

**Reaching for Independence:  
A Study of Families That Have Left the  
Alaska Temporary Assistance Program**



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# Executive Summary

## ***Background***

A sweeping national welfare reform law, The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, established the federal Temporary Assistance for Needy Families (TANF) program. TANF replaced the Aid to Families with Dependent Children (AFDC) program, which had provided funding to states to operate cash welfare programs for needy families since the enactment of the Social Security Act during the Great Depression. States receive federal TANF funds based on congressionally established block grant amounts, unlike AFDC funding, which had been an open-ended entitlement.

This report assesses the characteristics and status of Alaskans who left Alaska's welfare rolls after the July 1997 implementation of the Alaska Temporary Assistance program, Alaska's version of TANF. Studies of this type (commonly called welfare "leaver" studies) are underway in many of the states. In general, leaver studies are designed to document the outcomes of families that left the welfare rolls after the states' implementation of welfare reform.

The Alaska Temporary Assistance program is administered by the Division of Public Assistance, an agency within the Alaska Department of Health and Social Services. The Division of Public Assistance commissioned the Institute for Circumpolar Health Studies (ICHS), an applied social welfare research unit within the University of Alaska Anchorage (UAA), to conduct the study. ICHS conducted the study in partnership with the UAA School of Social Work.

The Division of Public Assistance and the UAA evaluation team established the following objectives for this study:

- To assess the characteristics and status of families that left the welfare rolls ("leavers") after the July 1997 implementation of the Alaska Temporary Assistance program,
- To compare leaver families that returned to the welfare rolls after a period of absence ("returners") to non-returners,
- To identify factors that may impact the ability of former Temporary Assistance clients to stay off assistance, and
- To assist the Division of Public Assistance in using the evaluation findings to assess the effectiveness of its efforts.

The evaluation team used Division of Public Assistance administrative data and the results of a survey of a representative sample of 694 Alaskans who left the Temporary Assistance program rolls during the 24-month period ending in October 1999. Survey interviews were conducted during the spring of 2000. Statistical comparisons between the sample and the universe of all Temporary Assistance recipients who left the rolls during the study period established that the sample was representative of the population.

The study data were reviewed by Division of Public Assistance staff and an advisory and oversight committee appointed by the Commissioner of the Department of Health and Social Services. The results presented here include summaries of study data and interpretations of the meaning of the data.

The findings below are grouped according to the basic constructs or factors used in other states to assess the results of welfare reform on families that leave, and sometimes re-enter, the welfare rolls. As the title of this study suggests, most of the subject families were indeed "reaching for independence" with varying degrees of success.

## **Findings**

### **Demographics and Family Characteristics**

Most recipients who left the Temporary Assistance programs were younger, high-school-educated females with small families.

Alaska Native families left the caseload at about the same rate as non-Native families.

Households that had included only one eligible parent during the study period but included a “significant other” at the time of the interview were significantly more likely than similar cases that did not include a significant other to be off Temporary Assistance at the time of the interview.

Getting off welfare is not the same as staying off welfare. Three out of ten families returned to the Temporary Assistance rolls during the 24-month study period. This phenomenon of leaving and returning to welfare is often called caseload “churning.” The occurrence of such repeated interactions with the welfare system highlights the need for steady employment and strong support services to people leaving welfare as they strive to maintain their independence.

Specifically, the study found that:

- Eighty-eight percent (88%) of recipients who left Temporary Assistance were female.
- The average age of Temporary Assistance leavers was 34 years.
- The typical family included two children.
- Although the proportion of Alaska Native families in the Temporary Assistance caseload (37%) is greater than the proportion of Alaska Natives in the state population, Native families left the caseload at about the same rate as non-Native families.

- Households that had included only one eligible parent during the study period but included a “significant other” at the time of the interview were significantly more likely than similar cases that did not include a significant other to be off Temporary Assistance at the time of the interview.
- Eight out of ten (81%) people who left Temporary Assistance had at least a high school education or equivalent.
- Three out of ten (30%) of the cases that left the Temporary Assistance caseload during the study period returned to the Temporary Assistance rolls at least once during the study period.
- Consistent with the overall geographic distribution of the Temporary Assistance caseload, significantly more respondents with two-parent families lived in rural Alaska (52%) than lived in urban Alaska (20%).
- Over half (51%) of the respondents cited employment as their reason for leaving Temporary Assistance.

### **Employment and Earned Income Opportunities**

Employment is a crucial factor in a family’s ability to leave welfare. Numerous indicators point toward the importance of quality jobs to becoming independent of Temporary Assistance. Study participants who did not return to the Temporary Assistance rolls were more likely than returners to have held permanent, non-seasonal, full-time jobs and to have had higher hourly wages than returners did. As expected, people with less than a high school education or who had serious health problems or disabilities had more trouble maintaining independent employment.

Specifically, the study found that:

- Almost two-thirds (65%) of all respondents were employed at the time of the interview.

- Three-quarters (75%) of the respondents who were off Temporary Assistance at the time of the interview were employed.
- Three in ten (27%) of the respondents were back on Temporary Assistance at the time they were interviewed.
- Thirty-eight percent (38%) of the respondents who were back on Temporary Assistance at the time of the interview were employed.
- The average wage for people interviewed who were working was \$9.73 per hour in 1998 and \$10.52 per hour in 1999.
- Respondents with a high school diploma or equivalent were significantly more likely to be employed and off Temporary Assistance than those with less education.
- Health problems, disabilities, and problems with child care were the most frequently mentioned challenges to employment.

### **Unearned Income**

Cash income from non-employment sources may contribute significantly to a family's total income and ability to leave and stay off the Temporary Assistance rolls. Unearned income that is received on a regular basis may be especially important in meeting a family's ongoing financial needs.

While many Alaskans believe that the Permanent Fund Dividend is an important way of reducing the need for Temporary Assistance, many people who left Temporary Assistance had their Permanent Fund dividends garnished to pay off their debts, suggesting that they were having trouble meeting their financial obligations. We also found that regular child support payments were available to few families that left the Temporary Assistance rolls and that almost as many families paid out child support as received it.

Specifically, the study found that:

- Fewer than one out of five respondents (18%) reported that their household received child support payments. The average payment amount was \$282 per month.
- Twelve percent (12%) of respondents reported that their household paid out child support, averaging \$318 per month.
- Thirty-seven percent (37%) of respondents reported that a household member's 1999 Permanent Fund dividend was garnished.
- Sixteen percent (16%) reported that at least one member of the household received Adult Public Assistance payments.

### **Use of Transitional Services and Community Help**

Getting off Temporary Assistance cannot be equated with no longer needing public services. Former Temporary Assistance recipients relied on government health insurance, food stamps, or community resources to help them stay off the Temporary Assistance rolls. These services must be available if the Temporary Assistance caseload is expected to continue to decline.

Specifically, the study found that:

- The most frequently cited government service used by respondents after they left the Temporary Assistance rolls was government health insurance, including Medicaid, tribal health care, and Denali KidCare.
- One-third (34%) of respondents said they were not receiving food stamps at the time of the interview. Most of those not using food stamps reported that they did not need or want food stamps, or believed that they were not qualified.
- Some respondents (30%) used food banks, faith-based organizations, family

support, or some other form of community support while they were off the Temporary Assistance rolls.

### **Services Received by Temporary Assistance Recipients**

Well trained and responsive Public Assistance caseworkers are a crucial element in helping people stay off Temporary Assistance. They are instrumental in helping people plan for the transition from welfare to work, prepare themselves for work, find jobs, and maintain employment. Temporary Assistance clients are also an important source of volunteer community service labor.

Specifically, the study found that:

- Sixty-two percent (62%) of respondents indicated their Public Assistance caseworker had required them to work, look for a job, or go to some kind of job training.
- An average of 13% of respondents indicated they had participated in some form of volunteer or unpaid work between 1998 and 1999.

### **Child Care**

All families with children must address their child care needs in order to balance family life with employment. This is also true with Temporary Assistance recipients who leave the rolls. Subsidized child care is an essential welfare-to-work service. Survey respondents reported that they used subsidized child care less after they left the Temporary Assistance rolls than they did while they were receiving benefits. It is essential to maintain child care benefits and assure access to subsidized care as part of the welfare transitional package. Further study will be necessary to understand the subsidized child care utilization patterns of Temporary Assistance leavers.

Specifically, the study found that:

- One-third of all respondents (33%) reported that a lack of child care had disrupted their ability to look for a job or go to school or training.
- One-third of the respondents (33%) who had preschool age children reported that they used child care for them in order to find or keep a job.
- Twenty-four percent (24%) of respondents who had school age children had used child care for them.
- Three in ten (31%) reported that they had received subsidized child care for training and other work-related reasons before they left the Temporary Assistance caseload, while only 18% said they had received subsidized care after leaving the Temporary Assistance rolls.
- Child care centers and family day care homes were the most frequently mentioned forms of child care used. Friends and relatives provided most of the remaining care.
- Almost nine out of ten (86%) of those who used child care were satisfied with the quality of child care they received.

### **Housing**

Adequate shelter is one of the basic necessities of life. Without stable housing, it is difficult to maintain gainful employment. One in three survey respondents had trouble paying for this basic need. The data show that people who returned to the Temporary Assistance rolls had more trouble than those who stayed off Temporary Assistance. Continued attention must be paid to basic housing as a crucial component of welfare reform.

Specifically, the study found that:

- Housing arrangements were stable for 70% of respondents in the year preceding the interview, with 30% reporting at least one move in the last year.
- The average housing cost for respondents was \$430 per month, and their

average utility cost was \$133 per month.

- Twenty-eight percent (28%) of the respondents were living in either subsidized housing or a public housing project.
- Over one-third (36%) reported being unable to pay rent, housing, or utility bills at least once in the past year, with people not on Temporary Assistance less likely to have this experience.

### **Transportation**

There is a strong relationship between the availability of reliable transportation and people's ability to maintain employment and stay off the Temporary Assistance rolls. Three-quarters of the survey respondents had adequate transportation. This clearly helps people maintain stable employment. The data suggest that the liberalized Temporary Assistance policy on vehicle ownership is good public policy.

Specifically, the study found that:

- Three quarters (75%) of respondents reported having adequate transportation to get to work, training or child care.
- Personally owned vehicles were the most common form of transportation.
- People with reliable transportation were significantly more likely to be off Temporary Assistance and employed at the time of the interview.

### **Health Issues**

While most former Temporary Assistance recipients are healthy, many recognize health problems and disability as a major challenge to stable employment. Lack of adequate health insurance affected the lives of one out of three families that left Temporary Assistance. This finding reinforces the need for continuing government-sponsored medical insurance as an im-

portant component of welfare-to-work strategy.

Specifically, the study found that:

- Eighty-nine percent (89%) of the respondents reported that their current health was fair or better, with 11% indicating poor health. Their spouses and children were reported to be in comparably good health.
- Thirty percent (30%) of respondents reported at least one family member with no medical coverage.
- Seventeen percent (17%) of respondents said that someone in their household had not received needed health care during the past year, most often due to financial constraints.

### **Client Perceptions and Attitudes**

People who left Temporary Assistance agree with the welfare-to-work philosophy, yet express some reservations about their long-term ability to remain independent. During their quest for independence, many repeatedly move from welfare to work and back to welfare. Some people worry about the availability of Temporary Assistance benefits if they should need these services in the future. The impact of the new limits on welfare eligibility needs further investigation.

Specifically, the study found that:

- More than nine out of ten (96%) people interviewed reported that they would rather work than receive Temporary Assistance.
- More than half (55%) of the respondents said that their lives were better while they were off the Temporary Assistance rolls.
- About seven out of ten (71%) respondents agreed with the appropriateness of Temporary Assistance time limits, with half of them (50%) strongly agreeing.

- Over eight out of ten (85%) respondents agreed that people on Temporary Assistance should be required to find a job and work.
- More than six out of ten (62%) people interviewed believed that their Temporary Assistance caseworker was interested in their well-being and gave them good advice and support.

## Rural Issues

The availability of quality jobs in rural Alaska is going to affect the success of the welfare-to-work efforts in many areas of the state. Although benefit time limits do not apply in many small villages, the nature of temporary and seasonal employment in rural Alaska makes time limits on Temporary Assistance benefits a critical issue.

Specifically, the study found that:

- Almost nine out of ten rural Temporary Assistance recipients (88%) were Alaska Natives. There were significantly more respondents with two-parent families in rural Alaska (52%) than in urban Alaska (20%); this is consistent with the overall geographic distribution of the Temporary Assistance caseload.
- The higher cost of living and seasonal and temporary employment patterns probably offset higher wage levels in rural Alaska.
- Rural respondents believed that the available jobs were of lower quality and harder for them to find than their urban counterparts believed.
- Rural residents were less willing than urban residents to relocate to find employment.

## Conclusions

Division of Public Assistance data show that both the Temporary Assistance rolls and the Temporary Assistance budgets

have been shrinking since the Fiscal Year 1998 implementation of welfare reform in Alaska. The change to the “welfare-to-work” policy underlying Alaska’s welfare reform efforts is generally recognized as a good public policy properly implemented. There is agreement, even among Temporary Assistance beneficiaries, that work is better than welfare. Many former Temporary Assistance recipients are now part of the workforce and appear to be successfully replacing benefits with earnings. They credit the caseworkers of the Division of Public Assistance and its affiliated agencies for helping them make the transition to independence.

However, the results of this study also suggest that these trends may not continue on their present course. The ability of former Temporary Assistance recipients to remain in the workforce is challenged by perceptions of shortages of quality jobs, problems with child care, and family problems. The inevitable economic downturns of the future are likely to affect this population strongly. A substantial proportion (30%) of those who left Temporary Assistance returned to the rolls during the study period, some repeatedly bouncing back and forth from welfare to work. The dynamics of this caseload “churning” phenomenon warrant further study. Many of those who remain off the Temporary Assistance rolls are working in the lower range of the wage scales. Many depend on seasonal and temporary work. Their situations seem to be economically fragile.

It is essential to provide the supports necessary to maintain the gains that Alaska has made in implementing its welfare-to-work policies. As the caseload falls, this may be increasingly difficult because the population remaining on Temporary Assistance may require more sophisticated and intensive interventions to help them prepare for independence, and to support their transition to work. More needs to be learned about the characteristics of the Alaskans who remain on the Temporary



Assistance rolls in order to assure them the same opportunities to become stable members of the Alaskan workforce. Program strategies must be in place to support families that, despite their best efforts to achieve independence, exhaust their eligibility for Temporary Assistance when the 60-month time limit takes effect in mid-2002.

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# Introduction

## ***Background: Welfare Reform in Alaska***

The last decade of the 20<sup>th</sup> Century saw sweeping changes in the way America provides for the basic financial needs of its low income children and families. The Aid to Families with Dependent Children (AFDC) program, which provided funding to states to operate cash welfare programs since the passage of the Social Security Act during the Great Depression era, was replaced by the Temporary Assistance for Needy Families (TANF) program under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996,<sup>1</sup> enacted in August 1996.

Passage of TANF signaled a fundamental shift in the objective of welfare, from providing ongoing income maintenance for poor children and their adult caretakers, toward short-term aid and rapid movement of welfare families toward employment and self-support.

Under the old AFDC system, families with income and assets below state-established maximums were entitled to benefits as long as a dependent child was living in the home. There was no limit on the amount of federal matching funds states could receive for their AFDC programs.

TANF changed this, eliminating the automatic entitlement to benefits and, with limited exceptions, subjecting recipients to a 60-month lifetime limit on cash benefits. States no longer receive open-ended federal matching for the costs of their welfare programs; TANF funding is paid as a block grant to the states, the amount based on each state's historic claims for AFDC funding.

Alaska enacted welfare reform legislation in June 1996<sup>2</sup> in anticipation of the impending federal welfare reform law. The State of Alaska's version of TANF, known as the Alaska Temporary Assistance program (herein referred to as Temporary Assistance) replaced AFDC in July 1997. Temporary Assistance, like its federal counterpart, encourages the independence of recipients by emphasizing work and self-sufficiency and including a 60-month lifetime limit on cash benefits. Alaska's Temporary Assistance program is administered by the Division of Public Assistance (DPA), an agency of the Alaska Department of Health and Social Services.

Under previous law, only the states could operate and receive funding for AFDC programs. The federal welfare reform legislation authorized Native American tribes and Alaska Native organizations to share in the TANF Block grant and operate separate TANF programs for their members. In Alaska, the 12 ANCSA regional nonprofit corporations and the Metlakatla Indian Community are eligible for Native TANF funding. In 2000, the Alaska Legislature passed a bill sponsored by Governor Knowles that authorizes state funding for Native-run TANF programs to four organizations. To date, three Alaska Native organizations: the Tanana Chiefs Conference, Inc; the Central Council of Tlingit and Haida Indian Tribes of Alaska; and the Association of Village Council Presidents have taken over TANF services for Native families living in their regions. The Metlakatla Indian Community is authorized to receive state funding, but has not yet decided to run a TANF program.

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<sup>1</sup> Public Law 104-193

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<sup>2</sup> Chapter 107, Session Laws of Alaska 1996

## ***The Need for Program Evaluation***

Temporary Assistance and the Native TANF programs represent a rapid, fundamental shift in Alaska's social policy. In Alaska, as elsewhere, the TANF caseload has declined dramatically since the implementation of welfare reform. Average monthly Temporary Assistance and Native TANF caseloads for Fiscal Year 2000 stood at 7,987 families, 34% lower than the average monthly caseload for state fiscal year 1997 (the last year before the implementation of welfare reform), and 39% below the historic high of 13,164 AFDC families in April 1994.

The rapid decline in the Temporary Assistance caseload raises important questions about how families that have left the Temporary Assistance rolls are faring. The Division of Public Assistance is aware that some families that have left Temporary Assistance have since returned. Others have continued to utilize other public assistance programs such as Medicaid and food stamps. However, a substantial number of families simply ceased all contact with the Division of Public Assistance.

There are also many questions about the impacts of Temporary Assistance policies and services, as well as the impacts of non-public assistance services families use that might to help them stay off the rolls. Temporary Assistance families will begin to lose eligibility because of the 60-month time limit in July 2002. Policymakers need objective, reliable information to fine-tune program policies, and to target services so that families are supported in achieving economic self-sufficiency before they run down the benefit clock.

These questions, along with a legislative requirement to "conduct studies and research in order to evaluate and monitor the

effectiveness of [Temporary Assistance],"<sup>3</sup> led the Department of Health and Social Services to sponsor this study of families that have left the Temporary Assistance rolls.

This study is a cooperative effort of the Institute for Circumpolar Health Studies at the University of Alaska Anchorage (UAA), the UAA School of Social Work, and the Division of Public Assistance. This report presents the results of the first phase of a planned multi-year evaluation of the Temporary Assistance program.

## ***Evaluation Objectives***

The Division of Public Assistance and the UAA evaluation team established the following objectives for this study:

- To assess the characteristics and status of families that have left the welfare rolls ("leavers") since the July 1997 implementation of the Temporary Assistance program,
- To compare leaver families that have returned to the welfare rolls after a period of absence ("returners") to non-returners,
- To identify factors that may impact the ability of former Temporary Assistance clients to stay off assistance, and
- To assist the Division of Public Assistance in using the evaluation findings to assess the effectiveness of their efforts.

## ***The Basic Study Approach***

The study subjects consisted of current and former recipients who were identified using Division of Public Assistance administrative records as Temporary Assistance "leavers." A leaver is defined as a recipient who received one or more months of Temporary Assistance, then left the rolls for at least two consecutive months. This definition of a leaver was selected in the interest of com-

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<sup>3</sup> Alaska Statutes 47.27.005(7)

parability. A large number of states that are also conducting TANF leaver studies use this same definition. In this study, the subjects were randomly selected from Division of Public Assistance computer records of Temporary Assistance families that received assistance for at least one month between October 1997 and September 1999 and then left the rolls for at least two consecutive months before December 1999.

Many families have multiple episodes of Temporary Assistance use, returning to the rolls after a period of non-use. Leavers who returned to the rolls for one or more episodes of assistance after having been identified are categorized in this analysis as “returners.” Leavers who never returned to the rolls after leaving once are categorized as “non-returners.”

It is important to bear in mind that all of the subjects of the study, both non-returners and returners, are leavers under our definition. Families that never left the rolls were not included in this study.

“Child-only” cases, which constituted 7.8% of identified leaver cases, were excluded from the study survey. A child-only Temporary Assistance case consists of a needy child with a non-needy adult caretaker. Typically, child-only cases are established when the child lives with a relative, such as a grandparent, aunt, or uncle, who is not the child’s parent and therefore not financially responsible for the child’s support. Child-only cases are not subject to Temporary Assistance time limits or work requirements and are outside the scope of the research questions. TANF leaver studies conducted in other states have also excluded child-only cases.

## ***Project Oversight***

The health and welfare of low-income Alaskan children and their families is an important and sensitive topic, and the evaluation of services for this population requires a

broad understanding of the numerous factors that affect the health and well-being of Alaskans. For this reason, it was important to have an objective group of knowledgeable Alaskans oversee this project and assist the project sponsor and the evaluation research staff in the formation of questions and the interpretation of survey data. In September 1999, the Commissioner of Health and Social Services appointed a Temporary Assistance Evaluation Advisory Committee.

The duties and responsibilities of the advisory committee were to:

- Participate in meetings with the project sponsor and evaluation research staff,
- Monitor the course of the study,
- Review the plan for the evaluation and data collection protocols,
- Assist in the interpretation of data, and
- Review findings and make recommendations.

The Division of Public Assistance established a project coordinator as the principal contact point within the Division for both the University research team and the Advisory Committee.

The advisory committee met at critical points during the conduct of the study. The first meeting was to review evaluation questions and constructs. In the second meeting, the committee reviewed proposed data collection questionnaires and approaches to assure that they were defensible, accurate, and responsive to the information needs of the project sponsor and the public. The third meeting was intended to review preliminary data that were generated through the study. At the last meeting, the committee reviewed the draft findings, conclusions, and recommendations prior to the submission of this report to the project sponsor. During the course of the project, information and project documentation were disseminated to members by e-mail. Meetings were held both face-to-face and by teleconference.

