161	216	145	33	81	78	233	59	116	150
89	106	87	18	62	20	48	17	19	78
24	45	23	18	15	7	28	5	12	24
9	17	5	7	7	2	7	2	8	11
6	9	4	6	5	1	4	2	6	9
4	4	3	18	6	1	2	3	5	6
7	8	5	33	8	5	8	12	32	8
25	20	17	38	33	14	14	40	50	38
24	26	16	7	23	2	17	2	11	36
19	19	13	4	21	2	13	0	8	34

line 5b of Table 4-2 indicate, with the exception of Rochester, roughly 7 or 8 percent of total job placements were placements made by the ES. These figures can be compared with one from a study in Illinois in 1965, where the director of the ES reported that 11.8 percent of all job placements were ones made by the ES.[11]

A third way of evaluating the level of service is to look at the proportion of ES referrals that resulted in placements. In all, 199 of the 1310 eligible registrants received one or more ES referrals and, again, 51 of the 199 found jobs as a consequence of the referrals. Though the numbers involved are very small for each city-sex group, one point to be noted is that the placement/referral rates in line 5c of Table 4-2 are higher for both men and women in the AFDC/AFDC-UF cities than in the FS cities. Generally, the rates vary between 20 to 40 percent. These placement/referral rates may be compared with the ratio of placements to referrals for the ES as a whole. During the late 1960's, 44.9 percent of total ES referrals resulted in a placement, and in fiscal year 1974 it was 52.3 percent.[12] In the special New York study, 40.4 percent of referrals resulted in placements.[13] Finally, the percentage of referrals resulting in placements for the national caseload of FS registrants in fiscal year 1974 was 50.1.[14] Now it is less clear that the level of service received in this sample was below that of the normal ES applicant.

A last comparative view of the ES service can be gained by comparing our findings with those of other studies. A 27-week study of

unemployed workers in New York found that only 20.4 percent of a test group and 13.1 percent of a control group received a job referral from the ES. The record on placement was 8.8 percent for the test group and 4.9 percent for the control group.[14] In a very recent study of two local ES offices in Missouri, the referral rate among UI beneficiaries was 16 percent.[15] Lastly, an internal USDOL study of the ES registration program produced data on a national basis for fiscal year 1974, the year during which this study was done. It showed that while 32.7 percent of all ES applicants received referrals and 17.1 percent were placed, only 15.9 percent of FS registrants received referrals and 8.0 percent were placed.[16] These indicators of ES service activity suggest that FS and AFDC/AFDC-UF recipients in this study received less extensive service than the usual ES applicant, although treatment comparable to the national pool of FS registrants.

It is not unreasonable to infer from our data that the lower referral rates for FS and AFDC/AFDC-UF registrants reflected relatively careful selectivity on the part of the ES. In chapter 3, it was evident that the ES does interact with a high fraction of registrants, especially in some cities, but has a relatively uniform low level of referrals. In places like Memphis and San Diego, the interactions between the ES and clients seem quite extensive. Referrals, however, are not. We suspect that ES officials make a judgment that there is little payoff to referring some clients and adjust their behavior accordingly.[17] In this connection,

it should be noted that a relatively large number of eligible registrants -- 33 percent for all five cities combined -- claimed that they were not seeking work altogether during their period of unemployment. Many of these suffered from health problems and probably were in our sample by accident. (Those with evidence of a disabling medical problem are exempt from the work test, but their problem is sometimes not discovered until they are first called in to the ES.) There is thus a high probability that many in this group were ineligible for the work test for health or other reasons. In later statistical tests, this group is excluded. It is included, however, in the sample used for calculating the numbers in this chapter, which therefore should be viewed with great caution.

Consider finally an additional aspect of the job referral process: job offers were not often refused. For the sample as a whole, three-fourths of the registrants accepted those jobs which they were offered either through referrals by the ES or by contacting an employer. For ES jobs separately, the acceptance rate was 69 percent compared to 80 percent for self-found offers. These percentages are consistent with national data from the 1973 survey which indicated that 68 percent had not turned down a job offer if they were white and 77.8 percent if they were non-white.[18] The unemployed in The Job Hunt accepted a somewhat higher proportion, 83 percent.[19]

III. CONCLUSION

Job search is a difficult subject to study, since only limited aspects of the process can be observed. Measures like the sources of job information used or the number of visits to employers reveal little about the quality of search. A critical question, virtually impossible to answer, is whether an individual behaves during his visits to employers in a way most likely to lead to an offer. Especially in the presence of a work test, a person may go through the formalities of searching, but in a way unlikely to result in a job offer.

