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# The Intersection of Low-Wage Work and Public Assistance

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# Overview

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- Study Methodology
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- Supports and Strategies
- Workers' Suggested Solutions
- Conclusions
- Questions

# Introduction and Policy Context

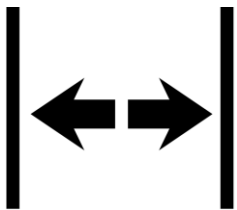
# Policy Context



The debate around public assistance often ignores that most applicants are workers turning to public assistance programs to supplement income from wages.



The nature of low-wage jobs creates obstacles to self-sufficiency for workers on top of insufficient wages.



Yet there is limited evidence of how low-wage workers experience challenges to stability. This study seeks to fill this gap.

# Study Overview

# The Study

- Partnership between the Urban Institute and the State of Minnesota
- Builds on prior administrative data analyses of employment and participation in MFIP, SNAP, and child care assistance.

# Study Research Questions



- What are workers' experiences in low-wage jobs?
- What are the circumstances that lead to job separation for low-wage workers?
- What leads workers to turn to public assistance programs?

# Study Research Questions



- What role does public assistance play in supporting families to supplement low and inconsistent wages?
- What other supports and strategies do workers use to make ends meet?
- What suggestions do workers have for reducing job separation and improving or reducing the need for public assistance?



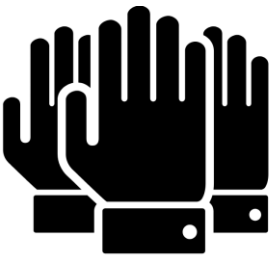
# Study Methodology

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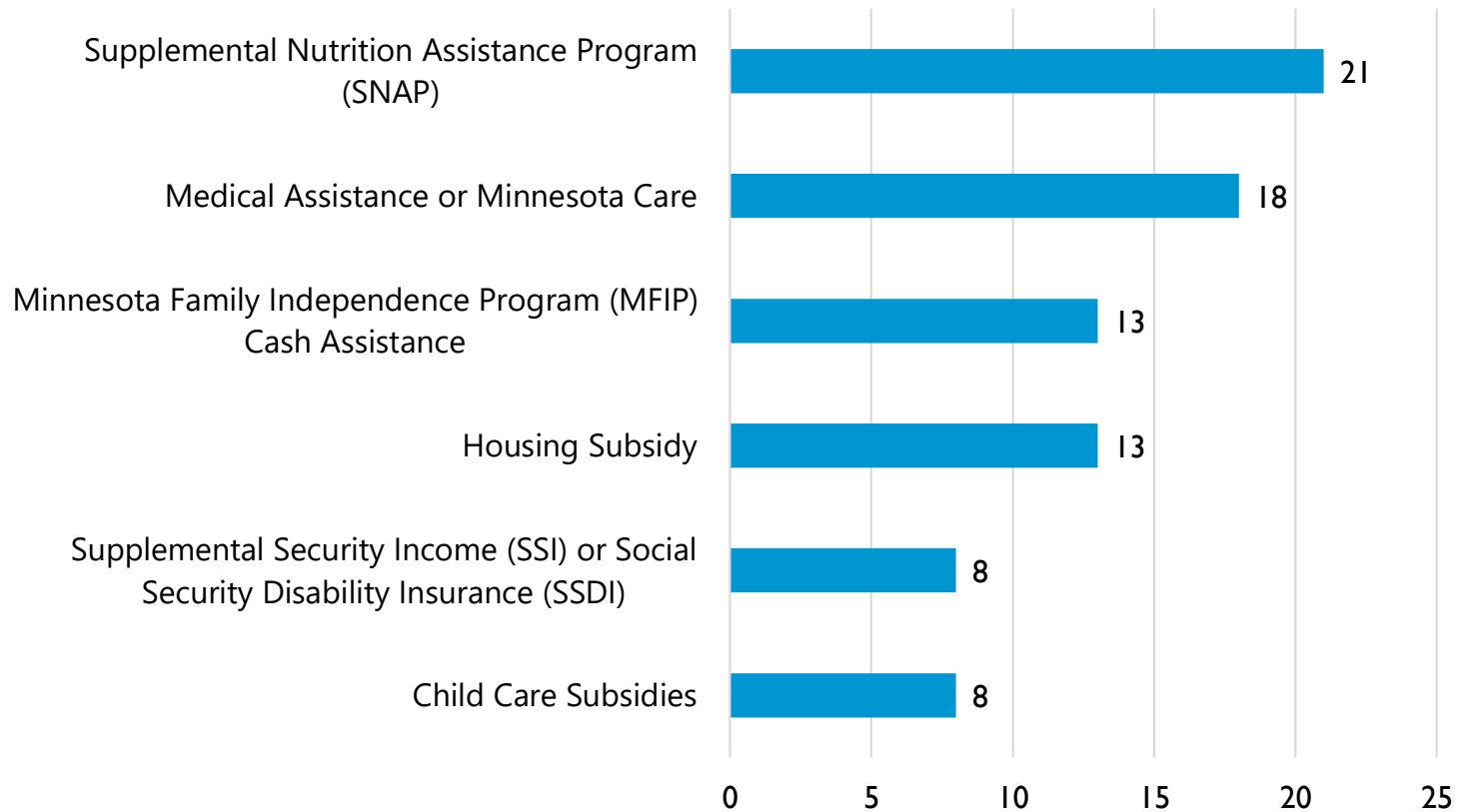
- 40 voluntary semi-structured individual interviews and focus groups during December 2018
- Local organizations invited clients who met criteria to participate
- Study participants' identities were kept anonymous
- The draft report was shared with the community organizations for feedback