# Study Methodology and Respondent Characteristics

The data used for this evaluation project were taken from a sample of Temporary Assistance leavers. The sample was randomly selected from all Alaskans who received benefits from the Alaska Temporary Assistance Program at least once since October 1997 and then left the program for a period of at least two consecutive months prior to November 1999. The resulting data set was merged with administrative data routinely collected and maintained by the Division of Public Assistance as part of their statewide Eligibility Information System.

This section describes the sampling process, including a description of the data bases used, operational definitions of leavers and returners, the rationale for the number of respondents interviewed, and the overall method for capturing desired information.

## ***Operational Definitions Used in the Sampling Frame***

The first step in designing a sampling strategy is defining the desired characteristics of the subjects who are to be included in the sampling frame. The sampling frame is the total population from which the sample is drawn. For the purpose of this study, a “leaver” is defined as an individual who received at least one month of Temporary Assistance benefits during the sample period and subsequently became a non-recipient for at least two months. This same definition has been used in many studies of TANF leavers in other states.<sup>4</sup>

<sup>4</sup> Isaacs, Julia B. and Matthew R. Lyon. 2000. A Cross-State Examination of Families leaving Welfare: Findings

## ***Data Sources***

The data set used for this analysis is a combination of survey data collected using telephone and face-to-face interviews and administrative data maintained by the Division of Public Assistance in the eligibility information system. This section describes each data set.

1. The DPA Eligibility Information System (EIS): The Division of Public Assistance has the programmatic and statutory responsibility for determining eligibility for Temporary Assistance cash payments. This is a detailed and intricate process of collecting data from prospective beneficiaries to determine their eligibility for assistance under state and federal law.

Eligibility workers who gather information from applicants in most parts of Alaska collect the data. Fee agents collect the same information in parts of Alaska where there are no Division of public Assistance offices, and hence no state eligibility workers.

This information is stored in the state-maintained Eligibility Information System. As a mainframe system, EIS is capable of storing massive amounts of eligibility information, and of regularly updating files on both the families that apply for Temporary Assistance and each individual within that family. Records are maintained for each month for which there is a transaction or cash payment. The sample for this study was

from the ASPE-funded Leavers Studies. A paper presented at the National Association for Welfare Research and Statistics (NAWRS) 40<sup>th</sup> annual workshop in Scottsdale, Arizona, August 1, 2000.



taken from all records and cases from October 1997 through November 1999. Records from October and November 1999 were used to confirm the leaver status of cases that received Temporary Assistance benefits in August and September 1999. However, cases that entered the caseload after September 1999 were not selected for the survey.

2. Survey Data: Detailed information was required to address the research questions that far exceeded what was available in the EIS administrative data set. For that reason, the study collected data using face-to-face and telephonic interviews of a selected number of Temporary Assistance leavers.

A survey instrument was developed by the evaluation team and the Division of Public Assistance, and reviewed by the Temporary Assistance Evaluation Advisory Committee. This survey instrument (see Appendix A) was first administered to 44 Alaskans in a beta or pre-test phase. The instrument was revised and administered to 694 people between March 24 and May 5, 2000. Ivan Moore Research, an Anchorage-based public opinion research firm, conducted 499 telephonic interviews. An additional 95 interviews were conducted by UAA staff (79 of these were done face-to-face, 16 by telephone); these were intended to capture more phenomenological and experiential data, as well as to assess the reliability of the telephonic survey data. Data from all interviews were entered into an electronic data set maintained by the evaluation team. The total combined sample size was 694 people.

## ***Procedures for Developing the Sampling Frame***

This study focused on families, not individual TANF beneficiaries. Therefore, the sampling frame included families, not individuals. Data from two DPA sources were combined to consolidate information on families for the sampling frame. While the EIS records on families contained the content for all the variables needed in the study, the EIS records on individual family members provided the social security numbers and names required to contact potential respondents drawn from the sampling frame. The data from these two sources were merged.

Only “leavers” were included in the sampling frame from which the random sample of telephonic and face-to-face respondents was drawn. As mentioned earlier, a leaver is defined as a case with a history of at least one break period of at least two months between monthly Temporary Assistance payments over the two-year study period. The non-leavers (or “stayers”) were not included in this study.

Cases that did not include an eligible adult were also eliminated from the sampling frame. In the sampling frame that contained all leavers, there was a family type designation “child-only” that was excluded from the study population. Child-only cases do not include an adult who is subject to the Temporary Assistance work requirements. Children are not subject to the 60-month benefit time limit. Thus, child-only cases would not appropriately be included in a study of this nature.

## ***Sample Selection***

A probability sample was drawn using stratified random sampling procedures. The strata selected were the geographic service districts of the Division of Public Assistance. Essentially, a Public Assistance district is the area served by an individual Public Assistance field office. The proportional representation of all clients within districts was applied to the estimated number of respondents required for the power needed for this study. That proportional sampling led to the stratification system employed in drawing the sample both for University-conducted and contractor-conducted telephonic interviews.

Potential respondents were selected randomly for inclusion within each stratum. Selected cases appeared in each stratified sampling frame in random order. To avoid bias, both the University interviewers and the contract telephonic interviewers selected respondents from the sampling pool in the order in which they appeared in the sampling frame.

## ***Respondent Selection***

Experience from attempting to contact potential respondents in the beta test suggested that at least 3 times as many people should be on the sample selection list as respondents actually needed. This was because some potential respondents were difficult to find, had moved and left no forwarding phone number, or refused to participate. The survey schedule required that all interviews be completed within a six-week timeline. Therefore, each stratum

for the sample contained a randomized list with far more respondents than the number required. People were called in the order in which they appeared on the list. Interviewers were instructed to keep working down their lists until the interview team completed the required number of interviews for each district.

To assure that response bias was minimized, there were repeated efforts to contact potential respondents to assure their inclusion within the final sample. For example, the telephone interviewers and the face-to-face interviewers called potential respondents no less than three times before they were dropped from consideration for inclusion in the sample. When possible, individuals were traced through successive addresses or alternative telephone listings to assure that they were included in the sample. People were eliminated from consideration if:

- The contact information in the administrative records was not current and no current telephone number could be found,
- Repeated efforts to contact and interview them were unsuccessful and the interviewers ran out of time, or
- The individual refused to participate in the interview.

## ***Response Rates***

Tables 1 and 2 (next page) display a detailed analysis of the efforts to contact individuals and the resulting response rates.

**Table 1. Contact Rate Calculations for Contractor-Administered Interviews**

District	Unsuccessful Attempts to Interview			Total Contractor Interviews	Response rate
	Contact made	No phone # found	Refused		
ANCHORAGE	168	352	72	221	27.18%
BETHEL	24	24	10	46	44.23%
CFO	16	23	5	34	43.59%
FAIRBANKS	70	83	17	75	30.61%
JUNEAU	10	30	6	19	29.23%
KENAI	20	39	15	36	32.73%
KETCHIKAN	14	21	3	23	37.70%
KOTZEBUE	3	5	2	11	52.38%
MAT-SU	15	66	23	63	37.72%
MULTIPLE	27	42	12	47	36.72%
NOME	6	15	1	15	40.54%
SITKA	3	5	1	9	50.00%
<b>TOTAL</b>	<b>376</b>	<b>705</b>	<b>167</b>	<b>599</b>	<b>32.43%</b>

**Table 2. Contact Rate Calculations for UAA-Administered Interviews**

District	Unsuccessful Attempts to Interview			Total UAA Interviews	Response rate
	Contact made	No phone # found	Refused		
ANCHORAGE	7	62	3	34	32.08%
BETHEL	0	4	1	7	58.33%
CFO	1	3	3	6	46.15%
FAIRBANKS	5	20	2	13	32.50%
JUNEAU	2	5	1	4	33.33%
KENAI	4	14	0	4	18.18%
KETCHIKAN	0	4	0	4	50.00%
KOTZEBUE	1	1	0	2	50.00%
MAT-SU	6	13	0	11	36.67%
MULTIPLE	6	11	1	5	21.74%
NOME	2	1	0	3	50.00%
SITKA	1	2	0	2	40.00%
<b>TOTAL</b>	<b>35</b>	<b>140</b>	<b>11</b>	<b>95</b>	<b>33.81%</b>

In Table 1 and Table 2, "contact made" means that the interviewer had some contact with the potential respondent, the potential respondent did not refuse to be interviewed, yet no interview was completed. This includes instances where a message was left but the surveyor's call was not returned; the potential respondent asked to be called back at a more convenient time or promised to call the interviewer back at a more convenient time and no subsequent contact occurred; or the potential respondent failed to appear for a scheduled face-to-face interview. The "multiple" district includes only cases where the family lived in more than one district during the sample period.

The target response rate for the survey was 70%. The actual average response rate of approximately 33% fell well below the target because of the constraints of time.

Some leaver studies in other states, through repeated and costly attempts to contact respondents, had response rates that substantially exceeded those in this study. Given the limited resources available and the necessity of completing the survey in six weeks, the response rate achieved was acceptable. Because the response rate was below target, tests of generalizability were conducted to establish that the surveyed cases were representative of the sample population.

### ***Tests of Generalizability***

A series of statistical tests was conducted to assess the generalizability of the sample. The working hypothesis was that the sample was not representative of the general population of individuals who had left the public assistance rolls. Factors included in the analysis were geographic representation, ethnic distribution, and responder vs. non-responder.

The results of these tests indicate that the sample was representative of the general population despite the less-than-expected response rate.

### ***Merging of Administrative and Survey Data Sets***

Once the survey was completed and survey data entered into a Statistical Package for the Social Sciences (SPSS) data set, the data were merged back into the family unit data based on the EIS number that was common to both sets. A schematic showing the methodology for the selection of respondents and a combination of EIS and survey data is shown in Appendix B.

### ***Participation of Native TANF Programs***

Tanana Chiefs Conference (TCC) began operating its Native TANF program in October 1998. At that time, TCC took over the administration of 417 Temporary Assistance cases. These cases were included in the population from which the survey sample was drawn, and may be included among the survey respondents. These cases represent less than 3% of all cases that received benefits during the two year study period and less than 4% of all leavers. All of these cases received benefits from the state Temporary Assistance program during the first nine months of the sample period. Their inclusion in the sample is not expected to significantly affect the results of this study.

### ***Face-to-Face Interview or Debriefing***

A telephone survey contractor conducted 599 of the 694 interviews completed for the survey. University staff conducted the remaining 95 interviews.

The intent of the university-completed subsample was to validate the responses of the general survey population and to assess the level of individual respondents' responses when the personal element was added to the interview. Body language and side talk during face-to-face interviews can convey rich information about the respondent's feelings and beliefs. Whenever possible, the university interviewers completed their interviews face-to-face; 82 of the 98 university-completed interviews were in fact conducted face-to-face. The remaining 16 interviews were conducted telephonically because travel to the respondent's community was impractical or prohibitively expensive.

The face-to-face interviews were held in geographic locations throughout the state. The samples were stratified to assure that a representative number of interviews was conducted in each of the 13 Division of Public Assistance administrative districts.

Three language barriers arose for the university interviewers: Russian, Spanish, and Laotian. In the first two cases, an interpreter was used. In the third case, no Laotian interpreter could be located and the interview with that individual was not completed.

The research team held a post-survey debriefing session with the university interviewers in order to get a qualitative feel for the findings and the experience of talking with Temporary Assistance leavers regarding the myriad of very personal issues addressed in the interviews. All of the interviewers indicated that they had had a very positive experience and that the face-to-face process added depth to the responses of the interviewees.

Some interviewers reported that rural and urban respondents differed dramatically in their concerns about their communities and their local needs. However, the interviewers reported that both urban and rural re-

spondents expressed consistent, strong concern about the need for and scarcity of safe, available, and affordable child care.

The interviewers who worked the rural cases reported that rural respondents frequently stated that there are few jobs in their communities and that they do not want to move to find employment. The rural interviewers perceived that rural respondents are also concerned about Temporary Assistance for two reasons. First, many have a number of children and feel that the mothers should be home with the children and not employed outside of the home, regardless of the Temporary Assistance expectations or regulations. Curiously, this attitude was seen to be coupled with the second reason: the frequently expressed sentiment that Temporary Assistance recipients are lazy and just do not want to work. At least a few of these respondents, however, qualified this perception with the belief that, for example, when the local economy is poor due to a poor fishing season, then Temporary Assistance is a positive program that helps families.

Some urban interviewers reported that their respondents believed that there are many available jobs, but that they are either over- or under-qualified for the available employment. These respondents expressed a desire for more training in specialized areas so they could qualify for and maintain better jobs and thereby improve their standard of living. Many of these respondents indicated they have no medical coverage and do not qualify for Medicaid.

When asked to rate the quality of the interviews they conducted, the interviewers rated their personal interactions with the respondents as very positive. Their overall impression was that the level of understanding of the survey questions by the respondents was very high and that the quality of their responses was primarily "excellent" or "good."

This level of understanding and response quality was the expectation of the face-to-face interviewers. The survey team used the face-to-face interview format to check whether the general respondents had a good understanding of the survey questions and that the responses were valid. Responses of the contractor-conducted telephone interviews were comparable to the responses of the university-conducted interviews. This process was able to support the reliability and validity of the survey instrument.

# Demographics and Family Characteristics

The study respondents were the individuals designated in Division of Public Assistance Temporary Assistance case records as the primary information contact for the case. The primary information contact is normally the “case name”: the adult caretaker who submitted the original application for assistance.

## General Respondent Characteristics

The study sample consists of 694 current and former recipients of Temporary Assistance who were randomly selected from a population of 14,235 cases (identified as “leavers”) out of a total population of 20,096 cases that received at least one monthly Temporary Assistance grant during October 1997 through September 1999. Figure 1 shows that 71% of all cases in the administrative data set were leavers and 29% were “stayers” who never left the caseload.

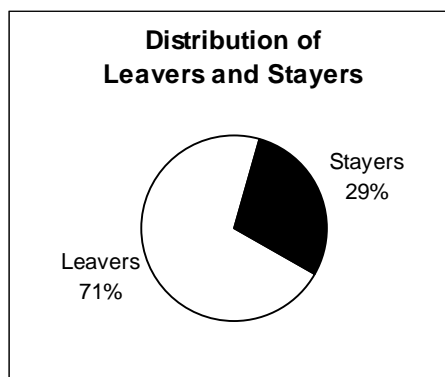


Figure 1

### Findings:

- Eighty-eight percent (88%) of recipients who left Temporary Assistance were female.
- The average age of Temporary Assistance leavers was 34 years.
- The typical family included two children.
- Although the proportion of Alaska Native families in the Temporary Assistance caseload(37%) is greater than the proportion of Alaska Natives in the state population, Native families left the caseload at about the same rate as non-Native families.
- Households that had included only one eligible parent during the study period but included a “significant other” at the time of the interview were significantly more likely than similar cases that did not include a significant other to be off Temporary Assistance at the time of the interview.
- Eight out of ten (81%) people who left Temporary Assistance had at least a high school education or equivalent.
- Three out of ten (30%) of the cases that left the Temporary Assistance caseload during the study period returned to the Temporary Assistance rolls at least once during the study period.
- Consistent with the overall geographic distribution of the Temporary Assistance caseload, significantly more respondents with two-parent families lived in rural Alaska (52%) than lived in urban Alaska (20%).
- Over half (51%) of the respondents cited employment as their reason for leaving Temporary Assistance.

## **Returners and Non-returners**

For purposes of this study, there are two subcategories of leavers: returners and non-returners. A “returner” is defined as a leaver who subsequently returned to the Temporary Assistance rolls at least once by November 1999, the most recent month of data that was available at the time the sample was selected. A non-returner is a leaver who did not return to the rolls during the period covered by the data.

The survey sample included 235 returners and 459 non-returners (34% and 66%, respectively- see Figure 2). After child-only cases were removed, the sample population included 3,937 returners and 9,250 non-returners (30% and 70%, respectively- see Figure 3). Thus, returners are somewhat over-represented in the survey sample, probably because non-returners were more difficult for the surveyors to find.

## **Current Recipient Status and Caseload Churning**

Survey respondents were asked whether or not they were currently receiving Temporary Assistance. Twenty-nine percent (29%) of respondents reported that they were recipients at the time of the interview. The interviews were conducted in March, April, and May 2000.

The respondents who reported that they were currently receiving benefits included both returners and non-returners, because returners are defined as leavers who re-entered the caseload no later than November 1999, two months after the last month of the two years of administrative data from which the sample was selected. Eighteen percent (18%) of the cases categorized as non-returners were back on assistance at the time of the interview, while 49% of the

cases categorized as returners were no longer receiving Temporary Assistance.

This phenomenon of caseload “churning” is important and may bear further investigation. DPA officials have long known that many families come and go as their needs and their incomes change, but their patterns of usage have not been investigated in the past and it is unclear how welfare reform has impacted those patterns.

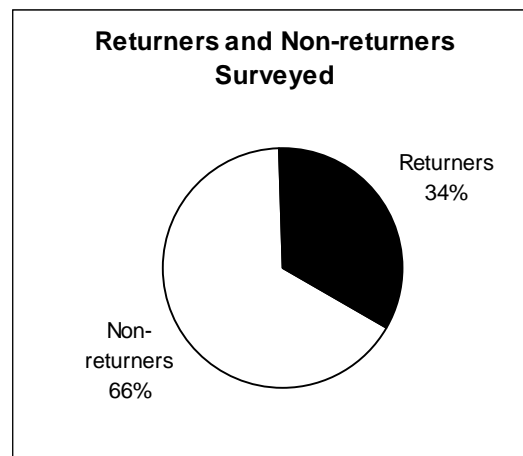


Figure 2

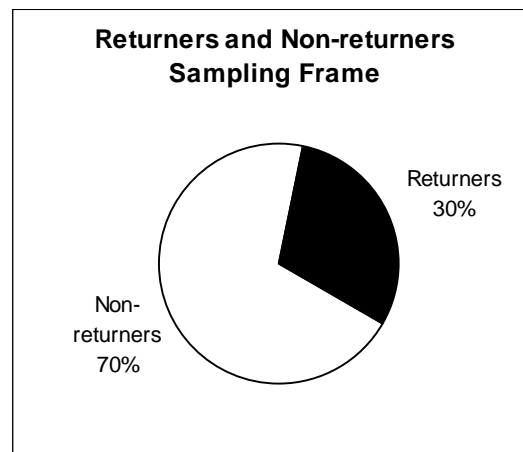


Figure 3



## Geographic Distribution

The number of cases selected for the survey was stratified by Division of Public Assistance administrative district to assure that the survey data were representative of the statewide caseload distribution. DPA is organized into 12 administrative districts (see the map below). Figure 4 shows the distribution of the sample.

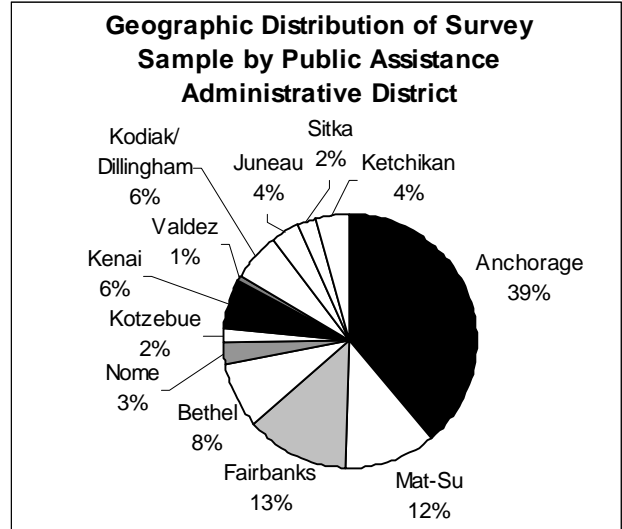
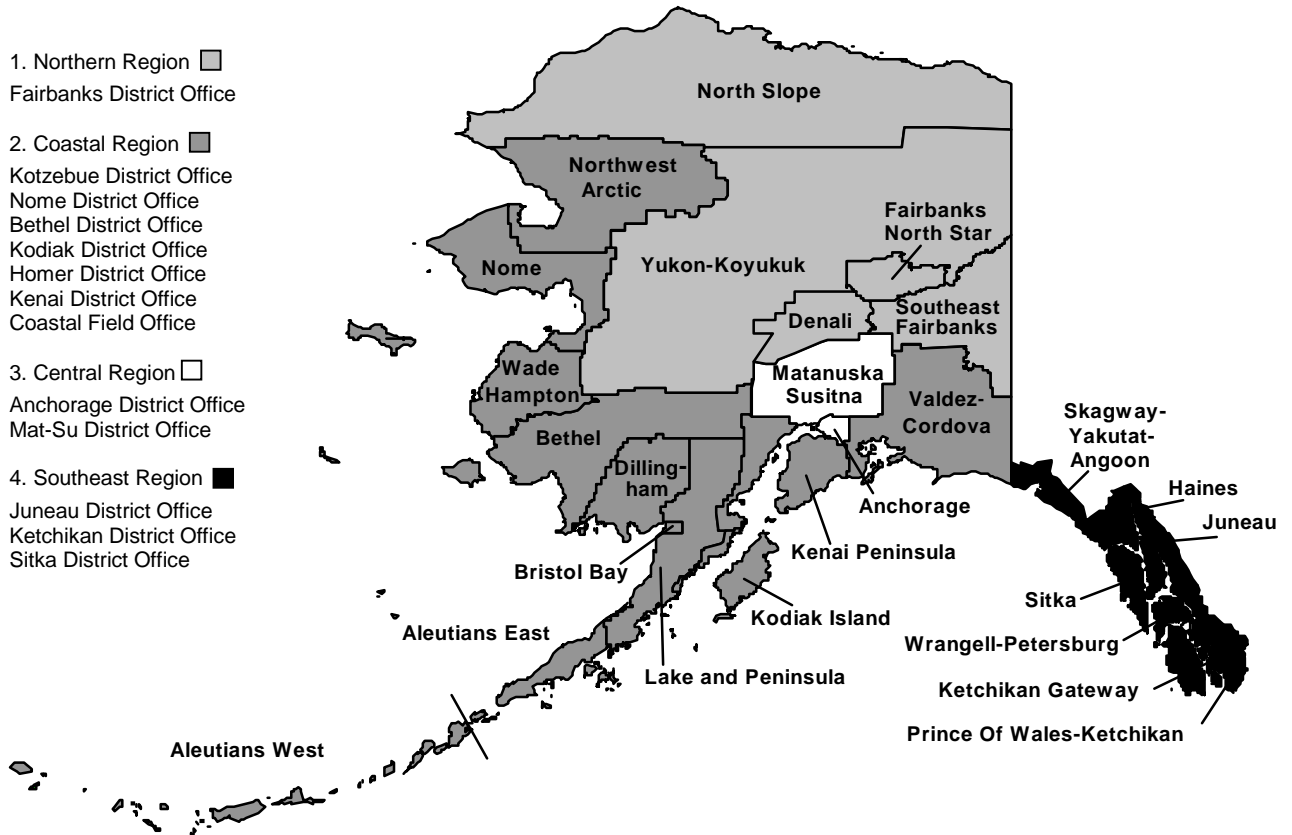


Figure 4

## DPA Regions Based on Alaska Boroughs and Census Areas



## Urban/Rural Distribution

While there are many questions about the different effects of public assistance programs and welfare reform in rural Alaska, there are no universally accepted criteria to distinguish between rural and urban communities. To facilitate this analysis and to be consistent with the criteria used by the Division of Public Assistance, each community was categorized as either urban or rural according to the Urban, Rural I, and Rural II cities list used by the Food Stamp program.

