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#### **ABSTRACT**

This longitudinal study examined the California Greater Avenues for Independence (GAIN) program, which mandated that recipients of Aid to Families with Dependent Children (AFDC) work, prepare for work, or attend school after their youngest child reached 6 years of age. Interviews with 255 single AFDC mothers with one or more children under the age of 13 were conducted. Data were collected before individuals began participation in GAIN, and 3 and 12 months after they started a GAIN activity. Questions focused on: (1) what participants expected and achieved from the program in educational and employment outcomes; (2) how they managed the dual roles of parent and provider; (3) what child care they sought for their children; (4) how adequate they judged their child care to be; and (5) how family conflicts and child care affected their work and educational behavior. Findings suggested that the capacity of the GAIN program to force welfare recipients to work or prepare for work was limited, and that even among those recipients who were motivated to improve their prospects for economic independence, the transition from welfare to work was not rapid. Results also showed that the Family Support Act, part of the AFDC reform act, did not address the fundamental problem of providing high-quality child care at affordable prices, a problem which was frequently cited by GAIN participants. An appendix describes the study methodology. A separately published "executive summary" has been appended. (MM)



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# GAIN Family Life & Child Care Study

Final Report

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# GAIN Family Life and Child Care Study

# FINAL REPORT

## Table of Contents

# Acknowledgements

[.	Introduction	1
Π.	The Context: Education, Training, and Employment in GAIN	7
III.	In their Own View: Expectations and Assessments of GAIN Participants	19
IV.	The Impact on Family Time and Family Stress	30
√.	The Demand and Supply of Child Care in GAIN	38
VI.	Child Care Adequacy and Tradeoffs for GAIN Participants	51
VII.	The Impact of Child Care Adequacy: Satisfaction and Success in GAIN	61
VIII.	Conclusions and Implications for Policy	68
IX.	Appendix: Study Background & Methodology	80
Χ.	References	87



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#### I. INTRODUCTION

In the early 1980s, changes in the economic, social and demographic characteristics of American families converged to push family poverty and welfare use to their highest levels since the War on Poverty was launched nearly twenty years earlier. More families were headed by a single parent, and more of these families were living in poverty. The increase in poverty combined with population growth and expansion of coverage in some welfare programs to push welfare caseloads -- and costs to the federal and state governments -- to new levels. Concern about the growth of family poverty and worries about escalating welfare costs rekindled interest in welfare "reform" among scholars, welfare advocates and policymakers across a wide political spectrum.

In 1988, Congress succeeded in passing legislation to modify the major welfare program for families with children, Aid to Families with Dependent Children (AFDC). The heart of the reform package, the Family Support Act (FSA), is a capped entitlement of matching federal funds which expand state administered welfare-to-work programs, replacing the earlier WIN work incentive program with a new, Job Opportunities and Basic Skills (JOBS) program.

To increase employment among welfare recipients, the FSA combines the "carrots" of new services with the "sticks" of penalties for nonparticipation. At least one parent from all AFDC families is now required to work outside of the home or to participate in JOBS education or job search activities unless they have a child under age three; states are allowed, at their discretion, to lower the age of exemption from three years to one year. States are instructed to guarantee clients access to child care as a condition of participation, and an open-ended entitlement is provided to match state expenditures on JOBS-related child care. The annual federal authorization began with \$600 million in



1989, and increases to \$1 billion by 1996.

The FSA supports new activities in state welfare programs which are designed to increase the self-sufficiency of AFDC recipients. The FSA also straddles, without resolving, many difficult and long-standing tensions in welfare, family and child care policy. Although designed as welfare reform, for example, the FSA does little to change the eligibility or benefit structure of AFDC, which are criticized both for fostering dependency and perpetuating poverty. Although the goal of the FSA is to increase the economic self-sufficiency of AFDC recipients, it does not address many market and family constraints which limit the capacity of single mothers, who constitute the majority of AFDC recipients, to support their families. Although the FSA makes a substantial new investment in targeted child care subsidies, it does not address problems in the supply, quality or ongoing affordability of care.

These paradoxes may have important consequences for the success of the FSA and state-level JOBS programs, and for their impact on participating AFDC recipients and their children. As the FSA and JOBS programs are implemented nationally, researchers and policymakers are looking for evidence of their effects on welfare use and earnings. Equally important questions, often overlooked, concern the success of the FSA as family policy and as child care policy, and the non-economic impact of JOBS programs on participating families. How will AFDC recipients perceive opportunities and obligations of the JOBS program? How will different segments of the welfare population benefit from JOBS education and training services? How will low income parents, particularly the single mothers who dominate the welfare caseload, manage the dual responsibilities of employment and family? What quality of care will their children receive while they attend JOBS training programs? And what implications will these child and family factors have for the economic success of low-income parents?



This study addresses questions of the non-economic impacts of the FSA, by examining the experiences of 255 single parent AFDC recipients who enrolled in the California JOBS program between 1989 and 1991 (the Greater Avenues to Independence or GAIN program). The study explores how these recipients fared as they entered the mandatory welfare-to-work program, began the transition to school and work, and arranged child care during and after program participation.

This study is not an implementation study which describes the steps through which counties implemented their JOBS programs. Nor is it a controlled, experimental study of the impact of program services on welfare receipt and earnings. Instead, the longitudinal, one-group design of this study provides a detailed examination of the GAIN program experiences from the perspective of its participants: what they expected and what they achieved in educational and employment outcomes, how they managed the dual roles of parent and provider, what child care they sought for their children, how adequate they judged that care to be, and how family conflicts and child care affected their work and educational behavior.

## Background

California was one of the first states to initiate education and training programs for AFDC recipients under the WIN demonstrations of the 1980s. Starting in 1985, the California Greater Avenues for Independence (GAIN) program mandated that AFDC recipients work, prepare for work or attend school after their youngest child reached age six. Following passage of the federal Family Support Act (FSA) and Job Opportunity and Basic Skills (JOBS), participation became mandatory for all recipients whose youngest child was at least three.

Like many states, California has adopted a mixed strategy for its welfare to work



program, using an assessment-driven model to provide a range of job search, education, and training services. Local GAIN programs may provide case management, job assessment, job clubs and job search activities directly, or contract some or all of these services to local agencies. Vocational training providers are also diverse, involving various counties' private vocational schools, community colleges, high schools, and JTPA programs.

Case management and payment for support services are the core of the distinctively new services provided by county GAIN programs. As clients move between various educational and job readiness components, their GAIN case manager is responsible for developing and monitoring "contracts" which specify client responsibilities for participation, and those support services -- including child care, transportation and minor school expenses -- which will be paid for by the county.

GAIN child care services are provided through vendor-voucher arrangements with family babysitters and private daycare providers. Referral services are provided by GAIN staff or through contract with local Resource and Referral programs; payment is provided by the GAIN program up to one and one-half standard deviations above the prevailing market prices for the type of care.

The GAIN Family Life and Child Care Study

The GAIN Family Life and Child Care Study used a prospective, longitudinal design to study the program and family experiences of single mothers participating in the California GAIN program. A total of 255 single mothers with one or more children under the age of 13 were recruited from three counties as they entered the GAIN program. Subjects were recruited between January 1990 and September 1990; interviews began in January 1990 and were completed by September 1991. Data were collected through



structured telephone interviews at three points in time: before participation, three months after starting a GAIN activity, and 12 months after starting.

Because of the limited number of counties in this sample, and the definition of the sample population, results cannot be generalized with complete confidence to other regions of the state or the country. Nonetheless this study describes the child care and family experiences of an important segment of the AFDC population in the JOBS program in California and may point to policy and programmatic issues faced elsewhere.

## Overview of Report

This report summarizes findings for the following research questions:

### II. The Context: Education Training, and Employment in GAIN

What were the educational and employment experiences of single parents in the GAIN program? How did program activities differ for various subpopulations? What factors predicted attrition from the program? What share of those who began working were able to exit welfare and to escape poverty?

## III. In their Own View: Expectations and Assessments of GAIN Participants

What did AFDC recipients hope to accomplish by enrolling in GAIN? What problems did they expect to encounter from the GAIN program? Looking back after one year, how did they assess the program?

# IV. The Impact on Family Time and Family Stress

How did the GAIN program affect the family life of single parents? Did they experience heightened levels of role conflict or stress? How did that conflict affect their success in the program?

# V. The Demand and Supply of Child Care in GAIN

What child care did GAIN clients arrange for their children? How did they pay for that care? Did child care or payment arrangements change after exiting GAIN?

# VI. Child Care Adequacy and Tradeoffs for GAIN Participants



How adequate was the child care which parents used in GAIN? Were parents making tradeoffs between the safety, convenience and quality of their children's care?

# VII. The Impact of Child Care Adequacy: Satisfaction and Success in GAIN

How did tradeoffs in the convenience and quality of child care affect parents' satisfaction with care and their continued participation in the GAIN program?

## VIII. Conclusions and Implications for Policy

What are the implications for policy and future research?

The report presents research questions and findings in summary form only, using non-technical language. A complete discussion of the sample, statistical methods and findings is provided in the technical research report, available from the Family Welfare Research Group.



# II. THE CONTEXT: EDUCATION, TRAINING & EMPLOYMENT IN GAIN

As JOBS programs are implemented nationally, important questions for evaluators will concern the optimal mix of education and job placement services, and the success of local programs in enrolling and retaining AFDC recipients in services. This sample of 255 GAIN participants was constructed specifically to describe the experiences of AFDC recipients after they had completed their initial program appraisal and started into at least one subsequent education, training or job readiness activity approved by GAIN. These data cannot be used to answer questions about the rate at which county GAIN programs are enrolling AFDC clients. They can be used to illuminate the dynamics of program participation once clients are enrolled: the type and duration of job preparation activities, rates of client participation and attrition, differences in program activities among client sub-groups, and interim employment success.

#### Education, Training and Employment Activities

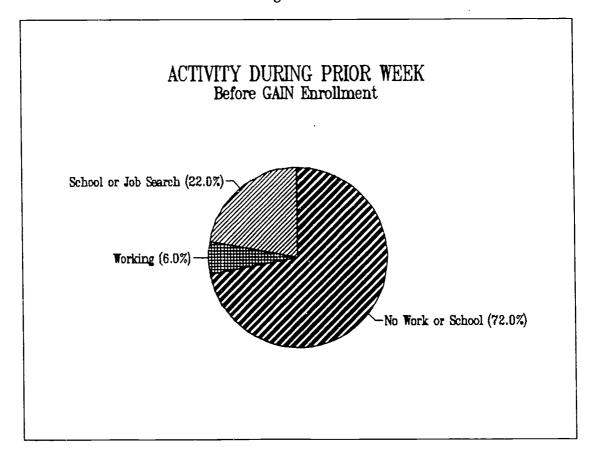
During the twelve months following their orientation, most GAIN enrolles in this sample remained active in work or education activities. At the 12-month follow-up, women reported working or preparing for work an average of 34 weeks out of the year. Nearly half (47%) had started two or more different GAIN-sponsored components. Considering all (multiple) enrollments during the year, over half (53%) had enrolled in a basic or remedial education program; 45% had attended vocational training or community college programs; 39% had participated in at least one job readiness activity. Another 6% had left GAIN but started school or training programs on their own.

While most of the women in this sample were delaying work as they invested in



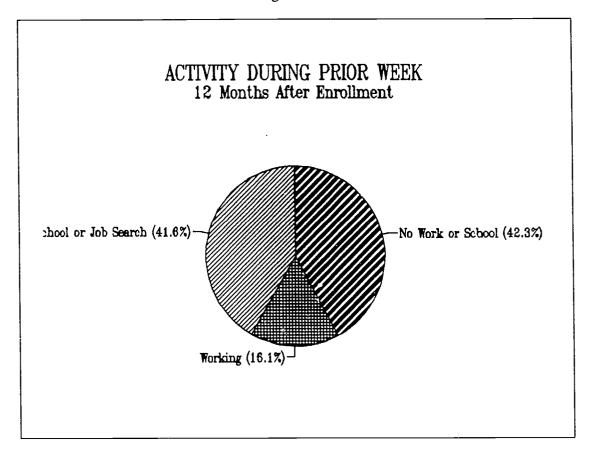
their basic education or job-related skills, employment did increase during the year. The proportion of women working any hours in the prior 13 week quarter rose from 6% at intake to 18% at one year. The mean number of weeks worked during the prior quarter also increased, from an average of less than one (0.87) at intake to 2.46 weeks after one year. (See Figures II.1 and II.2.)

Figure II.1



Because these GAIN participants were following different paths from welfare to employment -- some going quickly to work while others delayed employment to invest in education or skills -- employment rates at one year provide an interesting but incomplete

Figure II.2



measure of the initial impact of the GAIN program. A more complete indicator of progress at one year is the increase in participation in either work or job preparation activities. By this measure, progress was impressive: among the 255 women, only 28% were in school, training or jobs when they began GAIN. By the end of one year, 147 women (58%) had attended school, training or job readiness activities during the prior week, had left GAIN but gone on to school on their own, or were working, some while attending school part-time. The remaining 108 (42%) were at home full time because they had dropped out or were waiting between activities. The <u>net</u> change, by this measure, was a doubling of the proportion of women who were either working or preparing for work in the prior week --



from 28% at intake to 58% one year later.

#### Program Participation and Attrition

Twelve months after starting the program, most women in this sample were either attending school or working; a few were combining both. A sizable fraction of the sample, however, were no longer working or in school.

In part, high rates of inactivity at one year were an artifact of the fragmentation and volatility of the GAIN program itself. Cross-sectional participation measures, which freeze activities at a single point in time, miss an important aspect of the GAIN program: the fragmentation of activities and the great volatility in work and school transitions. By design, 100% of the women in this sample were in GAIN-approved school or job readiness activities at the outset; by three months after orientation 70% were working or active in GAIN; by one year, the proportion dropped to 58%. This decline was not due to a steady exit from work or school activities, however. Some clients were temporarily deferred from activity during the year for personal or family reasons, and later returned to active participation. Others experienced temporary breaks due to program factors: scheduling delays, school vacations, or lack of appropriate school or support services.

Table II.1 suggests the extent of movement in and out of "active" status during the year by comparing activity status at the three- and twelve-month follow-up contacts. At three months, 71 women were withdrawn from the program or waiting between activities. Only one-half of these women were still inactive at one year, however; an equal number were once again working or preparing for work. On the other hand, among the 163 women who were in school or training at the three month interview, nearly equal numbers were still in school nine months later (76) and at home full time because they were deferred or were waiting between activities (65).



TABLE II.1: TRANSITIONS IN ACTIVITY STATUS, 3-MONTHS AND 12-MONTHS AFTER GAIN ENROLLMENT

	Activity Status at 12 Months  Percent of all			
Activity Status at 3 Months	School or Training	Working	No Activity*	
School or Training	30%	9%	25%	
Working	<1%	5%	3%	
No Activity*	11%	3%	14%	

<sup>\*</sup>Includes clients who were deferred, deregistered and not in work or school, and those who were still registered with GAIN but waiting between components

## Variations in the GAIN Experience

One of the most important products of poverty-related research during the past decade has been data which emphasizes the heterogeneity of the population receiving AFDC, and differences in welfare use between various subpopulations of recipients. This heterogeneity is important to GAIN programs, which provide services to AFDC clients with very different backgrounds, experiences with welfare, and employment related disadvantages.