# Study Participants

- All had recently lost or left a job; generally in unstable, low-wage work
- 28 workers in Saint Paul, 12 workers in Detroit Lakes
- 34 women, 6 men
- Most of the 40 workers identified as either Black/African American or White
- Ages ranged from 25 to 60, with a majority under 40
- Many workers reported current participation in public assistance programs



# Most Common Forms of Public Assistance Receipt Among Study Participants (N=40)



**Source:** Profile questionnaire administered to study participants

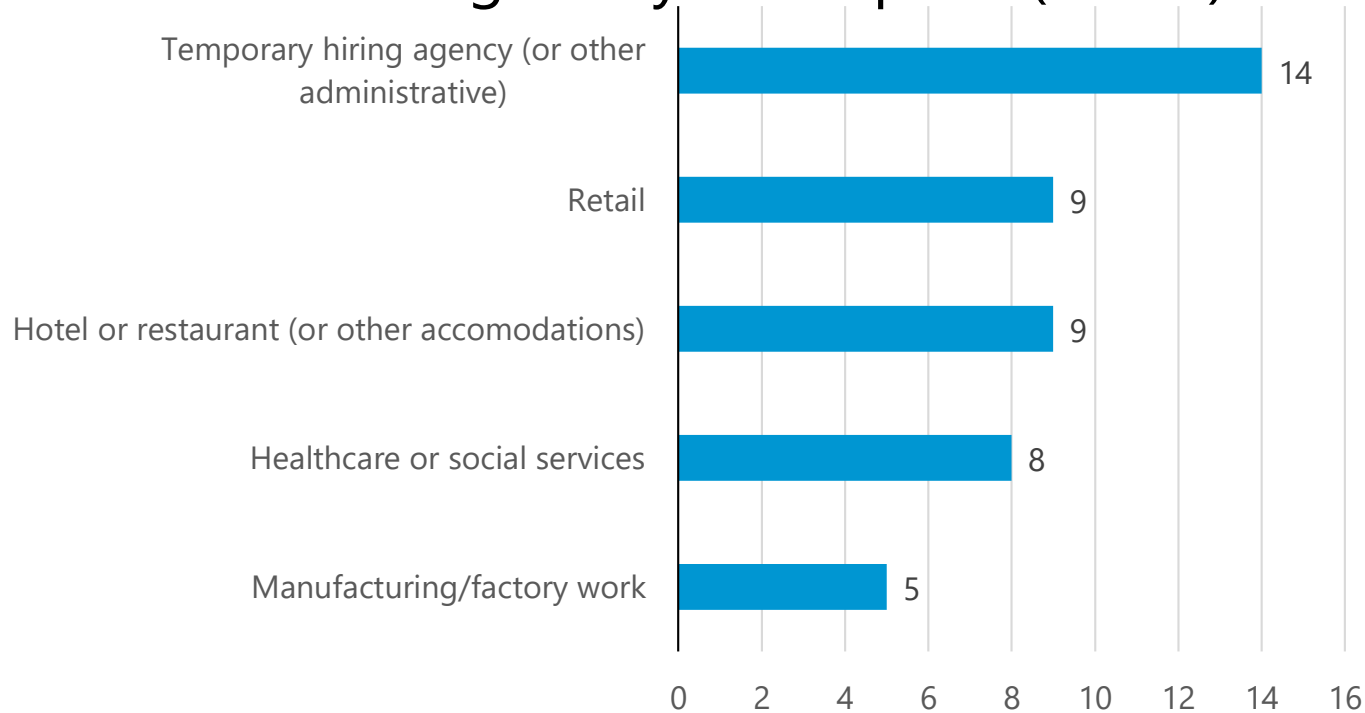
**Notes:** Responses may not add to the total numbers of respondents because some participants skipped questions on the profile or selected multiple responses