The Food Stamp program cities list is established under federal regulations, based on market basket studies of food costs throughout Alaska. Food Stamp households in the two rural categories receive a higher level of benefits than urban households of the same size and income level (see Appendix C for the Food Stamp program urban/rural cities list). Rural II households receive a higher Food Stamp benefit than Rural I households.

Only about 3% of Temporary Assistance leavers live in Rural I communities, while about 18% live in Rural II communities. For the purpose of this analysis, Rural I and Rural II communities are combined into a single “rural” category.

The urban/rural distributions of the survey sample and all leavers are shown in Figures 5 and 6. Rural cases are somewhat over-represented in the survey sample, comprising 23% of respondents (vs. 19% of all leavers), apparently because the surveyors were more successful in locating rural leavers.

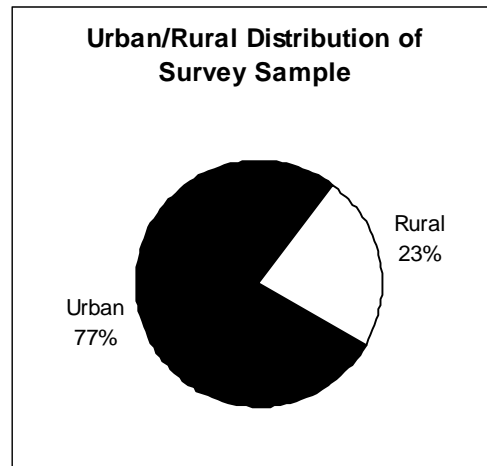


Figure 5

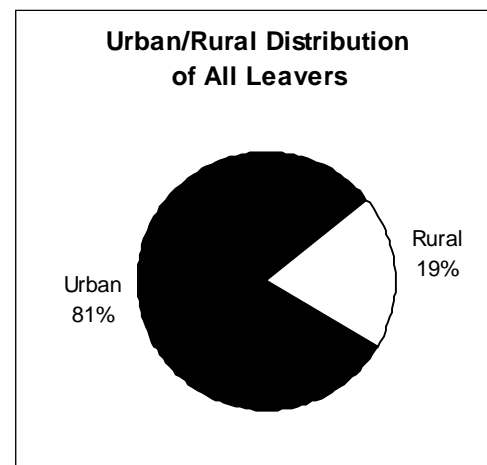


Figure 6

## Ethnic Distribution

The ethnic distribution of the survey sample is displayed in Figure 7. The ethnic identity assigned to each case is based on the ethnic code assigned to the survey subject in the Division of Public Assistance administrative record. In general, ethnic identity is self-reported, although in some cases the ethnic identity code may be assigned by the Temporary Assistance caseworker.

The ethnic distribution of the leavers closely resembles that of the caseload as a whole, which includes both leavers and stayers as shown in Figure 8. The different ethnic groups appear to be leaving the Temporary Assistance caseload at about the same rate.

The ethnic distribution of the population of Alaska (shown in Figure 6) is very different from the distribution of Temporary Assistance recipients. Alaska Natives and American Indians represent 16% of the state population, yet 37% of all cases and 39% of surveyed leavers are Alaska Native or American Indian. African Americans are also over-represented in the Temporary Assistance caseload. Conversely, whites are under-represented in the caseload.<sup>5</sup>

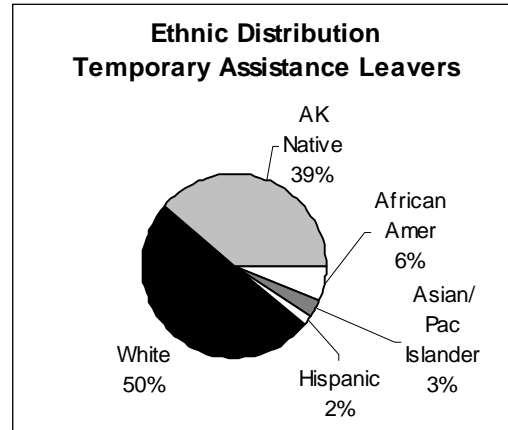


Figure 7

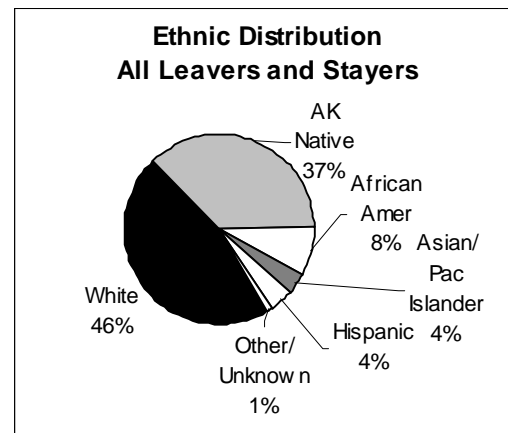


Figure 8

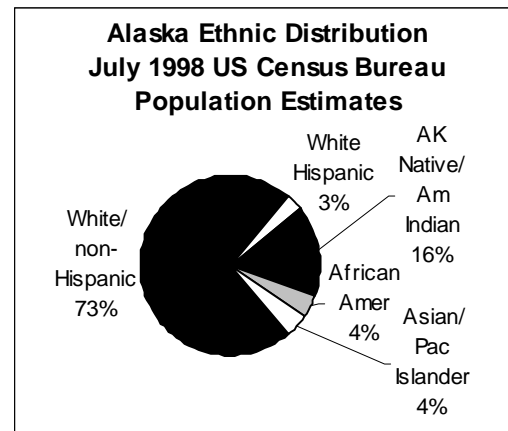


Figure 9

<sup>5</sup> Population Division, U.S. Census Bureau, 1999. Population Estimates for July 1, 1998 (ST-98-30)

## Family Types

Temporary Assistance cases are categorized under program rules into several different family types. Different work requirements, benefit calculation formulas, and time limit rules apply to the different family types. Child-only cases were excluded from the sample selection. Temporary Assistance family types include:

- **One-parent family:** one caretaker (a parent or another close relative) and one or more children.
- **Two-parent family:** two able-bodied parents (married or unmarried) and one or more children in common.
- **Incapacitated:** two parents, where at least one parent is medically unable to work, with one or more children.
- **Third trimester:** pregnant women in their last trimester who have no other children in the home.
- **Child-only:** a family where the child lives with a caretaker relative who is neither needy in her own right nor legally responsible for the support of the child. Child-only cases are commonly established when the child lives with a grandparent or another relative. Child-only cases are also established when the child lives with a parent who receives permanent disability benefits.<sup>6</sup>

Under state and federal law, child-only cases are exempt from time limits on Temporary Assistance benefits. For this reason, child-only cases were not included in the survey. Leaver studies in other states have excluded child-only cases for the same reason.

The distribution of family types in the caseload as a whole, including both leavers and stayers, is shown in Figure 10. Child-only cases constituted about 12% of the cases, one-parent families constituted

about 72%, and two-parent families constituted about 14%. Pregnant women and Incapacitated parent families make up a very small proportion of the cases.

Figure 11 illustrates the distribution of family types in the survey sample. This distribution is based on the aggregated distribution of family types for the 694 surveyed cases for each month in the study period.

As the distribution in Figure 11 shows, about 1% of the surveyed cases were child-only cases. These cases were child-only for at least one month during the study period, but also received benefits as another family type at some point during the study period, and were therefore included in the study.

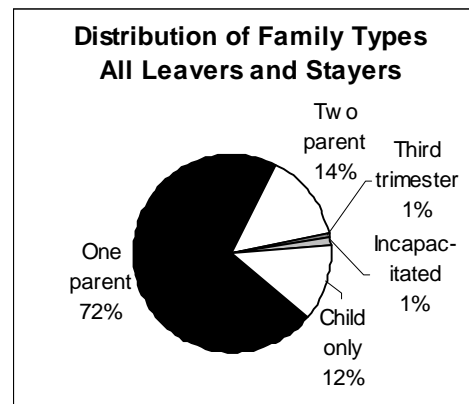


Figure 10

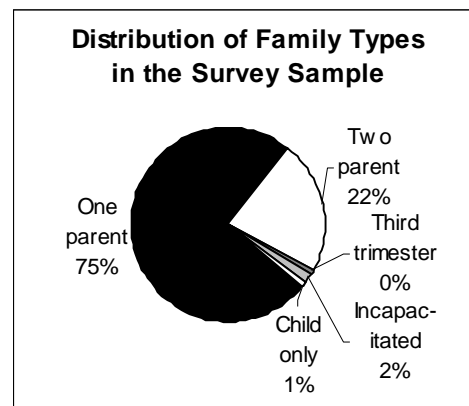


Figure 11

<sup>6</sup> Alaska Administrative Code Title 7, Chapter 45.

Figure 12 shows that the distribution of “stayers” (cases that did not leave the caseload during the study period) is remarkably different from the distribution of leavers, and from all families in the caseload. Child-only cases represent 20% of the stayer cases, as might be predicted by the nature of most of these cases, which are made up of children living with either a disabled parent or a non-needly relative who is not a parent.

Figure 13 compares family types for leavers and stayers. Twelve percent (12%) of all leavers and stayers were child-only cases, while 8% of all leaver cases were child-only. “Pure” child-only cases (cases that were child-only for every month in the data set) were removed from the survey sample.

Two-parent families were more likely to be leavers than one-parent families. Two-parent families constituted 14% of all cases, but constituted 18% of the leavers and only 9% of the stayers in the sample period data. One-parent families represented 71% of all cases, 72% of the leavers, and 69% of the stayers. These relationships are shown in Figure 13.

Over time, the higher proportion of leavers among two-parent families would be expected to reduce the proportion of two-parent families in the Temporary Assistance caseload, yet Division of Public Assistance caseload records show no such trend. The two-parent caseload percentage fluctuated seasonally, but continued to average about 14% since the implementation of welfare reform. (Caseload spreadsheet provided by the Division of Public Assistance, August 21, 2000.)

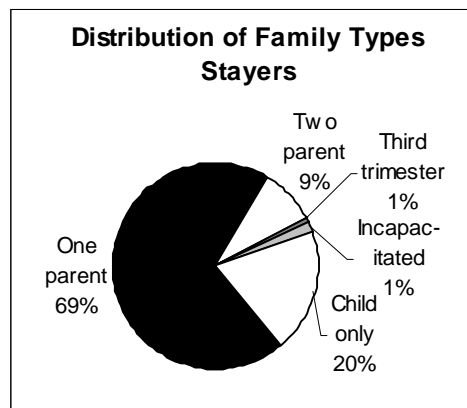


Figure 12

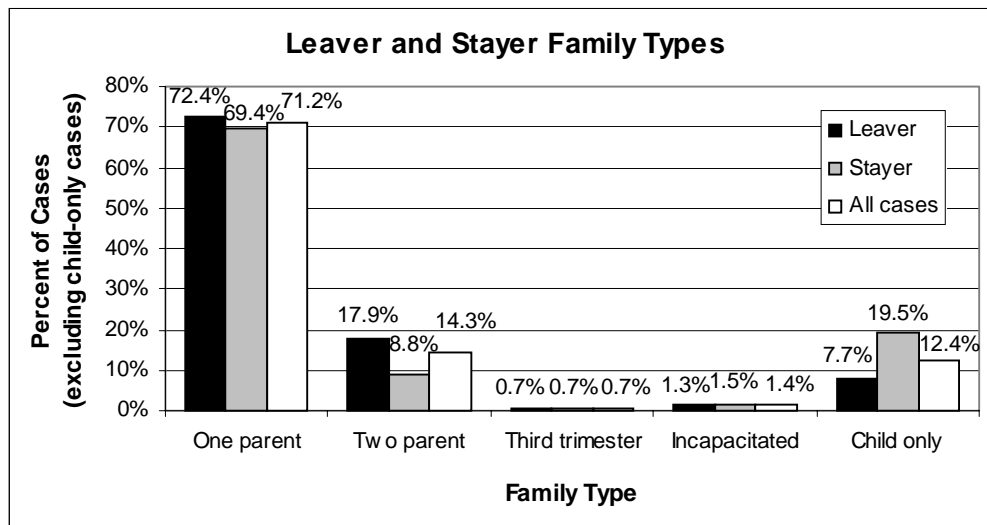


Figure 13

Caseloads have been declining in remarkably different patterns, illustrating the greater variability of the two-parent caseload. Figure 14 illustrates the rates of change in the one-parent and two-parent caseloads since January 1998, showing the downward trends of both caseloads, and the marked seasonal fluctuations in the two-parent caseload.

The data point toward a higher degree of seasonally episodic participation in the two-parent caseload, with a greater proportion of two-parent families leaving the caseload during the summer and fall than single parents, but being replaced during winter and spring at a rate that largely offsets the effect of their higher rate of departure.

Alaska law provides that Temporary Assistance payments to two-parent families are reduced by 50% during the months of July, August, and September; this reduction may discourage some families from participating during the summer. Seasonal fluctuations in the job market are also a likely factor. Additional research in this area may lead to a better understanding of this phenomenon and help policymakers identify strategies to reduce the winter rises in the two-parent caseload.

## Reasons for Leaving the Caseload

The question of why families leave the Temporary Assistance program seems straightforward, but is in fact quite complex.

Division of Public Assistance administrative records simply do not provide enough information to address the issue. Case closures are accomplished by the DPA information system, which includes a data field for entry of a code that indicates the reason for every case closure. However, the reason recorded in the administrative record often does not capture the actual circumstances under which a family left the rolls.

The Temporary Assistance program requires recipients to send in a written report of income, changes in the household, and other information related to eligibility. A recipient who has become employed and no longer wants to receive assistance may simply decide not to send in the monthly report form. Many cases are closed for administrative reasons, such as failure to complete the required paperwork. In such cases, the actual circumstances and reason for leaving remain unrecorded.

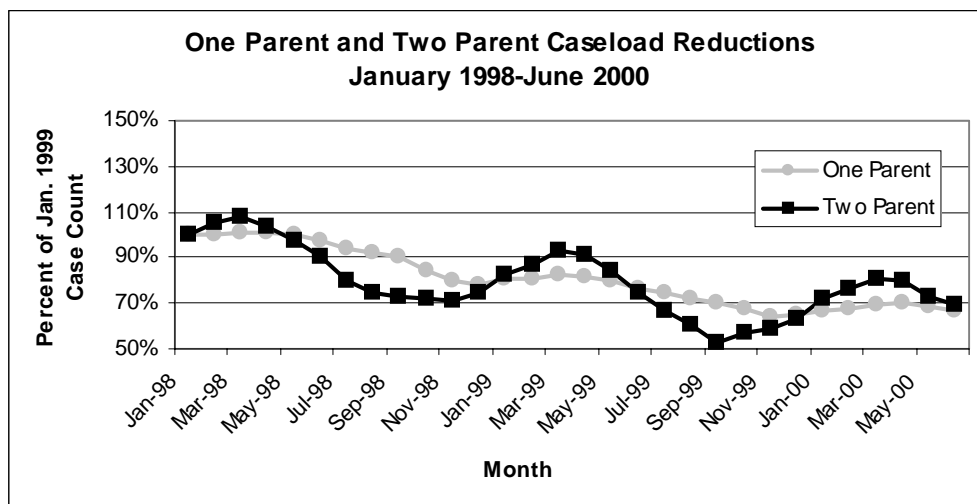
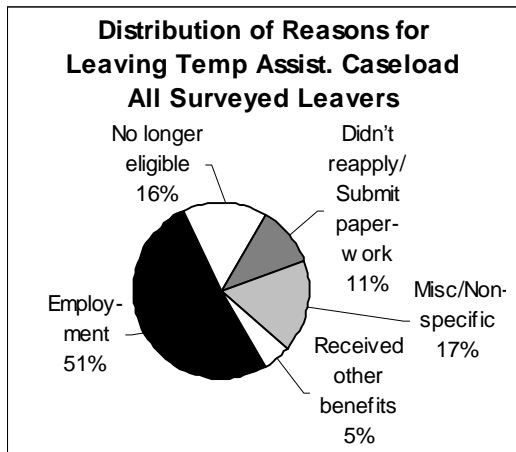


Figure 14

In an attempt to get an accurate understanding of the reasons families leave Temporary Assistance, the survey instrument included an open-ended question that asked why the respondent stopped receiving assistance when their case was last closed. Their responses were analyzed and categorized using Non-numerical Unstructured Data Indexing, Searching, and Theorizing (NUD\*IST) software. The results are shown in Figure 15.



**Figure 15**

Just over half of the respondents (51%) specified employment as the reason they stopped receiving assistance. Another 27% reported that they left because they were no longer eligible, or because they did not reapply or submit required paperwork. However, these individuals may actually have left because of employment, but

reported accurately that their cases were closed for administrative reasons. The array of circumstances that led to these administrative closures was not successfully captured by the survey. It is likely that a substantial share of the administrative case closures occurred because of employment. Only 5% of the respondents indicated that they stopped receiving assistance due to other benefits, such as unemployment, child support, or Social Security.

## Staying off Temporary Assistance

The leavers who were not receiving Temporary Assistance at the time of the interview were asked, in an open-ended question, how they had been able to stay off the program. Their responses are tabulated in Table 3 below.

More than four-fifths of the respondents (81%) identified employment (either the employment of the respondent or of someone else) as a factor in the family's ability to stay off Temporary Assistance. Receipt of other program benefits allowed 11% of the respondents to stay off Temporary Assistance.

Table 3 includes responses from 493 respondents who were not receiving Temporary Assistance at the time of interview.

**Table 3. Self-Reported Factors that Allowed Respondents to Stay off Temporary Assistance**

Response Category	Number of Responses	Percent of Responses
Employment	413	81%
Receiving other program benefits (i.e. SSI, Unemployment Insurance, Disability benefits, Student financial aid)	56	11%
Help from another person	29	6%
Perseverance/Personal commitment	9	2%
Total	507*	100%

\*Note: some respondents reported more than one service

## Returning to Temporary Assistance

The leavers who were back on Temporary Assistance at the time of the interview were asked, in an open-ended question, why they had returned to the rolls. Their responses are tabulated in Table 4.

Members of this group most frequently cited lack of employment as the reason for their return to the caseload. Interestingly, the proportion of current recipients who cited lack of employment was much lower,

at 31%, than the proportion of non-recipients (81%) who cited employment as key to their staying off assistance. Instead, the recipient group cited a range of issues. This points to the complexity of the personal and family issues that can result in leavers' return to the caseload. Additional, more detailed research in this area may lead to a better understanding these dynamics.

Table 4 includes responses from the 201 respondents who were receiving Temporary Assistance at the time of the interview.

**Table 4. Self-Reported Factors that Caused Respondents to Return to Temporary Assistance**

Response Category	Number of Responses	Percent of Responses
Lack of employment	63	31%
General/Nonspecific reasons, e.g., I needed help	51	25%
Health/disability issues	32	15%
Personal issues, e.g., divorce, separation, family problems	21	10%
Issues involving children	20	10%
Pregnancy	6	3%
Education	6	3%
Seasonal employment	6	3%
Total	205*	100%

\*Note: some respondents reported multiple factors that allowed them to stay off Temporary Assistance.



# Employment and Earned Income Opportunities

## *Employment*

Ending dependence by promoting work is a specified goal of the federal welfare reform legislation and the Alaska Temporary Assistance program. Several states have reported that most families that left the caseload were employed at some time after they left assistance, and that many of these families worked at low-wage jobs. This study shows that many Alaskans who left the Temporary Assistance program were gainfully employed. However, Figure 16 shows that 13% of the respondents reported being permanently disabled or unable to work for health reasons.

## *Employment Status During the Sample Period*

Survey participants were asked to report about their employment and earnings during each quarter in 1998 and 1999. The employment data were recorded whether or not the respondent was receiving Temporary Assistance during the quarter.

Sixty-six percent (66%) of the respondents were employed at some time during 1999, and 59% were employed at some time in 1998. On average, respondents who worked in 1998 or 1999 worked a total of 4.7 quarters over the two-year period.

### **Findings:**

- Almost two-thirds (65%) of all respondents were employed at the time of the interview.
- Three-quarters (75%) of the respondents who were off Temporary Assistance at the time of the interview were employed.
- Three in ten (27%) of the respondents were back on Temporary Assistance at the time they were interviewed.
- Thirty-eight percent (38%) of the respondents who were back on Temporary Assistance at the time of the interview were employed.
- The average wage for people interviewed who were working was \$9.73 per hour in 1998 and \$10.52 per hour in 1999.
- Respondents with a high school diploma or equivalent were significantly more likely to be employed and off Temporary Assistance than those with less education.
- Health problems, disabilities, and problems with child care were the most frequently mentioned challenges to employment.

