



CAAL-Skills Workforce Metrics Dashboard Report 2022

Chapter 15: California Department of Social Services (CDSS) – Welfare-to-Work (WTW) Program

The California Workforce Development Board (CWDB) assists the Governor in setting and guiding policy in the area of workforce development. The CWDB is responsible for assisting the Governor in performing the duties and responsibilities required by the federal Workforce Innovation and Opportunity Act (WIOA) of 2014. California's [Unified Strategic Workforce Development Plan](#) directs its work in providing guidance to the statewide workforce development system.

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This document can be found on the CWDB's website at cwdb.ca.gov

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15 California Department of Social Services (CDSS) – Welfare-to-Work Program

Program Overview – California Work Opportunity and Responsibility to Kids or CalWORKs is a public assistance program that provides cash aid and services to eligible families that have a child(ren) in the home. The program serves all 58 counties in the state and is operated locally by county welfare departments.¹

The CalWORKs program is California's version of the federal Temporary Assistance for Needy Families (TANF) program. CalWORKs provides temporary cash assistance to meet a family's basic needs. It also provides education, employment, and training programs to assist the family's progress toward self-sufficiency. Components of CalWORKs policy include time limits on eligibility, work requirements, supportive services to encourage program participation, and parental responsibility.

California is among a minority of states that provide TANF benefits to children in need even after their adult caregiver reaches the lifetime 48-month time limit for receipt of cash aid; and, California continues to provide aid to children when adults are not aided due to failure to meet program requirements.

Apart from the requirement of at least one child in the home under the age of 18,² CalWORKs eligibility is tied to income. To be eligible, assistance units must hold no more than \$10,000 in countable assets, or \$15,000 for assistance units with at least one elderly or disabled member, and are subject to income limits that are based on household size in combination with region of residence.³

CalWORKs recipients are required to report certain changes in their income or family circumstances mid-period. One such mandatory report is when the assistance unit's total income exceeds the Income Reporting Threshold, which is the lower of two tiers: 1) 55% of the Federal Poverty Level (FPL) for a family of three, plus the amount of income last used to calculate the monthly grant amount, and 2) 130% of the FPL [SB 80 (Statutes of 2019)]. For Federal Fiscal Year 2021, the Tier 1 Income Reporting Threshold is \$996 plus the amount of

¹ ["California Work Opportunity and Responsibility to Kids \(CalWORKS\)."](#) California Department of Social Services (CDSS).

² An exception to this is when a "child" in the AU is in the process of completing high school.

³ The assessment at application is based on gross income, following a disregard of the first \$90 in earnings for each assistance unit member. MBSAC levels are revised annually, to account for cost of living increases. The methodology of regional designation is set forth in Section 11452 of the California Welfare and Institutions Code; Region I includes the more urban counties (Alameda, Contra Costa, Los Angeles, Marin, Monterey, Napa, Orange, San Diego, San Francisco, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Sonoma, and Ventura) where cost of living is higher, so the MBSAC is correspondingly higher. Region II includes more rural counties (all those not listed above). California disregards from countable participant assets up to \$9,500 in fair market value per vehicle. Additionally, certain forms of income are exempt from being counted toward eligibility limits. See descriptions [here](#).

income last used to calculate the assistance unit's grant amount, and the Tier 2 Income Reporting Threshold for an assistance unit of 3 is \$2,353.

The CalWORKs program in California offers a number of benefits, both cash and non-cash, to participants. These include cash grants; resources to develop work readiness and skills; educational funding; child care; mental health services; housing support; wraparound services to help stabilize the family environment, and case management.⁴

California has recently taken steps, with enactment of SB 80 (Statutes of 2019), to raise cash benefit levels. The maximum monthly benefit level for a family of three was raised, effective October 1, 2019, from \$785 to \$878. This is part of a multistep process being undertaken to increase statewide benefits to 50% the federal poverty level.⁵

Summary of Key Features of CalWORKs:

- Cash Grants for Families
- 48 Months⁶ of Cash Assistance and Welfare-to-Work (WTW) Services
- Flexible Work Activities
- Federal Work Participation Mandates and Penalties
- Exemptions from Time Clock and Participation
- Safety Net for Children
- Subsidized Employment Opportunities
- County Flexibility to Design WTW Program
- Holistic Appraisal of Basic Needs and Barriers
- Immediate Needs Intervention;
- Cash Bonuses for Teen Academic Success
- Earnings Disregard
- Child Care/Supportive Services
- Substance Abuse, Mental Health and Domestic Violence Services
- Homelessness Assistance

Work Requirements:

CalWORKs provides a wide array of services and supports for families to enter and remain in the workforce. Parents and caretaker adults, unless exempt from work requirements, are required to participate in Welfare-to-Work (WTW) activities as a condition of receiving aid. WTW activities include unsubsidized and subsidized employment, work experience, on-the-job training, grant-based on-the-job training, work study, self-employment, community service,

⁴ Ibid

⁵ For a discussion of cash benefit levels under TANF, see: Falk, Gene. "[Temporary Assistance for Needy Families \(TANF\): Eligibility and Benefit Amounts in State TANF Cash Assistance Programs](#)" Congressional Research Service. July 22, 2014. For recent changes, see Burnside, Ashley and Ife Floyd. "[TANF Benefits Remain Low Despite Recent Increases in Some States](#)" Center on Budget and Policy Priorities, January 22, 2019. See also, the [Urban Institute's Welfare Rules Database](#), funded by the U.S. Department of Health and Human Services.

⁶ With enactment of AB 79 (2020), time limits will be extended to 60 months effective May 1, 2022, or when automation is complete in the Statewide Automated Welfare Systems, whichever is later.

adult basic education, job skills training, vocational education, job search/job readiness assistance, mental health counseling, substance abuse treatment, domestic abuse services, and other activities necessary to assist recipients in obtaining employment.

An adult in a one-parent assistance unit (AU) is required to participate in WTW activities for an average of 30 hours per week or 20 hours per week if he or she has a child under the age of 6. In a two-parent AU, one or both adults must participate in WTW activities for a combined total of an average of 35 hours per week.

Supportive services, including child care, transportation, ancillary expenses, barrier mitigation, and personal counseling, are available for families participating in WTW activities. If needed supportive services needed are not available, the recipient has good cause for not participating. Special supportive services and intensive case management services are also available for pregnant and parenting teens. These services are provided through the Cal-Learn Program, which is designed to encourage pregnant and parenting teens to return to and/or stay in school. Cal-Learn teens can get bonuses or be sanctioned up to four times a year depending on the teen's grades. An additional bonus is given to each teen upon earning a high school diploma or equivalent. Participation in Cal-Learn is mandatory for pregnant or parenting teens ages 18 and under and voluntary for specified 19-year-olds.⁷

Participant – Welfare-to-Work participants were counted as “served” if they had 3 out of 4 consecutive months of participation in the Welfare-to-Work program with no federal or state work exemption.

Eligibility Criteria – Specific eligibility requirements include an applicant's citizenship, age, income, resources, assets and other factors. Generally, services are available to:

- Families that have a child(ren) in the home who has been deprived of parental support or care because of the absence, disability, or death of either parent.
- Families with a child(ren) when both parents are in the home but the principal earner is unemployed.
- Needy caretaker relatives of a foster child(ren).⁸

Participant Characteristics – Eligibility for CalWORKs involves, for adults, means-testing via income and asset tests. Approximately 60 percent of participating CalWORKs Welfare-to-Work clients (Unduplicated Adults on the WTW 25's) are engaged in some form of employment activity, a level that has remained stable for over a decade.⁹

⁷ [CalWORKs: California Families Working Together](#). Annual Summary. CDSS, March 2019.

⁸ [“California Work Opportunity and Responsibility to Kids \(CalWORKS\).”](#) California Department of Social Services (CDSS).

⁹ [CalWORKs: California Families Working Together](#). Annual Summary. CDSS, March 2019, p. 29.

In the most recent annual report from CDSS, active WTW participants made up approximately 24% of all CalWORKs recipients.¹⁰ Between FY 2014 and 2018, 60% of actively participating CalWORKs WTW participants, in turn, were engaged in a form of employment, with the most common form being unsubsidized work.¹¹

As noted, participation in the Welfare-to-Work program is a condition for receipt of benefits through the CalWORKs public assistance program (California's version of the federal Temporary Aid to Needy Families or TANF program), which delivers cash aid and services to eligible families that have a child(ren) in the home. Eligibility for the program is means-tested, and participants are subject to a lifetime (cumulative) time limit of 48 months.¹²

Participants may engage in a variety of activities to meet weekly work-time requirements, including employment, job training, educational activities, counseling, and other activities that advance participant educational or career goals.¹³

Welfare-to-Work participants in California are able to participate in a diverse set of activities that include unsubsidized employment, subsidized employment, on-the-job training, WIOA-defined career pathways, adult education, vocational education, employment-related education, and pursuit of higher education through the California Community Colleges.¹⁴

Program Exit – Program Exit is defined by a recipient no longer participating in Welfare-to-Work. This might be because the program has successfully helped them find employment that increased their earnings to a point that exceeded the program's income eligibility limits, but also might be due to other circumstances unrelated to training completion/employment attainment such as moving out of state, eligible child aging out/leaving the home, or other changes. The date of program exit was provided as the last date on which any member of the Assistance Unit (family unit receiving aid) received a CalWORKs cash grant.¹⁵

15.1 Participant Demographics Participant Ethnicity / Race

Please see the Appendix for detailed discussion of concepts of ethnicity and race, along with program-specific information about how participant information is collected and reported, and

¹⁰ [CalWORKs: California Families Working Together](#). Annual Summary. CDSS, March 2020, p. 4.

¹¹ [CalWORKs: California Families Working Together](#). Annual Summary. CDSS, March 2019, p. 29.

¹² With enactment of AB 79 (2020), time limits will be extended to 60 months effective May 1, 2022, or when automation is complete in the Statewide Automated Welfare Systems, whichever is later.

¹³ Ibid, p. xvi; Ibid, p. 57; also, see page 63 for a full breakdown and description of the types of education and training with which WTW participants may fulfill work-hour requirements.

¹⁴ Ibid; see page 64 for a breakdown of credential attainment from 2011-2018 among CalWORKs participants.

¹⁵ For those participants who were still enrolled in CalWORKs at the time data were provided to CAAL-Skills, date of last service was noted as June 1, 2017 (6-01-2017). CAAL-Skills did not report any participants with this date of last service as having exited. The population of exited participants is used as the denominator to calculate employment rates and median earnings, and CAAL-Skills was concerned that inclusion of still-enrolled CalWORKs participants erroneously in this pool could lead to inaccurate calculations of both employment and particularly (given the income-based eligibility requirements associated with CalWORKs enrollment) of median earnings.

how program reporting values have been accommodated to the federal classification system utilized in this report.

15.1.1 Participant Ethnicity/Race

15.1.1.1 Table Set - Participant Ethnicity/Race for FY 2014-2015

FY 2014-2015											
Participant Ethnicity / Race	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
American Indian or Alaskan Native	1,454	1,350	Not Available	433	32.1	\$3,930	Not Available	Not Available	489	36.2	\$3,933
Asian	13,875	13,036	Not Available	6,066	46.5	\$4,361	Not Available	Not Available	6,454	49.5	\$4,800
Black or African American (Non-Hispanic)	32,220	30,146	Not Available	14,097	46.8	\$3,853	Not Available	Not Available	14,561	48.3	\$4,184
Hispanic or Latino	94,474	88,717	Not Available	42,944	48.4	\$4,066	Not Available	Not Available	44,158	49.8	\$4,433
Native Hawaiian or Other Pacific Islander	1,083	1,020	Not Available	487	47.7	\$4,730	Not Available	Not Available	494	48.4	\$5,009
White (Non-Hispanic)	57,749	54,486	Not Available	21,614	39.7	\$4,026	Not Available	Not Available	22,668	41.6	\$4,435
Unknown	20,536	19,244	Not Available	8,172	42.5	\$4,063	Not Available	Not Available	8,440	43.9	\$4,507
TOTAL	221,391	207,999	Not Available	93,813	45.1	\$4,051	Not Available	Not Available	97,264	46.8	\$4,430

FY 2015-2016											
Participant Ethnicity / Race	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
American Indian or Alaskan Native	1,259	1,169	Not Available	468	40.0	\$3,951	Not Available	Not Available	455	38.9	\$4,488
Asian	11,597	10,928	Not Available	5,333	48.8	\$4,712	Not Available	Not Available	5,401	49.4	\$5,196
Black or African American (Non-Hispanic)	30,194	27,886	Not Available	13,622	48.8	\$3,879	Not Available	Not Available	13,349	47.9	\$4,327
Hispanic or Latino	86,170	80,186	Not Available	39,745	49.6	\$4,160	Not Available	Not Available	40,171	50.1	\$4,590
Native Hawaiian or Other Pacific Islander	983	915	Not Available	433	47.3	\$4,814	Not Available	Not Available	430	47.0	\$5,422
White (Non-Hispanic)	50,963	47,723	Not Available	19,567	41.0	\$4,128	Not Available	Not Available	19,972	41.8	\$4,643
Unknown	20,106	18,749	Not Available	8,253	44.0	\$4,169	Not Available	Not Available	8,242	44.0	\$4,573
TOTAL	201,272	187,556	Not Available	87,421	46.6	\$4,150	Not Available	Not Available	88,020	46.9	\$4,604

15.1.1.2 Figure - Program Participation by Participant Served in FY 2014-2015 and FY 2015-2016 by Ethnicity/Race

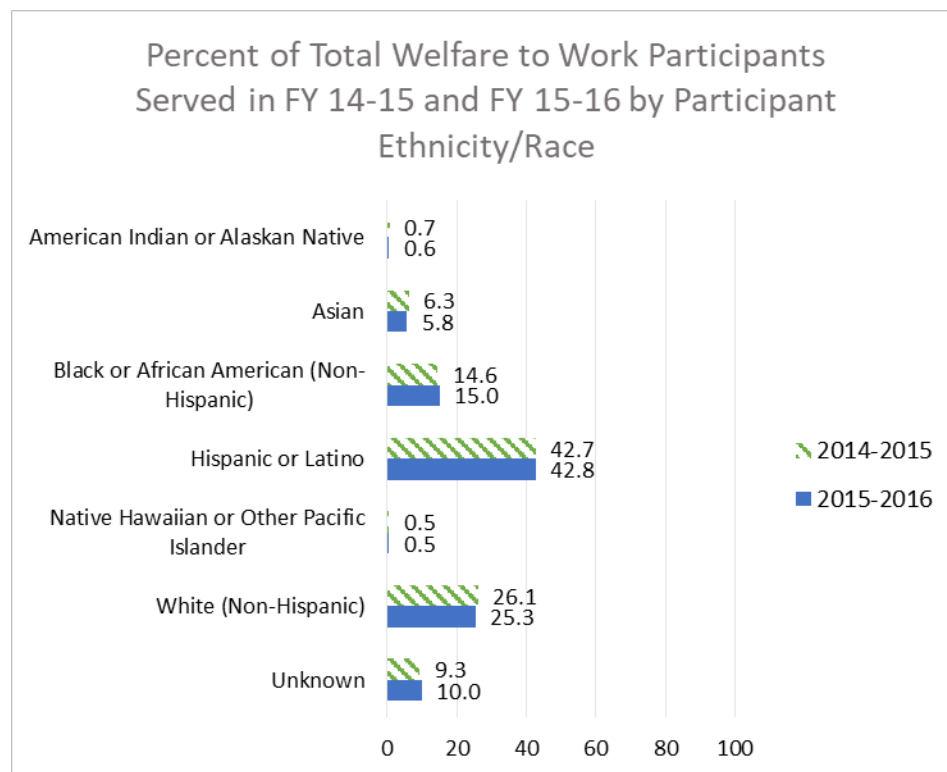


Figure 15.1.1.2 shows the percentage distribution of participants served by the CalWORKs program by participant racial or ethnic group. Percentage values were calculated by dividing the total of participants served in a given racial category (e.g., Asian) by the overall total of participants enrolled in registered apprenticeship programs during the noted fiscal year.

As each participant is able to select only one racial or ethnic category of identification, categories shown in Table Set 15.1.1.1 are mutually exclusive: a single participant may be reported in only one of the racial/ethnic categories shown, based upon that participant's self-selection of the racial or ethnic category with which they choose to self-identify. This reporting system differs from that of some other programs, where a single participant is able to select an unlimited number of racial/ethnic categories of identification.¹⁶

¹⁶ It may be worth noting that in the Current Population Survey which provides the source of statewide estimates of the labor force used as benchmarks in this report (see Chapter 3), categories of race and ethnicity are treated as distinct characteristics which is different from their treatment in this data. Because of this, apparently large differences in the sizes of certain participant categories (in particular, white versus Hispanic/Latino) are likely to be artifacts of differences in methodology rather than reflecting genuine differences in populations. See Chapter 3 for an overview of the CPS' categories and methodology.

In each fiscal year, Welfare-to-Work participants who were Hispanic or Latino comprised the largest share in overall program participation, 42.7% of all participants served in FY 14-15 and 42.8% of all participants served in FY 15-16.

In relation to estimates of the statewide labor force, of which Hispanic/Latino individuals comprised 36.6% in FY 14-15 and 35.6% in FY 15-16, participants from this demographic appeared overrepresented in the CalWORKs program by +6.1 percentage points in FY 14-15 and +7.2 percentage points in FY 15-16.

The smallest share of participants served were Native Hawaiian/Other Pacific Islander, contributing 0.5% of all participants served in both FY 14-15 and FY 15-16.

Although labor force shares of Native Hawaiian/other Pacific Islanders are also small (0.9% in both FY 14-15 and 15-16), participant shares from these groups were about 60% the size of these shares. This suggests that members of this population may be underrepresented in the CalWORKs program.