# Experiences of Workers

# Working Conditions

# Working Conditions

## Industries of Jobs Last Left Among Study Participants (N=40)



**Source:** Profile questionnaire administered to study participants

**Notes:** Responses may not add to the total numbers of respondents because some participants skipped questions on the profile or selected multiple responses

# Working Conditions

## Temporary Hiring Agency Work

“Because with a temp, it’s a bit different from an actual job. We sign up for a temp service to do something fast and something quick and we can’t sit around and fill out app[lication]s and call, call, call, call... But we want something stable and something that’s consistent and that’s what we want.”

**-Nina**

“Companies keep training new ones and keep training them when I’m really good at this job and can do it and qualify as well as anyone who is full time.”

**-Justine**

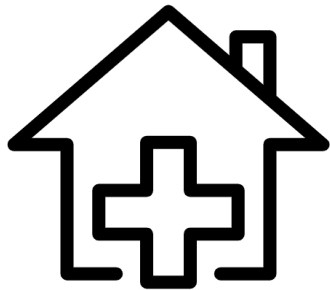
“There are so many different kinds of jobs available for temp workers... You gain different skills and learn about different fields you may have not known or been interested in before.”

**-Jamal**



# Working Conditions

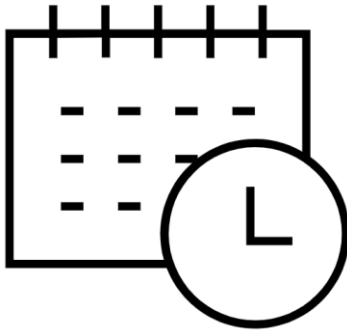
## Personal Care Assistants



- Physically demanding work conditions
- Jobs dependent on health of clients
- Jobs require intimate, personal tasks
- Lack of adequate training
- Feelings of becoming overwhelmed

# Working Conditions

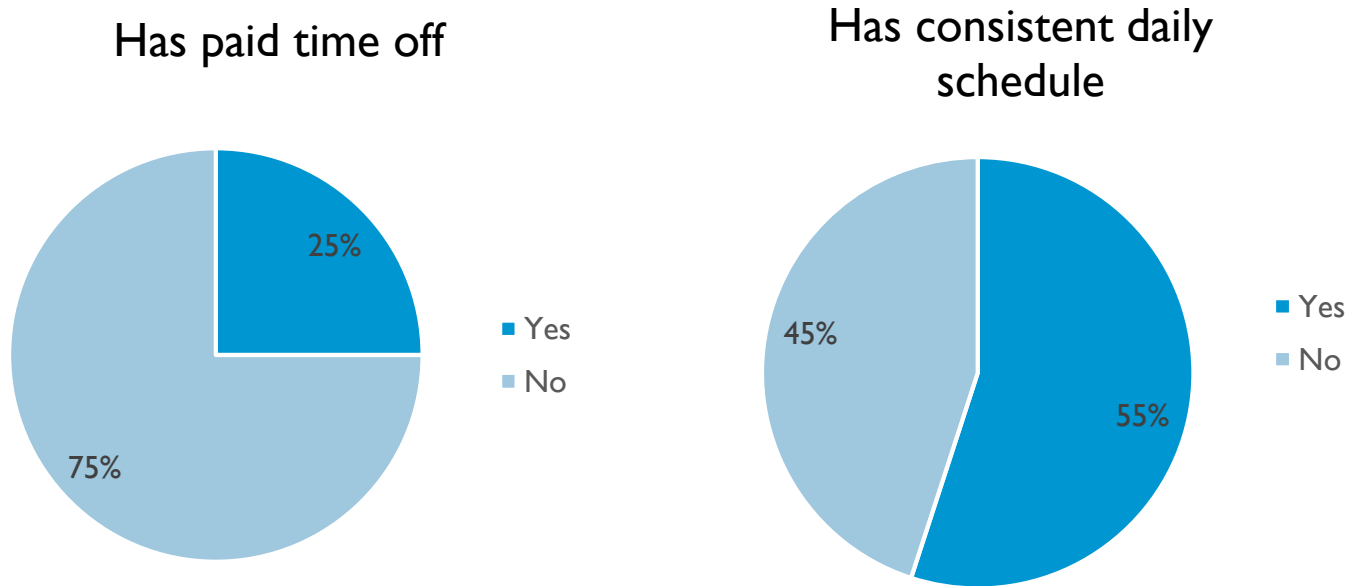
## Scheduling and Flexibility



- Unplanned overtime
- Lack of breaks
- Lack of flexibility to accommodate further education
- Inability to take time off