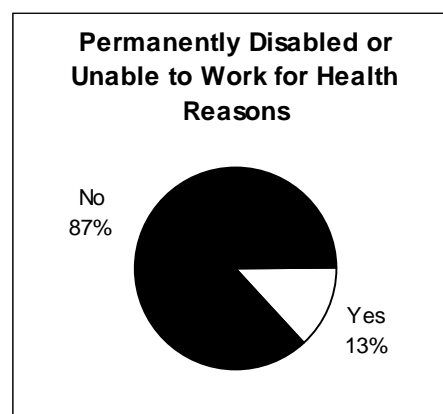


Figure 16

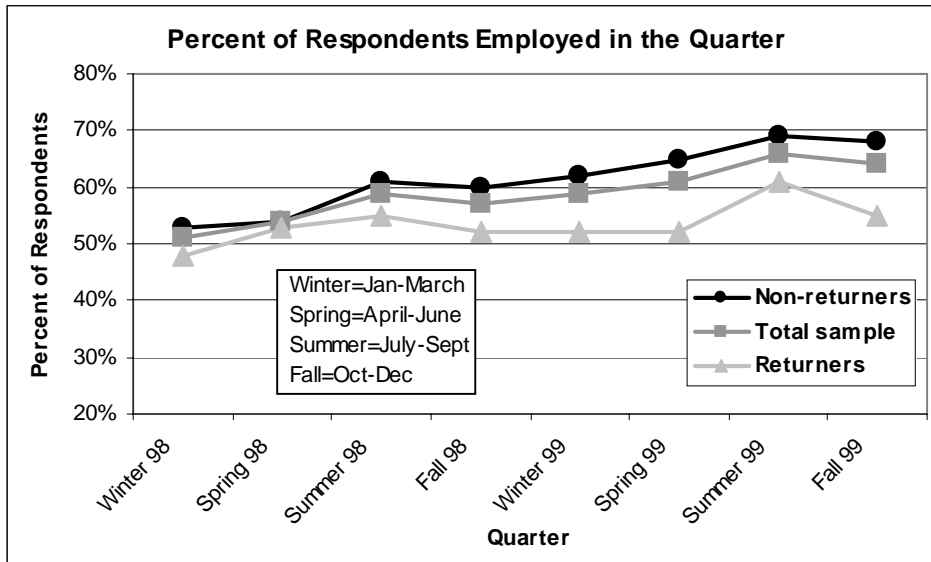


Figure 17

Figure 17 shows the employment trend over the eight quarters from winter 1998 through fall 1999, including a breakdown of returners and non-returners. The employment rates of non-returners were consistently higher than the employment rates of returners. Rates for non-returners increased from 53% in the first quarter of 1998 to 65% in the last quarter of 1999. The employment rates of returners also increased by a smaller percentage, from 48% to 55% over the two-year period.

### ***Current Employment and Recipient Status***

The survey sample included only recipients who left the Temporary Assistance caseload in the 24 months ending in September 1999. Interviews were conducted in March, April, and May 2000. To get an indication of their current situation, respondents were also asked about their employment status and their Temporary Assistance recipient status at the time of the interview. However, some refused to disclose their employment status. This analysis is based on 610 complete responses given by 694 survey participants.

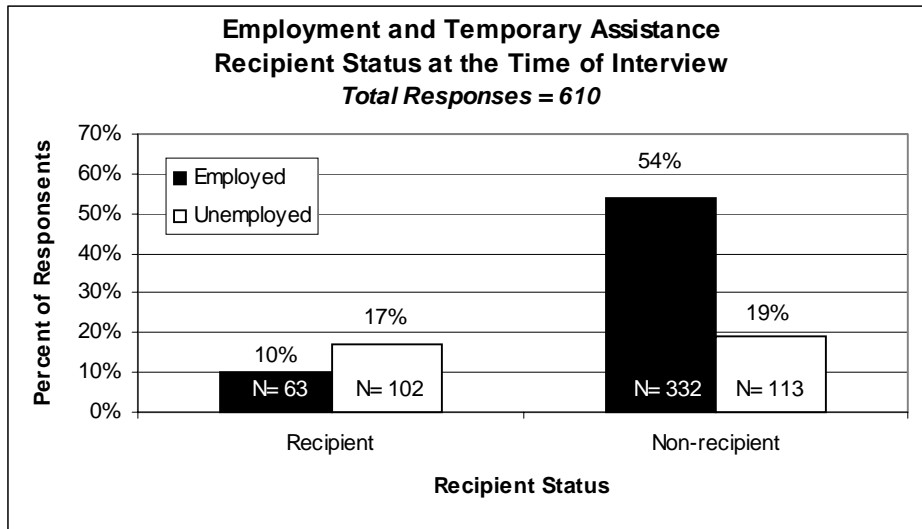


Figure 18

Figure 18 shows the distribution of survey respondents relative to their employment and Temporary Assistance status. Respondents who were employed at the time of the interview were significantly more likely to not be current recipients of Temporary Assistance benefits (chi-square=70, df=1, p<. 000). Fifty-four percent (54%) of all respondents were employed and not receiving Temporary Assistance benefits at the time of the interview. Nineteen percent (19%) were unemployed and not receiving Temporary Assistance benefits at the time of the interview. Three-quarters (75%) of the respondents who were off Temporary Assistance at the time of the interview were currently employed.

Ten percent (10%) were both employed and receiving Temporary Assistance benefits at the time of the interview. Seventeen percent (17%) were unemployed and current Temporary Assistance recipients at the time of the interview.

### ***Employers, Types of Work, Job Permanence, and Hours Worked***

Figure 19 shows the distribution of types of employers among respondents who were employed in 1998 or 1999. The majority of respondents who worked in 1998 and 1999 were employed in the private, for-profit sector of the labor market. Government constituted the second largest category of employers. Only 6% of respondents who worked in 1998 or 1999 reported being self-employed. Self-employed respondents worked in a broad variety of enterprises.

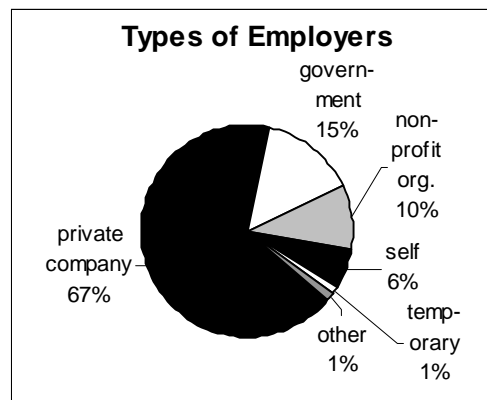


Figure 19

As shown in Figure 20, most respondents who reported employment in 1998 or 1999 worked in unskilled jobs (29%), construction or trades (18%), professional or technical jobs (9%), or commercial fishing or farming (8%).

The permanence of employment placements was related to the respondents' ability to stay off Temporary Assistance. Returners were more likely to hold temporary or seasonal jobs than non-returners (chi-

square=108, df=2, p<. 0001). Figure 21 shows the distribution of permanent, seasonal, and temporary work, broken down by returners and non-returners. Eighty-one percent (81%) of the non-returners held permanent jobs, but only 64% of the returners held permanent jobs. The majority of respondents who worked in 1998 or 1999 reported working in permanent jobs, with a small group working in temporary or seasonal employment.

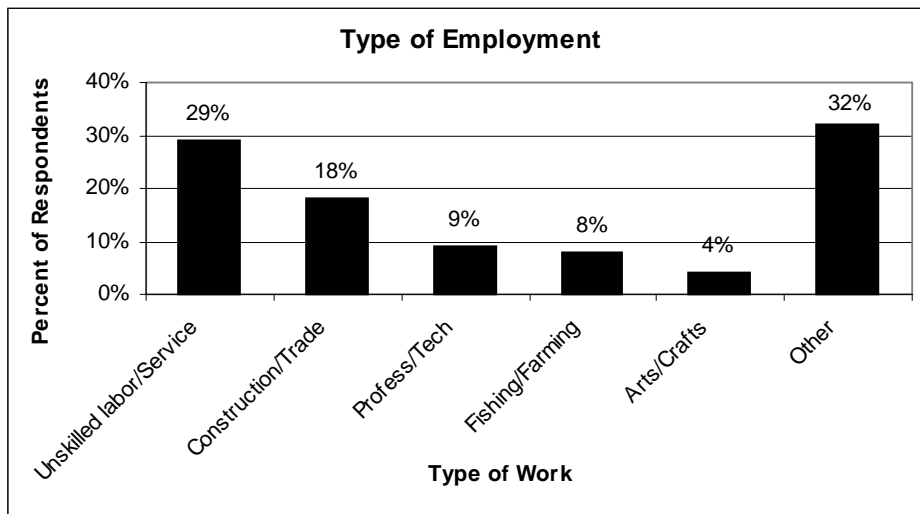


Figure 20

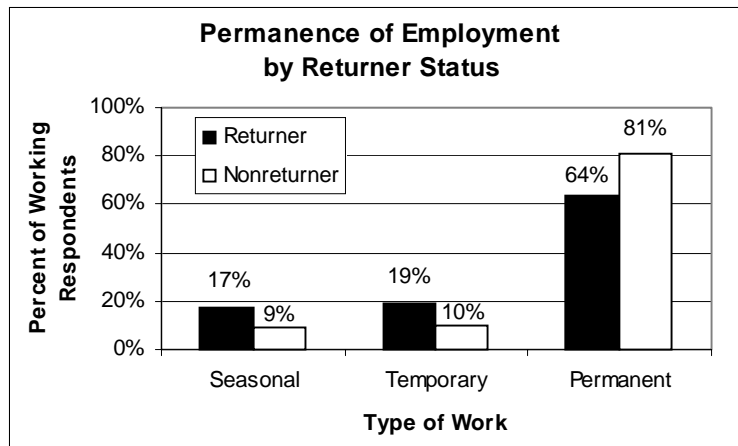


Figure 21

Of the seasonal workers, more people were employed during the summer months. Sixteen percent (16%) of respondents reported having seasonal employment in the summer of 1998, and 15% reported having seasonal employment in the summer of 1999. This seasonal pattern is illustrated in figure 22.

## Weekly Hours of Work

Most respondents who worked in 1998 or 1999 were employed for 31 to 40 hours a week, with 32% reporting working over 40 hours per week. Work patterns differed between returners and non-returners. Non-returners worked significantly more hours per week (chi-square=62, df=4, p<.0001). Figure 23 shows the rates of hourly employment by returner status.

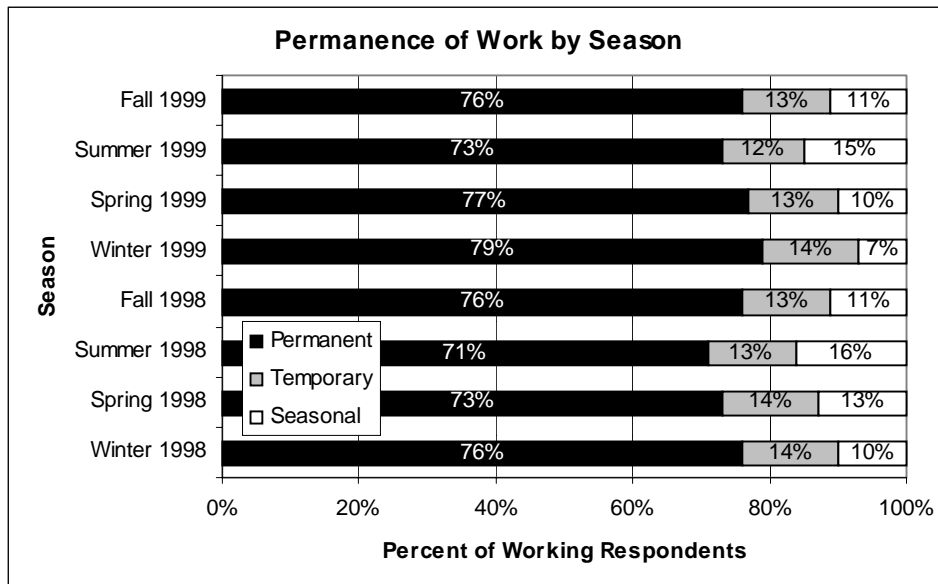


Figure 22

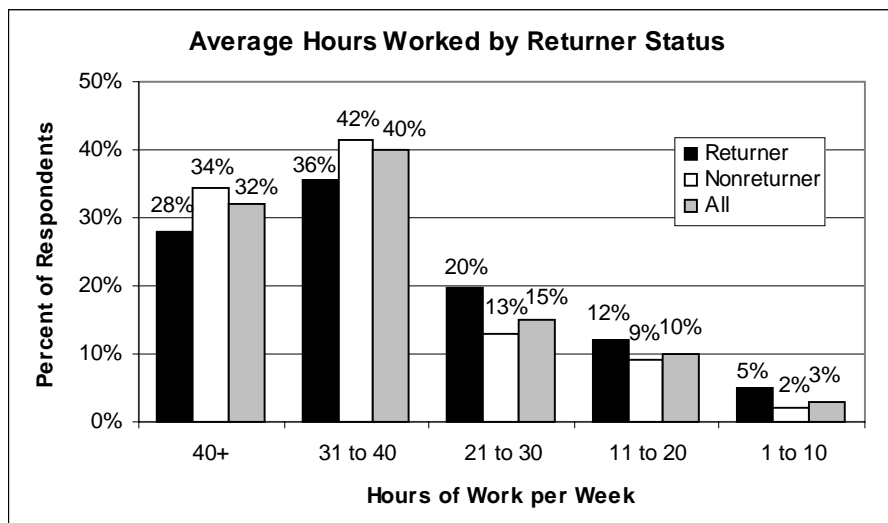


Figure 23

Weekly hours of employment for respondents who worked in 1998 or 1999 did not fluctuate much over the four seasons of the year, with only minor increases of hours worked in the summer and spring quarters

of 1998 and 1999. Figure 24 illustrates this seasonal pattern.

Figure 25 shows the rates of weekly hours of employment by returner status.

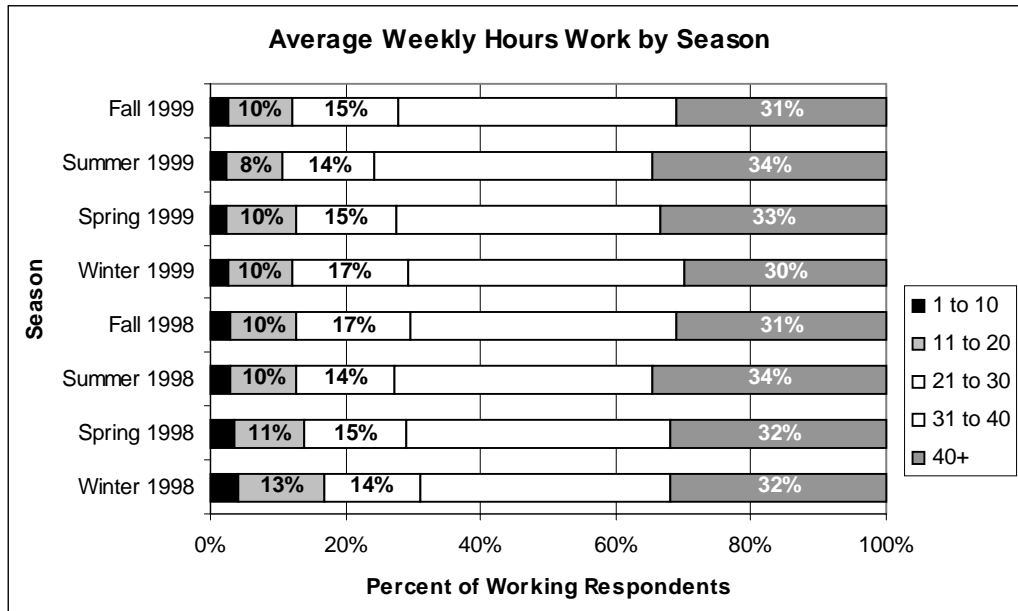


Figure 24

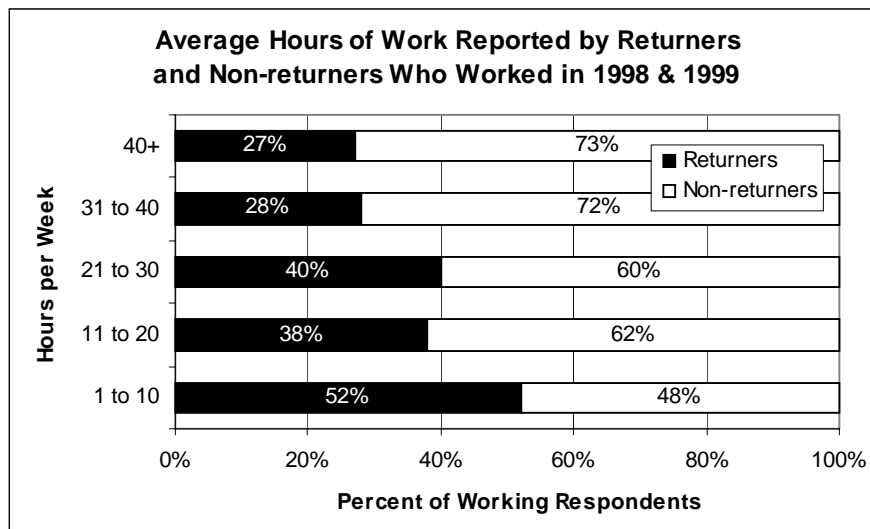


Figure 25

## Presence of Second Working Adult

A number of respondents reported that there was another working adult in the household who worked for pay during the eight quarters studied. Figure 26 shows a steady rate of such employment across the quarters: 35% to 42% of all respondents had another adult in the family who was

employed in at least one of the eight quarters studied. The presence of a second working adult may be an important factor in keeping people off Temporary Assistance. Non-returners (41%) were more likely to have had an additional working adult in the home than returners were (31%). Additional research in this area may yield better understanding of the role of additional workers in the home.

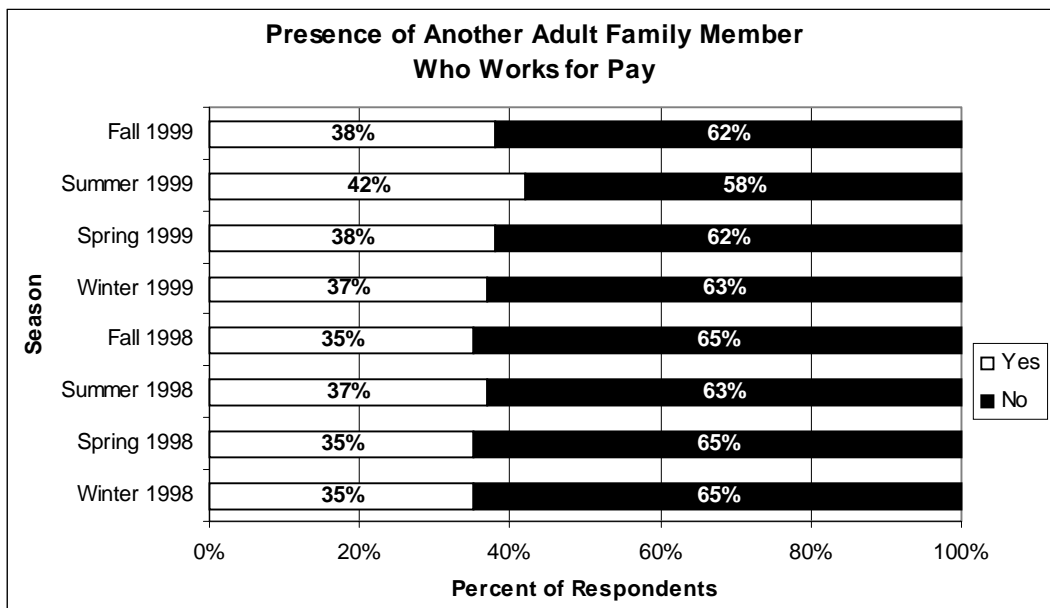
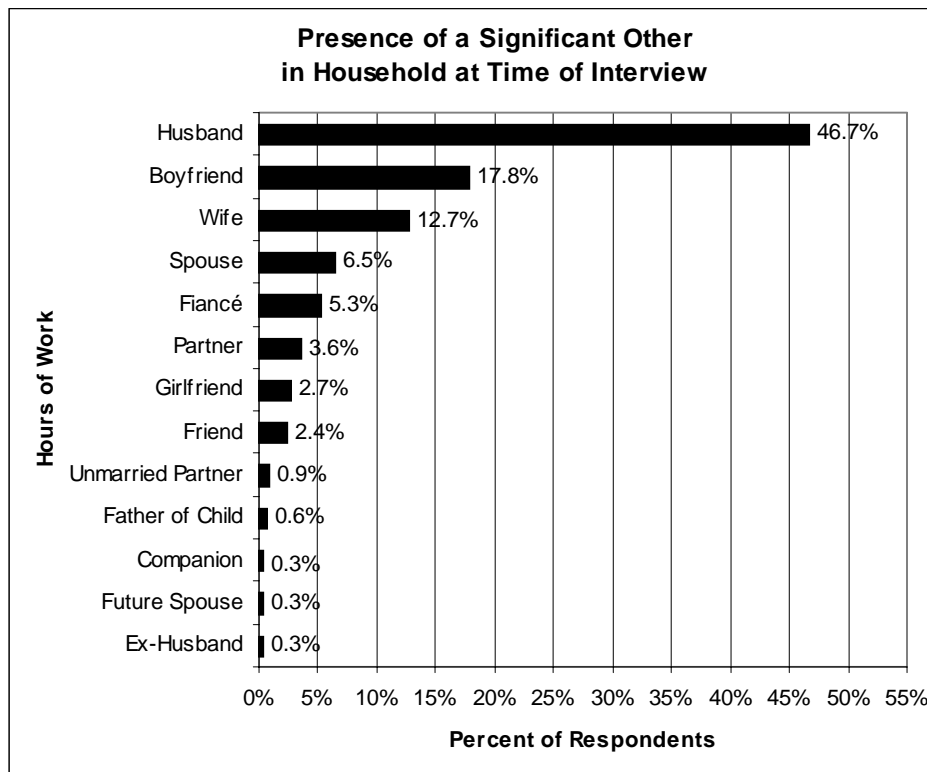


Figure 26

## ***Current Status and Presence of a Significant Other in One-Parent Families***

Thirty-four percent (34%) of the respondents who had one-parent cases during the study period reported the presence of a “significant other” adult in their household at the time of the interview. Respondents were asked to describe in their own words

their relationship to the members of their household. For the purposes of this study, a significant other is a household member identified as a spouse, boyfriend, girlfriend, fiancée, or another non-related adult who might be a domestic partner of the respondents. Figure 27 lists the categories and shows the proportional distribution of the types of adult family members who were considered to be significant others.



**Figure 27**



Figure 28 shows the distribution of cases with a significant other in the household, broken down by family type.