A comparison of the search patterns of those in this sample with those of persons in other studies, however, can fruitfully be made. Generally, job search efforts in this sample, even in the presence of the work test, were somewhat less extensive than in other groups that have been studied. The ES did not greatly assist search, making referrals at rates somewhat below those found for the general pool of ES applicants. Except for making job referrals, moreover, the only other manpower service generally offered to registrants was the opportunity to review job listings.

FOOTNOTES

1. The eligibles are defined in the preceding chapter and in Table 3-1. All the data in this chapter are for the "eligibles" in the sample.

2. A study in Boston found that newspaper ads did draw a number of applicants from low income areas for entry level jobs which did not require specific experience or skill. Few of this type of applicant tended to be hired and voluntary turnover was high. Charles A. Myers, "Manpower Policies and the Disadvantaged," Sloan School of Management, Massachusetts Institute of Technology (multilith, no date), pp. 8-9.

3. Melvin Lurie and Elton Rayack, "Racial Differences in Migration and Job Search: A Case Study." Southern Economic Journal, Vol. 33 (July, 1976), Table A, p. 94.

4. D.I. Mackay, et al., Labor Markets Under Different Employment Conditions (London: George Allen and Unwin, Ltd., 1971) p. 357.

5. Lurie and Rayack, p. 94; Lee D. Dyer, "Managerial Job Seeking Methods and Techniques," Monthly Labor Review, Vol. 95 (December 1972), p. 30; "Job Finding Survey, January 1973," Special Labor Force Report, Summary, (August 1974), p. 5; Harold L. Sheppard and A. Harvey Belitsky, The Job Hunt (Baltimore: The Johns Hopkins Press, 1966), p. 94, Irwin Sobel and Hugh Folk, "Labor Market Adjustment by Unemployed Older Workers" in Arthur M. Ross, ed., Employment Policy and the Labor Market, p. 344; and Albert Rees and George Shultz, Workers and Wages in an Urban Labor Market (Chicago: University of Chicago Press, 1970), pp. 201-202.

6. Sheppard and Belitsky, p. 94.

7. Dyer, p. 30.

8. "Job Finding Survey," p 7.

9. "A Longitudinal Study of Unemployment Insurance Exhaustees," Interim Report (Princeton: Mathematica, May 16, 1975), p. 46.

10. David W. Stevens, Assisted Job Search for the Unemployed (Washington: W.E. Upjohn Institute for Employment Research, 1974), p. 57.

11. Rees and Schultz, p. 204.

12. U.S. Department of Labor, Manpower Administration, Office of Manpower Program Evaluation, Division of Special Studies, "Pilot Evaluation Study of the Work Registration Act Under the Food Stamp Program," Washington, D.C., July 1974, p. 66.

13. Stevens, p. 49.

14. U.S. Department of Labor, p. 66.

15. Stevens, p. 49.

16. David W. Stevens and V. Christine Austermann, "Equity and Efficiency Considerations in the Unemployment Insurance 'Work Test': An Analysis of Local Office Administrative Practice," unpublished report submitted to the U.S. Department of Labor. (October 1975), p. 54.

17. David Stevens has suggested to us that the ES Balanced Placement Formula discourages referrals that are unlikely to yield job offers. In his view, this is an important factor in explaining our findings.

18. "Job Finding Survey," p. 7.

19. Sheppard and Belitsky, p. 41.

Chapter 5

The Impact of Work Tests on Employment

This chapter will investigate the impact of the work test on two aspects of work effort. The first question considered is whether the work test succeeded in getting FS or AFDC/AFDC-UF recipients back to work. Then, among those who did get jobs, the effects of the work test on the duration of a spell of unemployment is considered.

I. METHODS OF STUDY

The problem is to determine whether any of the work test procedures affect work behavior variables -- the probability of finding work and the duration of unemployment. The study was conducted in cities with light labor markets where the work test should have the best chance of success. Respondents were asked about the following five aspects of the work test: 1) whether they were called in to the ES office, 2) whether they were called in frequently, 3) whether they were questioned about their job search efforts, 4) whether they were asked for proof of their job search efforts, 5) whether they were referred to a job by the ES. Unfortunately, these treatments are not independent of each other since, for example, a person cannot be called in frequently or questioned unless he has first simply been called in. The effect of being called in is thus likely to vary depending on what other treatments the individual receives. In order to separate the effects of these treatments, individuals were grouped together on the basis of the combination of treatments they received. Dummy variables were constructed for five of the combinations. Each of the following dummy variables equals unity

for an individual under the indicated situation, zero otherwise.