Program Completion in FY 14-15 and FY 15-16 by Participant Ethnicity/Race

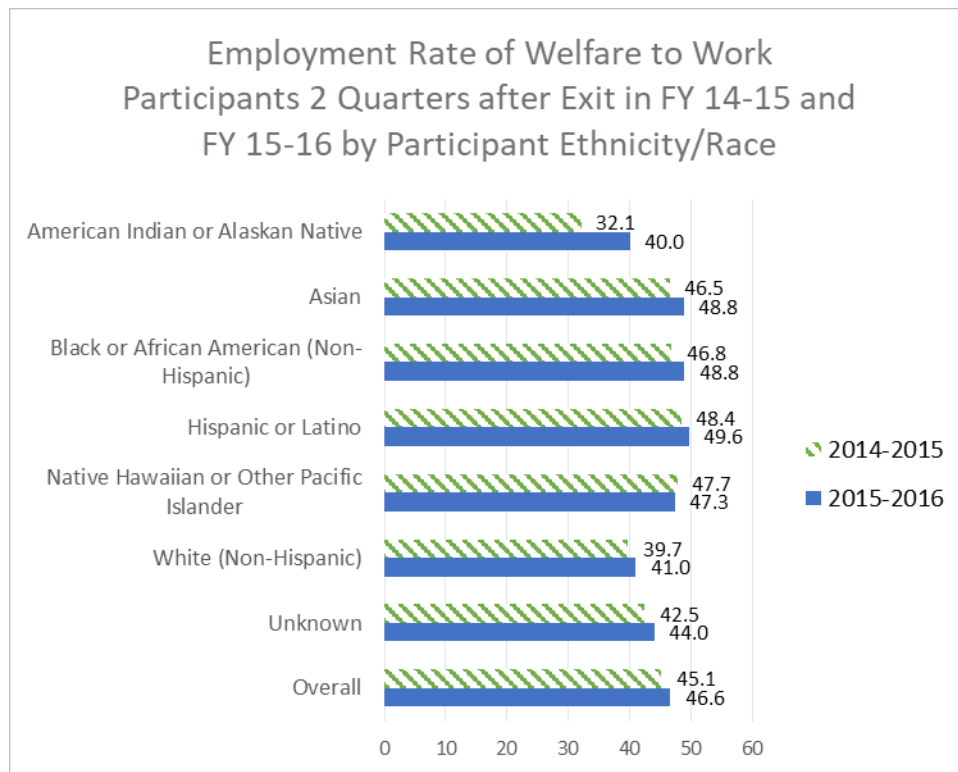
Data for participant completion is not collected at this time.

Credential Attainment Rate in FY 14-15 and FY 15-16 by Participant Ethnicity/Race

Data for participant credential attainment is not collected at this time. ¹⁷

¹⁷ In the remaining areas of this program narrative which involve non-reported outcomes, the outcome in question is represented with a dash (—).

15.1.1.3 Figure - 2nd Quarter Employment Rate After Exit in FY 14-15 and FY 15-16 by Participant Ethnicity/Race



The above figure shows participant employment rates from the second quarter after exit, disaggregated by participant race and ethnicity.¹⁸

¹⁸ Percentage values shown were calculated for each group by dividing the number of participants who were employed during the second quarter after program exit in a given fiscal year by the total number of participants in that ethnic group who exited in that year. Employment is calculated as a rate, in which the denominator includes all participants from a given racial or ethnic group to have exited the program during the specified fiscal, and the numerator represents members of this population with reported earnings from the second quarter after exit. Earnings are based on a match with participant information to records in the base wage file maintained by the EDD's Tax Branch. The data in the base wage file is based on employer reporting for UI claims, and therefore does not capture all employment participants may have held. For instance: gig work, day labor, or other kinds of informal or cash earnings are not captured. Reporting relies on employer records, and (given that the main function of reporting is in case an individual files a UI claim) across-the-board validation is not feasible. In spite of these limitations, such data has advantages over self-reported earnings (which may be incomplete or biased) and is often considered to be the "gold standard" in workforce evaluation studies (for a discussion of these issues, see: Mastri, Annalisa, Dana Rotz and Elias Hanno. "[Comparing Job Training Impact Estimates using Survey and Administrative Data](#)" Mathematica Policy Research, 2018). In this report, a participant is considered to have been employed (and thus counted in the numerator) if that participant had reported earnings of more than \$0 at any point in the quarter. The percentages shown are ratios of employed participants to all exited participants, for each racial or ethnic group. These ratios therefore represent outcomes specific to individual racial/ethnic groups and may be directly compared with one another and with the aggregate rate of attainment across all participants (shown in Table 1 in the bottom cell of column, "% employed at 2nd quarter").

During the second quarter following program exit in both fiscal years, Hispanic/Latino participants saw the highest rates of employment. Nearly one-half (48.4%) of Hispanic/Latino participants who exited during FY 14-15 were employed two quarters after exit, a rate that was +3.3 percentage points higher than the program-wide rate of 45.1%. During the second quarter after exit in FY 15-16, 49.6% of participants from this population were employed, a rate +3.0 percentage points higher than the aggregate rate among all participants to exit in that year (46.6%).

American Indian/Alaska Native participants saw the lowest employment during the second quarter after exit in each fiscal year, 32.1% (FY 14-15) and 40.0% (FY 15-16). These rates of employment were both below the aggregate rate, although by how much differed widely from year to year: a difference of -13.0 percentage points after exit in FY 14-15, compared with about half as much at the same stage after exit in FY 15-16 (-6.6 percentage points).

Lower-than-average employment rates for American Indian/Alaska Native participants are of concern. Nationally, according to one-year estimates from the American Community Survey, the poverty rate among members of this population was markedly higher in 2014 and 2015 (28.3% and 26.6% respectively) than it was among the general population in the same period (respectively, year 15.5% in 2014 and 14.7% in 2015).¹⁹ Possible barriers to employment among CalWORKs participants who are American Indian/Alaskan Native should be investigated.²⁰

In general, a large body of research finds disparate employment and exit outcomes by race and ethnicity among TANF participants. Experimental studies of job applicants have found evidence of continued racial discrimination in the kinds of low-wage labor markets TANF exiters are likely to enter²¹ while some studies have found differences in caseworker treatment (levels and

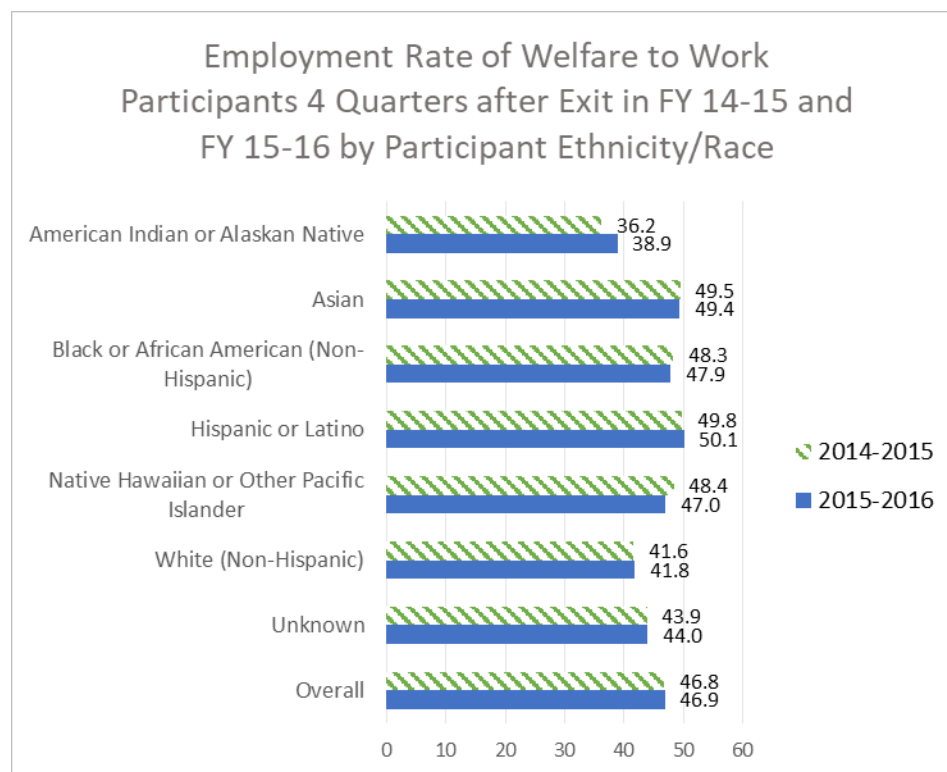
¹⁹ The source of data are one-year estimates of the national poverty rate from the U.S. Census Bureau's American Community Survey ([Table S1701, "Poverty Status in the Past 12 Months"](#)), for 2014 and 2015. For discussion of national one-year estimates, also see the American Community Survey's issue brief, ["Poverty: 2014 and 2015"](#). The definition of "poverty" used is, a household whose annual income falls more than 100% below federal poverty guidelines. The ACS collects information from a representative sampling of American households as the basis for producing population estimates. More information (methods, sampling frame, caveats) is available at the Census Bureau's ["About the American Community Survey"](#) page.

²⁰ Participants in the CDSS data do not include participants in Tribal TANF programs, which are federally administered. Some research exists to suggest that such programs, when they involve greater flexibility in setting work requirements and defining work activities (for instance to include traditional subsistence practices), and incorporating cultural values, may better-serve Native populations (Geib, Elizabeth Zahrt. "Sovereignty through Welfare Reform? A Case Study of the Klamath Tribes of Oregon." *Eastern Economic Journal*, vol. 29 no. 2, 1993, p. 165-78; Whiting, Erin Feinauer, Carol Ward, Rita Hiwalker Villa, and Judith Davis. "How Does the New TANF Work Requirement 'Work' In Rural Minority Communities? A Case Study of the Northern Cheyenne Nation." *American Indian Culture and Research Journal* vol. 29, no. 4, 2005, p. 95-120); McDaniel, Marla, Tyler Woods, Eleanor Pratt, and Margaret Simms. [Identifying Racial and Ethnic Disparities in Human Services](#)".

²¹ Pager, Devah, Bruce Western, and Bart Bonikowski, ["Discrimination in a Low-Wage Labor Market: A Field Experiment"](#). *American Sociological Review* vol. 74, 2009, p. 777-799.

nature of training and job search assistance, assistance with supportive services, and likelihood of assistance post-exit) among participants of differing racial or ethnic backgrounds.²²

15.1.1.4 Figure - 4th Quarter Employment Rate After Exit in FY 14-15 and FY 15-16 by Participant Ethnicity/Race

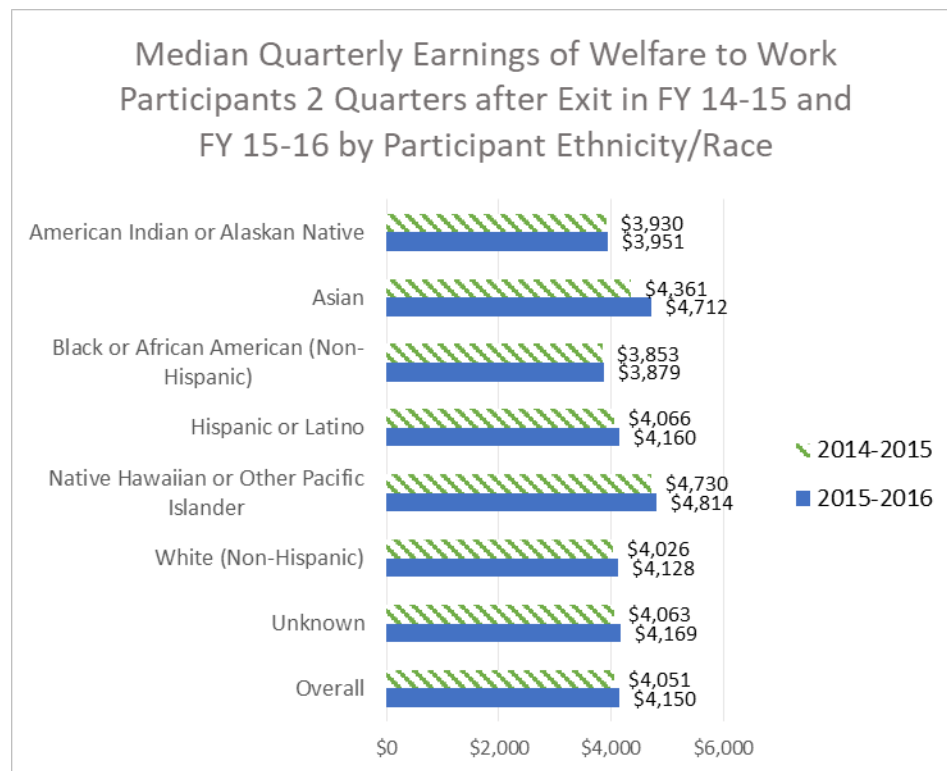


During the fourth quarter after participant exit in both fiscal years, employment was once again highest among Hispanic/Latino participants, at rates very close to their second-quarter percentages: during the fourth quarter after exit in FY 14-15, the percentage of Hispanic/Latino individuals employed from among the total in that category to exit was 49.8% during the corresponding period after exit in FY 15-16, the percent employed was 50.1%. In comparison with the aggregate percentage of exited WTW participants employed during this stage, rates for this demographic group were +3.0 and +3.2 percentage points higher.

²² See McDaniel et al 2017; Monnat, Shannon. "The Color of Welfare Sanctioning: Exploring the Individual and Contextual Roles of Race on TANF Case Closures and Benefit Reductions." *Sociological Quarterly* vol. 51, no. 4, 2010, p. 678–707; Kalil, A. K. Seefeldt, and H. Wang. "Sanctions and material hardship under TANF" *Social Service Review*, vol. 76, no. 4, 2002, p. 642 – 62; Edin, Kathlee and Laura Lein. "Work, Welfare, and Single Mothers' Economic Survival Strategies" *American Sociological Review*, vol. 62, no. 2, 1997, p. 253 – 266; Gooden, S. "All Things Are Not Equal: Differences in Caseworker Support toward Black and White Welfare Clients" *Harvard Journal of African- American Public Policy*, vol. 4, no. 3, 1998, p. 22-33;

Employment was lowest, once more, among American Indian/Alaska Native participants whose rates of employment were 36.2% in the fourth quarter after exit in FY 14-15 and 38.9% in the fourth quarter after exit in FY 15-16. These rates remained well below aggregate rates among all to exit the program in both FY 14-15 and FY 15-16, differing by -10.5 and -8.0 percentage points respectively.

15.1.1.5 Figure – 2nd Quarter Median Earnings of Welfare-to-Work Participants 2 Quarters After Exit in FY 14-15 and FY 15-16 by Participant Ethnicity/Race



All reported earnings are included in this calculation.²³ This means that the information on participant earnings presented here do not control for partial or underemployment. A program-wide median is also provided in the Figure 15.1.1.5 above, to provide a basis for comparison. The median represents the middle value from the total range of participant earnings. Comparison of group-specific median earnings to the program-wide median provides

²³ Median earnings were calculated based upon the total range of earnings of all participants within a given ethnic group for whom earnings (>\$0) were reported during the second quarter following exit from the WTW program. The median represents the middle value when earnings of all participants in the group are arranged from lowest to highest. When the total range of participant earnings is an even number, the median is found by averaging the two middle values. Earnings information in the UI base wage file is employer-provided, and cannot be checked or validated in the absence of a claim. The CAAL-Skills team found multiple instances of very low participant earnings (<\$100) for each program in this report.

a way to determine the degree to which a particular group outcome may deviate from the aggregate outcome for participants in the program.²⁴

Two quarters after exit in both fiscal years, earnings of participants who were Native Hawaiian or Other Pacific Islander were highest, \$4,730 (+\$679 above the program-wide median) following exit in FY 14-15 and \$4,814 or +\$663 above the program-wide median following exit in FY 15-16.

Lowest earnings were among participants who were Black/African American, \$3,853 and \$3,879 following exit in FY 14-15 and FY 15-16 respectively. These earnings were closely followed by those of American Indian/Alaska Native participants, \$3,930 and \$3,951. Earnings of both groups were, respectively, between -\$100 and -\$200 below the program-wide median for all participants to exit in FY 14-15 and between about -\$200 and -\$275 below the median among participants who exited in FY 15-16.

Substantial research in sociology and adjacent disciplines finds evidence for continued racial discrimination in hiring and pay—including a tradition of experimental studies beginning in 2009 with the work of Devah Pager and Bart Bonikowski finding marked racial discrimination at the point of hiring, particularly in service-oriented work in low wage labor markets, relevant here as these types of industries (retail, food service) appear to be sectors that disproportionately employ former WTW participants²⁵

Certainly, the existence of race-based discrepancies in employment and pay is borne out in BLS data that continues to show racial stratification of incomes.²⁶

As discussed in the previous section, Native Americans also face nationally higher rates of poverty and of unemployment compared with whites and Asians.²⁷ Further, differences in employment between whites do not disappear when controlling for differences in aggregate levels of educational achievement (also linked with disparities in access) between the two populations—suggesting that Native Americans also face discrimination and/or other forms of blocked opportunity in labor markets.²⁸

²⁴ The median is preferred in this report to the mean as a measure of central tendency due to its greater resistance to influence by outliers, or extremely high or low values which may be unrepresentative of most participant outcomes. Therefore, medians have been used throughout this report to provide information about participant earnings outcomes.

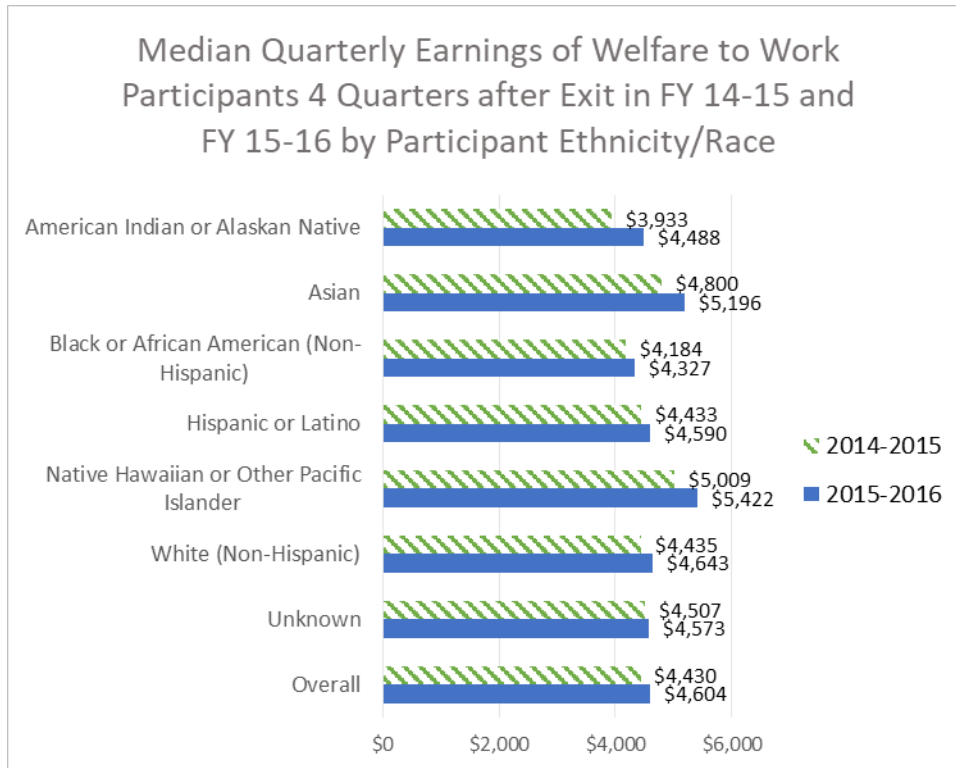
²⁵ See a recent meta-study of experimental studies of racial hiring discrimination from 2017. Analyzing field experiments of hiring discrimination against Blacks and/or Latinos, researchers found that since 1989 to present, white applicants continue to receive more callbacks than either equally-qualified Black or Latino applicants: 36% more than Blacks, and 24% more than Latinos.