In essence, GAIN functions as at least three different programs serving three different client groups: a job placement program providing assessment, job club, and supervised job search for clients who are considered job ready; a basic and remedial education program for clients who enter the program with deficiencies in education, basic skills or english language; and a vocational training program for clients who lack skills for better paying, more stable employment. Although there are no set tracks within GAIN, and clients move between these components over the course of time, this three-way grouping is useful for describing both the client population and their GAIN activities.



At the three month contact, 99 (39%) women in this sample indicated that their most recent GAIN activity had been remedial education. By several measures, these women were the most disadvantaged as they entered the program. They were the youngest mothers, and their children were slightly younger than the sample mean. They had much less education than other participants and the lowest rate of paid employment in the two years prior to GAIN enrollment. Then also fared worse on measures of AFDC receipt most often linked with long-term welfare use: they had been on AFDC more years, on average, and had first received welfare when they were two to three years younger than women in either job search or vocational activities.

Three months after enrollment another 55 women reported that their most recent activity in the program had been a job search activity. These women entered the program with employment, education and family circumstances which were the most promising for rapid employment. On average, clients in the job ready track were older and had older children than other participants. They had completed slightly more than 12 years of school, a level of education significantly higher than other women in the sample. A significantly greater proportion reported working during the two years before enrolling in GAIN. On average, they had spent the fewest years on welfare since their most recent case opening, and had first received welfare at an older age than their counterparts in other GAIN tracks.

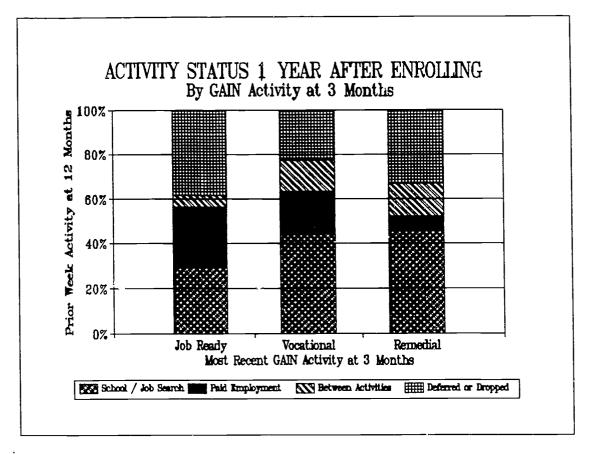
A final 101 (40%) women reported that they had been in <u>vocational training</u> at three months. In their background characteristics and employment prospects, the vocational education clients fell somewhere in between the remedial and job-ready clients. They were older than those in the remedial track but younger than those in the job-ready track; they had more education and more recent work experience than the remedial group but less than the job-ready group; they had received welfare for fewer years, and started at

a later age than their peers in the remedial path, but had longer and earlier welfare histories than the women judged job-ready. The women in the vocational group were significantly more likely than other to have sought out the GAIN program on their own. Over half (53%) were women with children under 3 who had volunteered for the program; more than half of the women in this track (53%) had also entered the program as self-initiated participants already enrolled in school or training programs.

With diverse backgrounds and varied educational and employment needs, women also took different routes through the GAIN program, and achieved different outcomes during the year. The women who were in remedial education at the three-month point entered GAIN with the greatest signs of disadvantage, and, if success is measured by work or school attachment, their progress during the year was the most ambiguous. The majority (57%) had enrolled in only a single, remedial education program during the year; only a few had gone on to GAIN-sponsored vocational training (20%) and/or job search activities (20%). They reported working or going to school significantly fewer weeks of the year (32 weeks) than their counterparts in vocational education (although slightly more than the job ready clients). At the end of one year, 45% were still in educational or job search activities; another 7% were working. Although a slim majority were still working or preparing for work, nearly as many were home because they were waiting between activities (15%), or had been deferred from or dropped out of the GAIN program (33%).

By the end of one year, women who were in <u>vocational training</u> at three months had taken the most stable course through GAIN. Most had continued in a single vocational training program during the year. Of all three groups, they were the most active: in school or work for 40 weeks of the year on average. At the 12 month contact, attrition was lowest for these clients: 44% were still in school or job search activities and 16% had started paid employment. (See Figure II.3.)

Figure II.3



Clients who were in job search at three months had the most volatile school and employment experiences during the year. Nearly half began two or more different GAIN-approved job preparation activities during the year. Most activities for this group were short-term, however; they were active fewer weeks out of the year (28 weeks) than women in either the remedial or vocational groups. By the end of the year, more of the women in this group were working (22%) than in either of the other groups. Another one-third were in vocational training or supervised job search, either through GAIN (24%) or on their own (11%). Although many of the women in this group were continuing with work or work-preparation activities drop-out rates by the end of the year were highest in



this group of clients: over one-third (38%) had been deferred or had dropped out of GAIN and were not working or in school.

## Employment and Earnings After One Year

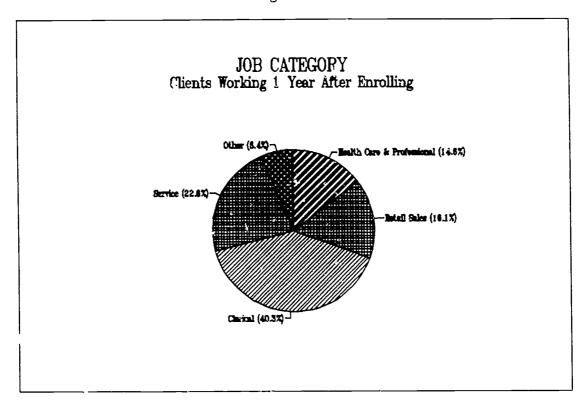
Evaluations of welfare to work demonstrations have converged in their findings that education, training, and job search services can have a statistically significant but generally small impact on employment and welfare use. Actual earnings gains for participants have been too minor to have a substantial impact on family poverty, however. The one-year follow-up with this sample of GAIN clients echoes other findings in suggesting that despite improvements in earnings and some reduction in welfare receipt, progress in escaping poverty was very limited.

Like participation in GAIN activities, employment was turbulent for the 255 women in this sample over the one year period. One-third (84 or 33%) of participants worked at some point; by the end of the year, however, only about half of the 84 women (47 or 56%) who started work were still employed.

By in large, those clients who went to work continued in relatively low-paying clerical and service jobs, usually without benefits. Women with any paid employment during the fourth quarter after enrolling in GAIN (n=62) were employed most frequently in clerical, data entry, word processing and similar jobs (41% of those who worked during the quarter). Nearly one-quarter (23%) worked in service jobs, and another 16% in retail sales (see Figure II.4). Most of the women worked at least 30 hours weekly (73%); median wages were \$7.29 per hour, very similar to the average reported by other GAIN "graduates" in theses counties. Only 27% of jobs provided health insurance, however, and less than half of women had subsidized child care.



Figure II.4

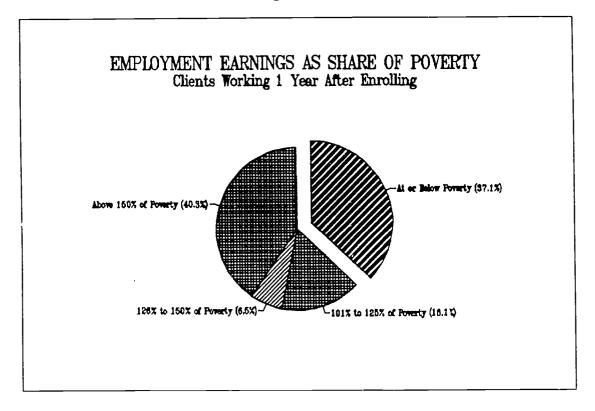


Two key questions about the economic impact of GAIN concern the ability of the successfully employed GAIN "graduates" to leave welfare and to escape poverty. By the one year point, nearly one quarter (24%) of these single mothers had worked in the prior quarter, this translated into greater self-sufficiency for some and a small decrease in welfare use. But many were still poor or near-poor.

The poverty status of employed women was determined by calculating the annualized pre-tax weekly earnings as a proportion of the poverty line adjusted for family size. For the 62 women who worked in the fourth quarter after enrolling in GAIN, actual pre-tax earnings would have left 37% living at or below the poverty line if they depended on their earnings alone; over half (53%) were earning less than 125% of the poverty line (see Figure II.5).



Figure II.5

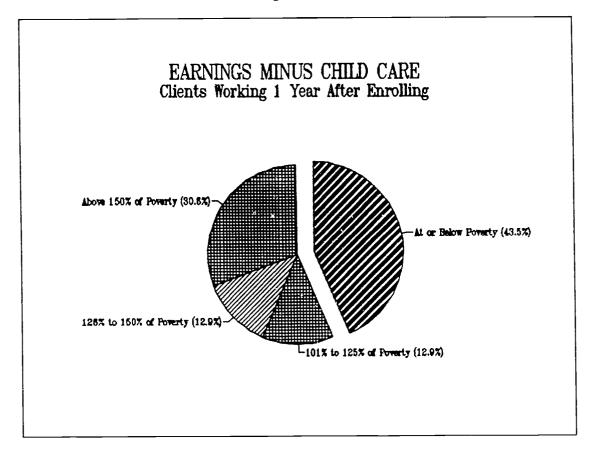


Less than half of these women (42%) had any child care subsidies. When out-of-pocket child care expenses for all children in care were deducted from cash income (including those who paid the full cost of care and those who had a co-payment for partially subsidized care), nearly half of those who worked (44%) earned pre-tax incomes at or below the poverty level for their family size and 57% were poor or near-poor at 125% or less of the poverty line (see Figure II.6).

Despite an increase in their hourly earnings, these female household heads were still low earners. By the one year point, low wages rather than low work hours were more clearly the cause of continuing economic hardship. Nearly three-quarters (73%) of



Figure II.6



those who worked in the final quarter were working 30 or more hours per week. To adjust for the part-time workers, the earnings of all 62 women with work hours during the quarter were calculated as if they worked 1750 hours annually (35 hours per week for 50 weeks of the year). In this, most optimistic scenario, just over half (52%) would have had pre-tax earnings above 125% of poverty. But 29% would still have been below poverty, and another one-fifth (19%) would have been earning between 101% and 125% of the poverty line.



# III. IN THEIR OWN VIEW: EXPECTATIONS AND ASSESSMENTS OF GAIN PARTICIPANTS

The JOBS program is an explicit attempt to reduce welfare use by changing the incentives of the welfare system and the behavior of welfare recipients. The FSA has been described by many as a new "social contract" between welfare recipients and society. The requirement that most AFDC recipients work or prepare for work imposes a new, more stringent obligation on parents to support their families; the provision of job preparation activities and targeted child care benefits imposes a new, more explicit obligation on society to provide necessary assistance to these parents.

One key to the success of JOBS programs will be the extent to which welfare clients and local JOBS programs embrace the spirit as well as the rules of this new social contract. Prior evaluations of welfare-to-work demonstrations have examined the impact of various program models on employment and welfare use. But the elements of these programs in practice, how they are perceived by AFDC clients, and how they accommodate differences in the AFDC population, are still largely a "black box" for researchers and policymakers.

The GAIN Family Life and Child Care Study provides a window into this black box by describing the expectations and assessments of AFDC recipients who participated in GAIN, and the variations between clients who entered the program with different employment disadvantages and who received different program services. Their hopes and fears as they began the program, and their evaluation of program benefits after one year, suggest some of the potential and the limitations of JOBS welfare-to-work programs.



Starting GAIN: High Hopes for Success

The expectations of the single mothers in this sample as they entered the GAIN program suggest that they were more likely to view GAIN as an opportunity than as an onus. They were optimistic about achieving both personal and economic goals. Many were also acutely aware, however, of the difficulties they faced achieving stable economic independence and caring adequately for their children.

Although some women in the sample worried about the sanctions that might be imposed by GAIN, the majority entered the GAIN program with high hopes for economic and personal success. In response to open-ended questions about how they expected GAIN to help them and their children, nearly three-quarters (71%) described their expectations of GAIN in entirely positive terms. Another 21% were ambivalent, anticipating both benefits and difficulties from participation. Only 8% described GAIN in wholly negative terms.

The women expressed their hopes for GAIN in terms of both concrete assistance and expanded opportunities. Nearly half (45%) thought the program would help them return to school, get their high school degree or get specific job training; almost as many (45%) hoped for improvements in their family's economic situation, help getting work and leaving welfare. Forty percent of the women (40%) also expected to receive less tangible benefits from the program, such as improvements in motivation, organization, self-worth and relations with their children.

Many echoed the general public's approbation of welfare use and more personal sentiments of frustration with the difficulties of supporting themselves and their children; looking ahead, they spoke hopefully about achieving greater independence and setting a better example for their children through their participation in GAIN. "I've always been self-supporting," one woman explained, "I've always worked since I was 13 years old. The GAIN program is my way out. I hate being on AFDC. This is no way to raise a



child."

Expectations about child care surfaced repeatedly. Nearly half the respondents (47%) anticipated concrete benefits from GAIN, most often in the form of child care assistance. They sounded a similar refrain about the importance of child care for achieving their goals: "If it wasn't for GAIN I couldn't do it -- they're paying for my babysitter and gas to get to school". Many GAIN enrolles also saw child care as a direct benefit for their children: 38% described GAIN benefits for their children in terms of opportunities for their children to interact with other children, get a better education, prepare for school and improve their language or independence. "My child won't be a latch key kid," one mother hoped. "He'll get the child care I can't provide or afford."

Women's expectations for concrete improvements in their economic status were also high. Recent wages when entering the program averaged \$6.16 per hour -- not enough for a mother to lift herself and two children above the poverty line even if she worked full time all year (35 hours per week for 50 weeks). But looking ahead, almost all of the women expected to be working when they finished GAIN, 94% were able to name specific jobs they hoped to obtain, and the wages they were expecting to earn -- an average of \$10.74 per hour -- would have moved them close to median family income.

Although most participants entered GAIN with high hopes, a sizable minority (30%) expressed ambivalent or negative impressions of the program. When probed with openended questions about problems they expected to encounter, the most frequent concern -- expressed by 19% of all the participants -- involved rules, regulations or sanctions in the GAIN program which would prevent them from pursuing their education or employment goals, or jeopardize their AFDC benefits. "I resist the idea of someone telling me what to do," one woman explained. "I tried to volunteer but there were no funds available. Now I feel like I'm under the gun because I'm mandatory. I don't like the threat they hold

over me that they'll cut off my aid if I don't comply."

Voluntary and mandatory participants in GAIN were surprisingly similar in their expectations for the program. Overall, 76% of the volunteers and 67% of mandatory clients described GAIN in positive terms. The two groups were also nearly equal in describing GAIN expectations in terms of help with education, employment and personal and family issues. Equal proportions of both groups expected to be working after they finished GAIN, and were similar in their preferences about full- and part-time work. Volunteers were significantly more likely to anticipate help with child care, but this may have been due, in large part, to the younger age of their children. The most interesting differences emerged in their expectations about problems during GAIN participation. Significantly more of the mandatory participants (25%) anticipated problems from GAIN rules and sanctions; only 10% of volunteers anticipated such difficulties. More of the mandatory clients (12%) also foresaw practical problems with participation, such as trouble finding child care or arranging schedules, than those who volunteered (2%). While the two groups did not differ markedly in their program expectations or employment goals, the enthusiasm of the mandatory clients was more noticeably tempered by ambivalence about the demands of the GAIN program.