1) CALLED: called into the ES office, but not called in frequently, not questioned, not asked for proof, not given a referral.

2) CALLED FREQUENTLY: called into the ES office frequently, but not questioned, not asked for proof, not given referral.

3) QUESTIONED: questioned about job search efforts, but not asked for proof, nor given a referral.

4) PROOF: asked for proof of job search efforts.

5) REFERRED: referred by the ES to a job.

Very few individuals were both referred and asked for proof so no attempt was made to separate variables (4) and (5). Otherwise, the categories are mutually exclusive. An individual receiving some ES treatment will have zeros for four of these variables and a value of unity for only one variable. Those receiving no ES treatments have zeros for all five variables.

Since individual characteristics besides the work test treatment received are likely to affect each of the dependent variables, it is necessary to control for these other characteristics if the work test effects are to be isolated. The questionnaire provided information on a variety of demographic and economic characteristics of each individual from which the following control variables were constructed.

1) NHEAD: equals one if the individual is not a head of the household, zero otherwise. (Not available for females.)

2) UHEALTH: equals one if the person has a health problem limiting the amount or kind of work he can do, zero otherwise.

3) BLACK: equals one if the person is Black, zero otherwise.

4) FAMINC: income of the family, excluding the earnings of the person interviewed.

5) AGE

6) EDUC: number of years of school completed.

7) SEARCH: index of job search, which equals the number of weekly calls on employers + number of weekly visits to employment agencies + number of different channels of job information used + (5, if the person claimed he was always looking for work, or 0, if he was only looking some of the time).

The five work test variables and the control variables are included as independent variables in the regressions presented in this chapter. An additional control variable that might be important is sex. Since differences by sex might be large, it was decided to run separate regressions for males and females. Similarly, differences by city could be substantial especially in work test treatment. It was decided to run the regressions separately by city. Thus, for each dependent variable, there are separate regressions for each sex in each city. Although our intention was to include the full set of independent variables in each regression, in some cases the computer was unable to include a variable due to an insufficient F-level or tolerance level.

A complication arises in interpreting the results. If the ES is selective in who it treats under the work test, the effects of the work test on work behavior will be clouded. Two types of ES selectivity are conceivable. One involves applying the work test to those with the highest probability of returning to work anyway -- the cream of the crop -- and sometimes is called "creaming." The other involves concentrating ES pressure on those with the greatest reluctance or difficulty in returning to work and may be called "pressuring." In Chapter 3, except for the differences in treatment between males and females, no evidence was found that the ES is selective in whom it treats. However, the evidence depended completely on individual characteristics that we could measure. When the welfare office sends the name of a new

registrant to the ES, it also sends information on the work history of the person, data which we did not have. Since such information might be useful in predicting future success in returning to work, the ES may be able to use it for either creaming or pressuring.

The work test, if it is successful, will tend to increase the probability of returning to work (or to reduce the duration of unemployment). In the presence of creaming, it will appear successful, but the success may result from the creaming rather than from the work itself. If creaming takes place, those work tested will be the ones with the highest probability of returning to work so that there will be an association between being work tested and returning to work. The regression coefficients of work test variables may reflect only this association, not a causal relationship of the work test on returning to work. In the presence of pressuring, the distortion will work in the opposite direction. Those work tested will tend to be those least likely to return to work. If then the regression coefficients show a negative effect of the work test on the probability of returning to work, it is not the result of a perverse causal relationship, but rather a consequence of pressuring. There is thus an indeterminancy in our regression results on the work test. Success of the work test in getting people back to work may be only apparent -- a result of creaming. Lack of success, too, may be misleading since pressuring tends to hide success. If it were possible to control for all individual characteristics by including the relevant variables in the regression, neither creaming nor pressuring would create statistical problems.[1]

It should be noted that the regression samples exclude those who claimed not to be seeking work at all. As indicated in Chapter 3, it is believed that many of these were really not subject to the work test.