²⁶ For data showing the current racial wealth gap, see Currier, Erin and Sheida Elmi. [“The Racial Wealth Gap and Today’s American Dream,”](#) Pew Research, February 16, 2018.

²⁷ Krogstad, Jens Manuel. [“One in four Native Americans and Alaska Natives are living in poverty,”](#) Pew Research, June 13, 2014.

²⁸ Austin, Algonon. [“Native Americans and Jobs: The challenge and the promise.”](#) Economic Policy Institute, December 17, 2013).

15.1.1.6 Figure - 4th Quarter Median Earnings After Exit in FY 14-15 and FY 15-16 by Participant Ethnicity and Race



Four quarters after exit in both fiscal years, highest earnings were seen among Native Hawaiian/other Pacific Islander participants. At \$5,009 per quarter for the FY 14-15 year of exit, these were +\$579 higher than the program-wide median. Median quarterly earnings for this demographic at the equivalent stage after exit in FY 15-16 were \$5,422, +\$818 above the program-wide median.

Four quarters after exit in FY 14-15, earnings of American Indian/Alaska Native participants were lowest \$3,933, and appeared substantially more below the program-wide median (-\$479) in comparison to other groups (by comparison, earnings of Black/African American participants to exit in the same year were -\$246 below the program median). At the same stage after exit in FY 15-16, Black/African American participant earnings continued to be lowest at \$4,327, -\$277 below the program-wide median.

15.1.2 Participant Ethnicity/Race as Reported

15.1.2.1 Table Set – Participant Ethnicity/Race as Reported

FY 2014-2015											
Participant Ethnicity / Race	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
American Indian or Alaskan Native	1,454	1,350	Not Available	433	32.1	\$3,930	Not Available	Not Available	489	0.0	\$3,933
Asian - Cambodian	811	774	Not Available	381	49.2	\$4,316	Not Available	Not Available	406	52.5	\$4,731
Asian - Chinese	714	675	Not Available	269	39.9	\$4,145	Not Available	Not Available	287	42.5	\$4,622
Asian - Filipino	2,454	2,315	Not Available	1,199	51.8	\$4,648	Not Available	Not Available	1,257	54.3	\$5,273
Asian - Indian	778	739	Not Available	283	38.3	\$4,410	Not Available	Not Available	301	40.7	\$4,800
Asian - Japanese	146	133	Not Available	57	42.9	\$5,670	Not Available	Not Available	59	44.4	\$5,652
Asian - Korean	325	302	Not Available	103	34.1	\$4,009	Not Available	Not Available	118	39.1	\$4,174
Asian - Laotian	572	539	Not Available	249	46.2	\$4,531	Not Available	Not Available	258	47.9	\$5,225
Asian - Vietnamese	1,354	1,288	Not Available	498	38.7	\$3,513	Not Available	Not Available	560	43.5	\$3,604
Asian - Other	6,721	6,271	Not Available	3,027	48.3	\$4,446	Not Available	Not Available	3,208	51.2	\$4,829
Black or African American	32,220	30,146	Not Available	14,097	46.8	\$3,853	Not Available	Not Available	14,561	48.3	\$4,184
Hispanic / Latino	94,474	88,717	Not Available	42,944	48.4	\$4,066	Not Available	Not Available	44,158	49.8	\$4,433
Pacific Islander - Guamanian	156	149	Not Available	64	43.0	\$4,804	Not Available	Not Available	69	46.3	\$4,919
Pacific Islander - Hawaiian	288	266	Not Available	124	46.6	\$4,574	Not Available	Not Available	118	44.4	\$4,798
Pacific Islander - Samoan	639	605	Not Available	299	49.4	\$4,830	Not Available	Not Available	307	50.7	\$5,076
White	57,749	54,486	Not Available	21,614	39.7	\$4,026	Not Available	Not Available	22,668	41.6	\$4,435
Not Reported	<10	<10	Not Available	<10	66.7	\$4,319	Not Available	Not Available	<10	55.6	\$3,178
Other	20,523	19,231	Not Available	8,166	42.5	\$4,063	Not Available	Not Available	8,435	43.9	\$4,508
Unknown	<10	<10	Not Available	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
TOTAL	221,391	207,999	Not Available	93,813	45.1	\$4,051	Not Available	Not Available	97,264	46.8	\$4,430

FY 2015-2016											
Participant Ethnicity / Race	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
American Indian or Alaskan Native	1,259	1,169	Not Available	468	40.0	\$3,951	Not Available	Not Available	455	38.9	\$4,488
Asian - Cambodian	628	581	Not Available	303	52.2	\$4,200	Not Available	Not Available	304	52.3	\$4,557
Asian - Chinese	613	576	Not Available	237	41.1	\$3,764	Not Available	Not Available	260	45.1	\$4,107
Asian - Filipino	1,997	1,877	Not Available	1,025	54.6	\$5,103	Not Available	Not Available	1,048	55.8	\$5,658
Asian - Indian	714	677	Not Available	282	41.7	\$4,333	Not Available	Not Available	269	39.7	\$5,137
Asian - Japanese	114	107	Not Available	40	37.4	\$5,118	Not Available	Not Available	43	40.2	\$4,878
Asian - Korean	282	271	Not Available	98	36.2	\$4,144	Not Available	Not Available	102	37.6	\$5,966
Asian - Laotian	423	394	Not Available	172	43.7	\$4,283	Not Available	Not Available	188	47.7	\$4,729
Asian - Vietnamese	1,116	1,061	Not Available	448	42.2	\$3,621	Not Available	Not Available	477	45.0	\$4,029
Asian - Other	5,710	5,384	Not Available	2,728	50.7	\$4,995	Not Available	Not Available	2,710	50.3	\$5,495
Black or African American	30,194	27,886	Not Available	13,622	48.8	\$3,879	Not Available	Not Available	13,349	47.9	\$4,327
Hispanic / Latino	86,170	80,186	Not Available	39,745	49.6	\$4,160	Not Available	Not Available	40,171	50.1	\$4,590
Pacific Islander - Guamanian	134	129	Not Available	59	45.7	\$4,600	Not Available	Not Available	57	44.2	\$5,601
Pacific Islander - Hawaiian	236	219	Not Available	100	45.7	\$4,518	Not Available	Not Available	96	43.8	\$5,486
Pacific Islander - Samoan	613	567	Not Available	274	48.3	\$5,039	Not Available	Not Available	277	48.9	\$5,352
White	50,963	47,723	Not Available	19,567	41.0	\$4,128	Not Available	Not Available	19,972	41.8	\$4,643
Not Reported	11	11	Not Available	<10	36.4	\$8,383	Not Available	Not Available	<10	36.4	\$7,641
Other	20,093	18,736	Not Available	8,249	44.0	\$4,169	Not Available	Not Available	8,238	44.0	\$4,572
Unknown	<10	<10	Not Available	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
TOTAL	201,272	187,556	Not Available	87,421	46.6	\$4,150	Not Available	Not Available	88,020	46.9	\$4,604

Table Set 15.1.2.1 displays participant outcomes according to categories of ethnic/racial reporting that that are used directly by the California Department of Social Services.²⁹

²⁹ In Table Set 15.1.2.1, categories shown are those directly used by CDSS to report participant demographic information for the CalWORKs program. As noted in the introductory portion of this chapter section, program reporting allows *one* category selection per each participant, from among all of the racial and ethnic categories presented in the above table, participant selections for certain CDSS categories were “rolled up” into federally-defined master categories. Specifically: nine CDSS categories were reported under the aggregate “Asian” category, and three categories were reported under the aggregate “Native Hawaiian or Other Pacific Islander” category, as described. Additionally, CDSS reporting contains an option for “Other” participant selection not captured by categories provided. As noted above, participant selections of

Presentation of this data provides access to participant numbers and outcomes at a more disaggregated level than that shown in the Participant Ethnicity and Participant Race tables, revealing greater nuance in outcomes and meeting state statutory requirements for the reporting and display of demographic data among Asian and Pacific Islander groups.³⁰

“Other” were reported under the CAAL-Skills residual category of “Unknown,” in order to ensure parity and comparability with other programs in this report. In the second of the two tables, these individuals are reported under the program category of “Other”. Actual participant selections are shown in Table 15.1.2.1 Because CDSS allows only one category selection per category, percent shares shown in Table Set 15.1.2.1 will sum to 100%.

³⁰ For the statutory basis for reporting Asian and Pacific Islander data in a disaggregated manner, see California Government Code, Title 2, Division 1, [Section 8310.5](#). Substantively, grounds for disaggregating data for these two populations, and for the Hispanic/Latino population, lie in research showing considerable within-population disparities in areas such as employment, health, socioeconomic status, poverty, and educational attainment; as well as an awareness of diversity within both API and Hispanic/Latino sub-categories. Interested readers should consult the following resources for more on this topic: “[The Economic Status of Asian Americans and Pacific Islanders](#),” U.S. Department of Labor; Lopez, Gustavo, Neil Ruiz and Eileen Patten. “[Key facts about Asian Americans, a diverse and growing population](#)” Pew Research Center, April 29, 2021; Flores, Antonio. “[How the U.S. Hispanic Population is Changing](#).” Pew Research Center, September 18, 2017.

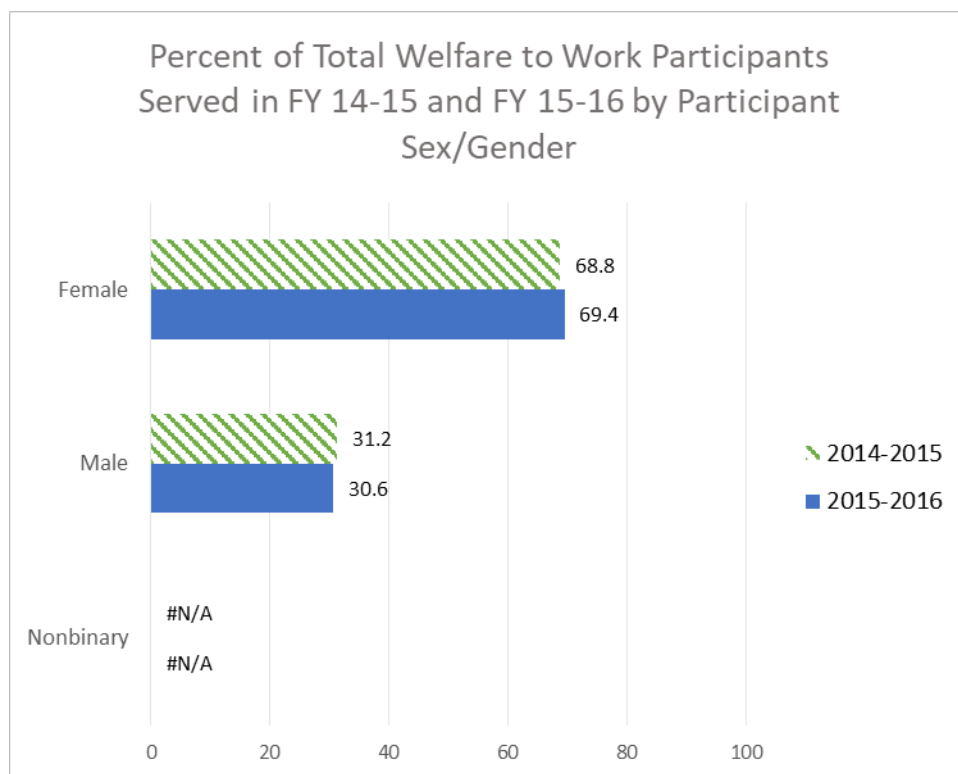
15.1.3 Participant Sex / Gender

15.1.3.1 Table Set - Participant Sex/Gender in FY 14-15 and FY 15-16

FY 2014-2015											
Participant Sex / Gender	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Male	69,162	65,122	Not Available	31,467	48.3	\$4,604	Not Available	Not Available	31,781	48.8	\$4,995
Female	152,229	142,877	Not Available	62,346	43.6	\$3,800	Not Available	Not Available	65,483	45.8	\$4,198
Unknown	0	0	Not Available	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
TOTAL	221,391	207,999	Not Available	93,813	45.1	\$4,051	Not Available	Not Available	97,264	46.8	\$4,430

FY 2015-2016											
Participant Sex / Gender	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Male	61,543	57,718	Not Available	28,266	48.97	\$4,701	Not Available	Not Available	28,044	48.6	\$5,226
Female	139,729	129,838	Not Available	59,155	45.56	\$3,916	Not Available	Not Available	59,976	46.2	\$4,355
Unknown	0	0	Not Available	0	0.00	\$0	Not Available	Not Available	0	0.0	\$0
TOTAL	201,272	187,556	Not Available	87,421	46.61	\$4,150	Not Available	Not Available	88,020	46.9	\$4,604

15.1.3.2 Figure – Percent of Total Welfare-to-Work Participants Served in FY 14-15 and FY 15-16 by Participant Sex/Gender



In both fiscal years, women made up much larger shares of all CalWORKs participants compared with men. In FY 14-15, 68.8% of all participants were women, compared with 31.2% who were men, and 69.4% of FY 15-16 participants were women compared with 30.6% who were men. Compared with women’s estimated shares of the statewide labor force where they made up 45.4% of both the FY 14-15 and FY 15-16 totals, women were a substantially larger share of all CalWORKs participants, by +23.4 percentage points (FY 14-15) and +24.0 percentage points (FY 15-16) respectively.

Eligibility requirements for the CalWORKs program include having dependent child(ren) in the home. Because women are far more likely than men to be the primary caregiver of a child, to be a single parent, and to be a single parent in poverty,³¹ women’s overrepresentation is unsurprising due to this factor alone.

³¹ While it is true that the number of households headed by single fathers has risen in recent years to 2.6 million in 2011, single-father-headed households still make up less than a quarter of all single-parent households nationally (See, Gretchen Livingston [July 2, 2013]. “[The Rise of Single Fathers](#)”. Pew Research Center). Additionally, those single fathers are considerably less likely than single mothers to suffer from poverty, with only 24% of the former at or below the poverty line as compared with 43% of single mothers. Single-parent households make up the overwhelming majority of all households served by CalWORKs (see data from the last decade in [CalWORKs Annual Summary, March 2019](#)).

Women are also statistically more likely than men to be in poverty: in 2016, the poverty rate for women ages 18 to 64 was 13.4 percent, while the poverty rate for men ages 18 to 64 was 9.7 percent.³² The poverty rate for women age 65 and older was 10.6 percent, while the poverty rate for men age 65 and older was 7.6 percent.³³

Female-headed households are more likely to be poor among Americans of all races.³⁴ In 2012, for instance, just over half (50.3%) of poor families were female-headed, while 38.9% were headed by married couples.³⁵

TANF imposes asymmetrical work requirements on two-adult versus single-adult households, requiring a collective 35 work-time hours weekly for a two-adult household but 30 hours for a single-adult household, which may allow one adult to perform a “caregiver” role in a dual-adult but not a single-adult household. Although the effect is substantially mitigated by a rule that reduces the work requirement for a single adult who is the caregiver of a child under the age of six to 20 weekly hours, the fact that single-mother households are much more common than single-father households means that women are far more likely than men to be placed in a position where meeting both work and childcare requirements may be difficult. This aspect of the federal policy has been criticized for creating dilemmas between work and childcare for TANF-enrolled women.³⁶

³² [“Income, Poverty, and Health Insurance Coverage in the United States: 2016”](#). United States Census, September 12, 2017.

³³ Desilver, Drew. [“Who’s Poor in America? 50 Years into the War on Poverty: A Data Portrait”](#) Pew Research Center, January 13, 2014.

³⁴ Block, Fred, Anna Korteweg, Kerry Woodward, Zach Schiller and Imrul Mazid. [“The Compassion Gap in American Poverty Policy”](#). *Contexts* vol. 5, no. 2, 2006, p. 14.

³⁵ Pew Research Center. [“Who’s Poor in America? 50 Years into the War on Poverty: A Data Portrait”](#)

³⁶ Sharon Hays, Sharon. *Flat Broke With Children: Women in the Age of Welfare Reform*. Oxford University Press, 2003; Mink, Gwendolyn. *Welfare’s End*. Cornell University Press, 1998; See also Orloff, Ann Shola. “Ending the Entitlements of Poor Single Mothers: Changing Social Policies, Women’s Employment, and Caregiving in the Contemporary United States,” in *Women and Welfare: Theory and Practice in the United States and Europe* (Nancy J. Hirschmann & Ulrike Liebert, eds., 2001) and, “From Maternalism to ‘Employment for All’: State Policies to Promote Women’s Employment across the Affluent Democracies” pp. 230-270 in *The State After Statism: New State Activities in the Age of Liberalization*, Jonah D. Levy, ed. Cambridge, MA: Harvard University Press, 2006. Mink uses the example of uneven work requirements to argue that the 1996 reform that created TANF (and did away with the older, entitlement-based AFDC program) simultaneously promoted a new policy goal of poor women’s entry into labor markets, while retaining the traditional ideal of a heterosexual, two-adult family and women’s caregiving role in it; in this argument, single mothers (not mothers in dual-parent households) were effectively “punished” by the obligation to meet both childcare and work-time requirements. On the other hand, Orloff argues that the 1996 reform, in ending AFDC and benefits to women issued solely on the basis of motherhood, entrenched an “employment for all” approach in U.S. social policy that brought greater parity in work expectations for men and women. Orloff argues that negative impacts on women (both single and married) arose not from the law’s deliberate punishment of single mothers, but from the law’s (as introduced) inadequate provision of public childcare assistance across the board.