## The GAIN Experience After One Year

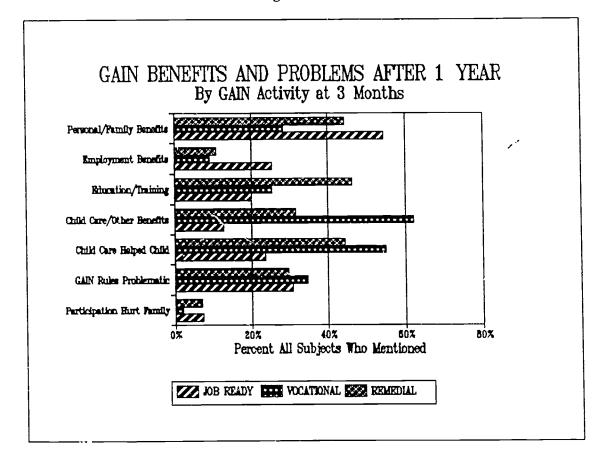
At the one-year follow-up contact, women were asked to describe how the GAIN program had helped them and any problems they had experienced. Assessments of the GAIN program were nearly as positive as initial expectations. Overall, 69% described the GAIN experience in positive terms; 31% were ambivalent or entirely negative in their evaluation.

Specific experiences with the program differed sharply, however, for different



clients. As described in the previous section, women entered the GAIN program with different backgrounds and employment-related disadvantages, and had equally varied experiences in the program. Their assessments of the GAIN program after one year mirrored these differences. (See Figure III.1)

Figure III.1



In assessing their GAIN experiences, the women in the <u>remedial education</u> group were the most positive, overall: 71% described GAIN in beneficial terms. Of all three groups, they were the most likely to describe program benefits in terms of opportunities for school or training (47%). Nearly as many (45%) also mentioned less tangible personal

benefits for themselves or their family. "School has really helped me feel better about myself," one client reported. "I couldn't even write a note before, now I can write a letter." Others described indirect benefits for their children: "[My daughter] looks at me and sees I'm going to school, she won't only know welfare, and won't grow up to be like me."

When describing specific benefits from GAIN participation, one third (34%) of the clients in this group cited concrete assistance with the costs of child care, transportation and books for school. Slightly more (41%) mentioned child care as a GAIN benefit for their children. Learning and education were important themes here too: "[My daughter] has the privilege of going to [preschool], and I'm going to school and learning so I can help her learn more."

Although most remedial clients described GAIN in positive terms, nearly one-third had left the program and were home again at the end of the year. When probed for problems they had experienced in the program, 19% indicated that GAIN regulations and sanctions posed the greatest difficulties. Some problems reflected confusion about program rules, difficulties transferring between county programs, and problems arranging child care and transportation. Other problems reflected more fundamental issues about program expectations and structure. Some women were angry and resentful about program mandates: "I just think they try to get you in there -- it doesn't really help -- they just make you do things to get off aid." Some reported that they were frustrated to be sent to remedial education when they felt ready to benefit from vocational training or supported job search activities. "You should have more options," a client observed. "If you're job ready you should be able to make that choice and not be thrown into school. I was thrown back into school 40 hours a week. I figure instead I could work 40 hours and go to school a couple of nights. But I'm between a rock and a hard place -- if I don't go,



I won't get my AFDC."

Other women who entered remedial education activities were positive about the opportunity to go to school but complained specifically about local adult schools. "[The school] was full of high-school aged students," one client complained. "They were always stoned, really distracting." For some clients, both the rewards and challenges of going back to school were great. Particularly for women returning to school after many years, the transition could be stressful and their self-esteem fragile. "A lot of teachers don't understand the situation," one student in a GED program said. "They think you want to be at home. I'm scared of school. I haven't been since I was 12 and left to work in the fields. The teacher needs to understand and be more patient."

Among women in the <u>vocational training</u> group, nearly three quarters (70%) were likewise positive in their overall assessment of GAIN. Their more specific assessments of benefits and problems differed from clients in the remedial group, however. Clients who started in vocational training -- over half of whom were already in school when they started GAIN -- described program benefits in more specific and concrete terms than their peers. Women in the vocational track were less likely than their counterparts in remedial or job-ready tracks to describe GAIN as having provided employment assistance (9%) or to have helped them on personal and family issues (28%). Although they were the most active of all groups in school and training programs, only 25% described GAIN benefits in terms of their educational programs. Instead, they described specific program assistance: over two-thirds (67%) said they had gotten help with child care, transportation and school-related expenses; nearly half (47%) felt their children had benefitted from the chance to attend child care.

Women in the vocational track cited the most concrete benefits from GAIN, but they were also more likely than clients in remedial education to report problems with the



program. Just over one-third of the women in this track (35%) described problems with GAIN rules and regulations. Some had delayed starting school to attend job search activities, with a tacit agreement that afterwards they would be eligible for job training. Others complained about having to travel to the GAIN office for meetings, delays in paperwork, or misinformation from program staff. One client who was sent to job search complained: "I would have just liked to start school. I would have finished six months earlier." From another: "It's a nice program, but if I hadn't found my training myself [from a friend in job club] I wouldn't have gotten into anything." For some self-initiated clients who were already in school, participation in GAIN was described largely as an intrusion from the state. "Its too much pressure," one client explained. "They're already in your financial business. Now they're in your school business too."

For women in vocational programs, difficulties with GAIN timelines, program rules and limitations were particularly problematic. A recurring complaint concerned the 2-year GAIN time limit for training programs. Some felt pressured to take more units in school than they could manage; others reported pressure to change their vocational goals to comply with the 24 month limit. One client dropped out of school after her GAIN counselor pressured her to switch out of her RN training because it lasted beyond the 2-year limit. She was looking for work when we talked, and expecting to earn not much more than she received from welfare. "I wasted all this time," she told us. "I'm really discouraged trying to get my R.N. I will do it on my own, I have no faith in the program. I'm spinning my wheels again."

GAIN child care was both a great boon to women in vocational programs, and occasionally a great problem. Women complained about difficulty finding care, delays in GAIN payments and reimbursements, difficulties arranging care for evening classes, and lack of care for their older children (who were ineligible for GAIN child care after turning



13). A recurring complaint was lack of continuity in care between components, or over school breaks. Some lost place in child care and had to find another; others took time off (particularly summers) because they were told GAIN would not cover their child care expenses.

Although they were less consistently positive than their peers, a majority of the women in the job ready group (63%) described GAIN in positive terms. Some of the clients in job-search activities were very enthusiastic about their GAIN experience. One client who entered GAIN at 24, for example, told us she had been receiving AFDC since she was 17 years old. One year after entering the program, she had a full time clerical job. Although she hoped to move onto a better paying job, she was getting by living with her parents and relying on them to babysit. "GAIN helped me feel I can do things," she reported. "[I] haven't been using my skills -- [I was] surprised at what I can do. It helped me get motivated so I won't rely on welfare. You have to want it yourself for it to happen."

In describing the specific benefits of GAIN participation, the women in this group were most likely to point to less tangible issues of help organizing, motivating or feeling confident about themselves (55%). Although all had been in job-readiness activities, and many had gone on to work, only 25% indicated that GAIN had benefitted them with concrete help preparing for or finding we a, or improving their economic situation.

The women in the job ready track were much less likely than their peers to point to concrete educational, training, child care or other benefits from GAIN: only 15% cited help with child care or other expenses; 22% mentioned child care as a benefit for their children. Child care benefits may have been less salient to this group of clients because their activities in GAIN were of shorter duration than those in school or training. But there is also evidence that these clients, trying to negotiate the transition to work earlier than



their peers, had more complicated child care needs and received less support from the GAIN program and other child care resources. In responding to a more specific question about how child care affected their work or school decisions, women in the job-ready track told many different stories about how child care had affected their employment choices: "I revolve around child care. It has an impact on my work hours, and I had to get a job near his school." "I quit my job because they cut me off GAIN child care; transitional child care had waiting lists." "If not for transitional child care it wouldn't have made sense to take this job."

The child care issues discussed by these clients, who had the highest rates of employment during the year, suggest the complicated role child care can play during the transition from welfare to work. The strikingly lower proportion of child care responses to questions about GAIN benefits may foreshadow a lack of support with child care during the critical transition from structured education and job readiness programs to employment.

Like their peers, over one-quarter of women in the job-ready track (31%) also reported difficulties with GAIN program regulations or services. One of the most frequently voiced complaints was lack of access to training and vocational programs. "I wanted to go to a Junior College," one woman explained. "Because I already had job experience they wouldn't let me. If I were younger or I had dropped out of school, they would have sent me to school. But they said Job Club was all they could do for me."

Some felt pressured to return to work before they had acquired job skills. Over 10% of the women initially referred to job readiness activities had dropped out of GAIN and enrolled in school on their own by the end of the year.

Looking ahead to their options for employment, even highly motivated participants were frequently discouraged by the options they faced in the job market. "It's an OK



program," one woman reflected, "But people get through and still can't find a job -maybe at Burger King, but not the kind of job they want." Another client described the
difficulty of leaving welfare for work: "Some people did get jobs, then GAIN told them
they wouldn't get child care and medi-cal. When you're on aid you get all these and
other benefits -- Section 8 [housing assistance], PG & E and CAP energy assistance. As
soon as you're working you're no longer eligible for any of that. All of the bills go up at
the same time, just the share of cost you have to pay on Medicaid can run you what you
earn. I think they'd rather give you the welfare grant than give you the part of the
package you need to get by on your paycheck."





#### IV. THE IMPACT ON FAMILY TIME AND FAMILY STRESS

Employment outcomes are one measure of success in the GAIN program, but the effects of GAIN on family life are equally important. Women's perceptions of the program and the absolute changes that occur in scheduling the daily activities of family life play a role in participants' abilities to manage the requirements of program participation. Previous research indicates that single mothers face particular challenges as they fulfill the dual roles of being a parent and provider. While transitions into the work force generally bring about changes in the scheduling of daily household activities, some women also experience heightened degrees of role strain as they manage competing demands on their time and energy. This study examined women's roles and their allocation of time to various daily activities at three points: while they were receiving AFDC; as they made the transition into the GAIN program, with its education and training component; and after the transition to employment for those women who were working after one year.

The Time Crunch: Scheduling Daily Activities in GAIN

Before enrolling in GAIN, women in this study primarily engaged in three major activities: household management, recuperative activities and leisure, and sleep. The major activity during the daytime among this sample was household management and chores, including meal preparation, cleaning, paying bills, shopping, and grooming one's self and one's children. This took approximately seven hours, each day. Another four hours of time was spent involved in more recuperative activities such as reading, playing with children, or unwinding at the end of the day. Compared to national studies of time use, non-working women in this study spent about an hour less per day involved in these



"leisure" activities than other women not employed outside of the home.1

There were no differences in women's time allocation based upon any of the variables related to family characteristics except for the time spent with children, which varied, as expected, with the age of the child. The least amount of time (about three hours per day), was spent with children aged six or older; preschool age children received an additional hour of their mother's time each day. Three and four hours per day spent directly with children is more than the average amount of time dual parent families can manage. It is also an indication of the heightened need for substitute care arrangements when women's daily schedule shifts under GAIN or work.

As women made the transition into GAIN! they invested about five and a half hours per day in one of the various educational or training aspects of the program. This, of course, was a substantial increase in time spent outside of the home and away from family. GAIN participation also brought about more time involved in transportation-related activities. Getting to training, school, or child care took an additional hour of women's time away from home (see Table IV.1).

Women slept less once they were in GAIN, however the differences were not great. During their participation in the program, the average woman lost about twenty minutes of sleep each night. Clients who were in job search at three months suffered most from lack of sleep. Compared to women participating in either remedial education or vocational training, women in job search lost about one and one half hours of sleep each night. All women lost a substantial amount of leisure and recuperative time. The number of leisure hours was cut in half, down to about two and a half hours per day. Women participating in remedial education lost more of their leisure time by another half hour. Surprisingly, women who participated in vocational training spent more time out of the home than



<sup>&</sup>lt;sup>1</sup> See Robinson, 1977,

women who participated in either remedial education or job search, yet they lost fewer hours of sleep or leisure, compared to their counterparts. This finding may indicate more about the intensity or the nature of the training which leads women to lose sleep or leisure, rather than the sheer number of hours spent outside the home.

TABLE IV.1: TIME ALLOCATION DURING PARTICIPATION IN THE GAIN PROGRAM

Activity	Previously In-active Program Participants mean hours (n=118)	Newly Active Program Participants mean hours (n=118)	t-value
Transportation	0.91	1.77	-6.35**
Sleep	9.10	8.71	1.71
Leisure	4.78	2.58	6.25**
School or Training	1.01	5.47	-15.21**
Household Management	7.52	5.26	6.38**
Time with Children (domain)	3.75	3.16	1.95*

<sup>\*</sup>  $\underline{p}$ <.05, \*\*  $\underline{p}$ <.01, \*\*\*  $\underline{p}$ <.001 two-tailed significance.

Women also reduced the amount of time they regularly spent with their child.

Down from the original three and three quarter hours per day focused on their child's needs, women lost about a half hour per day with their child once they began the GAIN program.

#### Women and Work.

At the time of the third interview, most of the women were still involved in GAIN, although 47 were working, most full time. When working, they reduced further the



amount of time spent with their children, on household activities, and on leisure pursuits.

Compared with the overall sample, however, the women who eventually became employed generally spent less time on leisure activities and sleeping even before they found a job.

#### What About Extra Time?

When the majority of women were involved in school or training during the second interview, their first response to the question: "What would you do if you had an extra hour in your day?" focused on the need for more leisure time. Almost half of the sample (49%) suggested that they would spend an extra hour "reading a book," "taking a hot bath," or "going for a walk." About 14% wanted to use the time to catch up on their sleep and 12% noted that they would spend more time with their children. Approximately 11% of the sample indicated that they would use this time to study or look for work.

Once women were employed, their responses shifted somewhat. Although the majority of women still noted a preference for leisure time (43%), the number expressing concerns about time with their children increased. About 23% of women wanted to spend more time with their children, having lost almost an hour and a half per day with their child since the onset of employment.

## Balancing Family Life and Role Strain

Women not only change their time commitments once involved in GAIN or work, but these transitions take an emotional toll on families as well. Women's perceptions of role strain -- the congruence between time with family in the role of parent and time away from family in the role of the provider -- were measured using a series of questions



33

developed by other authors in the field.<sup>2</sup>

As women experienced the transition into GAIN their scores on the role strain scale increased significantly from the baseline before enrolling in the program. Women who were participating in vocational training reported slightly higher levels of conflict than women in either job search or remedial education. As women in vocational training spent more time away from their families while in GAIN this may explain much of the internal conflict they experienced.

By the third interview, the respondents' overall level of stress had increased by about 25%. Women who were not working at the first interview but who had obtained employment by the third interview were feeling the greatest role conflict among all women in the sample. In particular, as leisure hours decreased for these women, role conflict increased and as women's jobs demanded more of their time in transportation-related activities, so too did their role strain increase. The dramatic decline in leisure and recuperative time and the increased time associated with the use (usually) of public transportation had an actual cost in minutes in addition to a perceived cost as women struggled to negotiate the dual roles associated with work or job preparation.