Households that had included only one eligible parent during the study period but included a “significant other” at the time of the interview were significantly more likely

than similar cases that did not include a significant other to be off Temporary Assistance at the time of the interview (chi-square=13.42, df. =3, p<004). Figure 29 shows the percentage of one-parent respondents by Temporary Assistance recipient and employment status.

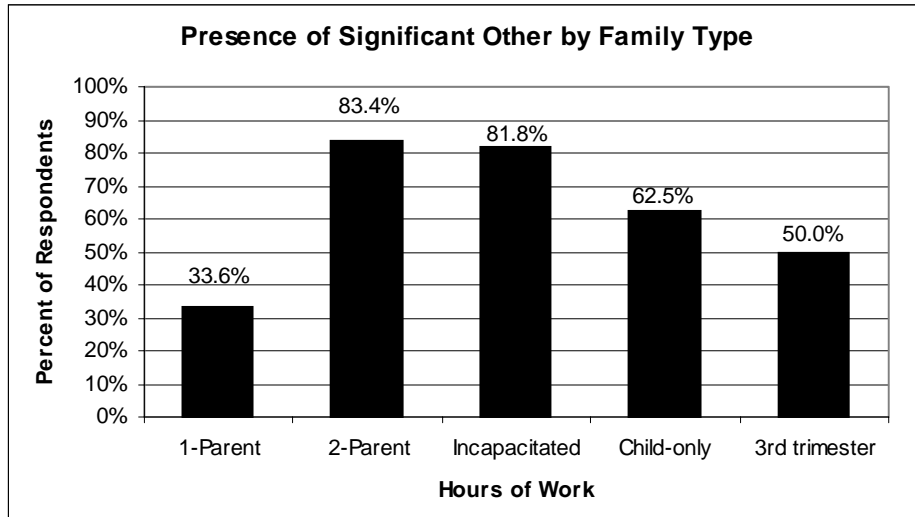


Figure 28

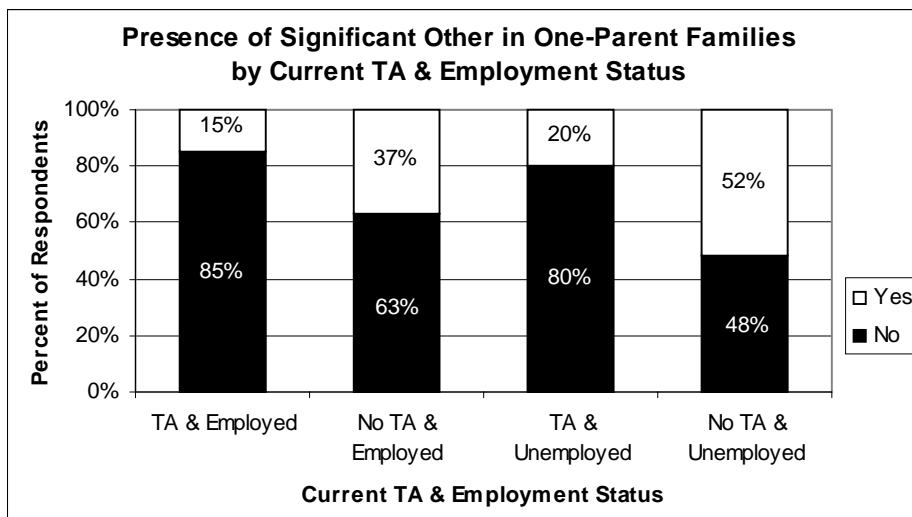


Figure 29

## Periods of Unemployment

There remain many open questions about the impacts of Alaska's seasonal economy and subsistence activities on its low-income population.

Respondents who were employed at the time of the interview, or reported working in 1998 or 1999, were asked to recount the longest period of unemployment they experienced in 1999. Thirty-four percent (34%) reported that they were employed for the whole year, while the remaining 66% were unemployed for an average of 24 weeks, with the median period of unemployment at 19 weeks. Respondents who reported having been unemployed may or may not have been Temporary Assistance recipients during the unemployment period.

## Wage Levels

Earned income is a fundamental indicator of family independence and well-being. The level of earnings and opportunities for promotion available from employers

contribute substantially to the ability of families to leave Temporary Assistance and remain financially independent.

A small number of respondents reported very high hourly earnings (as high as \$100 per hour in one instance). In the analyses presented in this section, reported wages of \$50 per hour or more were excluded from the distributions because they were outliers that would otherwise artificially overstate the typical range of wage levels in the sample. Figure 30 shows the quarterly mean hourly wage levels of the respondents who worked during the quarter.

The mean hourly wage of non-returners was significantly higher between 1998 and 1999 than the mean hourly wage of returners. Non-returners had an increase in their hourly wages over the two-year period.

The average hourly wage of respondents was \$9.73 per hour in 1998 (SD=4.25) and \$10.52 per hour in 1999 (SD=4.72). Wages varied considerably, with the peak average wage of \$10.85 per hour earned in the summer quarter of 1999.

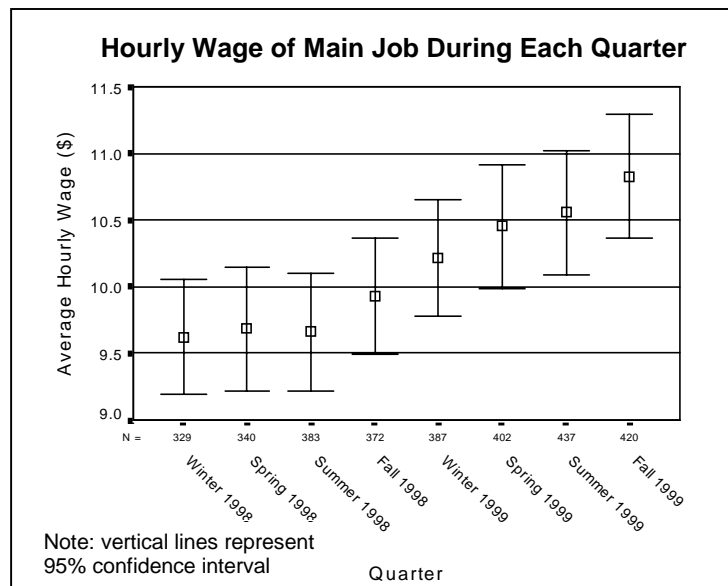


Figure 30

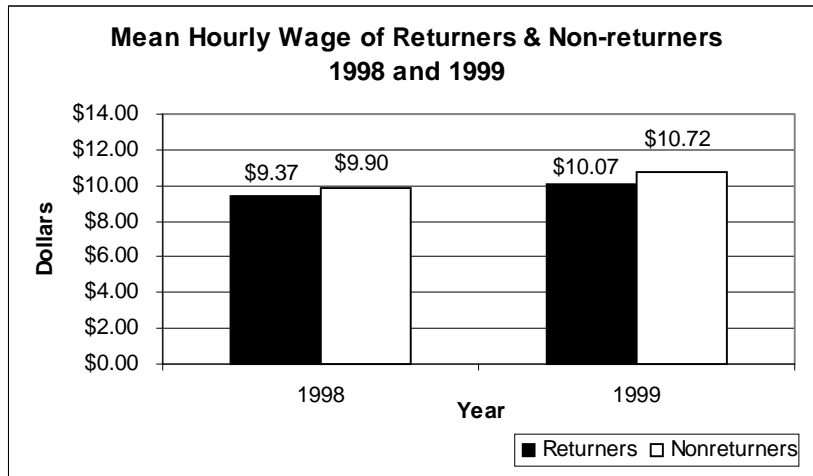


Figure 31

Returners had lower hourly wages than non-returners. Over the two years studied, the returners had a mean hourly wage of \$9.74 (SD= 4.04), while the non-returners had a mean hourly wage of \$10.34/hour (SD=4.72).

Figure 31 compares the average wages of returners and non-returners for the two years studied.

### **Job Promotion and Pay Increases**

Some respondents who worked in 1998 or 1999 or were employed at the time of the interview reported that their jobs provide opportunities for advancement. Forty-three percent (43%) said their most recent jobs afforded opportunities for promotion and 39% reported that they had received a promotion. Forty-four percent (44%) indicated they had received at least one pay increase in their most recent job.

### **Educational Background**

Educational background has been shown many times to be an important predictor of

employment success. The entry-level job market generally expects workers to have successfully completed a minimum of a high school education with literacy and basic math skills.

Most (62%) of the respondents had the equivalent of a high school diploma, with 12 or more years of education (minimum=0, maximum=18, SD=2 years). Half of the respondents who did not have high school diplomas had completed their GED. Thirty-seven percent (37%) of those without a diploma or GED reported they were currently working on one. These data are displayed in Figure 32.

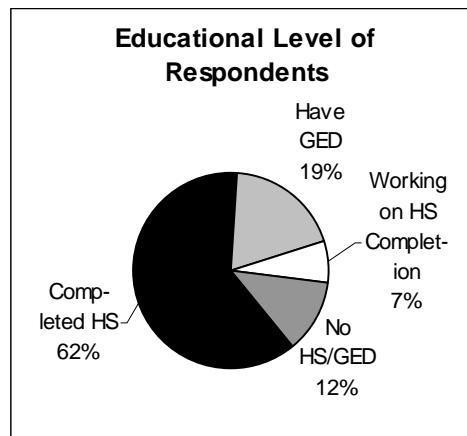


Figure 32

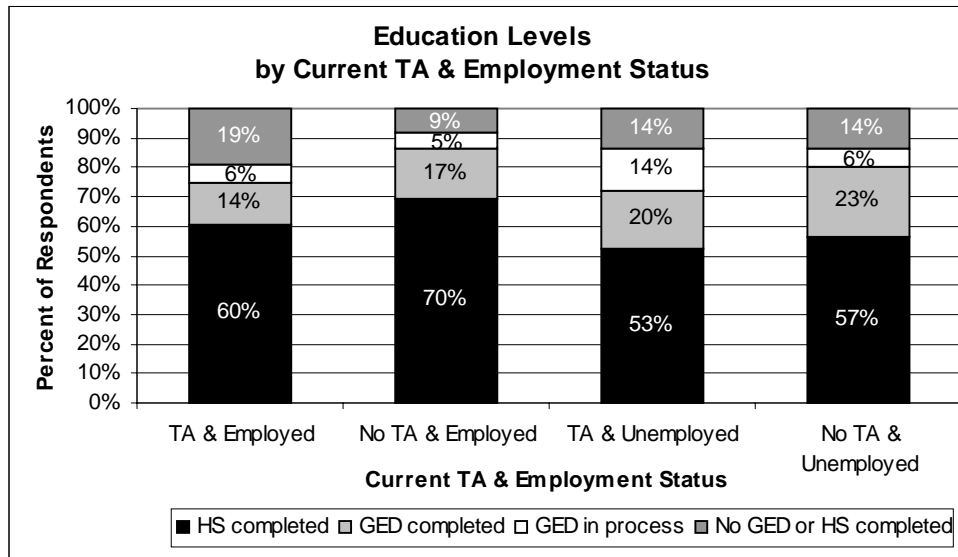


Figure 33

The education of respondents was related significantly to their recipient status and employment status at the time of the interview (chi-square=23.41, df=9, p<.005). Figure 33 shows that 74% of respondents who were back on Temporary Assistance and employed at the time of the interview had the equivalent of a high school education (high school diploma or GED). Eighty-seven percent (87%) of employed non-Temporary Assistance recipients had a high school equivalent education. Seventy-three percent (73%) of unemployed Temporary Assistance recipients had a

high school equivalent education, and 80% of unemployed non-Temporary Assistance recipients had completed high school or a GED.

### Use of Work-Related Training Services

Table 5 shows a breakdown of work-related training services that respondents reported having used during the past three years.

Table 5. Work-Related Training Services

Service	N	Percent of Responses
Aptitudes / Skills Awareness Training	164	23%
Job Skills Training	223	31%
On-the-Job Training	283	40%
ESL Coursework	26	4%
Trade Apprenticeship	20	3%
Total	716	100%*

\*Note: some respondents reported more than one service

Twenty-three percent (23%) of respondents indicated they had taken a workshop or training to help them understand their skills and what kinds of jobs they were best suited for. Returners were significantly more likely to have participated in such a process, with 30% of returners and 20% of non-returners having such training (chi-square=7.46, df=1, p<.006).

Respondents who participated in job skills training were more likely to be on Temporary Assistance at the time of the survey than people who left Temporary Assistance (chi-square=5.37, df=1, p<.02). Twenty-nine percent (29%) of non-returners received job skills training, while 38% of returners participated in job skills training. This suggests that returners were active in obtaining additional help to prepare them for employment success.

Many of the respondents (51%) indicated they had participated in classes that taught them how to look for a job, prepare a resume, or how to behave in job interviews. Of those who had participated in such training, 65% had attended job readiness training provided by the Division of Public assistance or a DPA work services contractor.

Four percent (4%) of respondents reported they had taken English as a Second Language coursework (ESL). Six percent (6%) of the returners had taken ESL, while only 3% of non-returners had taken ESL (chi-square=3.14, df=1, p<.08). Although these numbers are small, they suggest that limited English skills may be related to returner status.

Forty-one percent (41%) of respondents reported they had a job that provided training while they worked. On-the-job training was not related to respondents' status as returners or non-returners to Temporary Assistance.

## ***Job Readiness and Job Advancement***

The respondents who were working at the time of the interview or reported that they had worked during the previous two years were asked a series of questions about their most recent job.

Seventy-nine percent (79%) of the respondents who worked in 1998 or 1999 or were employed at the time of the interview reported that they had not received any non-employer, pre-employment vocational education, or training. Most (80%) of these respondents indicated that they had not had the necessary skills when they started their jobs, and 60% reported that they had received on-the-job training. This indicates that the majority of respondents who worked did not possess the skills they needed for the jobs they took and that employers were the primary source for job-specific training.

Promotional opportunities can encourage employment stability and progressive increases in earnings. Forty-three percent (43%) of the respondents who worked in 1998 or 1999 or were employed at the time of the interview reported that their jobs provided opportunities for promotion. Sixty-three percent (63%) of those who reported opportunities for promotion said they would not need additional education or training to be eligible for promotion and 44% reported that their employers offered education or training that could lead to a promotion.

## ***Availability of Jobs***

An understanding of the availability of suitable employment (or the lack of it) and recipients' perceptions about the job market is essential to understanding the dynamics of movement from welfare to work.

As Figure 34 demonstrates, most respondents (84%) reported that they believe there are jobs available in their communities that they are qualified for. Respondents who were unemployed at the time of the interview were significantly less likely to believe there were jobs available that they were qualified for (chi-square = 13.58, df=3, p<.004). Eleven percent (11%) of both the employed Temporary Assistance recipients and the employed non-recipients indicated that jobs were not available in their community. Twenty percent (20%) of the unemployed Temporary Assistance recipients and 23% of the unemployed non-recipients indicated that jobs were not

available in their communities for which they were qualified.

Over 40% said jobs were very or fairly easy to find in their community, while 50% indicated jobs were fairly hard or very hard to find.

Most of the people surveyed were satisfied with the quality of jobs available to them in their community. Seventy percent (70%) reported that the available jobs were of average or better quality; with 11% saying the jobs they could get were of very low quality. These data are displayed in Figure 35.

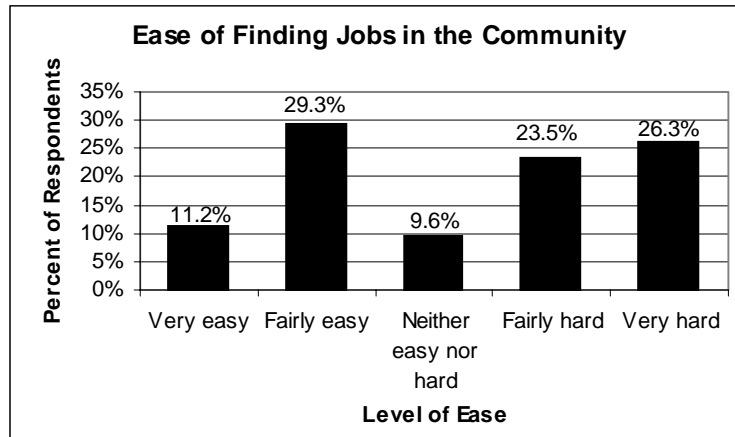


Figure 34

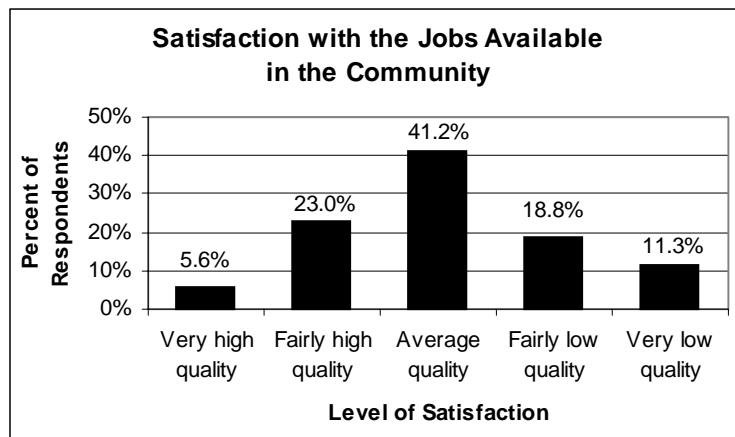


Figure 35

## Relocation

When asked to indicate their agreement or disagreement with the statement “I would have to move to another community to get a good job,” most respondents indicated they would not need to relocate to find quality employment. Thirty percent (30%) agreed they would have to move, but the remaining respondents had mixed or negative responses to the question. Figure 36 details the responses to this question.

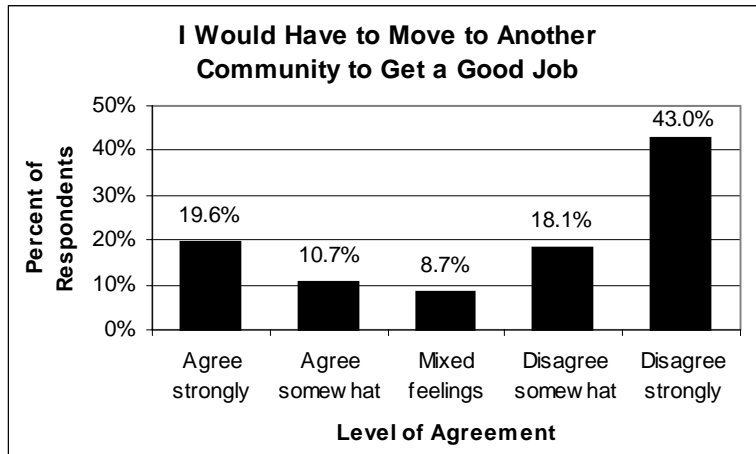


Figure 36

Employment and recipient status at the time of the interview correlated significantly with people’s opinions about the need to move to another community to find a good job (chi-square=21.13, df=12,  $p < .05$ ).

Sixty-seven percent (67%) of respondents who were employed and off Temporary Assistance at the time of the interview and 64% of those who were neither receiving Temporary Assistance nor employed at the time of the interview did not agree that they would have to move to get a good job. Sixty percent (60%) of respondents who were both receiving Temporary Assistance and employed at the time of the interview did not agree that they would need to move to find a good job. However, current Temporary Assistance recipients who were unemployed at the time of the interview were much more likely to think they would have to move to find good employment; only 51% of this group disagreed with the statement that they would have to move to find a good job.

Respondents were also asked whether or not they would be willing to move to another community to get a good job. As figure 37 shows, 55% of respondents indicated that they would be willing to move.

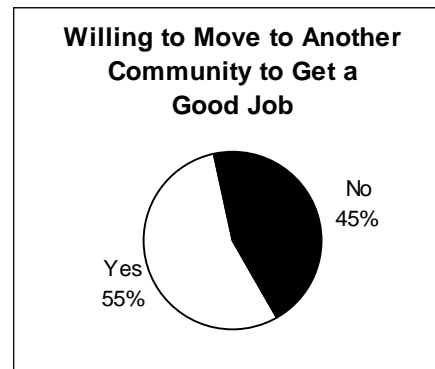


Figure 37

## Job Search Strategies

All survey participants, regardless of their Temporary Assistance recipient status, were asked about their use of outside help to find employment. Respondents indicated that they had successfully used a number of different forms of outside help to find work in the past year. The informal assistance of family and friends was the most commonly reported source of job leads (29%). Newspaper advertisements (26%) and the Internet (12%) helped some people find work. Many respondents reported that they found work through agencies, such as the Department of Labor and Workforce Development (18%), the Division of Public Assistance (19%), or Native employment programs (9%).

## ***Challenges to Employment***

An understanding of the challenges to employment encountered by Temporary Assistance leavers is fundamental to understanding why some families are able to become or remain self-sufficient while others are not.

Respondents were asked, in an open-ended question, to identify anything that had made it difficult for them to keep or find a job during the previous 12 months. Forty-one percent (41%) identified problems in this area. Some reported more than one problem.

The most commonly identified challenges to employment success were health problems or disability (33%), availability of child care (19%), and transportation problems (17%).

Other challenges cited included personal problems (9%), problems with children (9%), lack of available employment (7%), lack of education or training (7%), pregnancy (5%), and seasonal unavailability of work (2%).

Respondents were also asked to identify family and legal problems that had interfered with their ability to work during the past year. A small number reported such problems. Four percent (4%) cited involvement in child protection, and 4% reported that criminal issues (3% adult and 1% juvenile justice) caused work problems. Three percent (3%) cited child custody disputes, and 5% said other family issues had interfered with their ability to work.



# Unearned Income

Cash income from non-employment sources may contribute significantly to a family's total income and ability to leave and stay off the Temporary Assistance rolls. Unearned income that is received on a regular basis may be especially important in meeting a family's ongoing financial needs.

Survey respondents were asked if they had received income from 10 different sources in the past three months. The most commonly reported form of unearned income was child support; 18% of respondents reported that they received an average of \$282 per month in child support payments.

Sixteen percent (16%) reported that they received state Adult Public Assistance (needs-based state payments to low-income aged, blind, or disabled adults), and an average of 1.71 adults in the households reported receiving Adult Public Assistance income (SD=1.18). Many of the households that reported receiving Adult Public Assistance probably included elders and other extended family members who were not Temporary Assistance recipients.