To address this tension, CalWORKs funds childcare and other supportive services to adult participants.³⁷

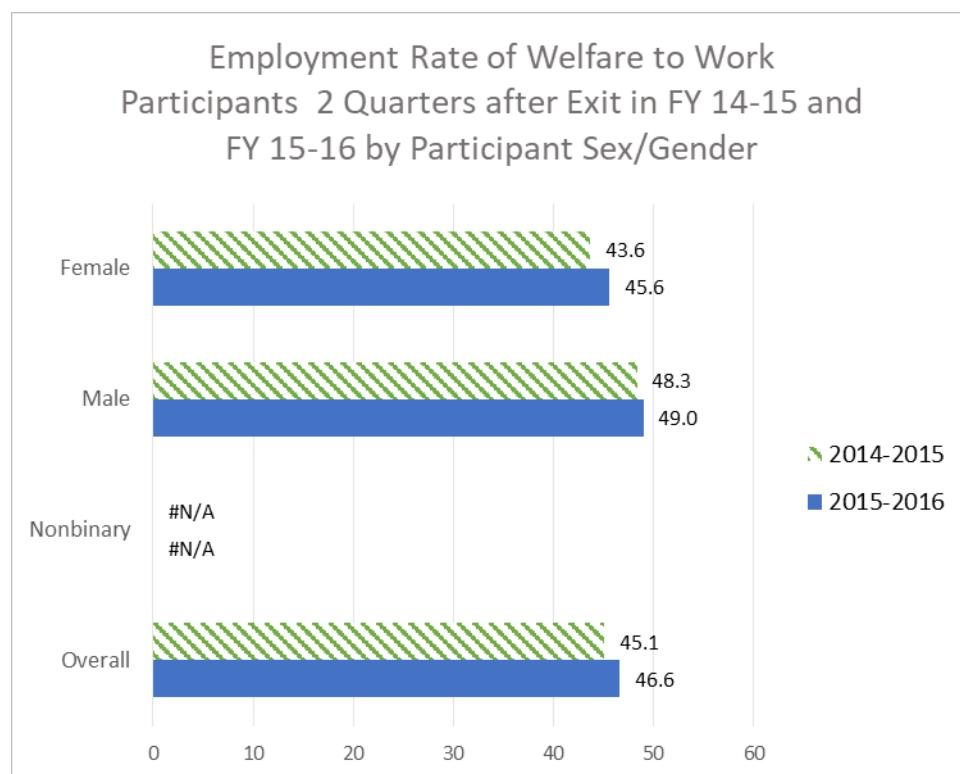
Training Completion FY 14-15 and FY 15-16

-

Credential Attainment Rate FY 14-15 and FY 15-16

-

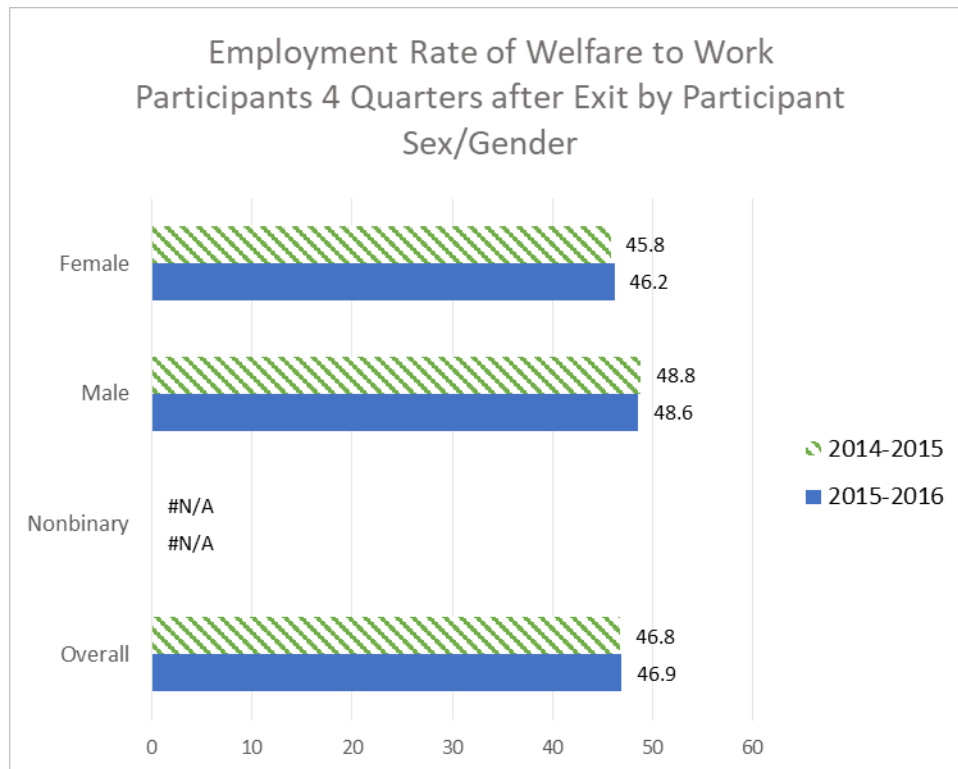
15.1.3.3 Figure - 2nd Quarter Employment Rate after Exit in FY 14-15 and FY 15-16



Two quarters after exit in both fiscal years, male CalWORKs participants had higher rates of employment than female participants, 48.3% after exit in FY 14-15, +4.7 percentage points higher than females' rate of 43.6% and 49.0% following exit in FY 15-16, +3.4 percentage points higher than female participants' rate of 45.6%.

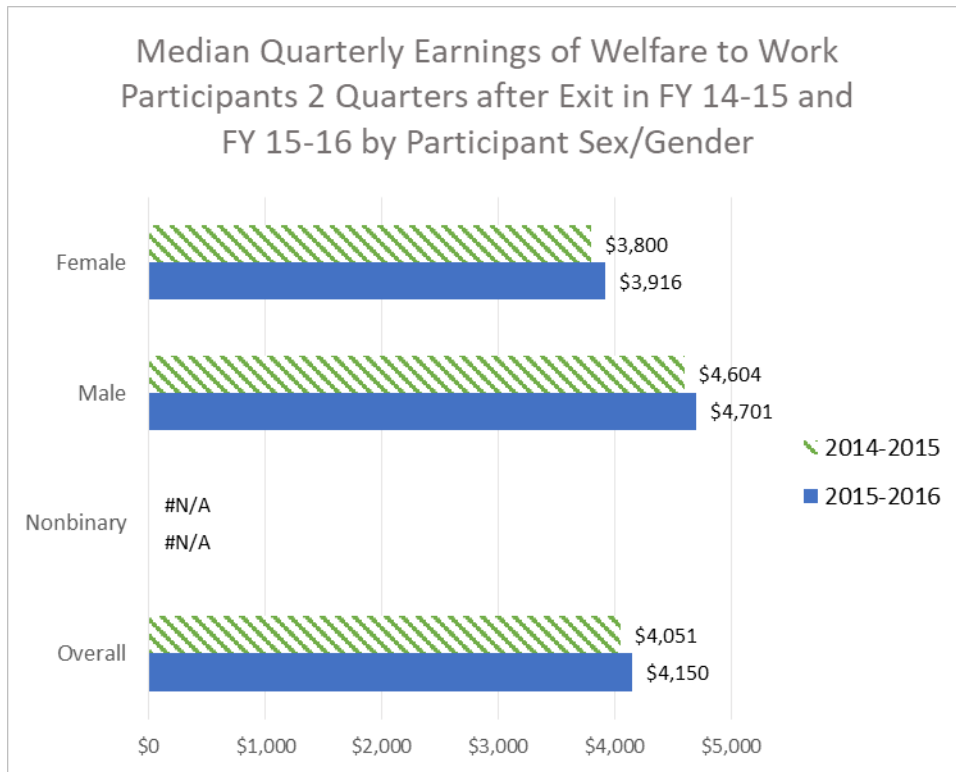
³⁷ For details on childcare programs through CalWORKs and associated data, please see CalWORKs' 2019 [Annual Summary](#) (March 2019).

15.1.3.4 Figure - 4th Quarter Employment Rate after Exit by Participant Sex/Gender



Male participants' rates of employment continued to exceed those of female participants a year following exit, although the distance narrowed somewhat: male employment of 48.8% a year following exit in FY 14-15 was +32.0 percentage points above the female rate of 45.8%, and male employment of 48.6% a year after exit in FY 15-16 was +2.4 percentage points higher than the female rate of 46.2%.

15.1.3.5 Figure - 2nd Quarter Median Earnings of Work Participants 2 Quarters after Exit in FY 14-15 and FY 15-16 by Participant Sex/Gender



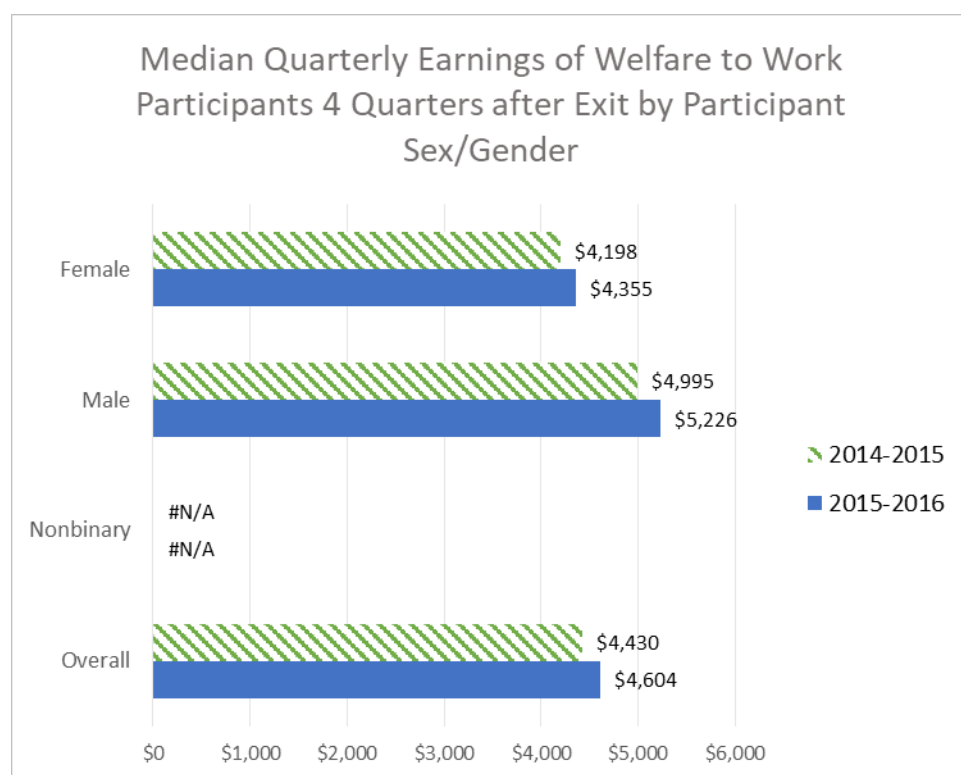
Median earnings from the second quarter following program exit were higher among male than among female participants following both years of exit. With median earnings of \$4,604, male former participants out-earned their female counterparts by +\$804. Their counterparts who exited in FY 15-16 earned a median of \$4,701, +\$785 above female former participants' earnings.³⁸

³⁸ Median earnings were calculated based upon the total range of earnings of all participants within a given gender for whom earnings (>\$0) were reported during the second quarter following exit from the WTW program. The median represents the middle value when earnings of all participants in the group are arranged from lowest to highest

Nationally, women earn less than men across nearly all industry sectors and occupations,³⁹ and are more likely than men to work in lower-paying sectors and occupations⁴⁰.

Finally, women are as noted far more likely than men to be the sole parent in a single-parent household. Given this statistical likelihood, it is likely that greater numbers of female welfare recipients are simultaneously participating in mandatory work activities, outside the home while caring for children in the home. These individuals may be more likely to seek out lower-paying part-time work even if full-time opportunities are available, due to their childcare obligations.

15.1.3.6 *Figure – Quarterly Earnings of Welfare-to-Work Participants 4 Quarters after Exit by Participant Sex/Gender*



³⁹ A comparison of earnings on a nation-wide level reveals that even when employed in the same industry sector or field, women earn less than men—while also demonstrating the variability of the magnitude of the gender pay disparity by sector. In a 2014 fact sheet, the BLS determined that in the sector of Natural Resources, construction, and maintenance (4% of nationwide employment at the time of data collection), women earned \$0.67 for every \$1 earned by a man; in Production and Transportation (employing 22% of the labor force), the disparity was \$0.73 to every \$1 earned by a man; in the Management, Business, and Financial sector there was a \$0.75 to \$1 disparity, and in Service, employing 57% of the labor force, the disparity was \$0.79 to \$1 (U.S. Bureau of Labor Statistics. [Highlights of women's earnings in 2014](#)). Further, occupations which are female-dominated tend to pay less across skill and education levels (see, Sarah Jane Glynn. [“Explaining the Gender Wage Gap”](#) Center for American Progress, 2014).

⁴⁰ Glynn 2014.

The same relationship between male and female earnings was seen at the 4th quarter after exit in both years, and although earnings of participants of both genders rose, the gender-based disparity in earnings increased as male participant earnings of \$4,995 following exit in FY 14-15 were +\$798 above earnings of female participants (\$4,198), while male earnings of \$5,226 in the fourth quarter after exit in FY 15-16 were +\$871 above the \$4,355 earned by female participants.

15.1.4 Participant Age Group at Entry

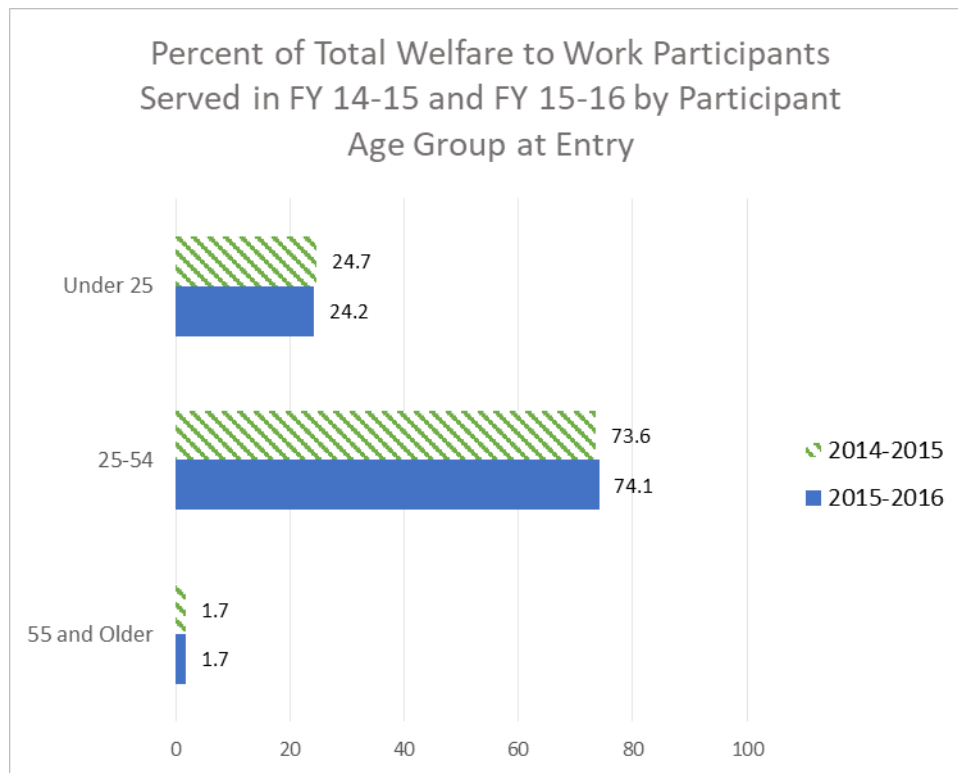
15.1.4.1 Table Set - Participant Age Group at Entry for FY 14-15 and FY 15-16

FY 2014-2015											
Participant Age Group at Entry	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Under 25	54,733	51,192	Not Available	24,424	47.7	\$3,220	Not Available	Not Available	25,154	49.1	\$3,587
25-54	162,853	153,295	Not Available	68,341	44.6	\$4,373	Not Available	Not Available	70,986	46.3	\$4,761
55 and older	3,805	3,512	Not Available	1,048	29.8	\$4,460	Not Available	Not Available	1,124	32.0	\$4,697
Unknown	0	0	Not Available	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
TOTAL	221,391	207,999	Not Available	93,813	45.1	\$4,051	Not Available	Not Available	97,264	46.8	\$4,430

FY 2015-2016											
Participant Age Group at Entry	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Under 25	48,680	45,204	Not Available	21,901	48.4	\$3,245	Not Available	Not Available	22,064	48.8	\$3,704
25-54	149,125	139,142	Not Available	64,467	46.3	\$4,485	Not Available	Not Available	64,912	46.7	\$4,958
55 and older	3,467	3,210	Not Available	1,053	32.8	\$4,531	Not Available	Not Available	1,044	32.5	\$4,958
Unknown	0	0	Not Available	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
TOTAL	201,272	187,556	Not Available	87,421	46.6	\$4,150	Not Available	Not Available	88,020	46.9	\$4,604

A CalWORKs participant's age was calculated based on their date of birth. All age ranges refer to a participant's age at the time they began participation in the Welfare-to-Work program.

15.1.4.2 Figure - Percent of Total Welfare-to-Work Participant Exits in FY 14-15 and FY 15-16 by Participant Age Group at Entry



In each fiscal year, the largest numbers of participants served were between the ages of 25 and 54 at the time of their entry into the CalWORKs program, accounting for 73.6% of that year's total served and 74.1% of all served in FY 15-16. Compared with 25-54-year-olds in the statewide labor force (about 52% of the total), this was a substantial overrepresentation.⁴¹ The smallest participant numbers served each year were in the 55 and Older at time of entry demographic (1.7% of each year's total). Individuals in this age demographic were significantly underrepresented in relation to statewide labor force estimates, respectively by -14.6 (FY 14-15) and -15.2 (FY 15-16) percentage points.