Although measures of role conflict describe the difficulties many women face in adapting to additional demands, a more important measure is the extent to which these changes influence women's behavior in the GAIN program. Using logistic regression analyses we tested whether family stress or time with family members was related to the odds of dropping out of the GAIN program within one year. With other factors held constant, women who reduced the amount of time they spent with children during their participation in GAIN were one-fifth as likely to continue in the program or get a job by the end of the year as the other women in the sample. Similarly, the odds of dropping out



<sup>&</sup>lt;sup>2</sup> Bohen & Viveros-Long (1981).

of the program were three-quarters higher for women who reported <u>increased levels of role conflict</u>. Although the size of women's social support network did not reveal significant differences on most measures in this study, women with <u>more extensive social support networks</u> were about one-quarter more likely to continue in GAIN or to get a job after a year.

### Job Satisfaction

Some researchers have suggested that role strain is mediated by a satisfying and challenging work environment. This study utilized a scale based upon five questions regarding work satisfaction with higher scores indicating more dissatisfaction with work. Women who were more dissatisfied with their jobs also experienced more role conflict. In general, job satisfaction was related to the type of work the women had obtained. Those who were employed in clerical or sales positions were least satisfied with their jobs. Women who were working in service jobs were somewhat more satisfied, and the few who obtained employment in health or technical fields were clearly the most pleased with their positions. As the prospects for obtaining challenging and personally satisfying jobs is somewhat limited for women with a variety of educational deficits, it is unlikely that the jobs women obtain through the GAIN program will reduce their sense of role strain. Instead, single women such as those participating in this study who obtain low-paying work will probably experience heightened role conflict for some period of time.

#### Work and Stress

Women in this sample were poor, single mothers, whose every day lives were filled with tremendous stress. In response to the statement: "My life is stressful," about half of the women (49%) answered "some of the time," or "most of the time" before they



even entered the GAIN program or found a job.

When asked to describe what it was about their lives that they found stressful, the first response generally centered on factors related to poverty. Before GAIN, during the program, and once employed, about one third of the women in this sample commented on the difficulties they faced in coping with low income, poor neighborhoods, and poor health. As one woman put it: "I have constant headaches and lots of blackouts. My doctor says it's caused by stress and high blood pressure. My middle girl has epilepsy. I worry about the neighborhood. A couple of months ago (my oldest child) opened the door to a neighbor girl and a stray bullet came through the door and grazed her. The drugs in the neighborhood scare me. If I'm not there, (my children) can get hurt. My kids could get killed in the neighborhood." These comments reflect the ambivalence many women feel about leaving their children to find jobs. When the insecurity associated with poverty is taken into account, it is no wonder that women feel increased levels of stress as they leave their homes for work. It is also important to note that although some women found jobs through the GAIN program, few were paid well, so the stress that they experienced previous to locating employment was not significantly reduced once they found a job.

Those women who characterized their transition to work or school negatively often referred to the limited amount of time they now had available for their children and the increased stress they experienced in their lives. Decreases in leisure time generally translated into higher levels of role strain, as did increases in the amount of time women had to spend traveling from home to work and back again. Role strain was also affected by the number or frequency of multiple program components in GAIN.

Poverty and stress are generally considered two of the highest correlates with family instability and child abuse. While policy initiates may have intended to reduce



stress by alleviating poverty, neither goal has been clearly achieved with the introduction of this program. Women's stress is pervasive and the sense of role conflict which increases with program participation and employment adds a new layer of tension as women try to cope with the competing demands of family and society.



#### V. THE DEMAND AND SUPPLY OF CHILD CARE IN GAIN

A growing body of survey and evaluation research has focussed on the role of child care in employment, and on more specific questions about child care services in welfare-to-work programs. Important questions remain unanswered, however. It is difficult to know from survey data how well actual child care arrangements conform to parents' preferences, particularly for low-income families who face different budgetary constraints and perhaps different local child care markets than more affluent parents.

Although implementation studies have described child care services in some welfare-to-work demonstrations, it is not clear whether clients in JOBS programs will obtain necessary and preferred child care services, or will be limited by program policies which are explicitly or implicitly rationing services. And studies have not yet followed JOBS clients into subsequent school or work activities to see how parents obtain child care after leaving welfare-to-work programs, and negotiate the highly fragmented system through which temporary, categorical child care assistance is provided for low-income families.

The GAIN Family Life and Child Care Study examined child care preferences and child care use among JOBS clients in depth, to consider the adequacy of the FSA child care provisions for AFDC recipients who are preparing for work and moving off welfare. The 255 GAIN participants in the study, all of whom had at least one child eligible for GAIN child care subsidies, were interviewed during their transition into the GAIN program, and, for those who left by the end of the year, into subsequent work or school activities. The following sections examine their child care preferences, needs and use during this one year period.



# Child Care Demand and Child Care Use in the GAIN Program

There is considerable debate in research and policy circles about the need for child care assistance among low-income families. Some observers believe that low-income parents have less need for child care than other parents because they have greater access to free babysitting by relatives and friends. Others have argued that low income families need child care, but rely on free babysitting because low earnings constrain their access to other alternatives.

The child care benefits of the GAIN program substantially increased both the need for child care and the resources for purchasing it for the women in this sample, and nearly all used care at some point during the year. While they participated in GAIN activities, they were eligible for subsidies which could be used to purchase either organized care (in licensed day care homes, centers or after-school programs), or babysitting (by relatives or others who cared for the children of only one family). During their first three months in GAIN, 92% of women used some form of substitute care for an average of 23 hours each week. By the 12-month follow-up, all but 16 of the women (94%) had used substitute care.

After leaving the GAIN program, those women who continued in work or school programs also continued to use child care in large numbers, despite the loss of GAIN subsidies. Among the 70 women who left the GAIN program during the 12-month period and entered other training or employment, 90% used substitute care during their subsequent work or school hours.

As would be expected, the use of any child care varied significantly by children's ages, and the young average age of children in this sample may bias overall estimates of use upwards. Child care use during GAIN was greatest among mothers with children under the age of five, 99% of whom used some nonmaternal care during their GAIN activities.



Demand for care was not limited to mothers with very young children, however. Over three quarters (77%) of mothers whose youngest child was age five or older also used substitute care for that child during the first three months of school or job readiness activities in GAIN.

### Mothers' Perceptions of Child Care Needs

When asked directly about the role of child care in their work and school decisions, the women in this sample were unequivocal about the importance of adequate, acceptable child care. As they entered the program, nearly three-quarters (72%) said that child care had been a constraint on work or education during the previous year. Affordability was the most frequently cited difficulty, mentioned by 35% of mothers. Many were quite clear in their calculation of the burden of child care expenses. As one described it: "Child care is so outrageously expensive that if I get a job, I'd come out with \$400 a month. With AFDC and Food Stamps I get close to \$800 and I am home with my kids. I'm not proud of that, but earning \$5.00 an hour, what choice do I have?"

Other problems included general lack of availability (19%) or availability during the hours needed (7%). Distrust of child care was also a salient issue for a sizable fraction of these AFDC recipients. As they entered GAIN, a substantial number indicated that they had not wanted to leave their children with anyone else (11%) or did not trust organized child care (10%).

# Child Care Arrangements Before, During and After GAIN

With the expansion of federal child care subsidies under JOBS, the debate about the child care needs of the poor has expanded to consider the choice between organized care (in day care homes and centers) and informal babysitting. Depending on their



orientations, experts have pointed with either enthusiasm or alarm to the possibility that with greater access to the market, low-income parents in JOBS will increase their use of day care homes, centers and preschools for their children.

As they entered training and job readiness activities in the GAIN program, the mothers in this study did make a significant shift toward use of organized care. When they started the program, only a fraction (16%) reported that organized care was their primary arrangement for their youngest child during the prior 3 months. Preference for organized care was far greater than previous use, however. When asked what type of care they would most like to use after starting GAIN, only 48% of women hoped to have family or friends babysit for their youngest child after enrolling in GAIN; just over half (52%) hoped to use organized care. After they started the program, their actual arrangements closely approximated their expectations. During their first three months in GAIN, a majority of women in school or job search activities used either licensed care in day care homes (21%) or centers (31%) as the primary care for their youngest child.

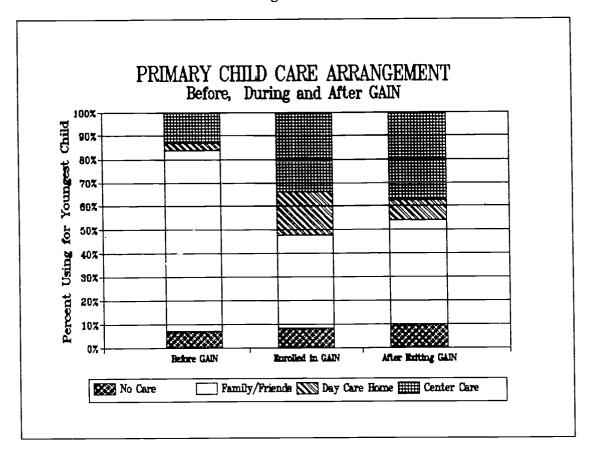
One year after enrolling in GAIN, use of organized care declined once again among those women who had arranged child care on their own after exiting the program. At one year, 70 women had left GAIN and reported that their most recent activity was work or another, non-GAIN school program. Among these women, who arranged child care on their own, the use of organized care dropped to 46% of all arrangements (See Figure V.1).

# Child Care Preferences: Were they Unique?

For the AFDC recipients in this study, like other parents, child care choices reflected both their own needs for substitute care and their assessment of what was best for their children. The primary mode of care used by GAIN clients varied significantly with children's ages. Use of day care homes was greatest among mothers of infants under



Figure V.1



age three; center-based programs were used most often by parents for their preschool-aged children (3 to 4 years); informal care by friends and relatives was most common for school-aged children over five years. While they were in GAIN, use of different types of care also varied with women's schedules and activities. The longer women were active in job preparation or school programs, the more they relied on some type of organized care rather than informal care by relatives and friends.

Differences in program duration, along with differences in background and preference, combined to produce distinct patterns of child care use among the women in the different GAIN "tracks" described earlier. At the three-month follow-up the women



who were in job search activities relied disproportionately on informal arrangements with friends and relatives; less than half (40%) used organized care in day care homes or centers. Those in remedial and basic education activities also relied heavily on informal arrangements, although nearly half (40%) used organized care. The women in vocational training were the most likely to use organized care: 70% used a licensed day care home or center (see Figure V.2).

PRIMARY CHILD CARE DURING GAIN By GAIN Activity of Parent 100% Child 90% 80% Youngest 70% 50% ţ 50% Undrig 40% 30% Percent 20% 10%

Figure V.2

We compared the child care used by single mothers in the GAIN program to child care used by working mothers, as reported in the recent National Child Care Study. What is particularly noteworthy about the child care women made while they were in GAIN is how closely it resembles that used by other working parents. Given a heightened need for

Rempt Care

No Care

**Vocational Training** 

Family Day Cure IIII Center Cure

care after they began training or job readiness activities, and guaranteed subsidies through GAIN, the AFDC recipients in this study -- like other working parents -- elected to use informal and organized care in about equal proportions. And like other parents, they chose different arrangements as their children aged. Contrary to either the worst fears or highest hopes of observers about the shift from informal to organized child care arrangements in JOBS, enrolles in the GAIN program used subsidies to obtain approximately the same mix of child care as other working parents (see Figure V.3).

FIGURE V.3 USE OF ORGANIZED CARE (FAMILY DAY CARE HOMES, CHILD CARE CENTERS, PRESCHOOLS AND AFTERSCHOOL PROGRAMS) BY GAIN PARTICIPANTS AND OTHERS

	GAIN Par	ticipants	Nation	al Samples
	Prior to GAIN (percent) N=255	During GAIN activities (percent) n=255	All Employed Mothers (percent) n=4,392	Employed Single Low Income Mothers (percent) n=119
Infant 0-2 Preschool 2-5 Schoolage 5-12	13.2 16.3 20.0	61.4 60.0 34.5	45.0 62.0 25.0	49.2 * 24.3

<sup>\*</sup> all children under 5 combined

Sources: GAIN Family Life and Child Care Study, National Child Care Survey 1990 (Hofferth et al. 1991); National Child Care Survey 1990, Low-Income Sample (Brayfield et. al. 1991) Total organized care combines original categories of family day care homes, centers, and in-home care by non-relatives.

# Paying the Child Care Bill

Both before and after enrolling in GAIN, the women in this study reported child care costs which were close to prevailing market rates. By enrolling in GAIN, however,



these single mothers became eligible for JOBS subsidies and dramatically reduced the share of that cost which had to come out of the family budget.

Among those who reported paying for child care in the year before starting GAIN, costs were comparable to prevailing market prices. The average hourly rate paid to informal sitters or market providers was \$2.19 per hour. The cost of care was substantial in relation to these mothers' cash incomes. Among the 12 percent of mothers who reported working during the three months prior to enrolling in GAIN, wages averaged \$6.19 per hour. Purchasing child care at the average of \$2.19 would have consumed over one-third of their gross hourly wages for each child in care.

Although the cost of care would have been prohibitive for these AFDC recipients, few reported help in paying for care. Only a fraction of mothers had received any child care subsidies during the previous year. Only 3% had used the child care disregard in AFDC; fewer than 9% had used the child care tax credit; about one quarter (24%) reported using a subsidized child care center or other direct subsidy.

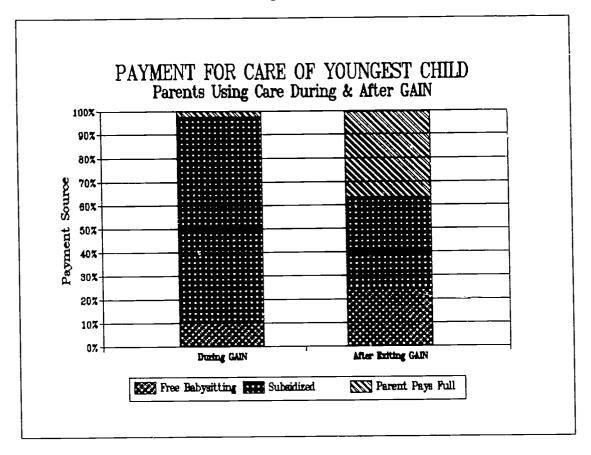
After they enrolled in GAIN, all of the women in this study were eligible for child care assistance if it was necessary for them to participate in GAIN-sponsored activities, and the majority of women made use of these subsidies. Three-quarters (76%) of women using any care for their youngest child reported that their most recent care was subsidized by GAIN. The balance either used other public subsidies (11%) or free care by friends and relatives (10%). Only 6 (2%) continued to pay the full cost of care by themselves.

After they exited GAIN, access to child care assistance, and payment arrangements, changed dramatically. While nearly all women used GAIN subsidies while in the program, only 39% of those using child care after leaving GAIN had full or partially subsidized care. The remainder paid for care themselves (36%) or relied on free care by friends and relatives (24%). (See Figure V.4)



45

Figure V.4



Despite efforts to create a "seamless" system of child care assistance for low-income parents, a surprisingly large proportion of women were shouldering child care expenses on their own after leaving GAIN. For a portion, the costs were steep. To measure the affordability of care, the total cost to the parent for all child care used during school or work hours was analyzed as a share of all cash income (including pre-tax earnings, child support and cash transfers.) By this measure, virtually all women using child care whose most recent care was arranged during the GAIN program had nominal child care costs. For many of those who made child care arrangements after exiting the program, in contrast, the average share of cash income spent on child care rose sharply.