## **Findings:**

- Fewer than one out of five respondents (18%) reported that their household received child support payments. The average payment amount was \$282 per month.
- Twelve percent (12%) of respondents reported that their household paid out child support, averaging \$318 per month.
- Thirty-seven percent (37%) of respondents reported that a household member's 1999 Permanent Fund dividend was garnished.
- Sixteen percent (16%) reported that at least one member of the household received Adult Public Assistance payments.

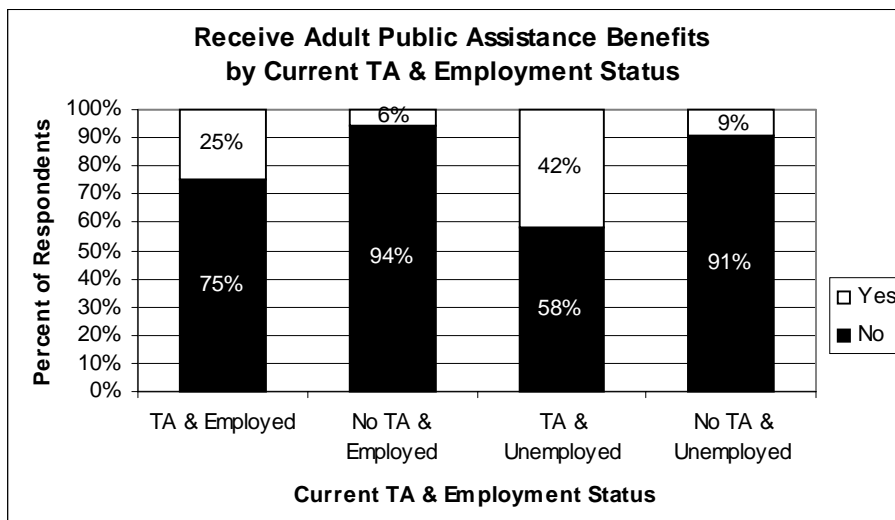
A total of 15% of respondents received either Social Security benefits (federal payments to insured disabled workers, retirees, and survivors of insured workers) or Supplemental Security Income (needs-based federal benefits for low income elderly and disabled adults and disabled children). Smaller proportions of respondents reported receiving unearned income from various other sources in the past three months. Table 6 summarizes reported income sources.

**Table 6. Unearned Income Received in the Three Months Prior to Interview**

Benefit	Percent of Responses	Average Monthly Amount	Standard Deviation
Child Support	18%	\$282	\$240
Adult Public Assistance	16%	\$579	\$285
Cash Gifts	12%	\$660	\$878
Loans	9%	\$8650	\$24,785
Social Security	8%	\$695	\$528
Supplemental Security Income	7%	\$1157	\$2640
Sold Property	5%	\$1613	\$4573
Disability Benefits	5%	\$550	\$588
Workers Compensation	2%	\$1301	\$1975
Retirement Pension	1%	\$780	\$855

Respondents who were Temporary Assistance recipients at the time of the interview were significantly more likely to be receiving state Adult Public Assistance benefits as well (chi-square=92.90, df=3, p<.0001). Figure 38 shows that 25% of respondents who were employed and receiving Temporary Assistance at the time of the interview were also receiving Adult Public Assis-

tance. Forty-two percent (42%) of respondents who were unemployed and Temporary Assistance recipients at the time of the interview received Adult Public Assistance. Six percent (6%) of the non-Temporary Assistance recipients who were employed, and 9% of the non-Temporary Assistance recipients who were unemployed, received Adult Public Assistance.



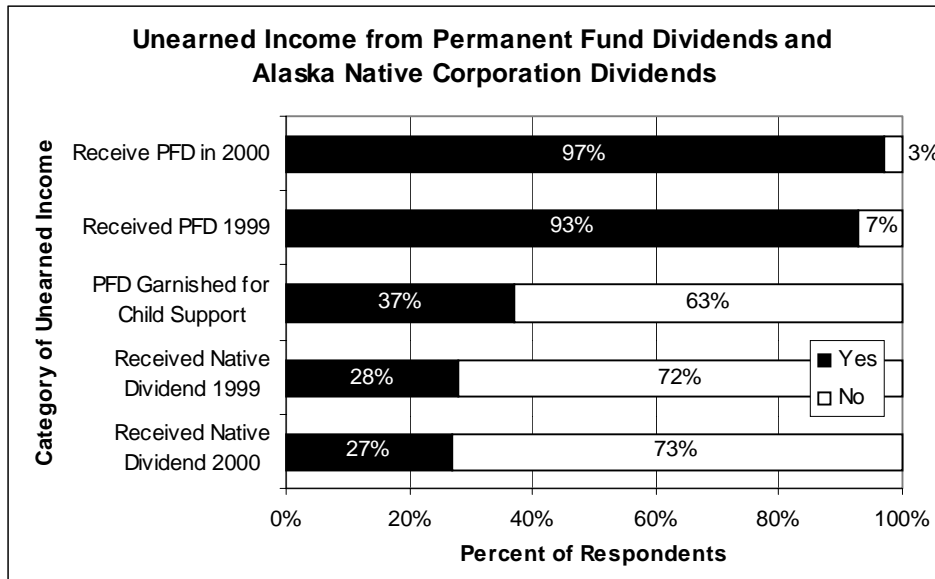
**Figure 38**

The survey did not include a question about receipt of Unemployment Insurance benefits. Interviewers reported anecdotally that numerous respondents mentioned receiving Unemployment Insurance. Interviewers also reported that some respondents might not have understood exactly how each category of income was defined. Matching the sample against Unemployment Insurance and other administrative data files might lead to a more complete and accurate understanding of the unearned income flowing into these households.

### ***Alaska-Specific Forms of Unearned Income***

The Alaska Permanent Fund Dividend (PFD) and Alaska Native Claims Settle-

ment Act (ANCSA) corporation dividends are two types of unearned income that are uniquely Alaskan and may be very important factors in the ability of families to live independent of the Temporary Assistance program. Both types of unearned income are treated specially under Temporary Assistance program policies. PFD payments do not count as income, and the first \$2,000 per year of ANCSA corporation dividends are also disregarded in determining eligibility, and in calculating Temporary Assistance benefits. Nonetheless, these funds are available to many families that leave Temporary Assistance and may constitute a sizeable portion of their annual income. Data on respondent receipt of these funds are displayed in Figure 39.



**Figure 39**

### Alaska Permanent Fund Dividends

All Alaska residents who lived in the state for the full previous year are eligible for the annual Alaska Permanent Fund Dividend (PFD) payment. Ninety-three percent (93%) of the people surveyed received PFDs in 1999, with an average of 4 household members receiving the dividend (SD=1.72). Ninety-seven percent (97%) reported that one or more household members will be eligible for dividends in 2000 (mean number of eligible household members=4, SD=1.75).

Respondents were asked whether or not any family member's PFD payment was garnished in 1999 to pay child support, divorce settlements, or other debts. Thirty-seven percent (37%) indicated that a family member's PFD had been garnished for some reason.

While many Alaskans believe that the Permanent Fund Dividend is an important way of reducing the need for Temporary Assistance, many people who left Temporary Assistance had their Permanent Fund Dividends garnished to pay off their debts, suggesting that they were having trouble meeting their financial obligations.

Some of this indebtedness undoubtedly represents past-due child support obligations, possibly reflecting the fact that many Temporary Assistance families are "mixed" families, with the adults having children who do not live with them. Twelve percent (12%) of the respondents reported that someone in the household had paid an average of \$318 per month in child support to a non-household member in the previous three months (SD=\$272 per month).

### Alaska Native Corporation Dividends

Twenty-eight percent (28%) of the respondents indicated they had received Alaska Native Corporation dividends in 1999, with an average of \$793 going to an average of 2 family members (SD=1.55). In 1999, corporate dividends ranged from \$7 to \$17,000 (SD=\$1,784). Twenty-seven percent (27%) reported they are eligible to receive Native Corporation dividends in 2000, with an expected range of \$7 to \$8,000 (SD=\$1,029).

The high standard deviation of the mean average amounts of Alaska Native Corporation Dividends demonstrates that the average amounts may be somewhat misleading, because of the very high amounts paid out by a few small corporations.

# Use of Transitional Services and Community Help

Anecdotal evidence suggests that the availability and utilization of benefits from non-cash assistance programs may be significant factors in the ability of families to leave Temporary Assistance and remain independent. Non-cash benefits may also be strong contributors to family well-being. Some states have reported a significant tapering-off of the utilization of these benefits after families leave cash assistance, even though many leavers continue to be financially eligible for the benefits. Federal Food Stamp program officials and health care advocates have expressed concern that complex administrative requirements may discourage TANF leavers from using services they are entitled to.

## Findings:

- The most frequently cited government service used by respondents after they left the Temporary Assistance rolls was government health insurance, including Medicaid, tribal health care, and Denali KidCare.
- One-third (34%) of respondents said they were not receiving food stamps at the time of the interview. Most of those not using food stamps reported that they did not need or want food stamps, or believed that they were not qualified.
- Some respondents (30%) used food banks, faith-based organizations, family support, or some other form of community support while they were off the Temporary Assistance rolls.

Table 7 shows that, when asked to identify government service that they had used while they were off Temporary Assistance, survey respondents reported a variety of supports they used to help them become

self-sufficient. Health insurance programs, including Medicaid and Denali KidCare, were the most frequently cited programs, with 42% of the leavers receiving health care assistance.

**Table 7. Respondent Utilization of Government Services for Low Income People While They Were off Temporary Assistance.**

Program or Service	Percent of Responses
Health Insurance /Medicaid, Denali KidCare	42%
Food Stamps	34%
WIC	26%
Heating/Energy Assistance	23%
School Meals	21%
HUD or Alaska Housing	11%
Clothing	2%

Note: some respondents reported more than one service

## Food Stamp Utilization

About a third of respondents reported that they were currently receiving food stamps. Respondents who were not participating in the food stamp program were asked why not.

Most of the people who were not using food stamps indicated that they had sufficient income and did not need food stamps (36%), did not want to use them (32%), or thought they did not qualify for food stamps (14%). These data suggest that Alaska's Temporary Assistance leavers have good access to food stamp benefits.

## Benefits Provided by Non-Profit Organizations

Nonprofit organizations were helpful sources of support for some of the surveyed leavers. Thirty percent (30%) of respondents indicated that they had received some form of donation of food, clothing, or other necessities from a non-profit organization or family member. Of the respon-

dents who utilized these supports, 21% reported that they had used a food bank after they stopped receiving Temporary Assistance, 9% received some form of assistance from a church, and 2% were helped by a community or village center. In 5% of the cases, respondents reported that they had received food, clothing, or other necessities from their families after leaving Temporary Assistance.

## Respondent-Reported Strategies for Getting by While Off Temporary Assistance

All survey participants were asked in an open-ended question how they had managed to get by while they were off of Temporary Assistance in 1999. The results are presented in Table 8, and show that employment was cited in nearly three-quarters of the responses, with utilization of other program benefits second at 12% of the responses. Table 8 includes responses from 694 survey participants.

**Table 8. Self-Reported Factors that Allowed Respondents to Get by While off of Temporary Assistance during the Preceding Year**

Response Category	N	Percent of Responses
Employment	503	74%
Receiving other program benefits (e.g., SSI, Unemployment Insurance, Disability benefits, Student financial aid)	77	12%
Help from another person	66	10%
Subsistence activities	15	2%
Dividend payments	15	2%
Total	676*	100%

\*Note: some respondents did not respond and others reported multiple factors

# Services Received by Temporary Assistance Recipients

Temporary Assistance recipients are required to participate in a number of activities that are designed to support their movement into the workforce. The Division of Public Assistance (DPA) provides services either directly or through subcontractors. Sixty-two percent (62%) of respondents indicated that their public assistance caseworker required them to work, look for a job, or go to some kind of job training. Recipients may also participate voluntarily in work transition services that are generally available in the community. An average, 13% of respondents indicated that they had participated in some form of volunteer or unpaid work between 1998 and 1999.

DPA provides services to help recipients search for work, successfully participate in job interviews and in job training, and remain employed once they begin working. Case managers work with individual recipients to develop a plan for achieving self-sufficiency. Case managers may be either DPA employees or DPA work services contractors. The self-sufficiency

**Findings:**

- Sixty-two percent (62%) of respondents indicated their Public Assistance caseworker had required them to work, look for a job, or go to some kind of job training.
- An average of 13% of respondents indicated they had participated in some form of volunteer or unpaid work between 1998 and 1999.

plan commits the client to engage in specified work-directed activities. The plan also commits DPA or its contractor to provide specified services to support the recipient's transition to work.

## ***Types of Services Used***

Table 9 shows a breakdown of some of the DPA-sponsored services survey respondents reported having used while receiving Temporary Assistance.

**Table 9. Division of Public Assistance Sponsored Services Used by Temporary Assistance Recipients**

Service	Percent
Child Care Assistance	31%
Transportation	26%
Misc. Other Work-Related Expenses (clothing, etc.)	18%

## DPA Services Utilization by Returners and Non-Returners

As shown in Figure 40, returners were significantly more likely to use DPA-subsidized child care than non-returners (chi-square = 3.31, df=1, p<.04). Returners also used more DPA-sponsored assistance with

transportation (chi-square=13.63, df=1, p<.0001). Non-returners were likely to use fewer miscellaneous work-related services than returners.

As Figure 41 illustrates, respondents who were employed at the time of the interview were also less likely to have received DPA-sponsored child care while they were working, looking for work, or in training.

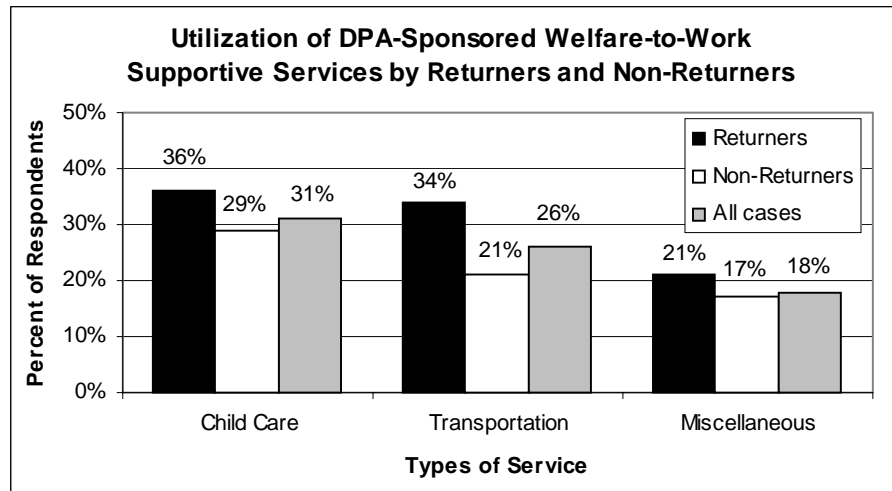


Figure 40

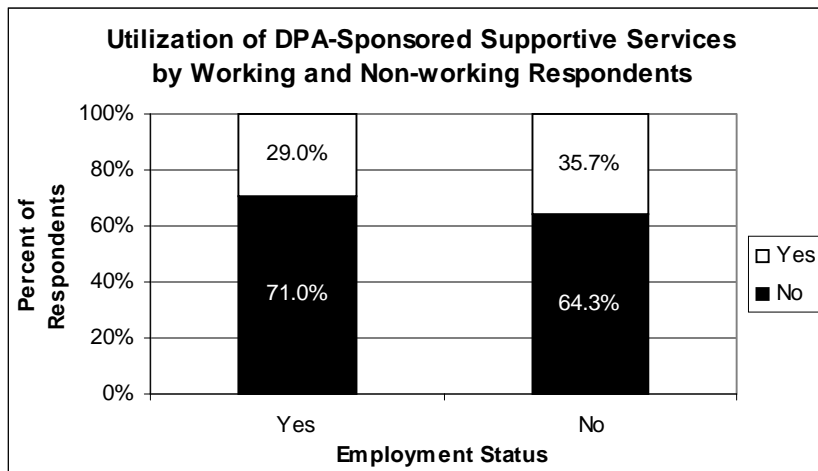


Figure 41



These utilization patterns may appear to indicate that use of these supportive services negatively impacts the success of leavers in staying off the Temporary Assistance rolls and remaining employed. In fact, they probably reflect DPA's accelerating level of effort during the study period as federal requirements to move recipients into employment increased. The non-returners, having left the Temporary Assistance caseload, are less likely to have utilized the supportive services simply because they are much less likely to have been under active case management during the sample period. Returners are more likely to have used these services for two reasons. First, they spend more time as Temporary Assistance recipients who are

required to participate in intensive case management. Second, there has been a steady increase in the proportion of the caseload that participates in work-related activities, and returners are more likely to have been in the caseload in the later months when the likelihood of their being under case management was greater.

For similar reasons, leavers who were employed at the time of the interview were less likely to have received the services because they had been working, and because currently working respondents were more likely to be non-returners, as discussed in the section on earned income and work.

# Child Care

Working people with young children, particularly single parents, often need child care while they are working. The scarcity of affordable, appropriate child care is frequently cited as an impediment to stable employment. Forty-seven percent (47%) of the families surveyed reported that they had preschool age children in their households; 33% of those who had preschool age children reported that they used child care for them in order to find or keep a job.

## Utilization Rates

Sixty-six percent (66%) of the respondents indicated that, in the past year, they had school age children young enough to require care while they were in training, job hunting, or working. Twenty-four percent (24%) of those who had school age children said they used some kind of extended care, after-school care, or day care after school or when school was not in session.

There was considerable variability in the weekly usage of child care, with the average child in care for 23 hours per week (SD=14 hours/week). Families that paid for child care paid an average of \$121 per week (SD=160).

## Types of Care

Figure 42 illustrates that the most frequently utilized forms of child care for people who had young children were child care centers (35%) and family day care homes (15%), with most of the remaining care being provided by friends (10%) and relatives (13%).

### Findings:

- One-third of all respondents (33%) reported that a lack of child care had disrupted their ability to look for a job or go to school or training.
- One-third of the respondents (33%) who had preschool age children reported that they used child care for them in order to find or keep a job.
- Twenty-four percent (24%) of respondents who had school age children had used child care for them.
- Three in ten (31%) reported that they had received subsidized child care for training and other work-related reasons before they left the Temporary Assistance caseload, while only 18% said they had received subsidized care after leaving the Temporary Assistance rolls.
- Child care centers and family day care homes were the most frequently mentioned forms of child care used. Friends and relatives provided most of the remaining care.
- Almost nine out of ten (86%) of those who used child care were satisfied with the quality of child care they received.

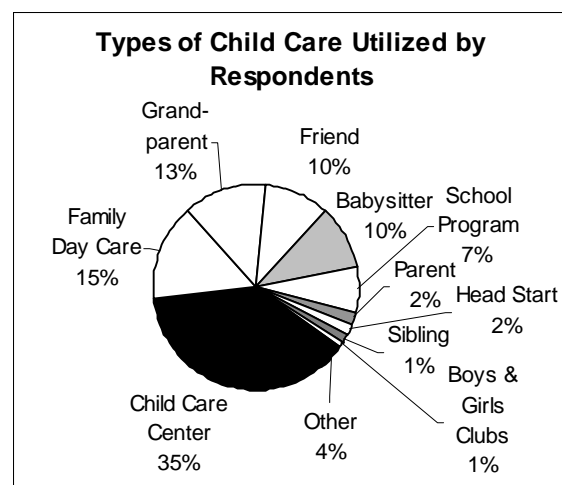


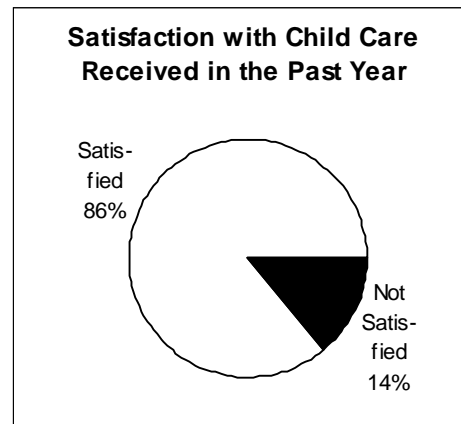
Figure 42

## ***Quality of Care***

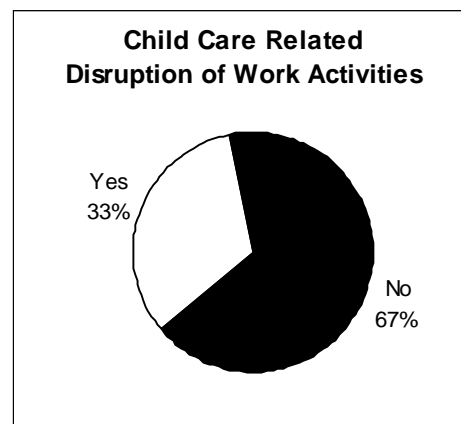
For the most part, parents were happy with the child care they received. Eighty-six percent (86%) indicated satisfaction with their child care arrangements while working, attending training, or looking for work during the year preceding the interview (see Figure 43). Returner and non-returner status in 1998 and 1999 were not significantly related to satisfaction with child care arrangements for either working or unemployed respondents.

## ***Disruptions for Lack of Care***

As Figure 44 illustrates, 33% of those surveyed reported that a lack of child care had disrupted their ability to look for a job or go to school or training in the past year.



**Figure 43**



**Figure 44**

# Housing

The transition from welfare to work may both influence and be influenced by the availability of stable and adequate housing. Stable and adequate housing is also a fundamental measure of family well-being. Leavers were asked a series of questions about their living situation at the time of the interview to help gain insight into this fundamental issue.

The majority of people surveyed were living in rental property. Figure 45 shows the breakdown of living arrangements.

## Housing Stability

Thirty percent (30%) of respondents reported having moved in the past year. Of these, 40% moved from one community to another. Living arrangements have been fairly stable for some leavers, with the average length of residence in the current home being four years and three months (SD=6.6). However, many respondents made multiple moves. Of the people who were in their homes for less than one year, the average family moved twice in the past year (SD=1.3).

## Housing Costs and Subsidized Housing

The average cost of housing for respondents was \$430 per month (minimum 0 to maximum \$1,600, SD=324), with utilities costing \$133 per month (minimum 0 to maximum \$1,500, SD=146). Only 14% were receiving housing subsidies from a federal, state, or local government program. Another 14% were living in a public housing project owned by a local housing authority, Alaska Housing, or other agency.