Eligibility requirements for CalWORKs include the requirement of a child(ren) in the home. This requirement makes it less likely that older individuals would be CalWORKs-eligible, and likely provides a partial or near-complete explanation for underrepresentation of the oldest age demographic in this program.⁴²

⁴¹ Program participation was computed as a percent share of total served within a given fiscal year, in a manner parallel to the methodology described in the "Ethnicity/Race" section.

⁴²California Department of Social Services. [CalWORKs](#).

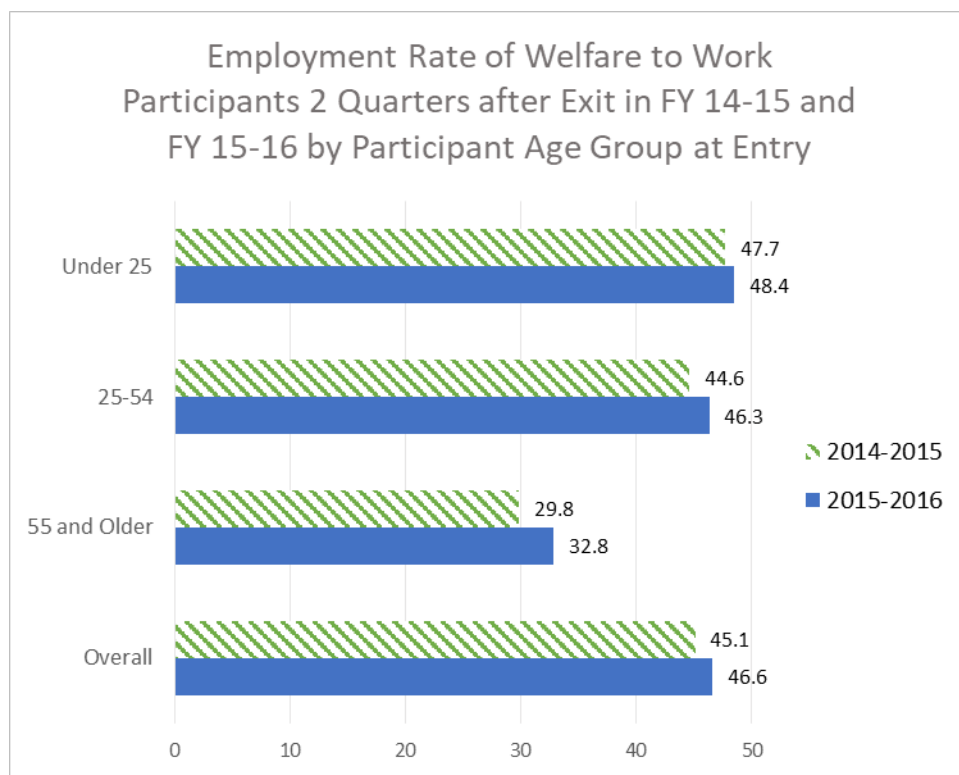
Training Completion in FY 14-15 and FY 15-16

-

Credential Attainment Rate in FY 14-15 and FY 15-16

-

15.1.4.3 Figure – Employment Rate of Welfare-to-Work Participants 2 Quarters after Exit in FY 14-15 and FY 15-16 by Participant Age Group at Entry



In the second quarter after exit in both fiscal years, the employment rate was highest among the youngest CalWORKs participants, at 47.7% two quarters after exit in FY 14-15 and 48.4% two quarters after exit in FY 15-16—respectively, +2.6 and +1.8 percentage points higher than aggregate rates of 45.1% and 46.6%.⁴³

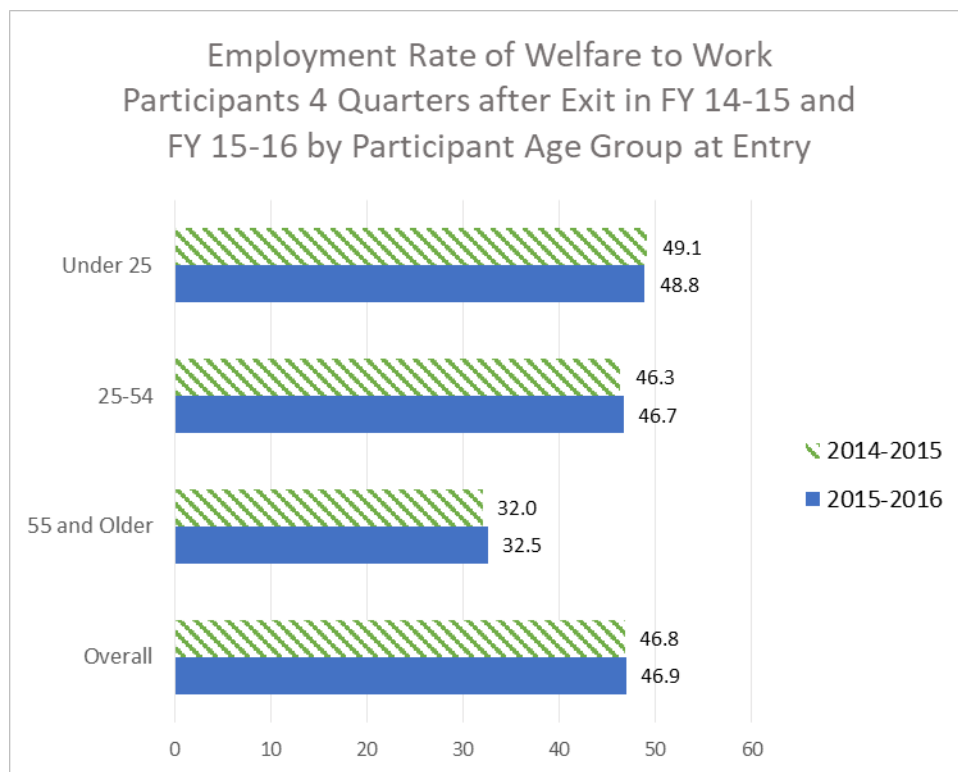
Employment rates among participants in the middle age range were slightly lower, at 44.6% two quarters after exit in FY 14-15 and 46.3% at the same stage following exit in FY 15-16.

⁴³ Percentage values shown were calculated for each category of participants by dividing the number of participants who were employed in the noted quarter by the total number of participants in that category to have exited in a given fiscal year.

Those 55 and Older were least likely to be employed. Employment rates among participants from this age demographic (respectively, 29.8% and 32.8%) were substantially below aggregate rates associated with each year of exit, by -15.3 and -13.8 percentage points.

The oldest participant age category includes those who may be close to or at retirement age—a factor that could explain this outcome. However, given the socioeconomic profile of CalWORKs' service population, lower-than-average employment among older participants should not be assumed to be due to choice. Rates of both poverty and dependency upon work into old age remain high among older Americans in global context,⁴⁴ and age discrimination in hiring and employment is thus a continuing concern.

15.1.4.4 Figure – Employment Rate of Welfare-to-Work Participants 4 Quarters after Exit In FY 14-15 and 15-16 by Participant Age Group at Entry

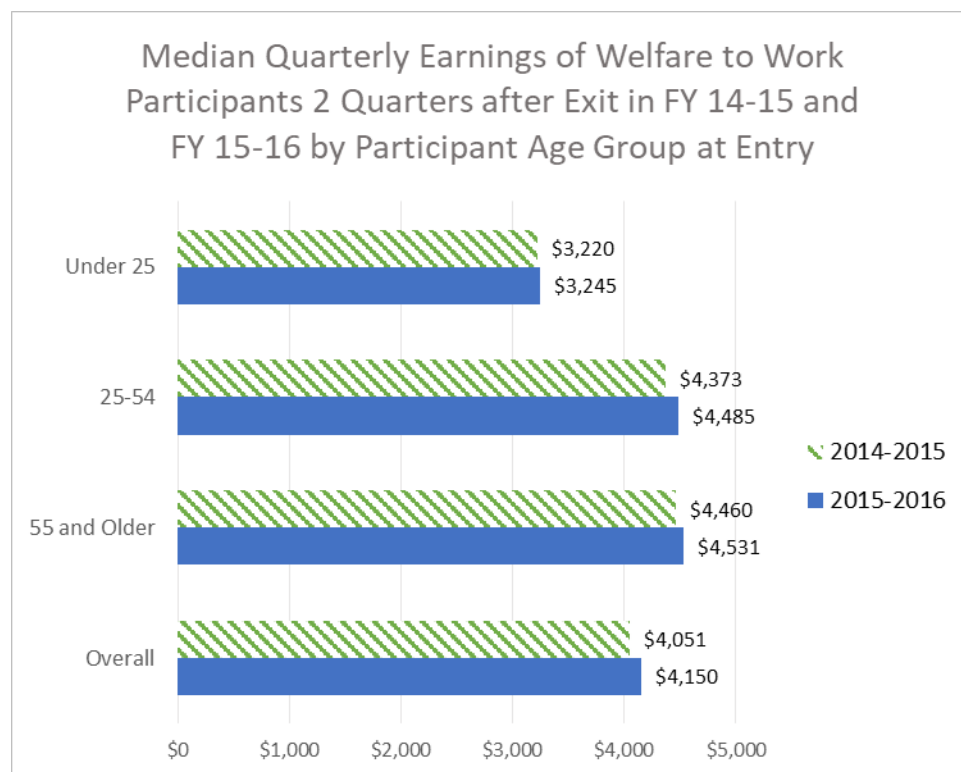


Employment rates remained highest among the youngest participants, and lowest among the oldest participants, a year following exit in both years. Nearly 50% of those under 25 were employed a year after exit in both years (49.1% and 48.8%), and rates showed about the same difference from aggregate rates (-2.4 and -1.9 percentage points) following exit in each year. The oldest participants remained employed at the lowest rates, 32.0% and 32.5% respectively—

⁴⁴ See for instance OECD data presented and discussed in, [“America’s Unusual High Rates of Old-Age Poverty and Old-Age Work”](#) (Forbes, March 2018).

and also remained similarly distant from the aggregate rate, by -14.8 and -14.4 percentage points respectively.

15.1.4.5 *Figure – Median Quarterly Earnings of Welfare-to-Work Participants 2 Quarters after Exit in FY 14-15 and FY 15-16 by Participant Age Group at Entry*



Although CalWORKs participants in the youngest age range were employed at the highest rates, older participants who were employed enjoyed highest program-wide earnings.⁴⁵

The oldest participants, those 55 and older at entry, earned most two quarters after exit in both fiscal years. Earnings of these individuals of \$4,460 (FY 14-15) and \$4,531 (FY 15-16) were +\$408 and +\$380 higher than each year's program-wide median.

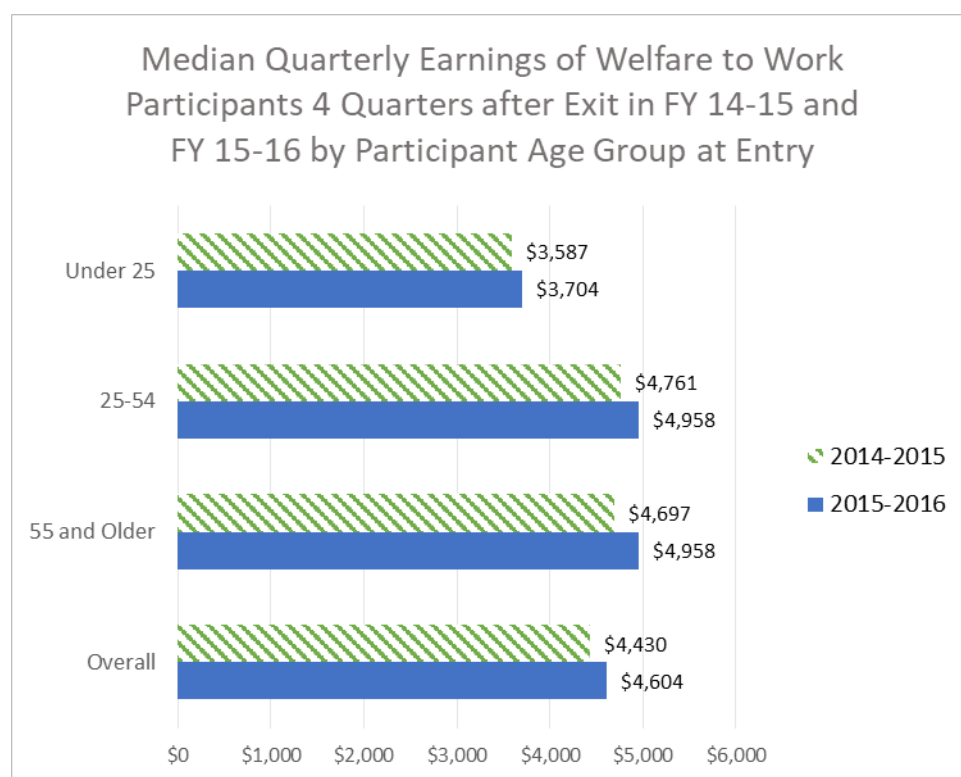
In both years of exit however, earnings of the middle and the oldest age range of participants were close to each other: earnings of CalWORKs participants who were 25-54 at entry were \$4,373 following exit in FY 14-15 and \$4,485 following exit in FY 15-16.

⁴⁵ Median earnings were calculated based upon the total range of earnings of all participants within a given ethnic group for whom earnings (>\$0) were reported during the second quarter following exit from the WTW program. The median represents the middle value when earnings of all participants in the group are arranged from lowest to highest

The Under 25 demographic saw lowest median earnings in each year of exit which were also more substantially below the other groups' earnings, respectively \$3,220 (-\$831 below the program-wide median) following exit in FY 14-15, and \$3,245 following exit in FY 15-16, (-\$905 below the program-wide median).

While the youngest participants were most likely to be employed, the jobs they attained paid less on average than those attained by the older two participant groups in both fiscal years of exit. In many ways, this is not surprising: older people have had more time to accumulate marketable skills and experience, which they can translate to higher earnings.

15.1.4.6 Figure – Median Quarterly Earnings of Welfare-to-Work Participants 4 Quarters after Exit in FY 14-15 and FY 15-16 by Participant Age Group at Entry



In the fourth quarter after exit in both years, earnings of the two older participant groups continued to be very similar and to be noticeably higher than the youngest participants' earnings. One year after exit in FY 14-15, it was participants in the 25-54 range at the time of entry whose earnings of \$4,761 narrowly beat out those of participants 55 and older (\$4,697), and at the same stage after exit in FY 15-16, both groups' earnings were the same: \$4,958.

Participants under 25 continued to see earnings that were substantially below each year's program-wide, of \$3,587 following exit in FY 14-15 (-\$843 below the FY 14-15 median), and \$3,704, -\$900 below the program-wide median.

15.1.5 Participant Veteran Status⁴⁶

15.1.5.1 Table Set – Participant Veteran Status in FY 14-15 and FY 15-16

FY 2014-2015											
Participant Veteran Status	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Unknown	221,391	207,999	Not Available	93,813	0.0	\$4,051	Not Available	Not Available	97,264	46.8	\$4,430

FY 2015-2016											
Participant Veteran Status	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Unknown	201,272	187,556	Not Available	87,421	0.0	\$4,150	Not Available	Not Available	88,020	46.9	\$4,604

⁴⁶ CDSS does not collect veteran status data from participants, meaning that the veteran status of CalWORKs participants is unknown.

Program Participation in FY 14-15 and FY 15-16

-

Program Exit in FY 14-15 and FY 15-16

-

Training Completion in FY 14-15 and FY 15-16

-

Credential Attainment Rate in FY 14-15 and FY 15-16

-

2nd Quarter Employment Rate in FY 14-15 and FY 15-16

-

4th Quarter Employment Rate in FY 14-15 and FY 15-16

-

2nd Quarter Median Earnings in FY 14-15 and FY 15-16

-

4th Quarter Median Earnings in FY 14-15 and FY 15-16

-

15.1.6 Training Completion Status

15.1.6.1 Table Set – Training Completion Status for FY 14-15 and FY 15-16

FY 2014-2015									
Training Completion Status	# Exited	2 Quarters After Exit			4 Quarters After Exit				
		# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Unknown	207,999	93,813	45.1	\$4,051	Not Available	Not Available	97,264	46.8	\$4,430

FY 2015-2016									
Training Completion Status	# Exited	2 Quarters After Exit			4 Quarters After Exit				
		# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Unknown	187,556	87,421	46.6	\$4,150	Not Available	Not Available	88,020	46.9	\$4,604

15.1.7 Type of Recognized Credential

15.1.7.1 Table Set – Type of Recognized Credential for FY 14-15 and FY 15-16

FY 2014-2015									
Type of Recognized Credential	# Exited	2 Quarters After Exit			4 Quarters After Exit				
		# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Unknown	207,999	93,813	45.1	\$4,051	Not Available	Not Available	97,264	46.8	\$4,430

FY 2015-2016									
Type of Recognized Credential	# Exited	2 Quarters After Exit			4 Quarters After Exit				
		# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Unknown	187,556	87,421	46.6	\$4,150	Not Available	Not Available	88,020	46.9	\$4,604

15.1.8 Industry / Sector of Employment

15.1.8.1 Table Set - Industry/Sector of Employment for FY 14-15 and FY 15-16

FY 2014-2015						
Industry / Sector Description	2 Quarters After Exit			4 Quarters After Exit		
	# Employed	% Employed	Median Earnings	# Employed	% Employed	Median Earnings
Agriculture, Forestry, Fishing, and Hunting	3,159	3.4	\$3,042	3,128	3.2	\$2,915
Mining, Quarrying, and Oil and Gas Extraction	59	0.1	\$10,060	57	0.1	\$9,901
Utilities	63	0.1	\$8,922	78	0.1	\$9,301
Construction	4,048	4.3	\$6,494	4,377	4.5	\$6,556
Manufacturing	3,901	4.2	\$5,753	4,348	4.5	\$6,042
Wholesale Trade	2,908	3.1	\$5,638	3,111	3.2	\$6,006
Retail Trade	18,428	19.6	\$3,432	17,031	17.5	\$3,908
Transportation and Warehousing	3,695	3.9	\$5,300	3,852	4.0	\$5,578
Information	837	0.9	\$4,694	934	1.0	\$4,849
Finance and Insurance	1,560	1.7	\$6,327	1,764	1.8	\$6,907
Real Estate, and Rental and Leasing	1,430	1.5	\$5,524	1,614	1.7	\$5,825
Professional, Scientific, and Technical Services	3,077	3.3	\$4,600	3,108	3.2	\$4,991
Management of Companies and Enterprises	86	0.1	\$6,015	79	0.1	\$6,780
Administrative and Support and Waste Management and Remediation Services	15,819	16.9	\$3,465	14,628	15.0	\$3,756
Educational Services	3,845	4.1	\$3,525	4,242	4.4	\$3,824
Health Care and Social Assistance	12,634	13.5	\$4,658	16,201	16.7	\$4,817
Arts, Entertainment, and Recreation	1,331	1.4	\$3,454	1,359	1.4	\$3,770
Accommodation and Food Services	10,119	10.8	\$3,162	10,191	10.5	\$3,389
Other Services (except Public Administration)	3,015	3.2	\$3,922	3,117	3.2	\$4,214
Public Administration	1,914	2.0	\$6,038	2,209	2.3	\$6,526
Other	0	0.0	\$0	0	0.0	\$0
Not Applicable	0	0.0	\$0	0	0.0	\$0
Unknown	1,885	2.0	\$4,563	1,836	1.9	\$4,979
TOTAL	93,813	45.1	\$4,051	97,264	46.8	\$4,430