# Working Conditions

## Work Schedules and Paid Time Off Among Study Participants (N=40)



Source: Profile questionnaire administered to study participants

# Working Conditions

## Interpersonal Challenges and Discrimination

"I've never seen so many people cry so much in my life. Coworkers and myself. The older ladies there who had been there for a while, they treat you like crap. ... The older ladies, what they say and what they were doing... that was a stressful job."

-Francine



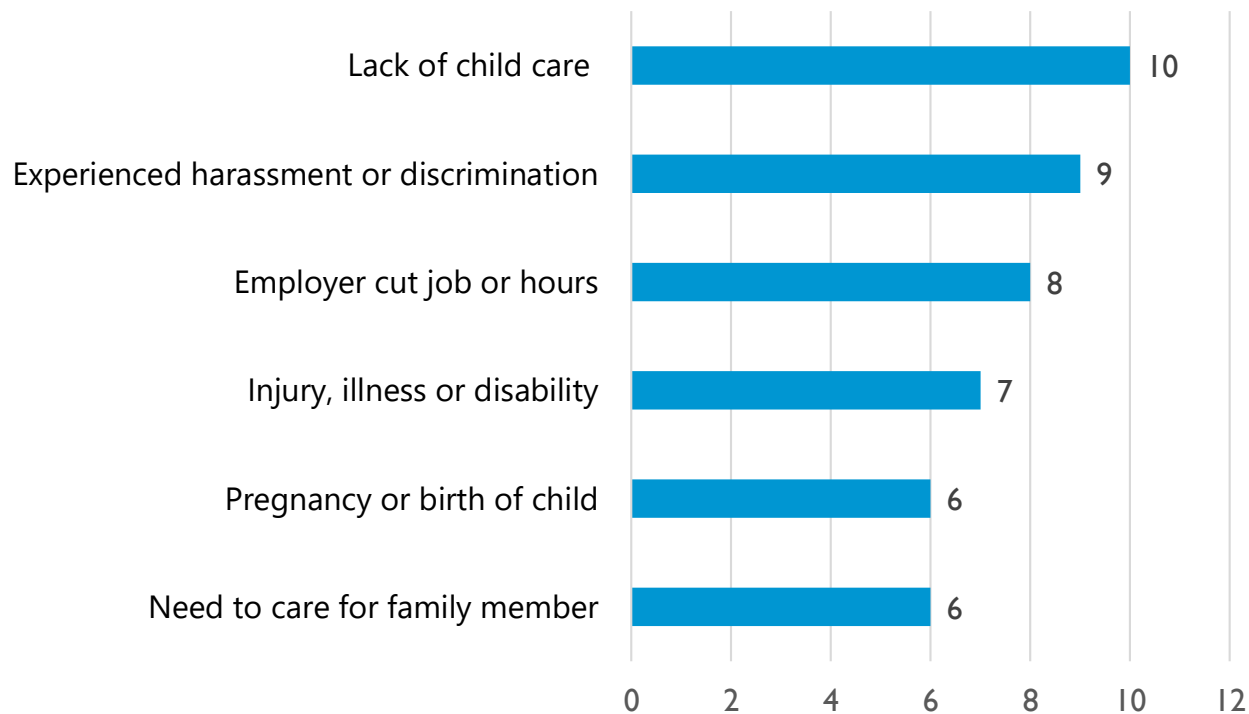
"It's hard to work in a job with a belly. When my employers found out they were like, 'Oh wait, hold on. When are you due? We can't trust you.'"