### Findings:

- Housing arrangements were stable for 70% of respondents in the year preceding the interview, with 30% reporting at least one move in the last year.
- The average housing cost for respondents was \$430 per month, and their average utility cost was \$133 per month.
- Twenty-eight percent (28%) of the respondents were living in either subsidized housing or a public housing project.
- Over one-third (36%) reported being unable to pay rent, housing, or utility bills at least once in the past year, with people not on Temporary Assistance less likely to have this experience.

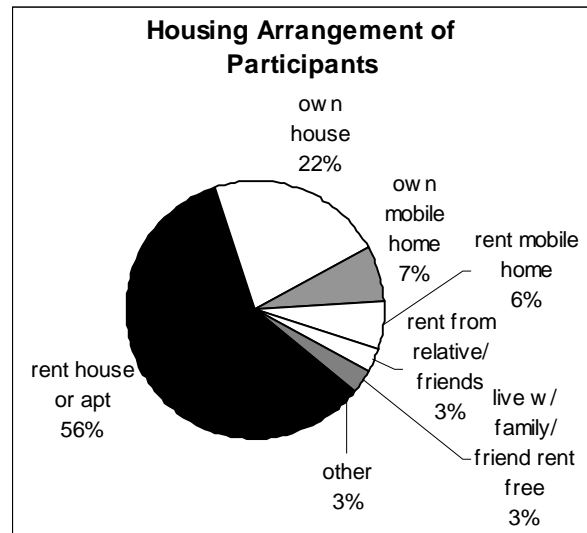


Figure 45

Respondents were asked whether they had experienced problems paying their housing costs during the past 12 months. Almost two thirds (64%) were able to pay their housing costs, with 36% reporting that there had been a period within the past year when they had not been able to pay the mortgage, rent, or utility bills.

Temporary Assistance recipients were more likely than non-recipients to have had problems in paying their mortgage, rent, or utility bills at some point in the past year (chi-square=11.94, df=3, p<.008).

Figure 46 shows the distribution of responses to this question, relative to the respondents' Temporary Assistance recipient status and employment status at the time

of the interview. Forty-six percent (46%) of employed Temporary Assistance recipients reported that at some point they had not been able to pay their mortgage, rent, or utilities within the past year. Forty-five percent (45%) of unemployed Temporary Assistance recipients had also had this problem. In contrast, 31% of non-recipient employed respondents had not been able to meet housing financial obligations in the past year; and 30% of non-recipient unemployed respondents had this problem.

### Housing Quality

As Figure 47 illustrates, a substantial majority of respondents indicated that their housing arrangements were satisfactory.

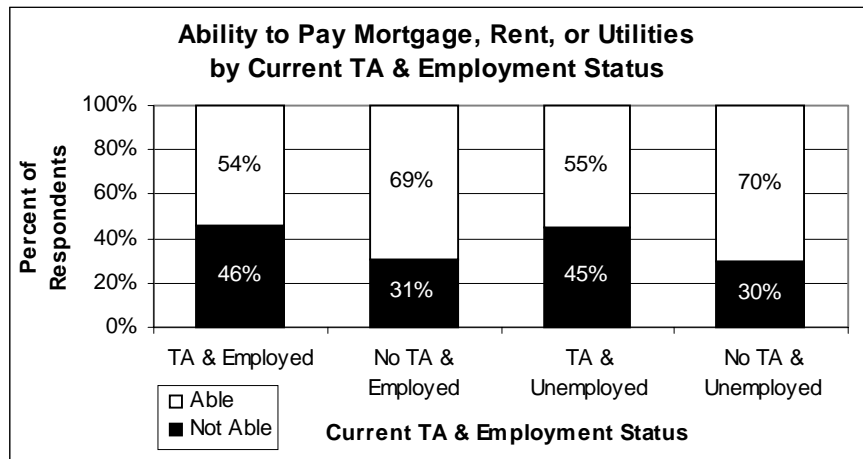


Figure 46

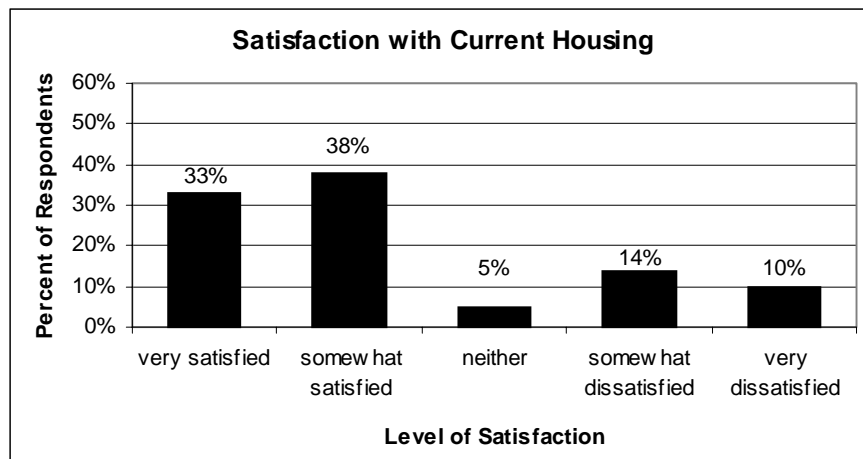


Figure 47

# Transportation

Transportation to work is an integral element of employment success. Reliable, affordable, and efficient transportation is necessary for most working parents to find and maintain stable employment. For many, children must be transported to and from child care before, after, and sometimes during the workday. The amount of time consumed in getting back and forth between home, work, shopping, and child care may significantly affect the ability of families to move from welfare to work. During the interview, survey respondents were asked a series of questions about their current transportation situation.

## Findings:

- Three quarters (75%) of respondents reported having adequate transportation to get to work, training, or child care.
- Personally owned vehicles were the most common form of transportation.
- People with reliable transportation were significantly more likely to be off Temporary Assistance and employed at the time of the interview.

## Types of Transportation

Most people (61%) relied on their own car, truck, motorcycle, or van to get around. Other forms of transportation included: walking and bicycling (11%); riding snow-machines, boats, or ATVs (10%); sharing a ride (9%); and public transportation (9%). These data are shown in Figure 48.

## Commute Time

Participants reported an average of 22 minutes each way to commute to work, including time to drop children off at child care (SD=20). The longest reported commute time was 150 minutes.

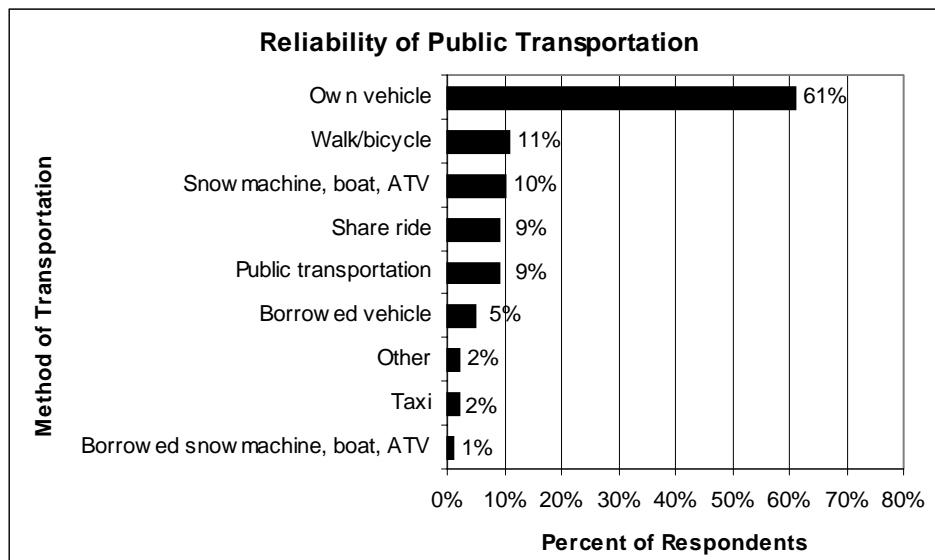


Figure 48

## Access to Reliable Transportation

Figure 49 shows that a majority (75%) of the individuals surveyed had reliable transportation to get to work, training, or child care at the time of the interview.

Returners were significantly less likely to have reliable transportation at the time of the interview than non-returners (chi-square=3.78, df=1, p<.03). Figure 50 compares the rates of reliable transportation for the two groups.

Figure 51 shows the distribution of respondents who reported that they had reliable transportation with respect to their recipient

and employment status at the time of the interview. People who were employed and not receiving Temporary Assistance at the time of the interview reported the highest rate of reliable transportation (chi-square=22.94, df=3, p<.0001).

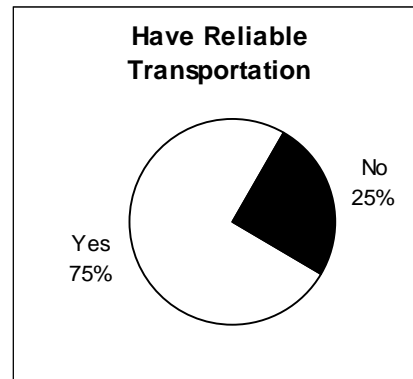


Figure 49

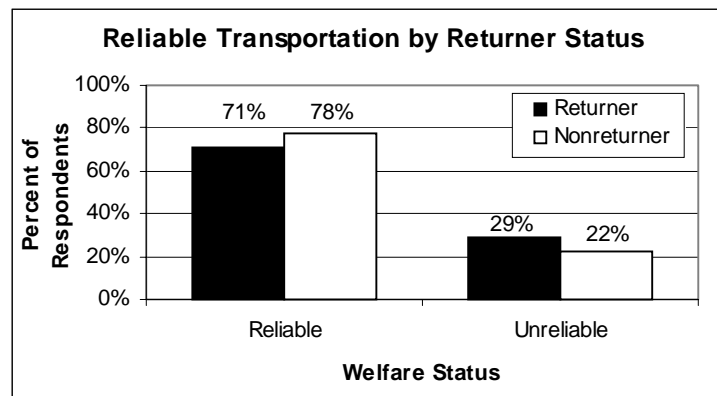


Figure 50

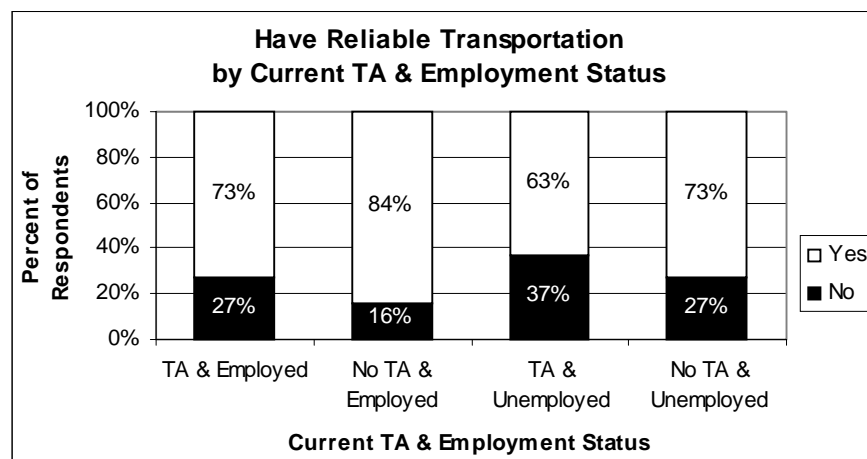


Figure 51

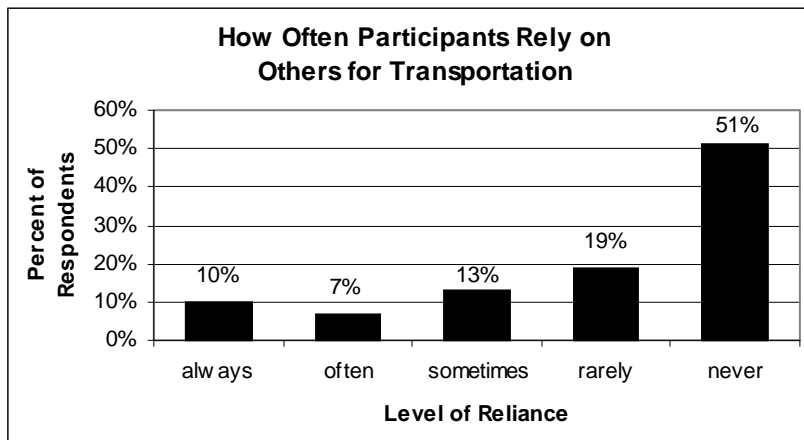
Respondents who were employed and not receiving Temporary Assistance at the time of the interview reported the highest rate of reliable transportation (84%), while 73% of respondents who were both employed and back on Temporary Assistance had reliable transportation. The same percentage (73%) of the people who were neither on Temporary Assistance nor employed at the time of the interview said they had reliable transportation. Sixty-three percent (63%) of those who were both unemployed and back on Temporary Assistance had reliable transportation. This information is displayed in Figure 51.

## ***Reliance on Others for Transportation***

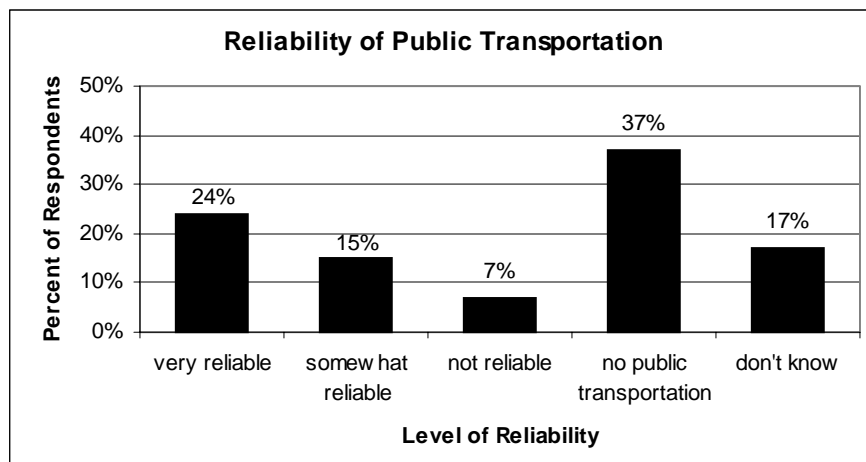
Figure 52 shows that, generally, people were self-reliant for transportation, with a small group consistently needing help with transportation.

## ***Reliability of Public Transportation***

Figure 53 shows that respondents generally believed the public transportation available in their community was reliable. However, 37% reported that there was no public transportation in their community.



**Figure 52**



**Figure 53**



# Health Issues

Health status and accessibility to health-related services are significant factors in a family's life. Any member of a family who is experiencing health-related difficulties creates unique stresses and responsibilities for the entire family.

Chronic conditions, such as a physical disability, mental illness, diabetes, heart conditions, or developmental concerns take a daily toll on the resources of a family, both emotionally and financially. Acute problems are also realities for families, and without adequate access to care these events can become catastrophic. Often, acute illnesses go untreated in families that do not have access to health insurance.

Poor health can affect Temporary Assistance leavers in two ways. First, adults may be directly prevented from working due to their own health problems. Second, adults may be prevented from working because they must be home to care for a family member with poor health.

## Findings:

- Eighty-nine percent (89%) of the respondents reported that their current health was fair or better, with 11% indicating poor health. Their spouses and children were reported to be in comparably good health.
- Thirty percent (30%) of respondents reported at least one family member with no medical coverage.
- Seventeen percent (17%) of respondents said that someone in their household had not received needed health care during the past year, most often due to financial constraints.

## Health Status

Most respondents reported that their own health status and that of their families was "excellent" or "good" at the time of the interview and one year prior to the interview. Figure 54 shows that 89% of the respondents reported that their current health was fair or better, with 11% indicating poor health. Their spouses and children were reported to be in comparably good health.

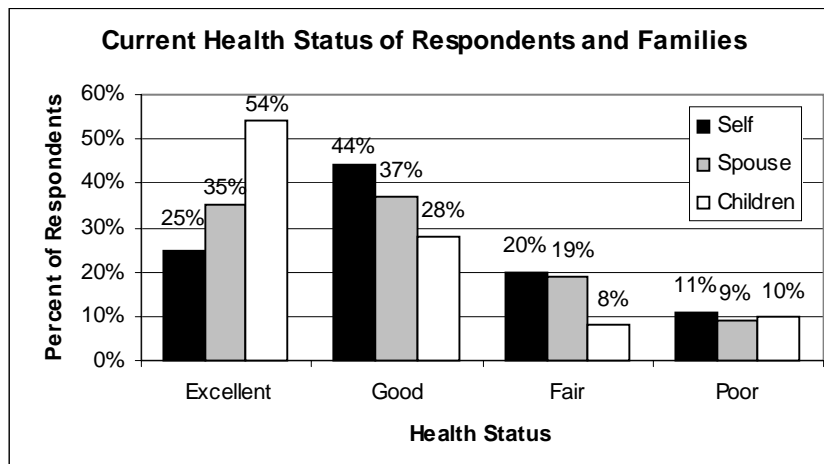


Figure 54

## Health Care Coverage

Respondents were asked to identify sources of medical coverage for the household. The results are shown in Figure 55. Medicaid and Denali Kid Care were the most commonly reported forms of medical coverage, with 66% reporting that at least one family member had such coverage. Thirty percent (30%) reported at least one family member receiving Indian Health Service or Native medical benefits, and 26% had employer-paid medical insurance.

## Individuals without Health Care Coverage

Figure 56 shows that fully 30% of the respondents indicated that they had at least one family member who did not have any medical coverage.

Figure 57 shows that 17% of the respondents stated that a member of the household had not received care in the past year when it was needed.

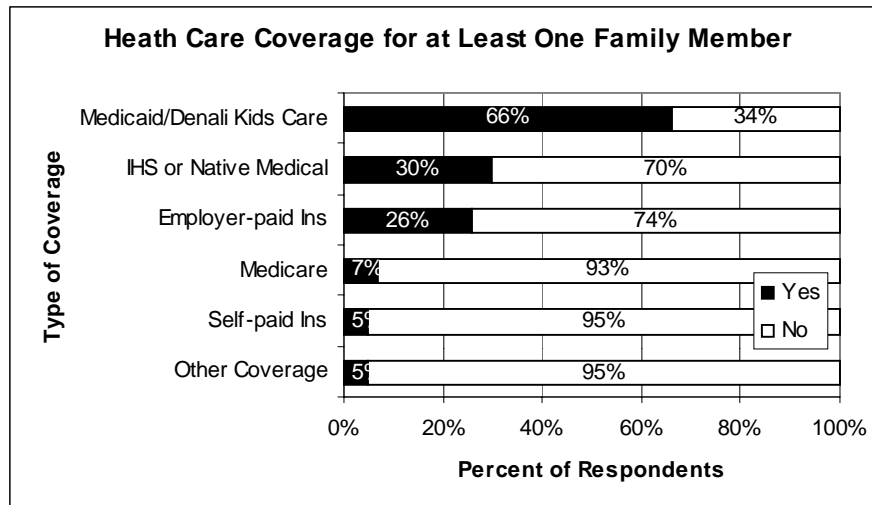


Figure 55

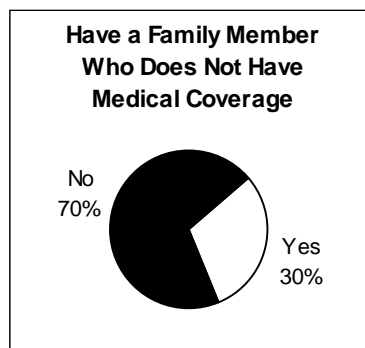


Figure 56

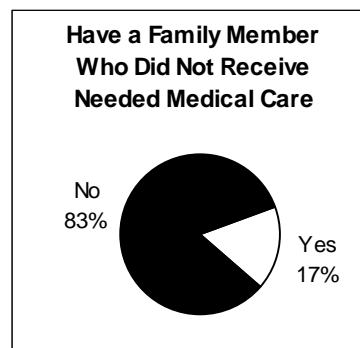


Figure 57

Financial constraints was the most common reason given for not receiving needed medical care (75%). Smaller numbers of respondents indicated that the medical services they needed were not available in their community, or that they did not seek

medical care for themselves or a family member because of the poor quality of medical care available, time constraints, and transportation constraints (see Figure 58).

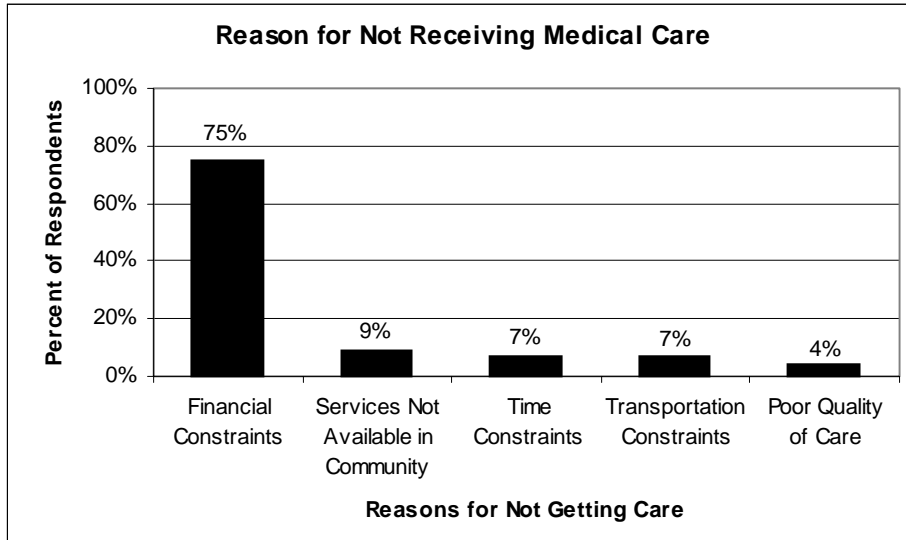


Figure 58

# Client Perceptions and Attitudes

The beliefs and emotions of respondents are both indicators of family well-being and sources of information about the quality of their experience after leaving the Temporary Assistance rolls. Differences in perceptions and attitudes between returners and non-returners may correlate with the individual's success in achieving financial independence, as well as help shape policies that will maximize success.

At least two states have reported that, despite the fact that many of them may have been receiving less income since leaving the Temporary Assistance rolls, the preponderance of survey participants disagreed with the notion that they had been better off when they were on Temporary Assistance.