II. THE PROBABILITY OF FINDING A JOB

Success in find a job is measured by a dummy variable equal to unity if the person found a job after a spell of unemployment in which he was work tested, zero if he did not. This dummy variable is used as the dependent variable in regressions for males reported in Table 5-1 and for females in Table 5-2. Predictions based on these regressions will generally lie between zero and unity, and can be interpreted as the probability of finding a job, conditional on the specified values of the independent variables.

Actually, predictions based on regressions with such a dummy as dependent variable can easily lie outside the 0, 1, range, a problem overcome by logit analysis. In addition it is known that such regressions suffer from heteroscedasticity, a problem that reduces the reliability of estimates, but does not bias them. Although these problems could be serious, they are not necessarily so. Therefore, ordinary regression is used.

In evaluating the regression results, it should be remembered that the list of independent variables included is long, increasing the risk that some of them will be highly correlated and thus will appear insignificant. Therefore, coefficients should be checked first for significance, but even if they do not pass that test, they should be judged by whether their signs are appropriate. In general the values of R^2 are low, indicating that the probability of finding work remains largely unexplained even after accounting for the effects of the work test and the measured control variables.

TABLE 5-1

Probability of Finding Work, Males

	Ft. Worth	Memphis	Omaha	Rochester	San Diego
1. CALLED	-.1192 (.1448)	.0317 (.0924)	-.2791 (.1078)	-.4960 (.4037)	.1478 (.1641)
2. CALLED FREQUENTLY	-.2137 (.2153)	.2067 (1538)	-.2546 (.2546)	-.3939 (.3032)	.0839 (.1331)
3. QUESTIONED	.1796 (.1978)	*	-.3762 (.1413)	*	.2341 (.1659)
4. REFERRED	.0374 (.1422)	-.0165 (.0928)	-.2458 (.1030)	-.2216 (.2685)	.0528 (.1129)
5. PROOF	.1131 (.1699)	-.0928 (.0985)	-.2371 (.1907)	-.2716 (.2713)	-.0203 (.1152)
6. SEARCH	.0102 (.0064)	-.0055 (.0061)	.0039 (.0052)	.0090 (.0084)	.0081 (.0052)
7. NHEAD	.0217 (.1211)	-.3078 (.0928)	-.2205 (.0891)	-.5802 (.2868)	-.1454 (.0984)
8. UHEALTH	-.2885 (.0925)	-.2691 (.0971)	-.0791 (.0941)	.1169 (.3150)	-.1419 (.1011)
9. BLACK	-.1388 (.0941)	-.0527 (.1041)	-.2038 (.1137)	.0255 (.2134)	-.0202 (.1187)
10. AGE	.0037 (.0040)	-.0048 (.0041)	*	-.0323 (.0148)	-.0064 (.0043)
11. EDUC	-.0180 (.0132)	.0298 (.0186)	-.0045 (.0130)	*	-.0188 (.0160)
12. CONSTANT	.7337	.7218	1.0068	1.9332	1.4121
R^2	.1540	.1582	.2257	.4517	.2265
n	135	169	114	29	70

Standard errors of the coefficients appear in parentheses

*Variable omitted because F-level or tolerance level insufficient.

TABLE 5-2

Probability of Finding Work, Females

	Ft. Worth	Memphis	Omaha	Rochester	San Diego
1. CALLED	.0785 (.2586)	-.0781 (.0866)	.0745 (.2313)	-.4103 (.2186)	.0592 (.1260)
2. CALLED FREQUENTLY	*	.3786 (.2188)		-.1704 (.3200)	
3. QUESTIONED	-.2427 (.3335)	*	*	-.5551 (.3159)	-.3777 (.3057)
4. REFERRED	-.3758 (.2372	.1107 (.1336)	.3094 (.4225)	.2874 (.2394)	-.0905 (.1248)
5. PROOF	1.0190 (.5830)	-.1022 (.1544)	-.5141 (.5553)	-.2049 (.3068)	.0258 (.1093)
6. SEARCH	.0368 (.0167)	.0054 (.0064)	.0159 (.0165)	.0069 (.0168)	.0028 (.0059)
7. UHEALTH	.0954 (.2096)	-.1686).1139)	.2153 (.2868)	-.1871 (.1670)	-.2732 (.0890)
8. BLACK	-.1542 (.1961)	-.2373 (.1448)	.1725 (.3350)	.1092 (.1707	-.0598 (.1217)
9. FAMINC	-.0003 (.0024)	.0006 (.0011)	.0026 (.0027)	.0022 (.0017)	-.0011 (.0008)
10. AGE	-.0039 (.0071)	.0055 (.0035)	.0106 (.0070)	.0093 (.0098)	.0105 (.0041)
11. EDUC	-.0154 (.0403)	.0054 (.0217)	.0523 (.0551)	.0334 (.0376)	.0143 (.0178)
12. CONSTANT	.5251	.2942	-.8233	-.2581	.3617
R^2	.2438	.1139	.2660	.3169	.1886
n	45	143	31	45	105

Standard errors of the coefficients appear in parentheses.