FY 2015-2016						
Industry / Sector Description	2 Quarters After Exit			4 Quarters After Exit		
	# Employed	% Employed	Median Earnings	# Employed	% Employed	Median Earnings
Agriculture, Forestry, Fishing, and Hunting	3,367	3.9	\$2,607	2,881	3.3	\$3,048
Mining, Quarrying, and Oil and Gas Extraction	51	0.1	\$9,263	72	0.1	\$11,484
Utilities	57	0.1	\$9,022	60	0.1	\$10,270
Construction	3,545	4.1	\$6,277	3,764	4.3	\$6,816
Manufacturing	3,516	4.0	\$5,952	3,906	4.4	\$6,489
Wholesale Trade	2,533	2.9	\$5,694	2,727	3.1	\$6,211
Retail Trade	16,150	18.5	\$3,650	14,806	16.8	\$4,120
Transportation and Warehousing	4,179	4.8	\$4,792	3,964	4.5	\$5,493
Information	855	1.0	\$4,210	861	1.0	\$4,552
Finance and Insurance	1,371	1.6	\$6,505	1,506	1.7	\$7,036
Real Estate, and Rental and Leasing	1,259	1.4	\$5,660	1,402	1.6	\$6,247
Professional, Scientific, and Technical Services	2,679	3.1	\$4,593	2,703	3.1	\$5,415
Management of Companies and Enterprises	74	0.1	\$6,139	86	0.1	\$7,606
Administrative and Support and Waste Management and Remediation Services	14,189	16.2	\$3,543	13,441	15.3	\$3,703
Educational Services	3,547	4.1	\$3,793	3,782	4.3	\$4,067
Health Care and Social Assistance	13,819	15.8	\$4,600	15,132	17.2	\$5,023
Arts, Entertainment, and Recreation	1,197	1.4	\$3,460	1,197	1.4	\$3,724
Accommodation and Food Services	9,041	10.3	\$3,413	9,316	10.6	\$3,669
Other Services (except Public Administration)	2,685	3.1	\$4,130	2,814	3.2	\$4,456
Public Administration	1,673	1.9	\$6,017	1,902	2.2	\$6,653
Other	0	0.0	\$0	0	0.0	\$0
Not Applicable	0	0.0	\$0	0	0.0	\$0
Unknown	1,634	1.9	\$4,500	1,698	1.9	\$5,169
TOTAL	87,421	46.6	\$4,150	88,020	46.9	\$4,604

15.1.8.2 Figure – Percent of Total Welfare-to-Work Participants Employed Quarters after Exit in FY 14-15 and FY 15-16 by Industry/Sector

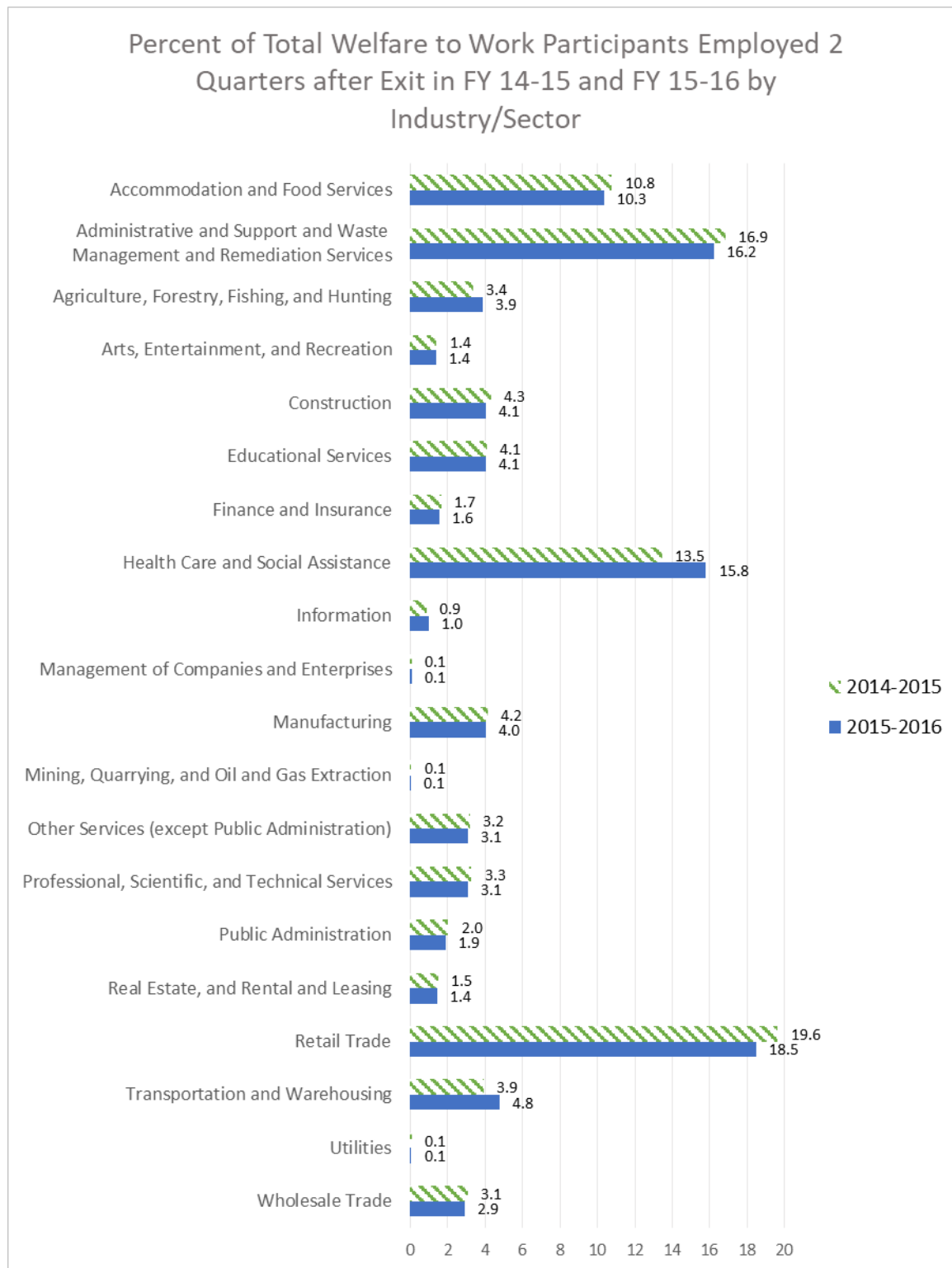


Figure 15.1.8.2 displays a percentage distribution of employed former CalWORKs participants according to the industry sector in which they were working, two quarters after their exit from the program.⁴⁷

In the second quarter after exit in both fiscal years, the single largest employer of former Welfare-to-Work participants was retail, which employed 19.6% of all CalWORKs participants who had reported earnings two quarters after exit in FY 14-15, and 18.5% of their counterparts who exited in FY 15-16.

While a growth sector during the years covered by this report, retail still employed comparatively much larger shares of exiting CalWORKs participants compared with the size of the industry as a statewide employer of which it made up about 9% and 10% of the state's labor force during the respective years (see Chapter 3 data).

Given that jobs in the retail and accommodation and food sectors are frequently low-paying and may not offer full-time hours, overrepresentation of former participants in these sectors may be cause for concern.

Administrative and Support and Waste Management also employed sizable shares of former CalWORKs participants, 16.9% of all to exit in FY 14-15 and 16.2% of all to exit in FY 15-16. This sector, whose occupations include janitors, groundskeepers, security guards, and office clerks,⁴⁸ employed 6.5% of the state labor force as a whole in both FY 14-15 and FY 15-16.

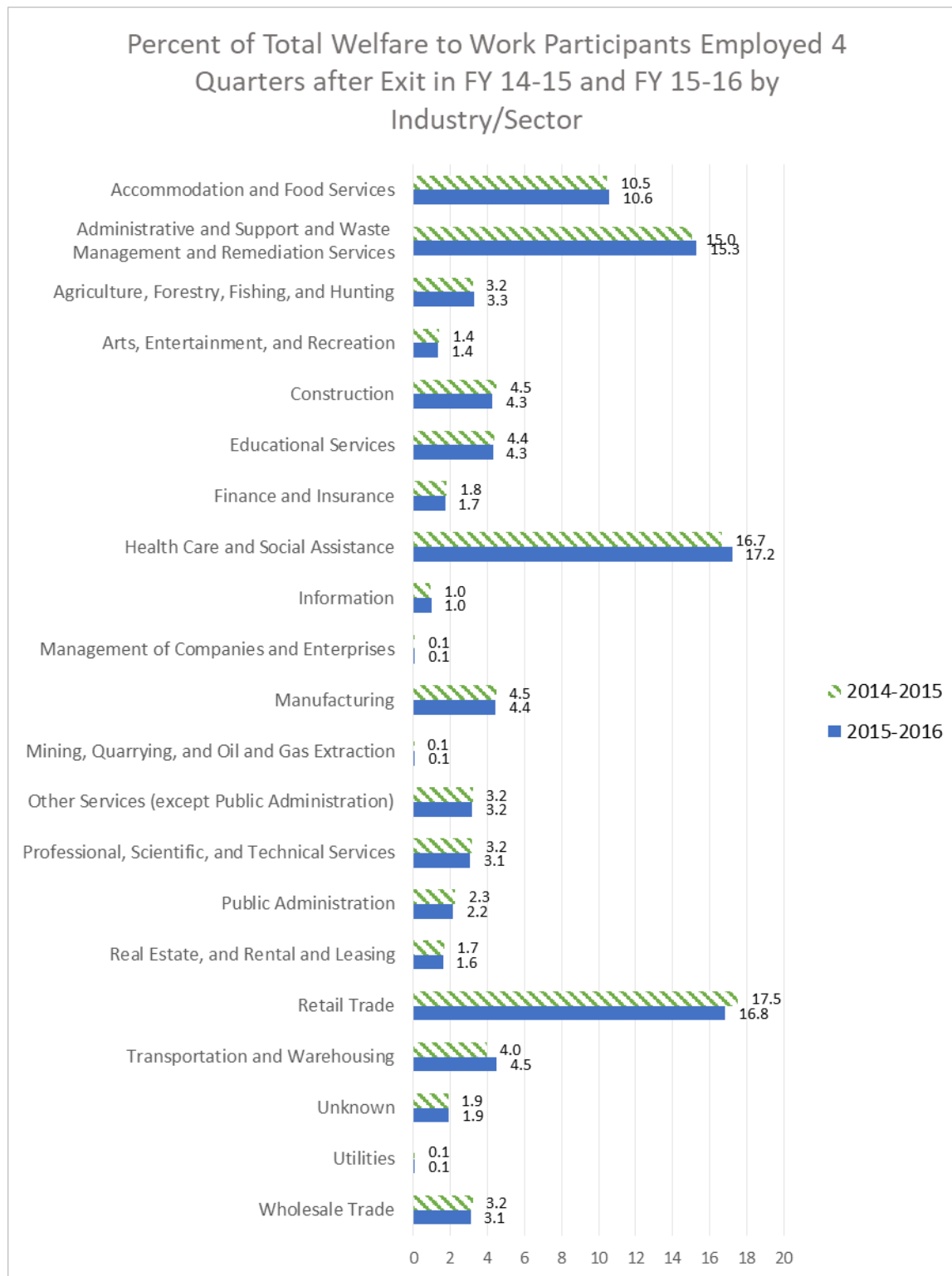
Three sectors—Mining, Quarrying and Oil and Gas Extraction; Utilities; and Management of Companies and Enterprises—each employed less than one-tenth of one percent of all participants who found employment in the second quarter after their exit from the CalWORKs program. While each of these sectors is small as an industry within the state as a whole (Mining, Quarrying, and Oil and Gas Extraction employed just 0.2% of the state's labor force in FY 14-15, and 0.1% in FY 15-16, Utilities, 0.4%, and Management larger with 1.5%) shares of CalWORKs participants employed appeared smaller than shares of the labor force.

⁴⁷ Outcomes shown include percent shares of total to exit, only (as is further described below), and do not include rates of participant employment within particular sectors. In order to provide the latter, it would be necessary to know total numbers of exited participants who *sought* employment within a given sector. For example, Table Set 15.1.8.1 shows that 875 CalWORKs participants who exited in FY 15-16 were working in the construction sector two quarters later. Since the total of employed former CalWORKs participants at this stage was 60,213, the percent share of participants employed in this sector was 1.45% of the total of all employed participants (875 divided by 60,213). However, in order to also calculate a sector-specific employment rate, it would be necessary to also know the number of exited participants who *sought* employment in construction. Without this information, the rate of employment of exited CalWORKs participants in construction (or any other sector) cannot be calculated.

⁴⁸ "[Administrative and Support and Waste Management Services: NAICS 56](#)". U.S. Bureau of Labor Statistics.

All three of the sectors in which exited CalWORKs participants were the least likely to be employed were also in the top three highest-paying sectors of employment statewide—with median quarterly earnings rising to above \$30,000 in each fiscal year.

15.1.8.3 Figure – Percent of Welfare-to-Work Participants Employed 4 Quarters after Exit in FY 14-15 and FY 15-16 by Industry/Sector



Retail remained the largest employer of CalWORKs participants four quarters after exit, employing 17.5% of those to be employed a year after exit in FY 14-15 and 16.8% of their counterparts following exit in FY 15-16. However, Health Care and Social Assistance—the third largest two quarters after exit—became a near second, employing 16.7% of those who were employed following exit in FY 14-15 and 17.2% of the same population following exit in FY 15-16.

The Health Care and Social Assistance sector comprises establishments providing health care and social assistance for individuals. The sector includes both health care and social assistance because it is sometimes difficult to distinguish between the boundaries of these two activities. The health care and social assistance sector consists of the sub-sectors of ambulatory health care services; hospitals; nursing and residential care facilities; and social assistance.⁴⁹

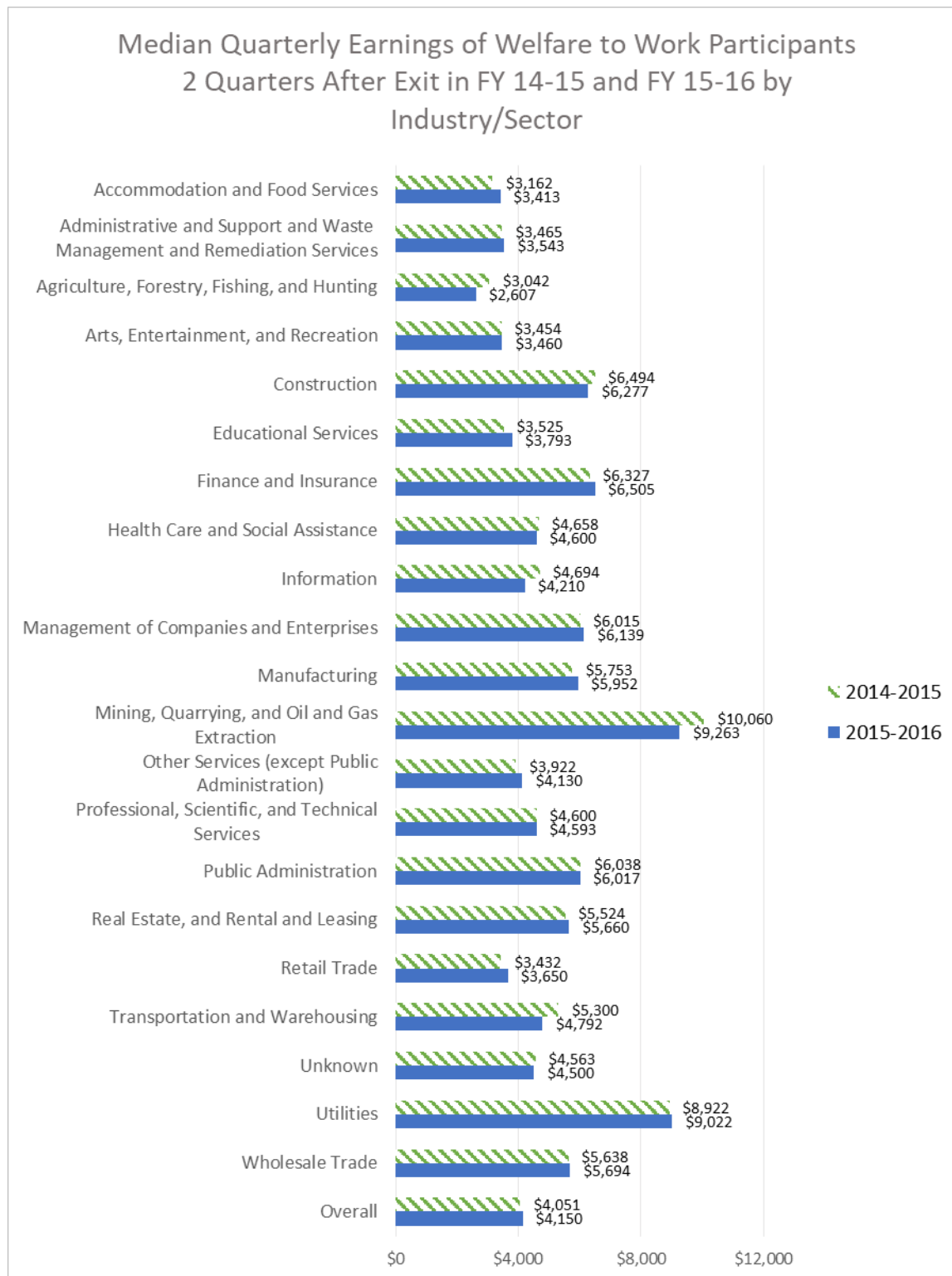
Health Care and Social Assistance is among the fastest-growing sectors in the state, projected to add 607,400 jobs by 2026, translating to 23.9% growth. Among its constituent occupations, the largest single occupation is that of home health aide—also the occupation associated with lowest median sector-wide earnings, of just \$25,190 annually.⁵⁰

Management, Mining, and Utilities remained the three smallest employment sectors accounting for less than one-tenth of a percent each of employed CalWORKs participants.