-Caroline

# Factors Contributing to Job Separation

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## Top Reasons for Most Recent Job Separation Among Study Participants (N=40)

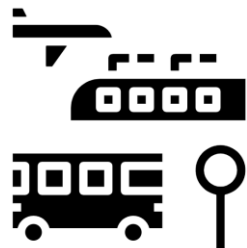


**Source:** Profile questionnaire administered to study participants

**Notes:** Includes only the most frequently selected responses. Some respondents selected multiple responses.

# Factors Contributing to Job Separation

"That's why I left [a retail job]. I wanted more hours. However, they don't wanna give you benefits, so they keep you shy of full time. But we have families and have to have insurance." – Jo Jo



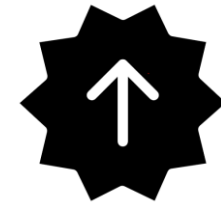
"I didn't have anyone to give me a ride there so I would be walking in the cold to work an hour away and they weren't paying me enough to be doing that." – Alex

# Factors Contributing to Job Separation



Patrice, a Native American tribal citizen, heard hooting noises and racially tinged comments. She went to her supervisor and asked her to talk to the woman making comments. At that point, the supervisor refused to train her anymore.

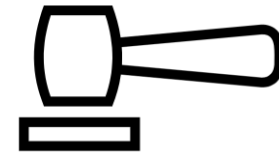
“There were no training opportunities for me to be a manager and trainer. ...I’ve definitely left a couple opportunities because I don’t want to stuck at the bottom of the barrel.” – JoJo





# Factors Contributing to Job Separation

Martin explained because he had a felony record, it was difficult to keep any temp assignments. This was particularly hard because he shared that "one of the conditions of my parole [is] that I need a consistent job."



Tora left a job in fast food because she had morning sickness while pregnant with twins. Tora's manager insisted that she come into work while feeling sick, but Tora's feeling was that, "who wants to be at work throwing up and smelling? That's why I left."

# Supports and Strategies to Make Ends Meet

# Supports and Strategies

- Child Care
- Public Support Programs
- Child Support
- Unemployment Compensation
- Tax Credits
- Workforce Centers
- Community Resources
- Help from Family and Friends
- Survival Strategies

# Child Care

- About half the participants had children at home and relied on child care arrangements to allow them to work
- Several workers mentioned they placed their kids in Head Start or used child care subsidies
- A few workers mentioned challenges accessing child care
- Many mothers shared that finding child care was difficult

# Factors Contributing to Job Separation



"Afterschool and Boys and Girls Club is over-packed. Can't even go into there. There is waiting lists."  
- Coretta from Detroit Lakes

"We looked all summer and there wasn't anything; I signed up for Head Start and there was one opening but it was 22 miles away from here and so I took the spot."  
- Rachel in Detroit Lakes

# Public Support Programs

- Most workers used some combination of public assistance
- Many participants had difficulty accessing benefits
- Some said it was challenging to work with caseworkers to process paperwork
- Several mentioned stringent eligibility requirements
- There were divergent experiences by geographic area

# Public Support Programs

- Some had better experiences with tribal public assistance
- Many workers lost benefits as work income increased
  - Benefits are reduced while workers still need them
  - Benefit reductions discouraged work and upward mobility

# Unemployment Compensation

- Compensation is helpful but insufficient
- The application process was too difficult
- Workers did not qualify



“At the time I started to attempt to address addiction to kick it in the ass, I hadn’t worked at job long enough to get unemployment.”

- Rachel from Detroit Lakes



# Community Resources and Help from Family & Friends

- Food shelves and clothing closets
- Church giveaways
- Community nonprofits
- Family & friends would offer:
  - Places to stay
  - Help paying for necessities
  - Child Care



# Workers' Suggested Solutions

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- Provide more supervision and training
- Ensure that labor laws are strongly enforced
- Improve educational resources and facilities
- Improve access to child care
- Improve transportation options
- Expand benefit eligibility and reduce benefits more gradually

# Workers' Suggested Solutions



- Raise the minimum wage
- Increase supports for people with problematic substance use or substance use disorders
- Increase advertisements of public supports and community resources
- Increase agencies' transparency and communication of available supports

# Workers' Suggested Solutions

“Things that are helpful for people who are struggling – it’s hidden and you don’t know about it. I’ve been here [Saint Paul] since 2011 and things I’ve learned since coming out of prison I didn’t know about it, so it needs to be more of how they put those billboards up. You can’t miss that right there.”

- Martin from Saint Paul

# Conclusions

# Conclusions

- Challenging working conditions often come from power imbalances between employers and employees
- Worker disempowerment contributes to job separation
- Day-to-day tasks may be unfulfilling or unpleasant enough for workers to leave
- Job performance plays a complex role in job stability
- People rely on a mix of public and private supports

# Conclusions

- There are misconceptions in debates around public assistance
- There are barriers to public support programs
- Regional context can make meaningful differences in experiences
- There could be policy and practice changes that could make workers' lives more manageable



Questions?