*Variable omitted by computer because F-level or tolerance level insufficient.

A. Males

If the work test is successful, it should increase the probability of returning to work, so that the work test variables should have positive coefficients. It is striking to note that all work test coefficients for Omaha and Rochester are negative, a result explainable only by pressuring. Indeed, CALLED, QUESTIONED, AND REFERRED are significant in Omaha. It may be that pressuring does succeed in getting some people back to work that otherwise would not have done so, but this cannot be deduced from the results. Whether there is success or not, however, the pressuring may be consistent with the intentions of the work test program. In particular, in Omaha the results indicate that the ES concentrates its efforts on those least likely to go back to work on their own.

In contrast to Omaha and Rochester, all coefficients of work test variables are positive in San Diego except for PROOF. None are significant. The positive coefficients may result from creaming, but if so it is a very weak process. These results may also indicate a very weak success for the work test in San Diego. Indeed, if the work test is to succeed anywhere, it should be in San Diego where it is most stringently enforced. The results are even weaker in Memphis and Fort Worth where the signs of the coefficients are mixed. The possibility remains that in these cities a genuine work test success is combined with pressuring in a way that the effects of the two just cancel each other, but it is not a likely coincidence. It thus appears that except for San Diego, where the evidence is weak, there is little indication of work test success in getting people back to work.

To see further the implications of the coefficient estimates, Table 5-3 presents predictions of the probability of returning to work. The base for comparison is a person who is head of his family, healthy, white, age 30, with 12 years of education, and with a score of 10 on the index of search. The probability of returning to work is predicted for such a person based on the regression coefficients in four situations: first that he is subjected to no work test and then to three different combinations of work test treatments indicated by the variables CALLED, QUESTIONED, AND PROOF. It should be remembered that many of the indicated differences in probability are not significant. The predicted probabilities exceeding unity illustrate the hazards of regression as opposed to logit analysis.

Considering now the other regression coefficients, SEARCH has the expected positive sign everywhere except in Memphis, although it is never significant. Non-heads have a lower probability of returning to work everywhere except in Fort Worth, and the difference is significant in Memphis, Omaha, and Rochester. The unhealthy have a lower probability outside of Rochester, but is is not significant. Although there are few significant coefficients among these variables, there is at least some consistency in signs across cities.

B. Females

For females no work test coefficient is significant. The only pattern in coefficients emerges in Rochester where all work test coefficients are negative except for REFERRED. This pattern can be explained by pressuring and is consistent with the findings for males

TABLE 5-3

Predicted Probability of Returning to Work, Males

	Ft. Worth	Memphis	Omaha	Rochester	San Diego
1. Not Work Tested	.7307	.8804	.9918	1.0542	1.0755
2. CALLED = 1	.6115	.9121	.7127	.5582	1.2233
3. QUESTIONED = 1	.9103	.8804	.5436	1.0542	1.3096
4. PROOF = 1	.8438	.7876	.7547	..7826	1.0552

For each indicated work test treatment the predicted probablity is calculated for a person who is head of his family, healthy, white, age 30, with 12 years of education, and with a score of 10 on the index of search. Calculations are based on the coefficients in Table 5-1.

in Rochester. Otherwise, the results for females give no clear indication of success, creaming, or pressuring. Of course, Chapter 3 indicated that the work test is applied much less extensively to females than to males.

As for other coefficients, very few are signficant. While there is some consistency in signs across cities, it is weaker than in the case of the male regressions. In short, the results are not very strong.

III. THE DURATION OF A SPELL OF UNEMPLOYMENT

Additional evidence on the effects of the work test is provided by introducing the number of weeks unemployment as the dependent variable. The number of weeks in a spell of unemployment can be measured only for those who did go back to work during the year. The sample size for these regressions is thus smaller than for the previous regressions which included also those who did not find jobs. Indeed, the remaining sample is too small to obtain meaningful results for males in Rochester or for females in Fort Worth, Omaha, and Rochester. Results for males appear in Table 5-4 and for females in Table 5-5.