⁴⁹ U.S. Bureau of Labor Statistics. [Industries at a Glance: Health Care and Social Assistance \(NAICS 62\)](#)

⁵⁰ Ibid

15.1.8.4 Figure – Median Quarterly Earnings of Welfare-to-Work Participants 2 Quarters after Exit in FY 14-15 and FY 15-16 by Industry/Sector



Two quarters after exit in both fiscal years, median earnings were highest in the Mining, Quarrying, and Oil and Gas Extraction sector. At \$10,060 following exit in FY 14-15, earnings in this sector were +\$6,008 or more than two times the program-wide median of \$4,051. Sector earnings of \$9,263 from two quarters after exit in FY 15-16 were also over twice the program-wide median of \$4,150, exceeding it by +\$5,112.

This sector is comprised of establishments that extract naturally occurring mineral solids, such as coal and ores; liquid minerals, such as crude petroleum; and gases, such as natural gas. The term mining is used in the broad sense to include quarrying, well operations, beneficiating (e.g., crushing, screening, washing, and flotation), and other preparation customarily performed at the mine site, or as a part of mining activity.⁵¹

Statewide, median earnings in this sector were \$34,806 quarterly in FY 14-15, and \$34,382 quarterly in FY 15-16. This indicates that, while this sector was by far the highest-paying of the sectors in which former Welfare-to-Work participants found employment, their median earnings were about one-fourth the statewide average in FY 14-15, and about one-third the statewide average in FY 15-16.

Because the Welfare-to-Work program serves individuals with substantial barriers to employment, it is likely that former WTW participants entering this sector may have done so in less-skilled occupations, such as helper-extraction workers,⁵² who earn an annual median of \$37,100, or oil and gas roustabouts,⁵³ who earn median annual pay of \$37,900.

The statewide median earnings figure is based on a range that includes the earnings of workers in all occupations in this sector, including more highly-paid ones—like first-line supervisors or managers of construction trades and extraction workers (median yearly pay of \$76,750), or mining and geological engineers and mining safety engineers who make an annual median of \$92,230.⁵⁴ The statewide median will therefore be higher than a median based on a range that includes only or mostly entry-level earnings data.

As seen in a number of programs in this report, the sector of highest earnings was thus simultaneously the sector in which the fewest exiting program participants were employed. Earnings of former CalWORKs participants were lowest Agriculture, Forestry, Fishing and Hunting sector. This sector's FY 14-15 median earnings were, at \$3,042, -\$1,009 below the

⁵¹ B.L.S. Industries at a Glance: "[Mining, Quarrying, and Oil and Gas Extraction: NAICS 21](#)".

⁵² B.L.S. – Occupational Employment Statistics. Occupational Employment and Wages, May 2018. [47-5081 Helpers—Extraction Workers](#). Workers in this classification help extraction craft workers, such as earth drillers, blasters and explosives workers, derrick operators, and mining machine operators, by performing duties requiring less skill. For example, they may supply work equipment or clean the work area.

⁵³ Roustabouts are workers who assemble or repair oil field equipment using hand and power tools, and perform other tasks as needed (B.L.S. – Occupational Employment Statistics. Occupational Employment and Wages, May 2018. [47-5071 Roustabouts, Oil and Gas](#)).

⁵⁴ B.L.S. Industries at a Glance: "[Mining, Quarrying, and Oil and Gas Extraction: NAICS 21](#)".

program-wide median. At the equivalent stage in the following year of exit, sector earnings were \$2,607, -\$1,543 below the program-wide median.

The Agriculture, Forestry, Fishing and Hunting sector comprises establishments primarily engaged in growing crops, raising animals, harvesting timber, and harvesting fish and other animals from a farm, ranch, or their natural habitats.⁵⁵

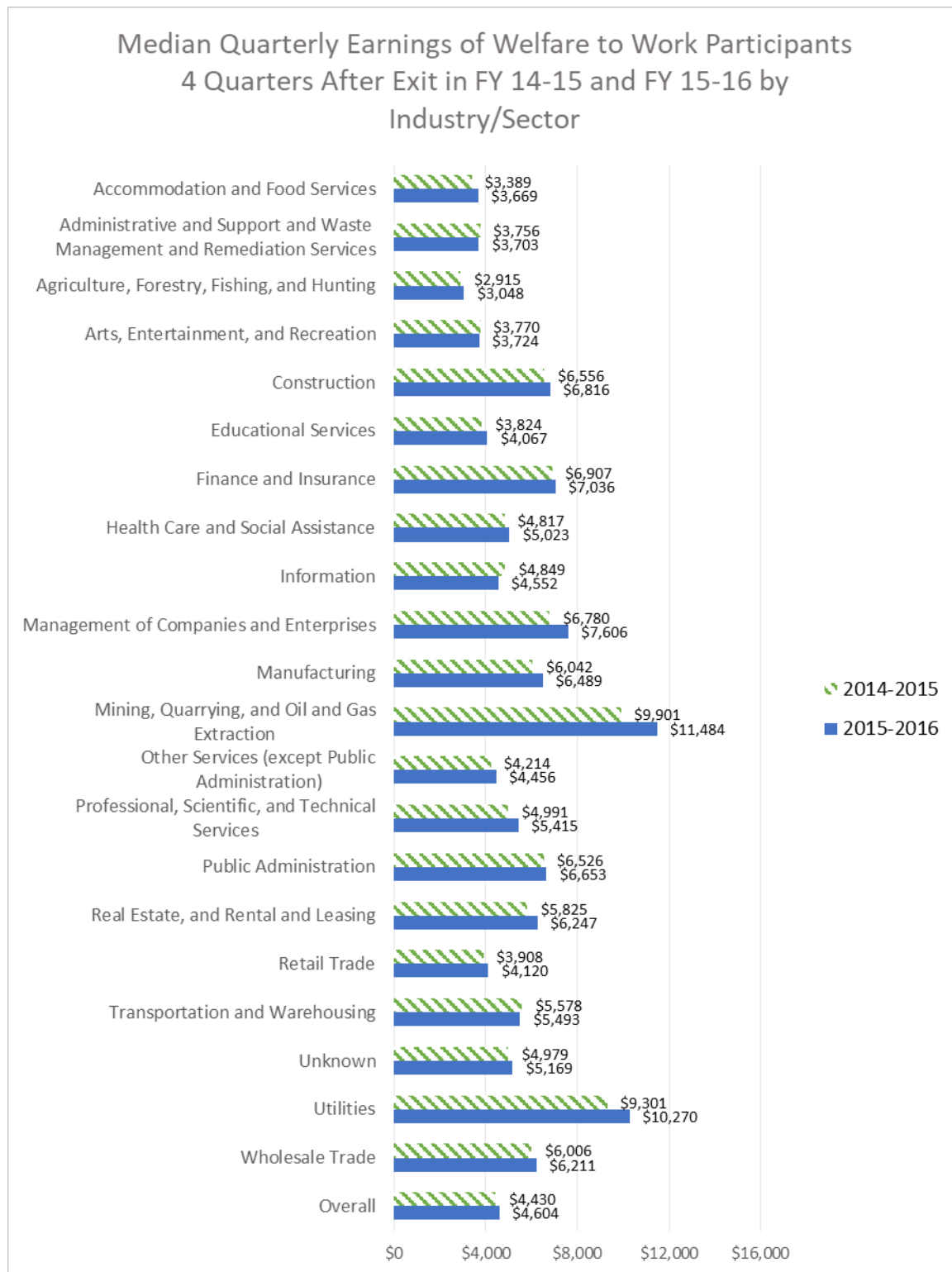
Statewide, median earnings in this sector were also among the lowest—at \$7,386 quarterly in FY 14-15, and \$7,779 in FY 15-16. Again, median earnings of former WTW participants working in this sector were less than one-half the statewide sector median in both years.

Occupations in this sector include a range of median earnings levels—from supervisory positions, which pay a median annual wage of \$44,820, and logging equipment operators, making an annual median of \$41,430, to farmworkers and laborers, earning a median of \$24,180 annually.⁵⁶ Given the reported pay of former WTW participants employed in this sector, it appears likely that these individuals are finding work as laborers. An additional consideration if this is the case, which may be important for gaining a full picture of participants' earning, is that farm labor is often seasonal work—meaning that these individuals are likely to not enjoy year-round earnings from these jobs.

⁵⁵ B.L.S. Industries at a Glance: "[Agriculture, Forestry, Hunting, and Fishing: NAICS 11](#)".

⁵⁶ Figures are national, and for [2018](#).

15.1.8.5 Figure – Median Quarterly Earnings of Welfare-to-Work Participants 4 Quarters after Exit in FY 14-15 and FY 15-16 by Industry/Sector



High- and low-paying employment sectors remained the same in the fourth quarter after exit in both fiscal years.

15.2 Quarterly Earnings

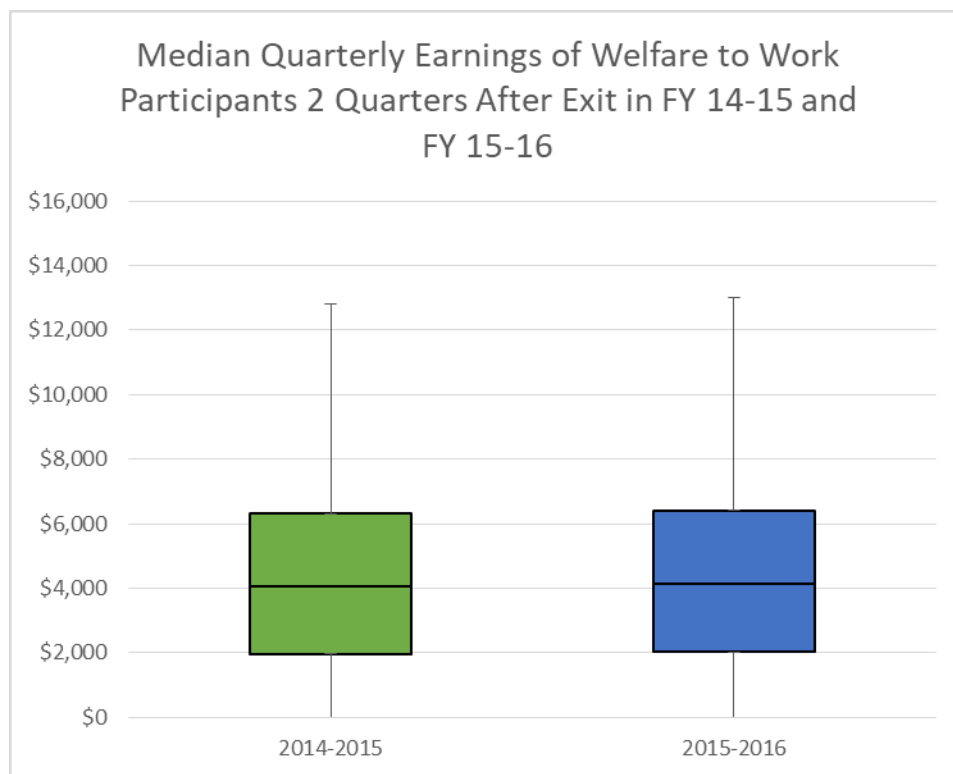
15.2.1 Quarterly Earnings

15.2.1.1 Table Set – Quarterly Earnings in FY 14-15 and FY 15-16

FY 2014-2015					
Quarter After Exit	Minimum Earnings	Lower Quartile	Median Earnings	Upper Quartile	Maximum Earnings
Second	\$0.01	\$1,976	\$4,051	\$6,309	\$12,808
Fourth	\$0.01	\$2,250	\$4,430	\$6,761	\$13,527

FY 2015-2016					
Quarter After Exit	Minimum Earnings	Lower Quartile	Median Earnings	Upper Quartile	Maximum Earnings
Second	\$0.02	\$2,017	\$4,150	\$6,407	\$12,991
Fourth	\$0.01	\$2,317	\$4,604	\$7,028	\$14,093

15.2.1.2 *Figure – Median Quarterly Earnings of Welfare-to-Work Participants 2 Quarters after Exit in FY 14-15 and FY 15-16*



The box plot shown in Figure 15.2.1.2 summarizes Welfare-to-Work participant earnings outcomes using five statistics: the lowest and highest individual participant earnings values in the range; and values of the 25th, 50th (median) and 75th, percentiles of earnings. The lower edge of the box represents the 25th percentile, the upper edge the 75th, with the median shown by a horizontal line down the middle. The highest and lowest participant earnings are shown by the whiskers.⁵⁷

Among both years' exit cohorts, earnings in each of the first three quartiles were similarly spread out. Two quarters after exit in FY 14-15, the lowest 25% of former WTW participant earnings ranged from \$0.01 to the lower quartile value (bottom of the "box") of \$1,976, the

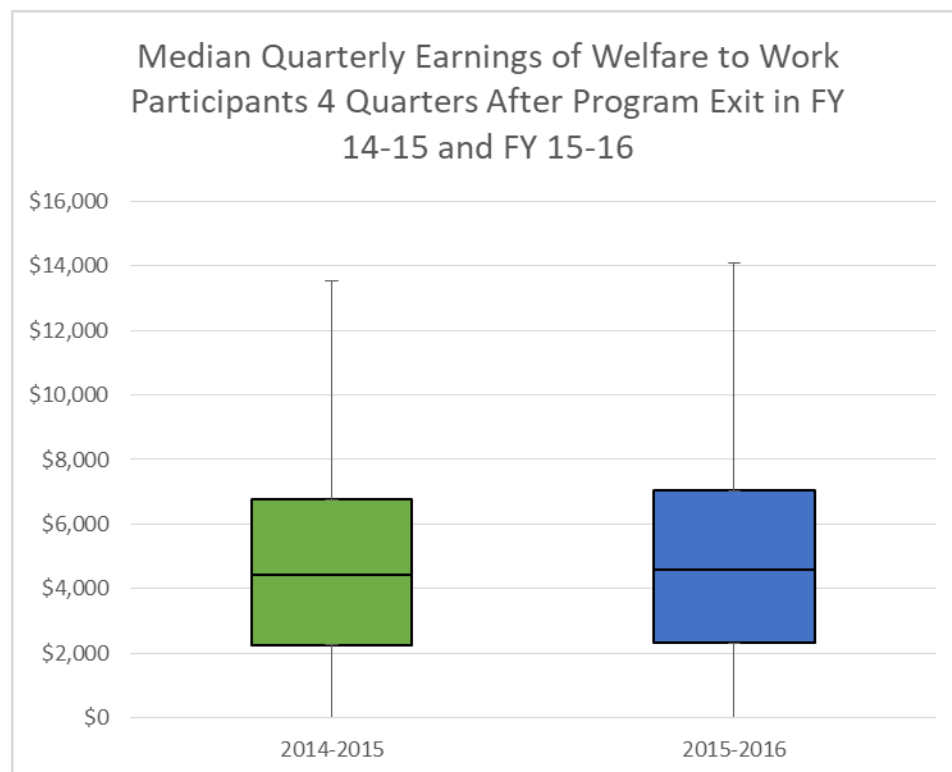
⁵⁷ In Figure 15.2.1.2 and both box-and-whisker plots, upper whiskers are not drawn to actual participant earnings values but rather to the distributions' upper inner fences (equivalent to the value of the 75th percentile or Q3 plus one-and-a-half times the inter-quartile distance). This has been done to exclude extreme or outlier values in the upper range from both years' cohorts to avoid misrepresenting the data's trend visually, and to preserve participant confidentiality by avoiding display of individual earnings values. Low earnings values are actual participant earnings values, however confidentiality concerns did not apply because multiple participants shared this same low value in each year. Since the EDD Tax Branch lacks the resources to validate all employer-reported earnings, it cannot be determined further what very low participant earnings in the data may represent in substantive terms. In both years' participant data, the maximum individual earnings data points were outliers, or data points that lie far from the rest of the data.

next quartile from \$1,976 to the median of \$4,051, and the third quartile slightly more dispersed from the median to the upper quartile value of \$6,309. Another way to describe the data is to note that the middle 50% of participant earnings fell between \$1,976 and \$6,309, an inter-quartile distance or range of \$4,333.

Earnings of participants who exited in FY 15-16 were higher compared with the previous year's cohort, which could reflect a different stage in the business cycle. Again, the earnings in each of the first three quartiles had similar spread. The first quartile of earnings ranged from \$0.02 to \$2,017 (+\$41 higher than the FY 14-15 value), the next quartile from \$2,017 to the median of \$4,150 (+\$99 higher than the FY 14-15 value), and the third again somewhat wider from the median to the upper quartile value of \$6,407 (+\$98 higher than the FY 14-15 value). The middle 50% of earnings, from the 25th to 75th percentile values, was slightly wider than at the same stage after exit in FY 14-15, \$6,407-\$2,017 or \$4,390.

In both years, earnings in the top quartile (from the top of the box to the upper whisker) were spread over a wider area— covering nearly the same area as the bottom 75% of the data combined. This characteristic of participant earnings data was echoed in nearly every program in the report. The highest non-outlier earnings ranged to \$12,808 for participants who exited in FY 14-15, and to \$12,991 for their counterparts who exited in FY 15-16.

15.2.1.3 *Figure – Median Quarterly Earnings of Welfare-to-Work Participants 4 Quarters after Program Exit in FY 14-15 and FY 15-16*



By the fourth quarter after exit from the CalWORKs program, participant earnings among both years' cohorts appeared both higher and more widely dispersed than they had at the second-quarter stage. In dollars, increases were larger in the middle and upper parts of the distribution.

A year after exit in FY 14-15, the 25th percentile of participant earnings increased by +\$274 to \$2,250, the median by +\$379 to \$4,430, and the 75th percentile by +\$452 to \$6,761. The range of the middle 50% of participant earnings was somewhat expanded, at \$4,511. Lowest earnings (\$0.01) remained unchanged from Q2, while the highest earnings⁵⁸ rose to \$13,527.