Forty-five percent (45%) of women who had made child care arrangements on their own reported no cash expenditures because they had successfully arranged fully subsidized care, or relied on the informal resources of family and friends who babysat for free.

Another 17% of those using child care after GAIN spent 10 percent or less of their cash income -- a common "rule of thumb" for child care affordability. But another 21% were spending between 11 and 20 percent of their income on child care, and for 17% child care costs were consuming over 21 percent of their cash income. (See Figures V.5 and V.6.)

Figure V.5

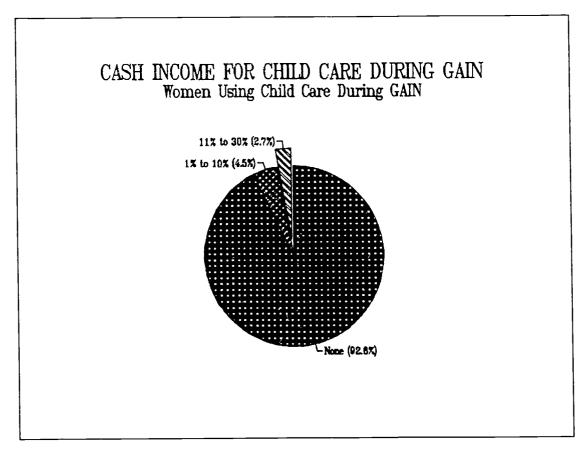
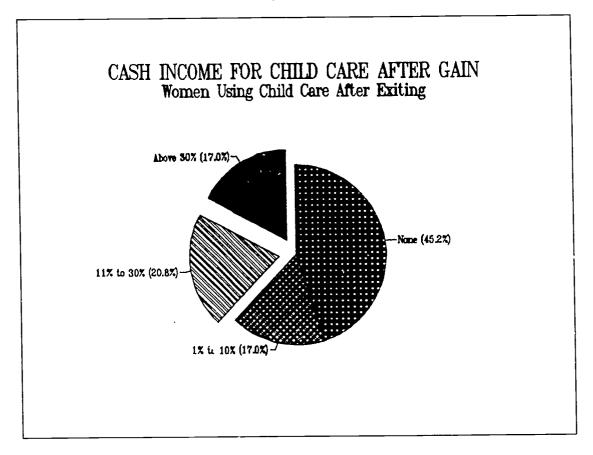




Figure V.6



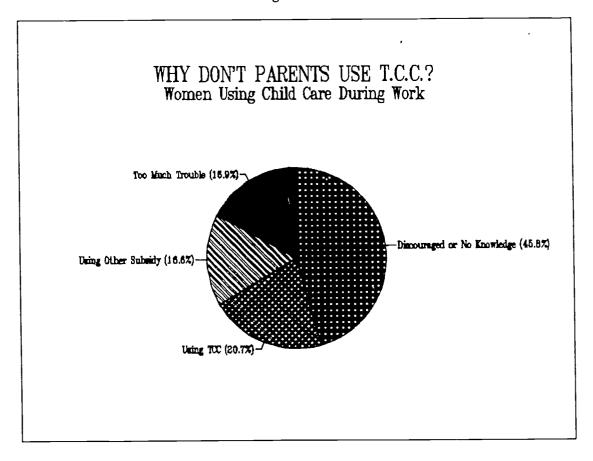
The Transitional Child Care (TCC) provisions of the FSA were designed specifically to support AFDC recipients during this transition from welfare to work. Judging by the experiences of these women, however, the targeted TCC benefits help only a fraction of those who successfully enter the working world.

When these women were interviewed in 1990, outreach for the TCC program in California was so limited that it was often difficult for interviewers to determine if respondents had ever qualified for assistance. It is possible to identify with some certainty those who should have been eligible for benefits at the one-year follow-up: a total of 24 women met the minimum criteria for TCC eligibility at one year -- they were working, no longer receiving AFDC, and using child care during their working hours. Of these 24, only five were receiving TCC benefits.



When asked about their use of TCC benefits, the experience of these women underscore the problems of highly targeted, fragmented child care subsidies for the working poor. Nine of the twenty-four (38%) were receiving TCC or other subsidized care. Another 17% did not want to use the program, because they felt it was too troublesome or stigmatizing. And nearly half (46%) were not using TCC benefits because they had been discouraged from applying by their AFDC worker, did not believe themselves to be eligible, or had never heard of the program (see Figures V.7).

Figure V.7





Child care was clearly important to these single mothers, and the GAIN program significantly increased their access to care. But child care assistance under the Family Support Act is designed to be a temporary support for AFDC recipients as they prepare for work. Even when women in this study fulfilled their end of the "social contract" by beginning paid employment they faced a confusing system of categorical and highly targeted child care programs. Their experiences suggest that the FSA has filled some, but by no means all, the gaps in this system which create barriers to self-sufficiency.





# VI. CHILD CARE ADEQUACY AND TRADEOFFS FOR GAIN PARTICIPANTS

The adequacy of child care which parents obtain while they are in JOBS, and during their transition from welfare to work, is of substantial relevance to the question of whether the FSA will fulfill its promise of providing two-generational benefits to welfare recipients and their children. Care which is inconvenient, unreliable or unaffordable may interfere with the progress of AFDC recipients who are preparing for work; care which is of poor quality may compromise children's well-being, increase adjustment difficulties for both children and their parents, and increase the likelihood that parents will withdraw from employment preparation activities which are important to their long-term economic success.

Despite the potential for child care to affect the success of JOBS participants, most program evaluations have focussed on the provision, rather than adequacy, of care in welfare-to-work programs. The following data examine the adequacy of child care which parents obtained while they participated in GAIN, and the tradeoffs they made between rarious features of care. They suggest that even with the relatively generous child care subsidies available through GAIN, women were making tradeoffs between varices features of child care adequacy and these tradeoffs were important not only for their satisfaction with care, but for their continued participation in the GAIN program.

Child Care Adequacy: Convenience and Quality

Measuring child care adequacy is complex because it is multidimensional, with different implications for the well-being of parents and of children. Academic and public policy researchers suggest at least three different dimensions of child care adequacy, associated with three distinct outcome measures: aspects of program quality which



contribute to improved developmental outcomes for children, convenience factors which contribute to the employment and economic well-being of parents, and the congruence of arrangements with parental preferences.

The adequacy of care used by the single mothers in this study during their GAIN enrollment was measured by asking them to describe and assess their most recent child care (during a GAIN activity) for their youngest child three months after enrolling in the program. Characteristics which could contribute to the ability of parents to work or prepare for work were grouped together as convenience factors: travel time to home and GAIN activities, reliability, flexibility in accommodating children with minor illnesses, and stability of arrangements. Characteristics of program quality were measured by asking women to describe specific structural features of care, and to rate care in terms of the safety, learning opportunities and social activities for their children. By their reports, the adequacy of care varied widely on all of these dimensions.

#### Child Care Convenience

Travel time between home and child care ranged from none (for those whose children were cared for at home) to over one hour; travel time between child care and school or job readiness activities likewise ranged from no travel for those with on-site care to as much as 90 minutes. On average, mothers travelled 15 minutes between home and their children's care, and 31 minutes between care and work or school. Travel times were longest for the 28% of women who relied on public transportation to take their children to care.

The <u>reliability</u> and <u>flexibility</u> of arrangements also varied substantially. Child care breakdowns and children's illnesses were problems for a substantial portion of all mothers. During the first three months after they enrolled in GAIN, over one-third (36%)



52

of mothers had experienced a need for alternate arrangements when their main provider was unavailable or their children had school holidays. A larger proportion (59%) reported that they had to make arrangements to care for sick children.

When asked about problems with either back-up or sick-child care arrangements, the most frequently cited problem was missed time at school or work (including both days absent and days when the parent was late or left early). During the three months following their enrollment in GAIN, 16% of women reported missing time in school or work due to a lack of child care, and nearly half (48%) had missed time to care for a sick child. Just over one-fifth (21%) had also missed time to take children to various appointments.

The <u>stability</u> of care arrangements was also a substantial problem for many women, due to both breakdowns in care and changes in schedules. Child care changes were common for children after their mothers began GAIN. In the first three months after beginning the program, 47 of 234 children in care (18%) had experienced two or more different primary providers. (By the end of the year, over half of the children had experienced two or more changes in primary care arrangements.)

The majority of child care changes were initiated by parents, in response to scheduling changes or child care difficulties. Overall, the mothers in this group ended 145 separate primary arrangements for either their oldest or their youngest children during the first quarter after they enrolled in GAIN. Some endings were transitions to other child care arrangements, others were transitions to no care. Of the 145 transitions out of a care arrangement, 37% were made when the mothers' work or school schedule changed, or the child's school or vacation schedule changed. About an equal number of changes (38%) were made in response to specific problems: mothers were unhappy with the care, they could not afford the cost, or problems with GAIN subsidies caused them to lose their place



in a child care program. The remaining changes (25%) were initiated by the providers themselves, when family and friends were no longer available to provide care or when licensed programs closed down.

### Program Quality

Since the quality of child care is intimately connected to the quality of the relationship between the child and adult caretaker, a common proxy measure for program quality is child-to-adult staffing ratios. Women in the GAIN program reported staffing ratios which averaged 3.72 children per adult. Because their needs for adult supervision and peer interaction change as children age, staffing ratios are more meaningful when considered in relation to children's ages. The majority of mothers in this sample (92%) reported staffing ratios within levels recommended for the child's age by the National Association for the Education of Young Children (NAEYC). Compliance with recommendations differed significantly by age, however. Mothers were more likely to report staffing ratios which did not meet the more rigorous standards for younger children: while only 7% of all mothers reported staffing which did not meet the NAEYC standards, 13% of those with children under 3 were using care with higher than recommended ratios of children to adults.

To gauge parents' assessments of the <u>program quality</u> of the care their children were receiving, women were as to rate four aspects of care -- the safety of the setting, how well they knew and trusted the provider, the learning opportunities and social opportunities for their children -- on a three point scale from the "best possible" to "needs improvement."

On measures of learning and social opportunities, parents' assessments of their care while in GAIN were only slightly higher than the mean of the 3-point scale. Only 30% of



mothers considered the learning opportunities for their children the "best possible", while 17% rated them as less than satisfactory. Mothers were somewhat more positive in their assessment of the social opportunities for their children, with 39% rating them as the best possible and 15% rating them in the "needs improvement" category. On the especially salient dimensions of safety and trust, only 6% gave their care the lowest rating. Still, only (57%) of women considered their care the best possible in terms of their trust in the provider; the same number (57%) were equally positive about the safety of the child care setting.

Making Tradeoffs: Convenience or Quality?

Even with relatively generous GAIN child care subsidies, the single mothers in this study obtained child care which varied widely on dimensions of convenience and program quality. In the minimally regulated, largely private child care market, the adequacy of substitute care is determined by both supply and demand. If ideal child care arrangements are not available, even parents with adequate financial and other resources will need to make tradeoffs in their child care choices. For example, they may use care of less than desired quality on program features because it is convenient to home or work; they may increase their commute time in order to secure care that is flexible in hours or accommodating children's holidays and illnesses; or they may set aside doubts about the safety of a child care arrangement if it is the only affordable alterative. The implications of such tradeoffs will depend on how much convenience or quality is sacrificed to optimize other features of care, and how important these tradeoffs are to children's healthy development and parents' satisfaction with care.

Some insight into the tradeoffs parents make when arranging child care is provided by the association between individual measures of convenience and quality. If

child care arrangements are consistently good or poor on all dimensions of adequacy and quality, and some parents are simply better or more lucky in their attempts to find good care, we would expect various measures of adequacy to be highly correlated: the best care would be most convenient, most trustworthy, offer the best learning and social opportunities, etcetera; the worst care would rate low on all these dimensions.

Alternately, if few child care arrangements optimize all aspects of convenience and quality, it suggests that ideal child care is not widely available or is unaffordable, and parents are forced to make tradeoffs between competing priories when they choose a particular arrangement and provider.

To judge the extent to which women were making tradeoffs between child care features while they were in GAIN, bivariate associations were examined between the individual measures of adequacy (convenience and program quality) described above. If the first hypothesis suggested above is true, that child care features cluster together in the best and worst quality care, we would expect large and positive correlations between individual measures of convenience and quality; if the second hypothesis is closer to the truth, that a large proportion of available care is less than optimal by some measures of adequacy, we would expect small or negative correlations.

Table VI.1 shows zero-order correlations for seven measures of the adequacy of the child care which parents had used most recently for their youngest child, three months after enrolling in GAIN. Five variables are parent reports of objective measures of adequacy: the ratio of adults to children, the number of days parents missed any time in work or school due to child care problems or children's illness, the number of times the primary care arrangement changed during the three month period, and travel time between child care, home and GAIN. Two variables were constructed from parent's assessments of the quality of care: trust in the provider and the safety of the setting ("safety"),

TABLE VI.1 CORRELATION OF CHILD CARE QUALITY AND CONVENIENCE FACTORS

Ratio Quality Safety	1.00 28*** .28***	1.00 .30***	1.00				
Time missed	.19**	01	.08	1.00			
Changes	08	.08	.03	.07	1.00		
Distance/GAIN	07	.01	08	11*	.06	1.00	
Distance/Home	.10	11#	.16**	.14**	09	.08	1.00
	Ratio	Quality	Safety	Time	Changes	GAIN	Home

\*\*\* p < .001 \*\* p < .01 \* p < .05 # p < .10 Pearson correlation coefficient

Current or most recent primary care for youngest child during 3 months after enrolling in GAIN, all single mothers using any child care (n=232)

and the learning and social opportunities for children ("quality"). For consistency with other measures, these ratios were coded such that a higher score indicated a poorer assessment of quality.

These measures of association support the conclusion that parents were indeed making tradeoffs in the adequacy of their care arrangements. Parents' assessment of the "safety" and "quality" of their care were modestly correlated in a positive direction: those parents who rated their care highly on safety measures also rated the program quality highly, and visa versa. Other measures were inconsistent in the direction and strength of association. The structural measure of quality used in most child care research -- the ratio of children to adults -- had a distinctly different association with the two dimensions of quality considered in this study. Settings which compromised quality by the objective measure of higher ratios of children to adults were judged by parents to be less safe but



57

offered more learning and social opportunities for their children. Care which was less reliable (causing parents to miss more days) was also further from home and had worse ratios of children to adults, but was closer to parents' GAIN activities. As care moved further from parents' homes, it was judged less safe but better in learning and social opportunities.

Associations between these child care measures were statistically significant but small in magnitude and inconsistent in direction. Adequacy on any one dimension accounted for no more than 10% of the variation on any other. Adequacy on some dimensions, such as staffing ratios, trust and learning and social opportunities, suggested a direct tradeoff between child care features. And quality and convenience on other dimensions showed no strong relationship at all. Overall, these simple correlations suggest that parents did face tradeoffs in their efforts to arrange care which was optimal on multiple dimensions of quality and convenience.

# Quality Differences and the Mode of Care

Given the apparent difficulty of arranging child care which is optimal on multiple dimensions of convenience and quality, it is also important to consider whether some modes of care are consistently superior to others. It is possible that care with relatives and friends, for example, is closer to parents' ideal on all dimensions than organized care in centers and day care homes. Conversely, parents and children may be better off, on the whole, if they can obtain a space in a regulated child care home or facility.