A. Males

In addition to getting a person back to work in the first place, another indicator of work test success is getting him back sooner than he otherwise would have gone. Work test success in this respect should be indicated by negative coefficients for the work test variables in the duration-of-unemployment regressions. Indeed for San Diego all work test variables except REFERRED have negative coefficients. The coefficients of QUESTIONED is now almost significant at the 5 percent level. These results further support the conclusion of weak success in San Diego, although the apparent success could again result from creaming.

TABLE 5-4

Duration of a Spell of Unemployment (in weeks), Males

	Ft. Worth	Memphis	Omaha	San Diego
1. CALLED	-.5403 (3.8553)	-2.8373 (2.6766)	2.7906 (3.7869)	-8.8470 (8.5688)
2. CALLED FREQUENTLY	5.8238 (7.1335)	*	1.7524 (7.9694)	-3.8588 (7.1966
3. QUESTIONED	-2.1017 (4.5362)	.8746 (3.6694)	-2.6544 (5.0228)	-16.5200 (8.7231)
4. REFERRED	4.0171 (2.7639)	-1.6044 (2.7647)	6.6746 (3.3117)	(5.9386)
5. PROOF	*	4.9048 (3.0342)	5.3035 (6.2546)	-7.1023 (6.5963)
6. SEARCH	.0804 (.1633)	.3800 (.1944)	-.2759 (.1614)	.3764 (.2906)
7. MHEAD	-1.8553 (3.3216)	-5.6222 (2.8969)	.9818 (2.8895)	-1.3902 (5.6511)
8. UHEALTH	4.0179 (2.4720)	-1.6990 (3.3251)	2.2502 (3.0189)	*
9. BLACK	1.6763 (2.4520)	-.4392 (2.8923)	-.9315 (4.1499)	-4.0976 (5.9865)
10. FAMINC	.1896 (.0617)	.0744 (.0321)	.0079 (.0197)	.0622 (.0384)
11. AGE	-.0996 (.1003)	-.0525 (.1010)	.1412 (.0981)	.0300 (.2155)
12. EDUC	-.0678 (.3047)	*	.3767 (.4194)	.1553 (.9041)
13. CONSTANT	11.3919	10.6772	4.6258	9.9845
R^2	.1625	.1433	.1327	.2034
n	88	103	84	52

TABLE 5-5

Duration of a Spell of Unemployment (in weeks), Females

	Memphis	San Diego
1. CALLED	7.0465 (6.8502)	19.8568 (5.5178)
2. CALLED FREQUENTLY	-7.9704 (10.1601)	6.1577 (4.9182)
3. QUESTIONED	8.2660 (8.7271)	25.1793 (13.6931)
4. REFERRED	-1.0001 (9.0397)	3.0111 (4.7325)
5. PROOF	9.1595 (11.2239)	8.0707 (4.4027)
6. SEARCH	-.2327 (.5263)	-.1834 (.2202)
7. UHEALTH	.8090 (9.4253)	-2.0363 (3.7720)
8. BLACK	-1.8051 (7.4591)	-3.7328 (5.7207)
9. FAMINC	*	..0741 (.0365)
10. AGE	-.1600 (.2186)	-.0618 (.1789)
11. EDUC	.4091 (1.3507)	*
12. CONSTANT	18.7289	12.1171
R^2	.1145	.3102
n	46	67

Standard errors of the coefficients appear in parentheses.

*Variable omitted by computer because F-level or tolerance level insufficient.

In Omaha, all work test coefficients are positive except for QUESTIONED. Pressuring in this case would mean that the ES concentrated its efforts on those with the longest spells of unemployment and would show up in the forms of positive coefficients of the work test variables. The coefficients for Omaha tend to be consistent with the existence of pressuring. However, the only significant coefficient is that of REFERRED, while three work test coefficients were significant in the equations for the probability of finding work. It thus appears that in Omaha pressuring carries over to those who are out of work for longer periods of time, but the main pressure is applied to those who do not go back to work at all.

In Fort Worth and Memphis, there is no evidence of an effect of the work test on the duration of unemployment.

As for other coefficients, the most interesting result is that FAMINC has a positive coefficient in every city, significant in Fort Worth and Memphis. This indicates that males with more income available in their families tend to delay their return to work.