The "Work-First" message of the Temporary Assistance program may have moved some recipients to embrace the work and education ethic of mainstream America.

Survey respondents were asked a number of questions designed to measure their perceptions and attitudes. In general, the majority had accepted the welfare-to-work message and were satisfied with the services they received from their Temporary Assistance caseworkers.

## ***Attitudes about Work and Welfare***

Survey respondents indicated their level of agreement or disagreement with several statements that were designed to learn about their attitudes regarding employment and Temporary Assistance. Strong

### ***Findings:***

- More than nine out of ten (96%) people interviewed reported that they would rather work than receive Temporary Assistance.
- More than half (55%) of the respondents said that their lives were better while they were off the Temporary Assistance rolls.
- About seven out of ten (71%) respondents agreed with the appropriateness of Temporary Assistance time limits, with half of them (50%) strongly agreeing.
- Over eight out of ten (85%) respondents agreed that people on Temporary Assistance should be required to find a job and work.
- More than six out of ten (62%) people interviewed believed that their Temporary Assistance caseworker was interested in their well-being and gave them good advice and support.

positive responses about preferring work over welfare indicate that access to quality employment, rather than unwillingness to work, is the primary issue for most Temporary Assistance recipients.

Figure 59 shows that almost nine out of ten people interviewed (88%) agreed strongly that they would rather work than receive Temporary Assistance, and an additional eight percent agreed somewhat with the statement.

were receiving benefits versus when they were off assistance. Figure 60 shows that fifty-five percent (55%) disagreed strongly or disagreed somewhat with the statement "My life is better while I'm on Temporary Assistance than when I'm off of Temporary Assistance."

Similarly, the majority of respondents felt that their lives were not better while they

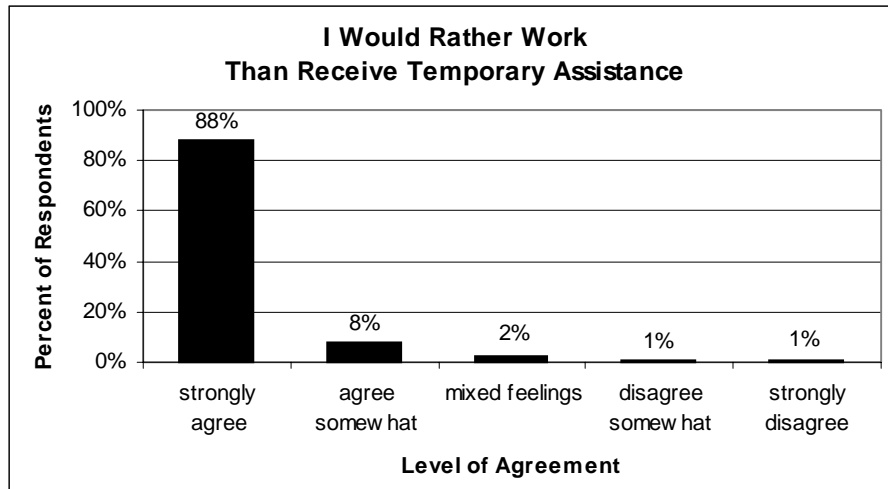


Figure 59

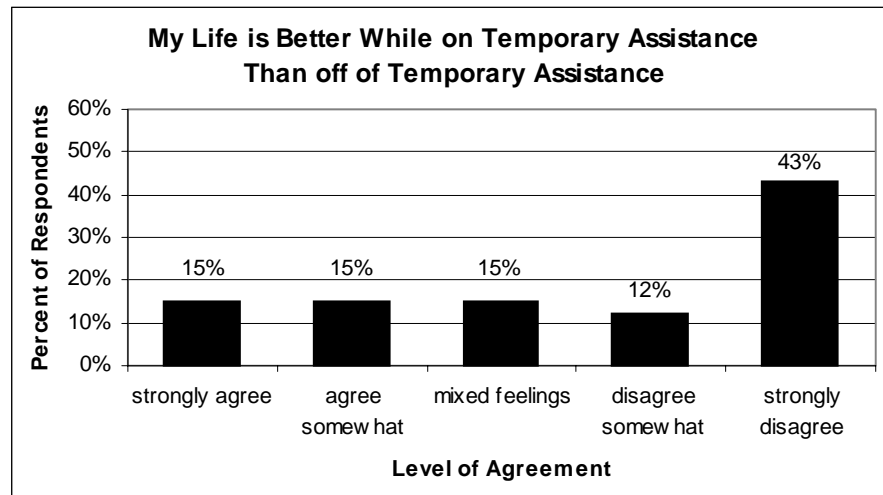


Figure 60

Forty-six percent (46%) of respondents indicated that they worry about not being eligible for Temporary Assistance benefits should they need them in the future (see Figure 61).

Figure 62 shows that the majority of respondents agreed with time limits for Temporary Assistance benefits. Figure 63 shows that respondents also agreed that people who receive Temporary Assistance should be required to find a job.

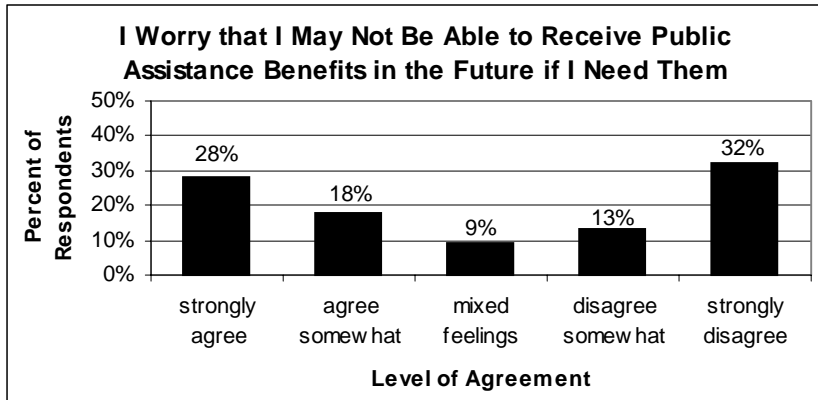


Figure 61

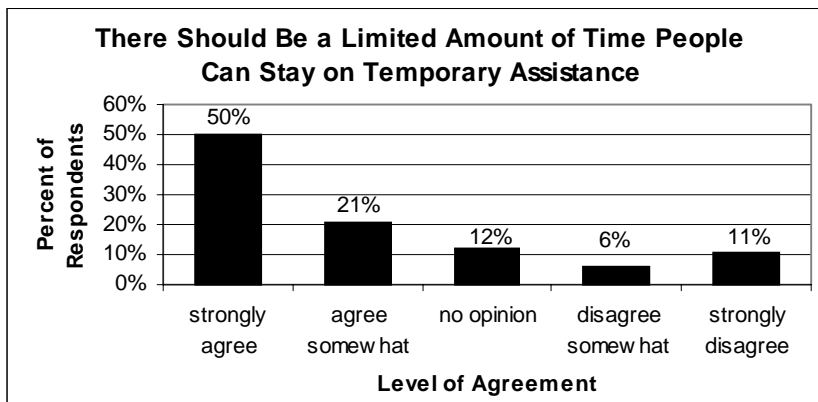


Figure 62

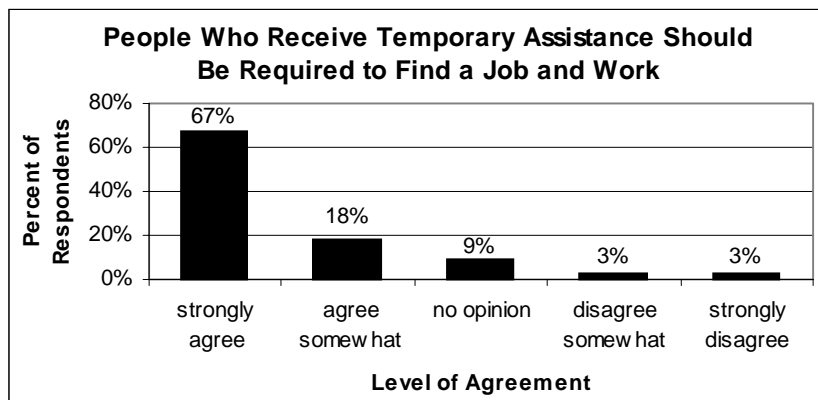


Figure 63

## Perceptions of Availability of Education and Training

Lack of access to job training did not appear to be an issue for most of the people interviewed. Figure 64 illustrates that the majority indicated that they could receive the job training they needed in their com-

munity. Two thirds (67%) agreed that needed job training was available locally.

Access to high school equivalency courses and adult education can facilitate preparation for the job market. Most respondents believed that adult education and GED programs were available to them in their area (see Figure 65).

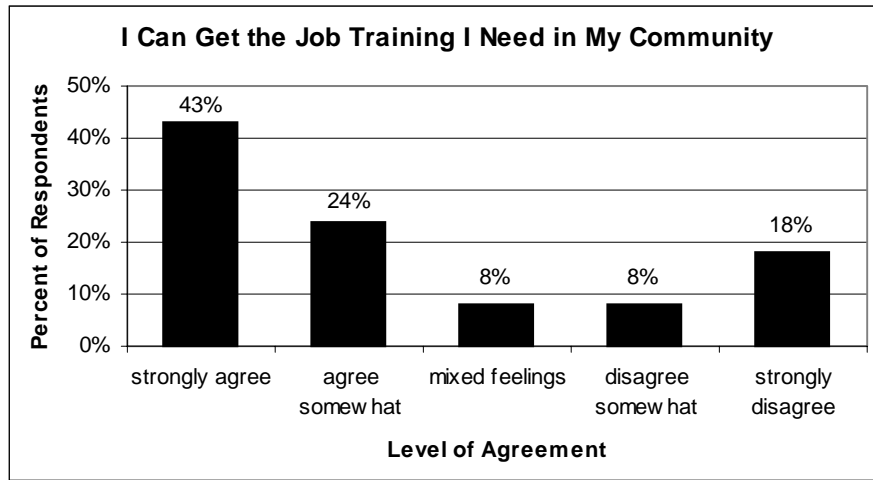


Figure 64

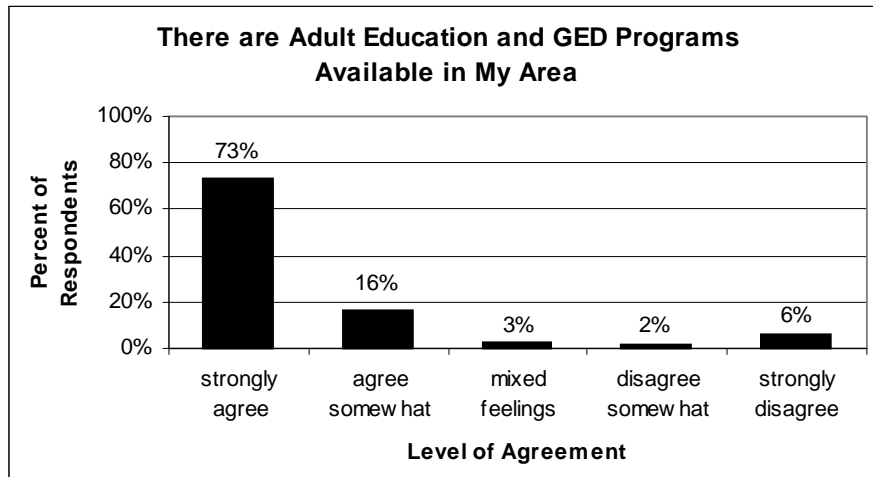


Figure 65

## Attitudes about Temporary Assistance Caseworkers

Beliefs and emotions about the quality of services received from the Division of Public Assistance are important for understanding the impact of transitional services for people as they work toward self-

sufficiency. Leavers were asked to give their opinion about the services they received from DPA staff. Figures 66 and 67 show that the majority of leavers felt their caseworker was interested in their well-being and gave them good advice and support.



Figure 66

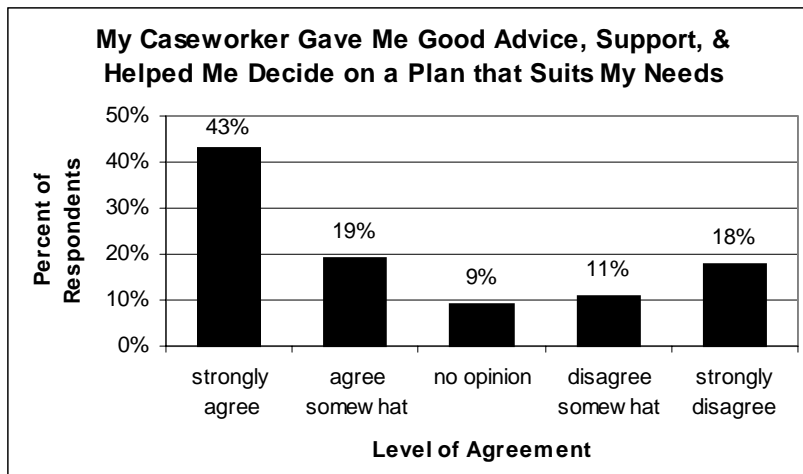


Figure 67



# Rural Issues

The scattered distribution and rich diversity of Alaska's population are fundamental factors in the state's labor market and economy. The success of welfare reform is to some extent dependent on the availability of jobs to Temporary Assistance recipients. Smaller rural communities present particular challenges. Analysis of the differences between rural and urban communities may give insight into what programmatic approaches might best serve rural Temporary Assistance recipients in their quest for financial independence.

(See the Demographics and Basic Family Characteristics section of this report for a description of the geographic distribution of the sample population, and the basis for categorizing the sampled cases as either urban or rural.)

## Ethnic Distribution

The rural caseload is predominantly Alaska Native; 88% of the rural cases surveyed were Alaska Native. Figures 68 and 69 show the urban/rural ethnic distribution of the study sample.

### Findings:

- Almost nine out of ten rural Temporary Assistance recipients (88%) were Alaska Natives. There were significantly more respondents with two-parent families in rural Alaska (52%) than in urban Alaska (20%); this is consistent with the overall geographic distribution of the Temporary Assistance caseload.
- The higher cost of living and seasonal and temporary employment patterns probably offset higher wage levels in rural Alaska.
- Rural respondents believed that the available jobs were of lower quality and harder for them to find than their urban counterparts believed.
- Rural residents were less willing than urban residents to relocate to find employment.

Notwithstanding the high proportion of Alaska Native respondents living in Rural Alaska, rural residents represented only about 23% of the sampled leavers. Forty-five percent (45%) of the Alaska Natives in the survey sample lived in urban areas.

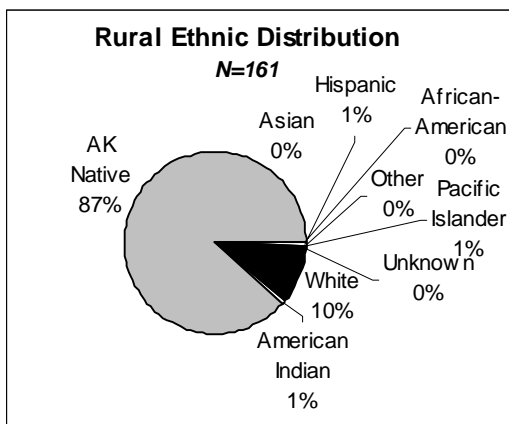


Figure 68

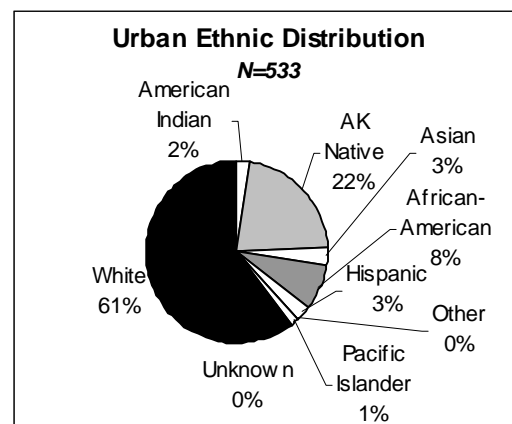


Figure 69

## Family Types

Rural cases in the survey were significantly more likely to be two-parent families than urban cases. Twenty percent (20%) of urban respondents represented two-parent families, while 52% of the surveyed rural families were of the two-parent type. This is consistent with the overall distribution of the Temporary Assistance caseload (see Figures 70 and 71).

## Urban and Rural Wage Levels

As Figure 72 shows, urban and rural respondents reported different average wage levels. Rural workers earned significantly more per hour than people in urban areas in both 1998 and 1999. In 1998, the average rural worker earned \$11.24 per hour (SD=4.64), while the urban worker earned \$9.35 per hour (SD=4.06). In 1999, earnings increased to an average rural wage of \$12.08 per hour (SD=4.73) and urban wage of \$10.13 per hour (SD=4.64). The 1999 average wage increase was significant only for urban workers.

It is important to note that although rural hourly pay was significantly higher during the study period, this does not in itself indicate that rural families had more total

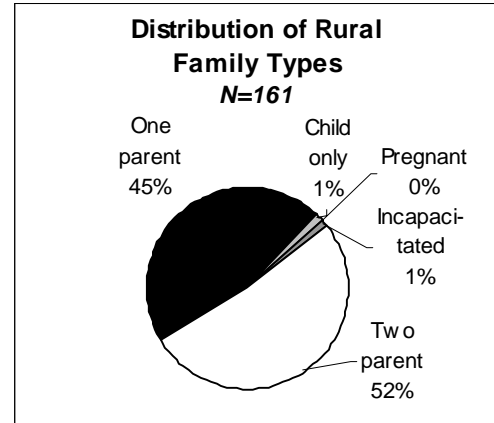


Figure 70

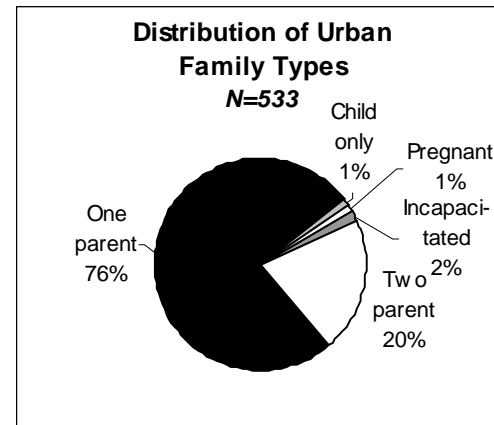


Figure 71

earned income. Comparative information on the relative employment rates of urban and rural respondents was not available at this writing.

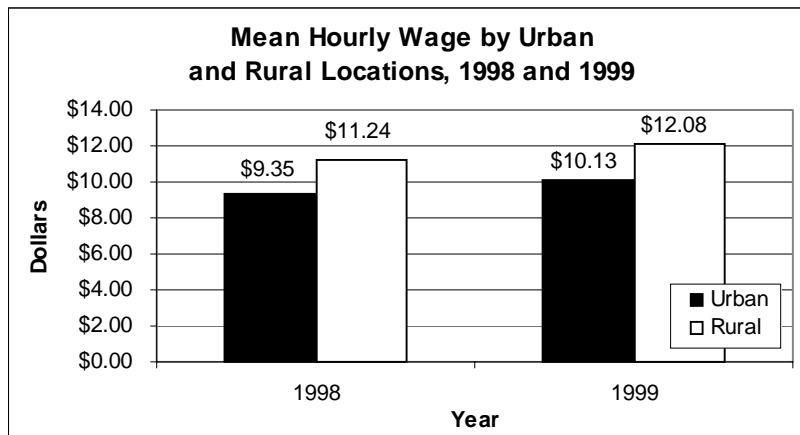


Figure 72

## Vehicle Ownership, Temporary Assistance Status, and Urban/Rural Residency

Figure 73 illustrates that, in urban areas, 77% of the non-returners and 61% of the returners owned vehicles at the time of the interview. People in rural areas depended upon more varied sources of transportation, including cars, trucks, boats, sleds, snowmachines, and ATVs. In rural areas, 62% of the returners and 71% of the non-returners owned their own transportation.

## Community Perceptions of the Job Market

Rural respondents differed from urban respondents in their beliefs about work opportunities. When asked if they thought jobs were available in their community for which they were qualified, 89% of urban subjects responded affirmatively. This is significantly greater than the 67% of rural residents who believed that work was available to them in their communities.

There were also significant differences between the responses of urban and rural respondents who were asked how hard it was to find work in their community; 42% of the urban respondents said jobs were ei-

ther very hard or fairly hard to find, while 75% of the rural respondents expressed the same belief.

Urban and rural respondents also differed in their perception of the quality of jobs available to them. Although 41% of each group said the quality of jobs they could get was average, 32% of the urban residents felt they could get fairly high quality or very high quality work in their community, while only 17% of the rural residents said they could get fairly high quality or very high quality work in their community.

## Willingness to Relocate

When asked to respond to the statement, "I would have to move to a different community to get a good job," 51% of the rural subjects agreed strongly or agreed somewhat, compared to 24% of their urban counterparts. Only 48% of the rural subjects said they would be willing to move to another community to get a good job, while 57% of the urban respondents said they would move for a better job. This suggests that despite their perceptions of a less favorable local job climate, other aspects of the rural way of life may strongly influence the decisions that rural residents who leave Temporary Assistance make about where they choose to live and work.

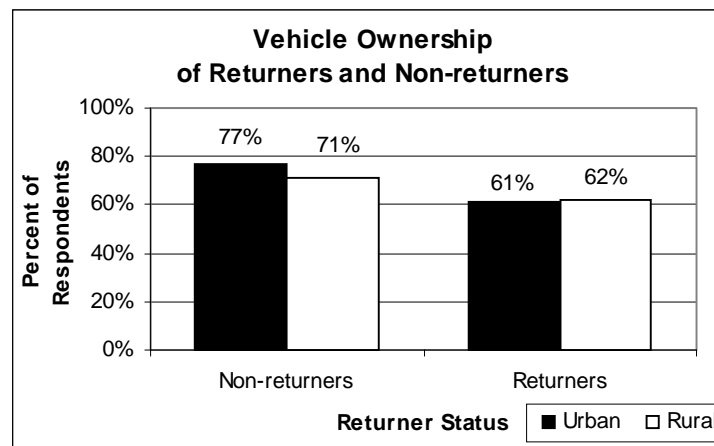


Figure 73