When the features of program quality and convenience were compared for those using informal care by friends and relatives, and those using organized care in day care homes and centers, the results were both significant and contradictory. No one form of



58

care emerged as ideal; each optimized some aspects of adequacy while compromising others.

As would be expected, child to adult ratios were lowest in informal care arrangements with friends and relatives and over twice as high in center-based care; day care homes fell in-between with an average ratio of 4 children per adult. When ratios were controlled for age (by comparing the proportion of arrangements which met NAEYC recommendations for staffing ratios by age) informal care remained superior with only 2% of arrangements exceeding recommendations in contrast to 14% of centers.

Although this objective measure of program quality favored informal care, mothers' rating of care quality differed. Mothers using both day care homes and centers ranked the combined program quality measure (learning and social opportunities) significantly higher than did those using informal care. On the combined measure of trust and safety, assessments were reversed: women using informal care were significantly more positive in their assessment than those using organized care in centers or day care homes.

Factors affecting the convenience of care were also mixed. Mothers using organized care travelled over twice as far on average from home as those using informal arrangements. Travel time from child care to GAIN was shortest, on the other hand, for those using center-based care and longest for those relying on informal babysitting arrangements. Non-center care appeared to provide advantages in reliability and flexibility -- measured by the number of days during which mothers had missed time at school or work during the quarter due to lack of care, sick children or children's appointments. Women who relied on day care homes or on informal care by friends and family missed fewer days of GAIN as a proportion of their active weeks in the program



than those using center-based programs. Changes in child care arrangements were not significantly different for those using different modes of care.





# VII. THE IMPACT OF CHILD CARE ADEQUACY: SATISFACTION AND SUCCESS IN GAIN

Child care adequacy was measured on several dimensions in this study because of the two-generational promise implicit in the FSA. Good quality care holds promise for helping low-income children directly while helping parents engage in activities which improve job skills and earning potential. Poor quality care, likewise, poses two-generational risks. If parents in the GAIN program make tradeoffs when selecting substitute care which result in children entering poor quality care, it will have important consequences for the safety and developmental well-being of those children. If those tradeoffs sacrifice convenience features, they may adversely affect parents' ability to continue in job preparation activities and work. And tradeoffs on either dimension which seriously compromise parents' security about using substitute care may create conflicts for parents which spill over into both their caretaking and wage-earning roles.

The discussion of child care adequacy in the previous chapter suggests that even while they had access to GAIN child care subsidies, these single parent AFDC recipients were making tradeoffs in their child care choices. The following section analyzes the impact of these tradeoffs on two outcomes: parents' satisfaction with their child care arrangements, and their progress in the GAIN program.

# Satisfaction with Care

Parents' satisfaction with care provides one measure of the consequences of tradeoffs in child care features. A global measure of parents' satisfaction with their care arrangement while they were in GAIN was obtained by asking them whether they would select the same care again for their youngest child if they could have any type of care



61

regardless of cost or availability. This measure of satisfaction is similar to that used in a number of child care surveys. Unlike prior research, parents who indicated that they would have preferred a different child care arrangement were also asked whether they were dissatisfied with the mode of care (would have preferred a different <u>arrangement</u>), or with the quality of care (would have selected the same <u>arrangement</u> but a different <u>provider or center</u>).

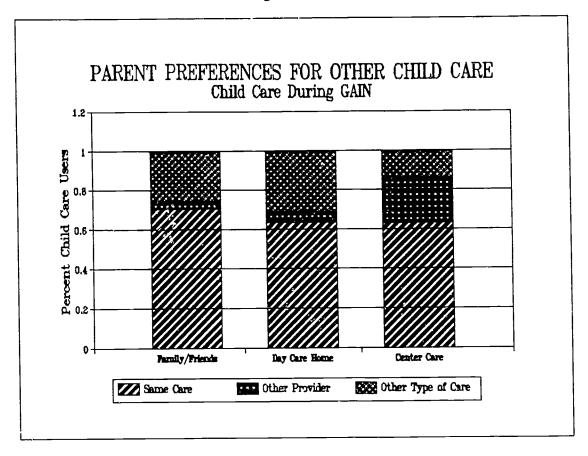
Overall, one-third (34%) of women in this sample indicated that they would have preferred a different child care arrangement for their youngest child when asked about their most recent care three months after enrolling in GAIN. These rates are similar to, or slightly above, findings by a number of researchers using a similar question, including 24% of employed mothers, 27% to 32% of low-income parents, and 28% of AFDC recipients.<sup>3</sup> The majority of women who were dissatisfied with their care indicated they would have preferred a different type of care (23%); the balance of 11% indicated that they were satisfied with the type of care they used but not with the particular provider or center.

The type of care which parents used was associated with global satisfaction. While overall satisfaction did not differ dramatically between women using informal babysitting or organized care, the source of parents' dissatisfaction did differ significantly. One quarter (25%) of those using informal care arrangements, and slightly more of those using day care homes (31%), indicated that they would have preferred a different type of child care; only 14% of women using center-based care would have switched to a different type of care. Dissatisfaction with the quality of the particular provider or facility, in contrast, was much higher for those using centers (23%); far fewer of those who were relying on day care homes (6%), or friends and relatives (4%) indicated that

Hofferth et al., 1991; Kisker et al., 1989; Sonnenstein & Wolf (1991).

they would have selected a different individual (see Figure VII.1).

Figure VII.1



Bivariate analysis indicate that some, but not all, specific measures of child care adequacy also contributed significantly to overall satisfaction. Measures of program quality, rather than convenience, were important predictors of parents' satisfaction with care. Parents who indicated that they were satisfied with their mode of care but would have preferred a different provider or facility reported significantly higher ratios of children to adults, and more frequently reported ratios which exceeded NAEYC recommendations. Both parents wanting a different mode of care and those wanting a

different provider were significantly less satisfied with the learning and social opportunities for their children, and with the safety and trustworthiness of the care. Women who were dissatisfied with their care for either reason also missed more time in GAIN due to child care difficulties, even after adjusting for their weeks of program activity during the quarter. Other features of child care convenience, including travel times, did not differ significantly between groups.

#### Success in GAIN

Another measure of the impact of child care adequacy is the extent to which those clients with more successful child care arrangements were also more likely to succeed in their own work preparation activities. There is evidence in these data that child care was very important to these single mothers, that their experiences of child care differed enormously, and that the adequacy of different child care features affected their overall satisfaction with care arrangements. Multivariate analyses were used to test the possibility that women with different GAIN child care arrangements, levels of satisfaction or adequacy were more or less likely to drop-out of the program before the end of one year.

Multivariate logistic regression was used to model the contribution of differences at three months in primary child care mode, parents' overall satisfaction with care, and specific child care features related to satisfaction, to the probability that women dropped out of the GAIN program before one year. One of the difficulties which has plagued previous analyses of the impact of child care on school and employment behavior using cross-sectional survey data is the possibility that parents who have already dropped out of school or work may blame child care problems, retrospectively, for those decisions. The panel design of this study minimizes the problem of retrospective justification by measuring child care quality early in program participation, and program participation 9



months later.4

The results of three different regression models indicate that the <u>type</u> of care used by parents was not a significant predictor of their success in GAIN, but their <u>satisfaction</u> with that care and the adequacy of <u>convenience and safety</u> were very important to parents' continued progress in the program.

Variations in the type of child care used at three months were not significantly associated with different odds of success at one year. Parents who used informal babysitting arrangements and those who used organized care in day care homes and centers did not have significantly different odds of dropping out when background characteristics were controlled. In contrast, satisfaction with child care arrangements was important to success. Global dissatisfaction with child care was a moderately good predictor of success at one year, controlling for the type of care and other background factors. Dissatisfaction with the particular provider or facility, rather than the type of care, increased the risk of dropping out. Women who indicated at 3 months that, given an unconstrained choice, they would have picked the same type of care but a different provider, were over twice as likely to drop out of GAIN by the end of the year.

When the global measure of parents' satisfaction was replaced by individual measures of child care adequacy, several different dimensions of child care adequacy were found to be important. As child care moved further from GAIN activities, the odds of dropping out increased by .02 per minute of commute. Although small in absolute terms, this means that an extra 15 minutes of travel between GAIN and child care translates into an increase in the odds of dropping out of from 1:1 to 1:1.30. Distance between home



<sup>&</sup>lt;sup>4</sup> Of the 68 women who had dropped out by the end of the year, only 6 dropped out before the 3-month interview. The program and child care status of another 14 were ambiguous at the 3 month point, because they were still enrolled in GAIN but either on break or waiting to start a new activity on the day they were interviewed.

and care was nonsignificant. Care which was less reliable and flexible was also associated with reduced chances of success, with odds of dropping out increasing by nearly one-half per day of GAIN missed during the first three months after enrollment. Transitions out of care due to schedule changes were marginally significant; each transition out of child care increased the odds of dropping out by three-quarters. Transitions due to child care problems and breakdowns, however, were not significant.

On measures of program quality, the most significant factors predicting success in the program were staffing ratios and parents' assessments of the "safety" of the child care arrangement. The odds of dropping out among those parents using care within NAEYC staffing recommendations were half those of parents whose care exceeded ratios recommended for the age of the child. For each increase of one standard deviation in parents' assessment of their trust in the provider and the safety of their child care arrangement, the odds of dropping out of GAIN dropped by almost half. The final measure of program quality -- parents' assessment of the learning and social opportunities -- was not significantly associated with program success.

Child Care Arrangements and Child Care Adequacy: What Really Matters?

These analyses of the role of child care arrangements and characteristics in parents' satisfaction and their success in GAIN suggest that child care plays a complex role in welfare-to-work programs. In general, the type of care which parents arranged was not an important predictor of either their global satisfaction with care or their successful progress in GAIN activities. About equal proportions of those using informal babysitters and organized care indicated that they would have preferred a different arrangement if it had been available, and type of care was not a significant predictor of program attrition.

Individual features of care emerged as more powerful predictors of satisfaction and



successful progress in GAIN were the same. Child care ratios, or the unmeasured aspects of program quality for which they are a proxy, were important to parents. When staffing ratios were very low parents were much less satisfied with the quality of the provider or facility they were using. This is consistent with very low ratings of child care "safety" by the parents most unhappy with their children's provider. These child care problems had serious consequences for parents' success. Parents who were dissatisfied with the provider or facility they were using were only half as likely to be continuing in their work preparation activities at the end of the year, and inadequate staffing and poor rating of the "safety" of care significantly and substantially decreased the odds of their success.

Parents' assessment of other aspects of program quality -- the opportunities for learning and social development -- had a more ambiguous relationship to satisfaction and success. Parents who were dissatisfied with their child's care, either because they preferred a different type of care or a different provider, rated that care much lower on these dimensions than more satisfied parents. But disappointment with the quality of their child's experience was not a significant factor in their dropping out of GAIN. This may be a dimension of quality which parents value, but do not find essential to their own employment and educational activities.

Child care convenience factors also differed in their impact on parents' attitudes and on their behaviors. In their overall satisfaction with care arrangements, parents who missed more time in GAIN due to child care issues were found to be less satisfied with their care; the satisfied and dissatisfied parents did not differ significantly, however, in their rating of other convenience features such as location and stability. In contrast, the reliability, stability and convenience of care were all significant in predicting parents' success in GAIN. Parents who travelled further from child care to GAIN and missed more

time in activities had greater odds of dropping out before they successfully completed job preparation activities. Parents who changed care more often due to schedule changes were also less likely to have a successful one year outcome.

Differences in the impact of convenience factors on parents' satisfaction with care and their success in GAIN suggest that these factors may be overwhelmed, in parents' assessments of care, by concerns about safety and quality. In this study and others which have asked parents about their child care preferences, convenience factors are consistently ranked as lower priorities to parents than quality and provider characteristics.

Convenience factors such as location, flexibility and reliability may also be of low salience when parents rate their satisfaction with care. In practical terms, however, these features of care are very important to their success managing out-of-home activities.

When commutes are too difficult, providers are too unreliable or inflexible, or changes in primary arrangements are too frequent, parents may demonstrate the impact more concretely in their decisions to leave care arrangements and their own employment and school activities.



## VIII. CONCLUSIONS AND IMPLICATIONS FOR POLICY

These data suggest that the GAIN welfare-to-work program and child care services fulfill neither the worst fears of their critics, nor the highest hopes of their supporters. The program helps provide education and training for AFDC clients who are generally positive about the opportunity to prepare for work; but by themselves, these services are not sufficient to raise earnings above poverty for many clients. Mandates and financial sanctions may increase participation in job preparation activities modestly, but attrition is still high even among those who are required to participate. Child care subsidies help clients access care, but the quality of that care is uneven and many gaps in the child care system remain unfilled.

#### Key Findings

Success in GAIN is Mixed

The experiences of the single mothers in this sample suggest that the capacity of the GAIN program to force welfare recipients to work or prepare for work is limited. An unknown proportion of the AFDC caseload withdrew from participation in GAIN even before their registration by refusing to attend their orientation; of the GAIN registrants who started a school or job search activity, 27 percent dropped out of GAIN before the end of the year. It is impossible to know from these data how many were withdrawing from GAIN activities for temporary personal or programmatic reasons and would return to work or work preparation in the future, and how many were in fact able but unwilling to work or prepare for work. Since this sample may represent particularly determined clients -- who attended orientation, volunteered for the interview, and began a GAIN activity -- 27% attrition gives reason for concern about client or program characteristics which inhibit



progress toward employment.

Mandates and sanctions apparently did not guarantee participation in this group of GAIN registrants; on the other hand, their attitudes and expectations suggest that for a substantial fraction, coercive participation requirements were probably not necessary. The majority entered the program with optimistic hopes for success, expectations that they would be working at the end of the program, and hopes for substantial improvements in their earnings. One quarter were already in school or training when they started GAIN, and two-thirds were still making progress toward self-sufficiency by the end of the year.

GAIN Clients Need a Range of Employment-related Services

GAIN clients, like the AFDC population more generally, vary substantially in their education, employment and welfare histories. AFDC recipients enter the GAIN program with different educational and employment deficits and follow distinctly different routes toward economic self-sufficiency. Although a portion are ready to begin a job search immediately, the majority are in need of basic or remedial education, or are pursuing vocational training to improve their earning capacity.

The assessment-based approach of the GAIN program accommodates many of these differences by directing clients to immediate iob search, or longer basic education or vocational training programs, based on an initial appraisal of their human capital needs. The diversity of background and needs argues for retaining the varied service package in GAIN, and providing maximum flexibility to accommodate specific client situations.

Successful Transitions Off Welfare Will Take Time for Many

These data also suggest that even among those AFDC recipients who are motivated to improve their prospects for economic independence, the transition from welfare to work



will often take time. Among those women who were still active at the end of the year (i.e. had not dropped out of GAIN or work), only about one-quarter were working. The majority were still in school or training programs, or waiting for new job preparation activities to begin.

The volatility of women's activities adds additional time to their job preparation and the length of AFDC receipt. Within one year, nearly half (47 percent) of the clients who attended their GAIN orientation had started two or more different program components. Some withdrawals from program activities are temporary breaks for personal, family or program reasons. In this, these welfare recipients may be like women with young children more generally, who adjust their labor market activities to accommodate family as well as conomic needs.