B. Females

Sample sizes were adequate to run this regression only in Memphis and San Diego. In San Diego all work test variables have positive coefficients, significant for CALLED and QUESTIONED. Although positive coefficients in the duration of unemployment equations are consistent with pressuring, that seems to be an unlikely interpretation since no evidence was found in the probability-of-finding work equation for females in San Diego. Instead, the positive coefficients probably indicate that the ES in San Diego did not get around to questioning females until

they had already been out of work for a long time. For females in Memphis, there is no evidence of effect of the work test.

IV. CONCLUSION

Two aspects of work behavior were studied: the probability of returning to work within the year studied and, for those who did get jobs, the duration of their spell of unemployment. For females, no significant effect of the work test was found on either of these variables. in any city. For males a weak tendency to increase the probability of returning to work and a slightly stronger effect in reducing the duration of unemployment were found in San Diego. Being questioned about job search activities seemed to be the work test treatment with the most important effect. However, these effects were not statistically significant. In Omaha, it seemed to be the case that pressure was concentrated on those who reamined unemployed. The same type of evidence appeared in Rochester, but it was not statistically significant. For Fort Worth and Memphis no work test effects were found on either work behavior variable.

Since the work test seemed to be enforced more stringently in San Diego than in the other cities studied, greater success should be expected in getting registrants back to work. That does indeed seem to be the case, but the success seems to be so small that its significance is questionable. Moreover, the survey was conducted at a time when the labor market was relatively tight. Although the work test can maintain pressure on those who do not work, we have been unable to find evidence that it has much of an effect on work behavior.

FOOTNOTES

[1] If either creaming or pressuring take place, the work test variables will depend on a variable x, representing relevant individual characteristics. If the variable x is included in the regression for the probability of returning to work, it controls for either the creaming or the pressuring, allowing unbiased estimates of the work test effects (provided the correlation between the work test variables and x is not perfect or nearly so). However, if x is omitted from the regression, it becomes part of the error term. Since the work test variables are correlated with x, they are correlated with the error term when x is an omitted variable. It is this correlation of the work test variable, with the error term that produces the biases discussed in the text.

CHAPTER 6

Conclusions and Recommendations

1. CONCLUSIONS

The work tests studied in this project are intended to get unemployed (or part-time employed) FS or AFDC/AFDC-UF recipients back to work. It was found in Chapter 3 that among the three food stamp cities studied, ES monitoring of work test registrants was most extensive in Memphis, least in Fort Worth. The AFDC/AFDC-UF work test in San Diego engaged in even more extensive monitoring. In these cities, as well as in the other three, ES monitoring was far more extensive for men than for women.

However, in Chapter 5 no evidence was found that the work test had a significant effect in encouraging the return to work. In every city some registrants in our sample were called in by the ES and subjected to work test procedures while others were not. The question studied was whether being work tested made any difference in the probability of returning to work or in the duration of unemployment after controlling for a variety of individual characteristics. No significant work encouragement effect of the work test was detected, although the possibility of a weak effect emerged in San Diego. In Omaha, and to an extent also in Rochester, the ES was clearly exerting pressure on those not returning to work. It is possible that some of those who did get jobs would not have done so without the ES pressure, but our techniques could not detect this possibility.

Our results then do not prove that there was absolutely no effect of the work test in getting registrants back to work. However, with the possible exception of San Diego, our methods of study were unable to discern any such effect. It is probably safe to conclude that if the work test does have a work encouragement effect, it is small.

It should be emphasized that many in the sample did return to work. What our findings show is that the return to work would have happened anyway: the work test does not appear to influence the process significantly. On the other hand, there were many in the sample who did not return to work within the period of study, in spite of work test pressure. It is conceivable that some of these individuals might be unemployable. Although information on employability is hard to obtain, some indirect evidence can be deduced by looking at those who never worked during the year. Table 6-1 gives the percentages of males and females in each city who did not work at all during the last year. It is reasonable to expect that even some of these persons worked in the past and are thus really employable.[1] On the other hand, some who worked previously may have acquired disabilities during the year and may not be able to work again. On balance it is likely that the figures in Table 6-1 considerably overstate the proportions of unemployables in the sample. Thus, it would appear that, especially for males, only a small fraction of the difficult cases are unemployable. Many of the unemployed could work, but in spite of ES effort, they do not get jobs. In the case of females, it would appear that the difficulties are greater.