Outcomes looked similar a year after exit in FY 15-16, where the 25th percentile was +\$300 larger than at the second quarter at \$2,317, the median +\$454 larger at \$4,604, and the 75th percentile +\$621 larger at \$7,028. Participant earnings in the interquartile range were spread over a wider area than at the second quarter after exit, shown again by the larger interquartile range of \$4,710. Lowest earnings were similar to Q2 (\$0.01) and highest earnings increased to \$14,093.

⁵⁸ High earnings values shown in Figure 15.2.1.2 and accompanying box-and-whisker plots are not individual participant earnings values but instead represent the inner fence of the distribution, equivalent to the value of the 75th percentile + 1.5 IQR. True individual earnings values were found in both years' data to be outliers (values far beyond the rest of the data) and have been excluded from display.

Earnings of the highest-earning 25% of former CalWORKs participants remained spread over a much wider area compared with the first three quartiles.

15.3 Program Performance

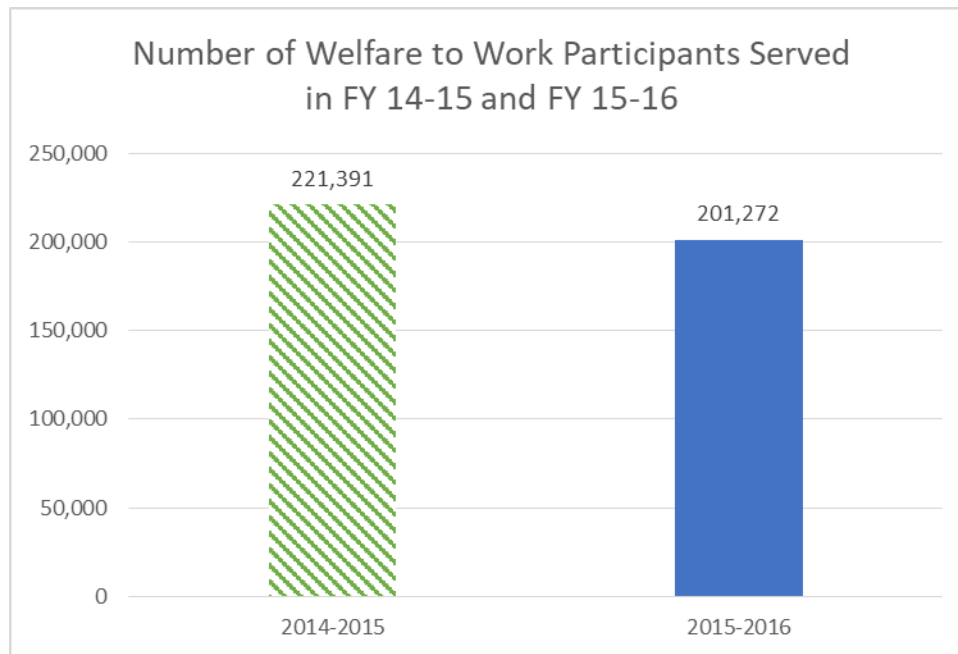
15.3.1 Program Performance

15.3.1.1 Table Set - Program Performance for FY 14-15 and FY 15-16

FY 2014-2015											
Program	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	# Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Welfare to Work	221,391	207,999	Not Available	93,813	45.1	\$4,051	Not Available	Not Available	97,264	46.8	\$4,430

FY 2015-2016											
Program	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Welfare to Work	201,272	187,556	Not Available	87,421	46.6	\$4,150	Not Available	Not Available	88,020	46.9	\$4,604

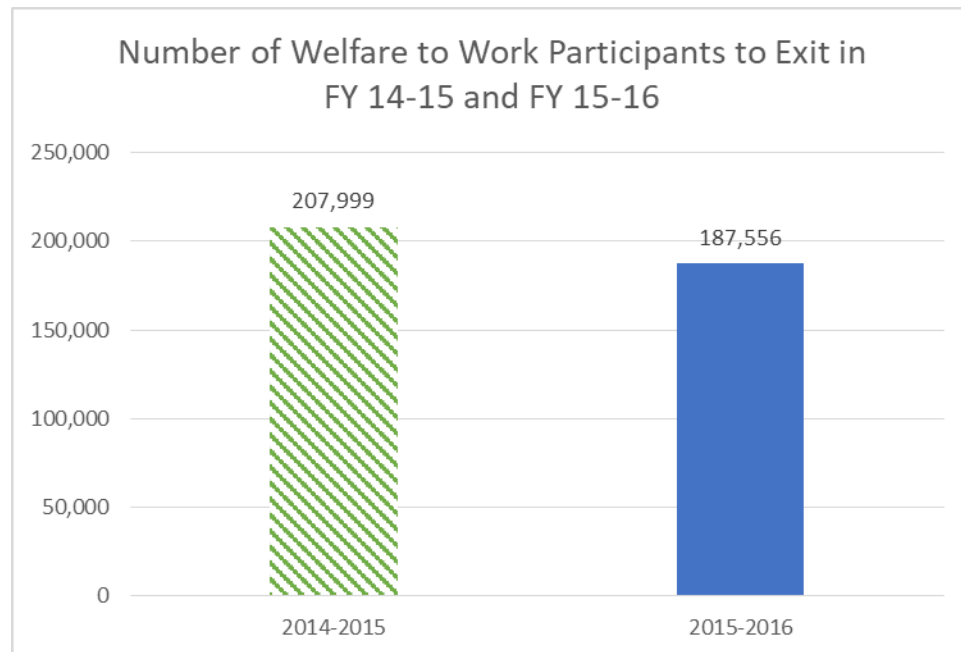
15.3.1.2 Figure – Number of Welfare-to-Work Participants Served in FY 14-15 and FY 15-16



Participation in the Welfare-to-Work program was lower in FY 15-16 (201,272 individuals served) compared with FY 14-15 (221,391 served), –a difference of -20,119 or about 9%.

Given that the Welfare-to-Work program is needs-based, it may be that the decline in participants is due to general improvement in economic conditions during continued economic expansion that followed recovery from the 2008-2009 recession.

15.3.1.3 *Figure – Number of Welfare-to-Work Participants to Exit in FY 14-15 and FY 15-16*



There were -20,433 fewer participant exits from the Welfare-to-Work program in FY 15-16 (187,556) compared with FY 14-15 (207,999). This was about the same magnitude as the difference in participant numbers a difference of about 10%.

Given how closely participant numbers tie with exit numbers throughout the report, it appears that a majority of CalWORKs participants in a given year exit within the same year—which may be a positive indication that individuals are finding employment.

As discussed earlier, the CalWORKs programs allows WTW participants to engage in a variety of activities—including vocational education, job readiness activities and job search, job skills training, and educational activities— that fulfill the broader state definition of “work-time” requirements.⁵⁹

Additionally, implementation of federal work-time requirements in California allows participants 12 months during which vocational education may be counted as a core work-time activity.⁶⁰

The diversity of eligible CalWORKs activities may itself be a variable in time to exit, if enrollment in various activity types varies across years and if those activity types are associated with differing exit patterns. For example: it is possible that a participant involved in vocational

⁵⁹ For an overview of work-time requirements during and off of the 24 MTC, please see [the CalWORKs Annual Summary \(March 2020\)](#), pp. 55.

⁶⁰ Ibid

training could take longer to exit than another individual whose work-time requirement is met via a part-time job. Research indicates a wide variety in the profiles of TANF-leavers,⁶¹ and that how TANF is implemented within a state may play a role in participant outcomes.⁶²

To investigate possible variation in time to exit and in outcomes—employment and earnings—that could be associated with different activity types of CalWORKs participants, it would be necessary to look at a breakdown of participation in different activity types, and associated outcomes.

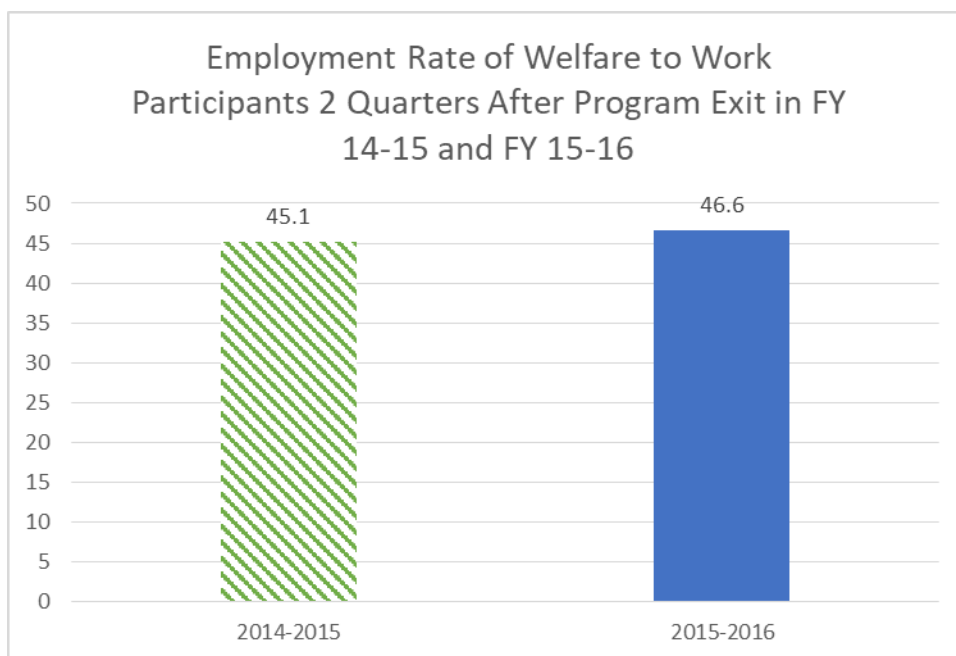
15.3.1.4 Training Completion by Program Performance of Welfare-to-Work Participants after Program Exit in FY 14-15 and FY 15-16

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15.3.1.5 Credential Attainment Rate of Welfare-to-Work Participants after Program Exit in FY 14-15 and FY 15-16

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15.3.1.6 Figure - 2nd Quarter Employment Rate of Welfare-to-Work Participants after Program Exit in FY 14-15 and FY 15-16

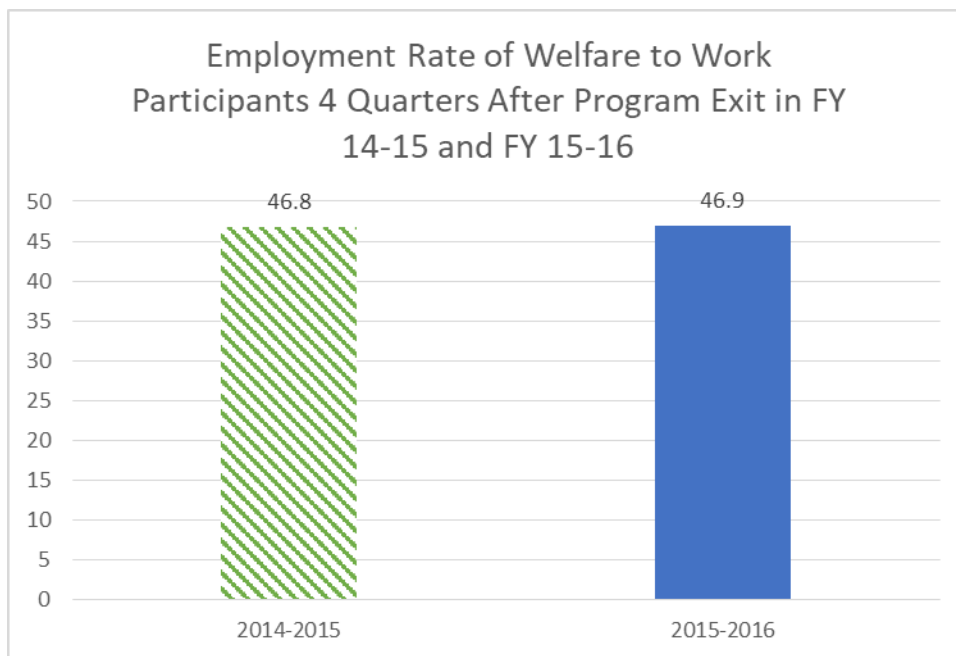


⁶¹ Robert Moffit and Jennifer Roff (2000) "[The Diversity of Welfare Leavers](#)," Johns Hopkins University (report prepared under contract with the U.S. Department of Health and Human Services, Office of Disability, Aging and Long-Term Care Policy).

⁶² Lynne Fender, Signe-Mary McKernan, and Jenny Bernstein (2002) "[Linking State TANF and Related Policies to Outcomes: Preliminary Typologies and Analysis](#)," Urban Institute; Shelley Irving (2009) "[State Welfare Rules, TANF Exits, and Geofigureic Context: Does Place Matter?](#)" *Rural Sociology*.

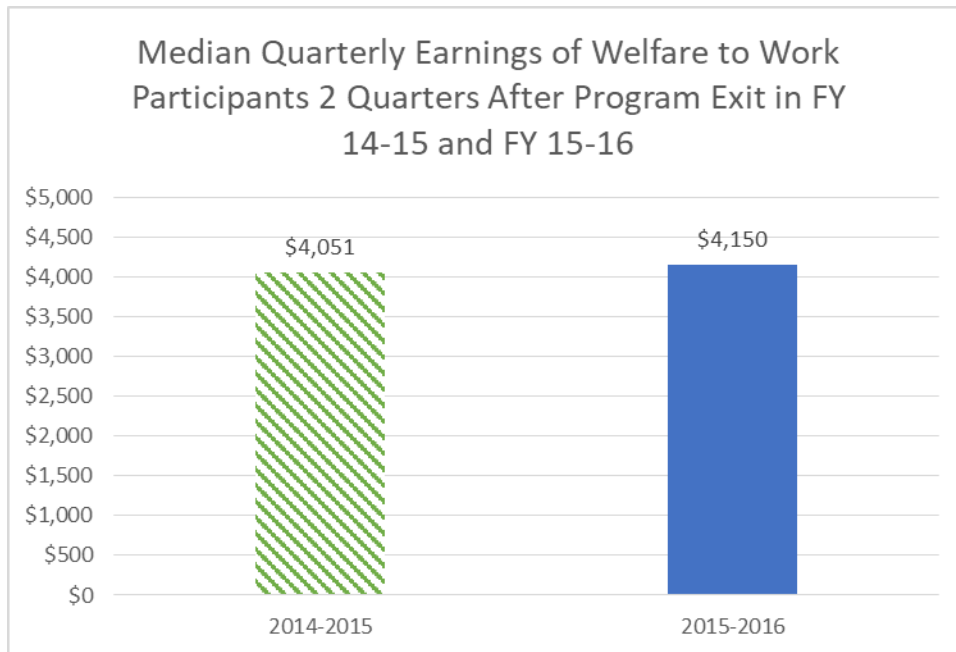
The second-quarter employment rate among CalWORKs participants was slightly higher in comparison with the rate among those with an exit date in FY 14-15 (45.1%) to participants who exited in FY 15-16 (46.6%). Once again, economic expansion may play a role.

15.3.1.7 Figure - 4th Quarter Employment Rate of Welfare-to-Work Participants after Program Exit in FY 14-15 and FY 15-16



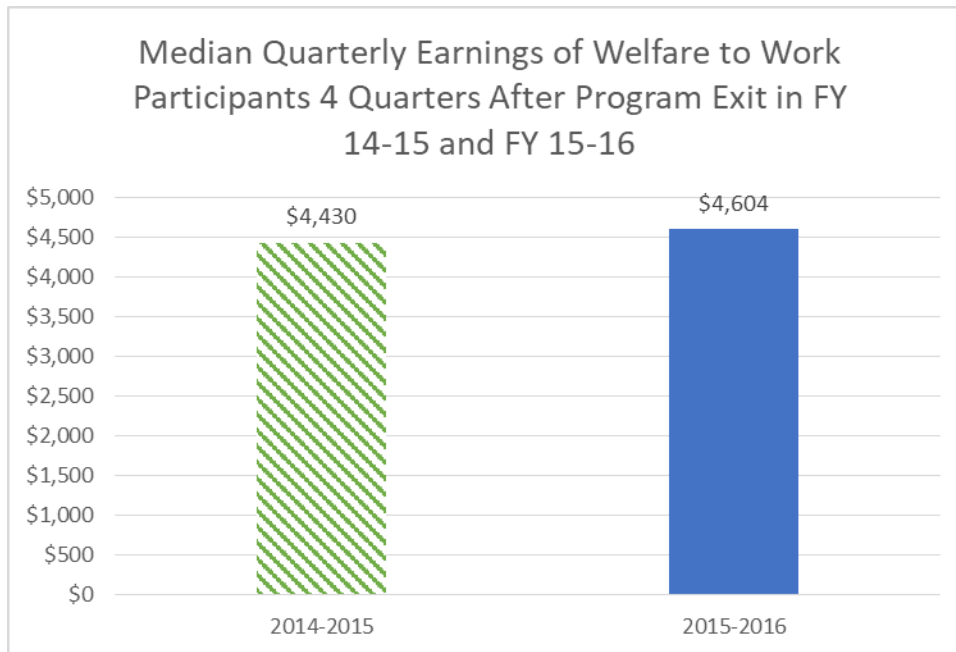
Employment rates of former CalWORKs participants in the fourth quarter following exit were more similar at 46.8% and 46.9% respectively, and in both cases were higher than second-quarter rates, although this was more marked among FY 14-15 participants.

15.3.1.8 *Figure - 2nd Quarter Median Earnings of Welfare-to-Work Participants after Program Exit in FY 14-15 and FY 15-16*



Median earnings from CalWORKs participants from the second quarter after exit were about \$100 higher (\$4,150) following exit in FY 15-16 than they had been following exit in FY 14-15 (\$4,051). The positive difference could be linked with the continuing economic expansion, and/or with inflation.

15.3.1.9 *Figure - 4th Quarter Median Earnings of Welfare-to-Work Participants after Program Exit in FY 14-15 and FY 15-16*



Fourth-quarter earnings were also higher, and by a larger margin (+\$174) among CalWORKs participants with a date of exit in FY 15-16 (\$4,604) compared with those of FY 14-15 exiters (\$4,430). In both years' data, wage outcomes improved at the fourth quarter compared with the second.