Other breaks in activities were caused by program factors: scheduled vacations in school programs, delays due to lack of services, or lack of follow-up by the GAIN program. One consequence of multiple program breaks is longer tenure in the GAIN program. Another, more troubling consequence may be higher attrition when those breaks require multiple changes in child care providers, or cause other, unmeasured difficulties.

## Human Capital Strategies Have Limited Impact on Poverty

A fundamental paradox in the Family Support Act is the assumption that -- despite evidence to the contrary from prior welfare-to-work experiments -- human capital investments are sufficient to substantially reduce poverty and welfare caseloads. The findings from this study echo those of other researchers in suggesting that education and training alone will not solve the economic difficulties of the welfare poor.

By the end of the year, about one-quarter of women had gone to work. They could be considered successfully meeting their end of the FSA "social contract." A



substantial number were also succeeding economically: 31% were earning 150 percent of poverty or more, adjusted for family size and child care expenses. But another 44% of these most successful clients would still have been living below the poverty line if they depended on their earnings alone; if they worked full time all year, 29 percent would still have been living in poverty.

These women remained poor because their earnings continued to be low. For some, the problem of low earnings was compounded by the failure of the state to fulfill its end of the FSA "social contract." Less than half of those who were working had full or partial child care subsidies, and at least 7 percent slipped below the poverty line when actual child care expenses were subtracted from their pre-tax earnings.

#### Tradeoffs in Family Time

Women from all walks of life face a variety of difficulties as they manage the task of balancing home life with the demands of the work place or school. Women in this study had to cope with the additional burdens of poverty and single parenthood. Many were already enduring the stress associated with dangerous neighborhoods, illnesses and family problems, yet the reservoir of their personal resources in contending with the difficulties of every day life often startled their interviewers.

In order to stay with the program or hold down a job, women made a variety of tradeoffs in their personal lives. They gave up important recuperative and resting hours and more important still, they gave up time with their children. Women who were unhappy about this transition voiced their concerns with action -- the program completion rate was significantly lower among women who lost time with their kids. Women who were less successful in juggling the competing demands on their time were also most likely to give up on the program. Yet women whose lives were calm enough to allow

them time with their children, who felt more confident about coping with the dual roles of parent and provider, and those who found interesting, satisfying, and well-paying jobs were those whose "success" was most apparent.

## GAIN Clients Need a Variety of Child Care Options

Nearly all the single mothers in this sample relied on substitute care at some point during their school or work activities. By their own assessments, the lack of child care they could afford had been a substantial barrier to employment, and the availability of child care subsidies through the GAIN program was a significant benefit. When given relatively unconstrained access to the private child care market during their GAIN participation, these AFDC recipients elected to use informal babysitters and licensed child care facilities in about equal proportions. In this, they were like working parents more generally. And like other working parents, their child care arrangements varied with the age of their children and with their own school and work schedules.

## GAIN Clients are Making Tradeoffs In Child Care Adequacy

The FSA increases the public investments in child care services for the welfare poor, but it does not address the more fundamental problem of providing high quality care at affordable prices. The data in this study suggest that GAIN clients do not have the option of avoiding questions about child care adequacy.

The GAIN program is providing AFDC recipients with much greater access to the existing market of child care services while they are preparing themselves for work. But the quality of this care is, by the reports of the single mothers in this study, highly variable, and for some, highly unsatisfactory. While they were in GAIN, one-quarter of child care users said they would have chosen a different type of care if it had been



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available; another 10 percent would have used the same mode, but a different provider or facility. By the end of the year, over one-quarter of all parents had changed child care at least once because of problems with quality or payment.

Tradeoffs in various aspects of child care adequacy have different implications for AFDC recipients and for their children. There appears to be a floor in child care adequacy, below which quality, safety and convenience problems interfere directly with the ability of parents to pursue their own economic activities. The women in this study who were using facilities or providers which were of poor quality early in their GAIN experience -- by both objective measures of adequacy and by their own ratings of overall satisfaction -- were at heightened risk for dropping out of the program before the end of the year. More specifically, those who had serious reservations about the safety of care or the trustworthiness of their provider, those whose care had fewer staff per child than the child care experts recommend, and those who had care which was a long commute from their GAIN activities, had greater odds of dropping out.

Gaps in the Child Care System Create Barriers to Self-Sufficiency

The FSA exacerbates an already fragmented child care system. Transitions between programs and gaps in services within the highly targeted, two-tiered child care system have serious repercussions for the welfare poor who are trying to make the transition from welfare to self-sufficiency.

As described earlier, breaks in activities and transitions between various school and job search activities were frequent for GAIN clients. For some, each change meant a new child care arrangement, sometimes multiple arrangements for two or more children. Over the course of the year, nearly half of the children (49 percent) experienced at least two different primary child care arrangements; nearly one fifth (19 percent) were in three or



more different arrangements. These transitions were also problematic for parents: the number of breaks in care early in the GAIN program was a significant predictor of later attrition.

Transitions from the GAIN child care system to other subsidies may be even more problematic. Over one-quarter of the single mothers in this sample exited the program during the year, and continued to use child care during their subsequent work or school programs. Their child care arrangements changed slightly, but their payment arrangements changed dramatically: while nearly all used GAIN subsidies while they were in the program, less than half had subsidized care after leaving. For one third, this translated into child care costs which were more than 10 percent of their pre-tax cash income; for nearly one-fifth, child care cost 30 percent or more of their cash income.

Although the FSA created the Transitional Child Care program specifically to provide a temporary bridge for those AFDC recipients moving into the workforce, eligibility for benefits is narrow and outreach to eligible clients has been limited in California. Few of the women who were apparently eligible for benefits were receiving them at the end of the year. Nearly half had hever heard of the benefit, or were discouraged from applying by caseworkers or by their own assessment that benefits were too troublesome or stigmatizing.



#### Implications for the GAIN Program and Child Care Policies

The AFDC population is a heterogenous group whose route to self-sufficiency varies substantially. In order to accommodate family adjustments and support individual educational and economic goals GAIN services should remain flexible and be provided for a sufficient period of time to support a stable transition off welfare.

- Our data suggest that a program which provides maximum flexibility to accommodate differing educational, vocational, and employment needs is optimal. The current mixed model of educational and job readiness services, coupled with individual assessments and case management, is well suited to the heterogeneous population of AFDC clients who are served by the program.
- Time limits for the provision of job readiness services and expectations for exiting welfare should realistically reflect the diverse and often substantial deficits in education and skills with which AFDC recipients enter GAIN, and their ongoing child care responsibilities. Proposals to limit services or impose financial penalties after a few months of GAIN participation may force many AFDC recipients who are making good progress toward self-sufficiency to abandon their GAIN activities before they have had a realistic chance to prepare themselves for work at a living wage in the private economy.

A sizable fraction of GAIN enrollees continue to drop out of job preparation activities due to both <u>program</u> and <u>personal</u> factors. For clients who "drift" between activities for long periods of time, attrition may be lessened by expanding and better



coordinating services. For clients who continue to have difficulty participating in job preparation activities, additional supportive case work may be appropriate.

- Due to the flexible design and multiple components of the GAIN program, services risk a lack of continuity and coordination. Clients who drop out of the program for programmatic reasons may be experiencing problems related to breaks in service or breaks in child care coverage. Women with fewer transitions in the GAIN program also report lower levels of family-related stress.
- Counties may choose to reduce the flexibility inherent in the GAIN program,
  offering fewer choices to clients. Yet by doing so the spirit of GAIN will be
  diminished, the program will become routinized, and the diverse needs of AFDC
  recipients will be ignored.
- A better alternative would involve steps to increase the continuity and coordination of services. Basic education and job search classes should be available soon after clients register for GAIN, and provided on a year-round schedule. Child care should be available to cover brief breaks and transitions in education or training programs, and during summer months. And GAIN activities should be scheduled to facilitate rapid enrollment in local school and training programs.
- Clients who continue to drop out of job readiness activities even after services are
  fully coordinated may be in need of more intensive social casework services.
   Chents who are enrolled but inactive in GAIN for six consecutive months should be
  provided intensive case management services designed to identify and address



program, personal or family problems which are creating barriers to participation in job readiness activities.

Women experience a considerable degree of stress related to the task of balancing the demands of family life with the demands of work.

Services which help insure higher paying positions in the labor market will increase job satisfaction, decrease the burden of managing competing work and family demands, and reduce the stress associated with living in poverty.

Child care is a critical service for parents making the transition from welfare to work. Subsidies should be available which support parents' choices about the best type of care for their children.

• Care with family and friends, or in licensed day care homes and centers, have different advantages and drawbacks, and parents use care arrangements to accommodate differences in their own schedules and their children's ages. There is no reason, from these findings, to believe that either form of care is consistently better, and should be promoted exclusively. The current policy of informing and supporting parents' choices about care is well justified.

Families are encountering problems with both <u>quality</u> and <u>continuity</u> in child care services which jeopardize their progress toward economic independence. Child care services should be reorganized and integrated to assure minimum quality of care and provide seamless services for families making progress toward self-sufficiency.



- Breaks in program activities which require new child care arrangements impose a burden on AFDC clients trying to work their way off welfare, and may have negative developmental consequences for their children. Priority should be given to extending child care arrangements during breaks in parents' GAIN educational and job readiness activities.
- Categorical, targeted child care subsidies for low-income families create a bewildering and still incomplete system of coverage for families moving from welfare to self-sufficiency. To minimize gaps in the system and assist families in transitions between categorical programs, resources from the many state and federal child care programs which are targeted on low-income families should be integrated and administered by a single entity at the county level.
- Child care adequacy and quality vary enormously in both informal and organized child care settings, and poor quality care jeopardizes the welfare of both children and parents. Licensed and license-exempt providers should be subject to a higher minimum level of regulation, to include at least one on-site visit.
- GAIN clients may make different child care arrangements during their progress through the program and their transition to employment. Local Child Care Resource and Referral agencies should provide both initial and on-going assistance for parents in making child care choices and using various public child care subsidies.

Even the most "successful" GAIN clients may still face economic barriers to self-

sufficiency. In-kind services and income supports should be provided for an extended period of time for those who achieve partial independence from welfare, but are unable to move their families out of poverty solely through their earnings.

- The child care entitlement which begins when AFDC recipients start the transition from welfare to self-sufficiency (through GAIN child care services) should be extended until they become ineligible due to income. Funds from GAIN, TCC, Title IV-A and CCDBG sources should be blended at the county level to provide seamless coverage for families who begin employment. A single, income-based eligibility system should be developed for all state and federal pass-through child care subsidies, to gradually phase out assistance through income adjusted parent copayments.
- California AFDC, tax and health care policies should be designed to support income packaging and partial self-sufficiency for low-earning heads of households. Policies to increase and extend earnings disregards in AFDC, reduce payroll and income tax burdens for low income families, offset rising housing costs, and provide universal access to health care will reduce disincentives to work and help welfare recipients begin the transition to self-sufficiency.

## IX. APPENDIX--STUDY BACKGROUND AND METHODS

The Study Counties

In many respects, the three GAIN programs included in this study represent the delivery of the JOBS program as envisioned by the architects of the FSA. By 1989, when the study began, each of the three counties studied could be considered a mature program, past initial implementation and start-up difficulties. Unlike earlier demonstration projects, however, they were operated as permanent, county-wide programs under the auspices of the local welfare department. Each county was serving both mandatory and voluntary participants; each had regular procedures for orientation, testing and initial appraisal of clients. All three programs used an assessment-driven design, and referrals and contracts with local training resources to provide job preparation and educational services. Each county had developed formal ties with its local child care resource and referral program, although the three adopted slightly different approaches to providing child care services.

Employment conditions in the three counties were, at the outset, likewise favorable. In 1989, unemployment was low in California, particularly in the Bay Area. The average unemployment rates in the three counties -- between 2.8% and 4.2% in 1990 also obscured important variations in local labor markets, however. One county, for example, includes economically devastated inner-city neighborhoods where loss of heavy industry and shipping has stripped the community of high wage employment; another county, home of many high-tech corporate headquarters, also includes rural areas with high seasonal unemployment among farmworkers. By 1991-92, the recession drove unemployment to record high levels in all three counties. But during the period when these interviews were conducted, between January 1990 and September 1991, the generally tight labor market suggested that the transition from welfare to work should



have been as easy or easier in these Bay area counties than elsewhere in the country.

#### Client Population

Reflecting differences in their start-up date and program model, the three counties did differ in their client outreach and targeting policies during the period when this sample was recruited.

The first county was the earliest of the three to establish a GAIN program, and a large share of the county's mandatory AFDC cases were registered with GAIN or exempted from participation by the start of our study in 1989. Throughout the sample recruitment period, the county continued to enroll new AFDC cases who were mandatory, in both target and nontarget groups, and to accept volunteers. The second county was the most recently established of all three programs, and still was concentrating on enrolling mandatory participants in target groups. At the outset, the county also served volunteers, with particular emphasis on recruiting volunteers in target groups. Mid-way through our recruitment, budget constraints caused the county to stop accepting volunteers, establish waiting lists for services, and slow the recruitment of mandatory participants to a virtual standstill. The third county was likewise serving a mixture of mandatory and voluntary clients. When we began recruitment, resources allowed the county to serve both target and non-target populations with virtually no waiting lists; as budget constrain', worsened, enrollment was limited to the highest priority mandatory clients (teen mothers and clients with children over age 17) and other applicants for services were placed on waiting lists.

#### Child Care Services

All three counties relied principally on direct payments to private child care providers or reimbursements to parents who purchased care from private family day care



homes, centers or family and friends. Each used a slightly different approach, however, to integrate child care services into the GAIN program. The first county worked closely with the local child care resource and referral agency (CCRR) to help parents locate and arrange care. Final payment arrangements were made by the GAIN caseworker, and many clients skipped CCRR assistance and made arrangements for care on their own.

In the second county, all child care services were subcontracted to the CCRR. Clients met with their GAIN counselor to devise a JOBS contract and determine their need for care. But final care arrangements were made by the CCRR staff, who provided counseling and referral, if needed, and made payment arrangements with both licensed and license-exempt providers. In this system, all clients who used child care came into contact with the CCRR, whether they took advantage of the referral services or not.

The third county in the study provided all child care referral and payment services directly. The GAIN caseworker provided child care information and referrals along with development of the GAIN service contract; the county GAIN office also made payment arrangements with providers. This county is unique in that the GAIN caseworkers visited all license-exempt providers, before dispersing payment. The official purpose of the visit was to inform the parent and the provider about GAIN provisions and regulations; many workers also used it as an opportunity to assess the adequacy of the babysitting arrangement without approving or disapproving of the care provider.

### Methodology: Study Design, Sample and Instruments

The GAIN Family Life and Child Care Study used a prospective, longitudinal design to study the program and family experiences of single mothers participating in the California GAIN program. A total of 436 single mothers with one or more children under the age of 13 were recruited from the three counties as they entered the GAIN program. A



final sample of 255 participants were each interviewed three times over a period of approximately 12 months. Subjects were recruited between January 1990 and September 1990; interviews began in January 1990 and were completed by September 1991.

#### Study Population

The population of interest for this research includes all participants in the California GAIN program, and, more generally, programs operated under the Federal JOBS program. The target population for this study was limited to English speaking single mothers with one or more children under the age of 13 who entered the GAIN program between January 1 and September 30, 1990 in the three California counties.

The sampling plan was designed to include only those individuals who actually participated in GAIN for at least one week to minimize variation in the quality of program delivery. We focussed on the experiences of GAIN clients in what may be optimal circumstances: counties with favorable economic conditions, relatively well developed child care resources, and stable GAIN programs. This "best cases" scenario introduces a conservative bias into our findings; problems experienced by the women under these conditions, are likely to be more severe for women under more difficult economic, child care or program constraints in other regions of the state or country.

### Sample and Recruitment Protocols

Study participants were recruited in-person at their GAIN orientation by project staff who described the project and offered \$20 for participation in three telephone interviews. Although we did not use probability sampling, our volunteer rate of 74% allows us to generalize with some confidence to our larger sample population. This response rate compares favorably with response rates of randomized telephone surveys (see eg. Steeth.



1981; Smith, 1983) and a 71% response rate in a andom sample survey of the GAIN population conducted by the MDRC in 1989 (Martinson and Riccio, 1989).

We deliberately oversampled to anticipate high attrition due to two characteristics of our population: geographic mobility and deferral from active participation in the GAIN program. The greatest initial source of attrition in our sample was nonparticipation: as of September 1990, 80 of those with whom we completed an initial interview were either deregistered before beginning any GAIN activity or deferred from participation for the duration of our study. A second source of attrition was inability to contact: no phones, disconnected phones, or moves without forwarding addresses. Between the first and second interviews, we lost contact with 58 of our subjects; between the second and third interviews, an additional 43 subjects were lost (and 22 subjects missed on the second interview were re-contacted.) In all, we successfully interviewed 277 of the initial sample at the one year point, and 255 of the initial sample three times. Overall, we completed the three scheduled interviews with 71.6 percent of those who began a GAIN component.

The sample of women in this study resembles the larger population of AFDC recipients on many dimensions. The sample was about evenly divided among Caucasian (40%), African American (31%) and Hispanic (29%) subjects. The average single mother included in the study was 27 years old and her youngest child was 3.76 years old; on average, mothers had 1.8 children living with them. When they enrolled in GAIN, just over half (53%) had a high school degree or equivalent. Like AFDC recipients more generally, most women had been on aid for a relatively short time. Their current "spell" on AFDC averaged 3.21 years; 36% had been on aid one year or less, and 7% of women had been on AFDC continuously for 8 years or more. Although current AFDC spells were relatively brief, other factors suggested that many were at risk for long term receipt: 44% had first received AFDC before they were 20, and 30% came from families who received

Table IX.1 Sources of Attrition, GAIN Family Life and Child Care Study Sample

Initial Interview Excluded for non-participation in GAIN Lost to follow-up	436 80 58
Second Interview Lost to follow-up	298 43
Final Interview	255

welfare at some point during their childhood.

Although discussions about welfare-to-work programs often assume that AFDC recipients do not work or prepare for work in the absence of welfare incentives and government programs, it is clear from this and other studies that sizable numbers of those on welfare are actively engaged in employment and educational activities at any point in time. Twenty seven percent of women in this study were already enrolled in school when they started GAIN. An additional 11% of women had worked some paid hours in the quarter prior to their enrollment in GAIN. Over one-quarter (29%) of those with any employment during the quarter had worked for 30 hours per week or more in their last job.

#### Data Collection

Data were collected through structured telephone interviews at three points in time: before participation, three months after starting a GAIN activity, and 12 months after starting.

Interview protocols were developed based on the existing literature about child care arrangements, decisions, and parental attitudes. Although there are no standardized



instruments for measuring child care characteristics, recent surveys were consulted in an effort to construct similar questions and measures when possible (including Martinson and Riccio, 1989; Kisker, et al., 1989).

Other questions were developed based on academic literature. In particular, measures of child care quality drew on studies of the relationship between program characteristics and child outcomes (Clarke-Stewart and Gruber 1984; McCartney 1984; Vandell and Powers 1983; Sweinhart, Weikart and Larner 1986), and child care quality rating instruments developed by Harms and Clifford (1983), and the National Academy of Early Childhood Programs (Bredekamp, 1984). Questions concerning child care decisions were informed by a series of recent studies modeling child care decisions from survey data (including Hofferth 1989; Leibowitz, Waite and Witsberger 1988; Presser 1988; Lehrer 1983; and Blau and Robins 1988), along with qualitative studies by Browne (1985), Powell (1983) and Gravett, Rogers and Thompson (1987). The literature concerning women's experience of work and family conflicts was consulted in the construction of questions relating to satisfaction and stress associated with work and child care responsibilities (eg. Voydanoff and Donnelly, 1989; Voydanoff, 1988; Ericksen and Klein, 1981; Hochschild, 1989; and particularly the role conflict scales developed by Bohern and Viveros-Long, 1984). The literature concerning maternal/child attachment and anxiety in child care was also helpful (eg. Belsky, 1988; Clarke-Stewart, 1988).

Because of the limited number of counties in this sample, and the definition of the sample population, results cannot be generalized with complete confidence to other regions of the state or the country. Nonetheless this study describes the child care and family experiences of an important segment of the AFDC population in the JOBS program in California and may point to policy and programmatic issues faced elsewhere.

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## GAIN Family Life and Child Care Study EXECUTIVE SUMMARY

#### What is the typical GAIN experience?

- AFDC recipients entered the GAIN program with different educational and employment deficits and followed distinctly different routes toward economic self-sufficiency. Although a portion were ready to begin a job search immediately, the majority were in need of basic or remedial education, or were pursuing vocational training to improve their earning capacity.
- Within one year, nearly half (47%) of the clients who attended their GAIN orientation had started two or more different program components.
- Participation in the GAIN program was volatile and fragmented for many AFDC recipients. Breaks in education, training and job search activities were frequent. Some breaks were caused by temporary deferrals for personal and family problems. Other breaks were caused by program factors: scheduling problems, lack of appropriate services, or lack of follow-up.

#### What progress do AFDC recipients make toward self-sufficiency after they register for GAIN?

- The vast majority of clients entered GAIN with high hopes for success. Ninety-two percent of the single mothers expected the program to help them achieve educational, employment and/or personal goals. Many were already preparing themselves for work when they enrolled: over one-quarter (27%) were already in school or training when they registered for GAIN.
- Most clients who started GAIN continued to make progress toward self-sufficiency. By the end of one year, 73 percent of clients who had started a GAIN component were still actively enrolled in the program or had gone to work.

#### What are the prospects for self-sufficiency for GAIN "graduates"?

• Even the most "successful" GAIN participants continued to face formidable barriers to self-sufficiency. Nearly one-quarter (24%) of clients who started a GAIN activity worked some hours for pay by the fourth quarter after enrolling in the program. However, many of these clients were still not successful in economic terms. Over one-third (38%) of those who worked had earnings which were below the poverty line. When actual child care expenses were considered, nearly half (44%) were earning less than poverty level wages.



#### What impact does GAIN participation and work have on family time?

- Women's transitions to education, training, or work brought about a decrease in the number of hours they slept, enjoyed recuperative time in the home, and spent time with their children. In many cases, women reduced their sleep hours by one half to one full hour per day, depending upon the program component in which they were engaged. Leisure hours were already somewhat below national averages before participation in GAIN or work, yet these hours were also reduced by one to two hours per day during the study period. Time with children also suffered once women were in GAIN or working. Women lost about a half hour with their children once they were active in GAIN and they lost about an hour and a half each day once they were fully employed.
- Women who described their transition to work or school negatively focused specifically on the reduced amount of time available to care for their children. Decreases in leisure time and increases in travel time from home to work or school also brought about increased levels of family stress as reported by these women. Women's ability to balance the demands of family life and education or training was also compromised by multiple transitions in the GAIN program.

## How do single parent AFDC recipients balance the demands of home life and children with GAIN and work?

- Women's increased feelings of role conflict and decreases in time available to children had a direct impact on the likelihood of continuing in the GAIN program. Women who reported reduced time with children during their participation in GAIN were one-fifth as likely to continue in the program or obtain employment after one year. Elevated levels of role conflict also translated into an increased likelihood of dropping out of the program.
- Feelings of conflict between the demands of the home and the work environment were reduced as women experienced greater satisfaction with their jobs. Yet job satisfaction was correlated with the wages women received from their work and few women obtained jobs that would lift them out of poverty.
- The sample of women indicated very high levels of stress in their lives primarily associated with the effects of poverty and single parenthood. Many related the difficulties they faced coping with low income, poor neighborhoods, and poor health. We discovered that high stress was a regular feature of poor women's lives that was almost taken for granted because of its prevalence.

#### What are the child care needs of GAIN participants?

• The need for snild care was substantial along AFDC clients who were making the transition from welfare to work. Ninety-two percent of single mother GAIN clients -- each of whom had at least one child under age 13 -- used child care while they went



to school or job training activities. Like working parents more generally, they used informal babysitting arrangements and licensed child care in about equal proportions.

# Are there gaps in the system of child care subsidies for AFDC recipients making the transition to employment?

- Breaks in GAIN program activities for parents often meant disruptions in child care for their children. Over the course of the year, nearly half of children (49%) experienced at least two different primary child care arrangements; nearly one fifth (19%) were in three or more different arrangements.
- Although the GAIN program provided important, temporary child care benefits, many clients fell through the cracks of the child care system once they exited the program. Nearly all clients used GAIN subsidies to pav their babysitter or licensed day care provider while they attended GAIN activities. Among those who left the program and went to work (or another school program), however, less than half (40%) had fully- or partially-subsidized child care. As a result, 38 percent were paying more than ten percent of their cash income for child care.

#### How good is the child care used by GAIN clients?

- Child care quality varied dramatically, with parents reporting both good and poor quality care in all types of child care settings. Over one-third (36%) of child-care users said that they would have used a different child care arrangement if it had been available and affordable; over one quarter (27%) changed at least one child care arrangement during the year because of problems with quality or affordability.
- Child care quality had consequences for parents' success preparing for work. Single mothers who were most dissatisfied with their children's care arrangements, and those who rated that care as unsafe or understaffed were more likely to drop out of GAIN before the end of the year than parents who were more satisfied with their child care. Parents using care which was a long distance from their GAIN activity, and those who made many changes in child care due to scheduling changes, were also at greater risk for dropping out.



#### **POLICY RECOMMENDATIONS**

#### GAIN and CHILD CARE POLICY IN CALIFORNIA

The AFDC population is a heterogenous group whose route to self-sufficiency varies substantially. In order to accommodate family adjustments and support individual educational and economic goals GAIN services should remain flexible and be provided for a sufficient period of time to support a stable transition off welfare.

- Our data suggest that a program which provides maximum flexibility to accommodate
  differing educational, vocational, and employment needs is optimal. The current mixed
  model of educational and job readiness services, coupled with individual assessments
  and case management, is well suited to the heterogeneous population of AFDC clients
  who are served by the program.
- Time limits for the provision of job readiness services and expectations for exiting welfare should realistically reflect the diverse and often substantial deficits in education and skills with which AFDC recipients enter GAIN, and their ongoing child care responsibilities. Proposals to limit services or impose financial penalties after a few months of GAIN participation may force many AFDC recipients who are making good progress toward self-sufficiency to abandon their GAIN activities before they have had a realistic chance to prepare themselves for work at a living wage in the private economy.

A sizable fraction of GAIN enrollees continue to drop out of job preparation activities due to both <u>program</u> and <u>personal</u> factors. For clients who "drift" between activities for long periods of time, attrition may be lessened by expanding and better coordinating services. For clients who continue to have difficulty participating in job preparation activities, additional supportive case work may be appropriate.

- Due to the flexible design and multiple components of the GAIN program, services risk a lack of continuity and coordination. Clients who drop out of the program for programmatic reasons may be experiencing problems related to breaks in service or breaks in child care coverage. Women with fewer transitions in the GAIN program also report lower levels of family-related stress.
- Counties may choose to reduce the flexibility inherent in the GAIN program, offering fewer choices to clients. Yet by doing so the spirit of GAIN will be diminished, the program will become routinized, and the diverse needs of AFDC recipients will be ignored.
- A better alternative would involve steps to increase the continuity and coordination of services. Basic education and job search classes should be available ... on after clients register for GAIN, and provided on a year-round schedule. Child care should be



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available to cover brief breaks and transitions in education or training programs, and during summer months. And GAIN activities should be scheduled to facilitate rapid enrollment in local school and training programs.

• Clients who continue to drop out of job readiness activities even after services are fully coordinated may be in need of more intensive social casework services. Clients who are enrolled but inactive in GAIN for six consecutive months should be provided intensive case management services designed to identify and address program, personal or family problems which are creating barriers to participation in job readiness activities.

Women experience a considerable degree of stress related to the task of balancing the demands of family life with the demands of work.

• Services which help insure higher paying positions in the labor market will increase job satisfaction, decrease the burden of managing competing work and family demands, and reduce the stress associated with living in poverty.

Child care is a critical service for parents making the transition from welfare to work. Subsidies should be available which support parents' choices about the best type of care for their children.

• Care with family and friends, or in licensed day care homes and centers, have different advantages and drawbacks, and parents use care arrangements to accommodate differences in their own schedules and their children's ages. There is no reason, from these findings, to believe that either form of care is consistently better, and should be promoted exclusively. The current policy of informing and supporting parents' choices about care is well justified.

Families are encountering problems with both <u>quality</u> and <u>continuity</u> in child care services which jeopardize their progress toward economic independence. Child care services should be reorganized and integrated to assure minimum quality of care and provide seamless services for families making progress toward self-sufficiency.

- Breaks in program activities which require new child care arrangements impose a burden on AFDC clients trying to work their way off welfare, and may have negative developmental consequences for their children. Priority should be given to extending child care arrangements during breaks in parents' GAIN educational and job readiness activities.
- Categorical, targeted child care subsidies for low-income families create a bewildering and still incomplete system of coverage for families moving from welfare to self-sufficiency. To minimize gaps in the system and assist families in transitions between



categorical programs, resources from the many state and federal child care programs which are targeted on low-income families should be integrated and administered by a single entity at the county level.

- Child care adequacy and quality vary enormously in both informal and organized child care settings, and poor quality care jeopardizes the welfare of both children and parents. Licensed and license-exempt providers should be subject to a higher minimum level of regulation, to include at least one on-site visit.
- GAIN clients may make different child care arrangements during their progress through the program and their transition to employment. Local Child Care Resource and Referral agencies should provide both initial and on-going assistance for parents in making child care choices and using various public child care subsidies.

Even the most "successful" GAIN clients may still face economic barriers to self-sufficiency. In-kind services and income supports should be provided for an extended period of time for those who achieve partial independence from welfare, but are unable to move their families out of poverty solely through their earnings.

- The child care entitlement which begins when AFDC recipients start the transition from welfare to self-sufficiency (through GAIN child care services) should be extended until they become ineligible due to income. Funds from GAIN, TCC, Title IV-A and CCDBG sources should be blended at the county level to provide seamless coverage for families who begin employment. A single, income-based eligibility system should be developed for all state and federal pass-through child care subsidies, to gradually phase out assistance through income adjusted parent co-payments.
- California AFDC, tax and health care policies should be designed to support income packaging and partial self-sufficiency for low-earning heads of households. Policies to increase and extend earnings disregards in AFDC, reduce payroll and income tax burdens for low income families, offset rising housing costs, and provide universal access to health care will reduce disincentives to work and help welfare recipients begin the transition to self-sufficiency.

