

The Impact of Welfare Reform on Wisconsin's Hmong Aid Recipients

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TABLE OF CONTENTS

Executive Summary.....	Page i
Introduction	Page 1
Findings.....	Page 4
I. Demographic Profile of Survey Respondents.....	Page 4
II. Barriers to Work.....	Page 4
III. Experiences with W-2 System.....	Page 9
IV. Impact of W-2 on Hmong Families.....	Page 14
Conclusion.....	Page 17
Recommendations.....	Page 19
Appendix	Page 21
Endnotes	Page 27

EXECUTIVE SUMMARY

There are currently over 39,000 Hmong residing in Wisconsin. Recruited from their mountain subsistence farms by the CIA, the Hmong assisted the U.S. South Vietnamese forces until the defeat of the U.S., then left South East Asia as political refugees. Given the major cultural differences, language barriers and skill gaps facing the Hmong, a number of Wisconsin's Hmong population have relied on welfare to meet their families' basic needs during this transition.

In 1997, Wisconsin initiated a work-based assistance program to replace welfare, impacting the 31,336 families receiving cash assistance in Wisconsin. Approximately 1,200 of these families were Hmong. Under the new time-limited welfare program, Wisconsin Works (W-2) participants were assigned to one of four job placement categories designed to provide the skills and experience needed to compete successfully in the job market. Long-term training and higher education are not allowed. For the Hmong families enrolled in W-2 since its inauguration in the fall of 1997, their two-year time limits in W-2's placement categories are approaching. This study was designed to assess whether the W-2 program has prepared Hmong participants sufficiently for unsubsidized employment.

This study seeks to examine:

- 1) Individual and family characteristics of Hmong cash assistance recipients that impact employment prospects;
- 2) How effective the W-2 program has been in helping Hmong participants overcome skill and education deficits and be prepared to succeed in the job market;
- 3) The impact of W-2 on the well-being of Hmong participants and their families.

The Institute for Wisconsin's Future, in partnership with a graduate student researcher at the Milwaukee Hmong/American Friendship Association, completed 137 interviews in Hmong. This convenience sample comprises half of the estimated number of Hmong families enrolled in W-2 in December 1998 and appears to be representative of the overall population of Hmong aid recipients.

Findings

- The typical Hmong respondent participating in W-2 is middle-aged and married. More than 50 percent have five or more children under the age of 18 and 63 percent have at least one child under the age of six.

- More than 90 percent of Hmong respondents read little or no English and over 70 percent have little or no literacy in Hmong. More than 60 percent have no formal education and an additional 30 percent have attended only adult education classes, including English as a Second Language (ESL).
- The primary barriers to employment for these Hmong W-2 participants are their lack of job skills (48 percent), language barriers (40 percent), childcare problems (24 percent) and health problems (15 percent).
- Nearly 95 percent do not have job skills in any of the employment areas for which W-2 can provide training, yet only a handful of the respondents' W-2 job placements provide the experience or skills that might qualify them for employment in these targeted skill areas.
- Over 55 percent of respondents indicate that, to prepare for unsubsidized employment, they need technical training, apprenticeships, or more education; 20 percent say that they need ESL classes. Yet fewer than 10 percent report that they received any skills training or English language instruction through their W-2 assigned activities.
- Most Hmong aid recipients cannot communicate directly with their W-2 caseworker and fully 67 percent cannot reach their caseworker by phone. Furthermore, 87 percent of respondents have difficulty understanding the written materials they receive from W-2 agencies and must rely upon children, relatives, friends and others for translation.
- Fully 80 percent of respondents stated that their lives are worse under W-2, with three out of four saying they have less income and over half saying they have less food. One out of three respondents reported running out of food during the past six months, and 20 percent have obtained food from a food pantry during the previous three months.

Conclusion

This report documents the continuing obstacles to employment and self-sufficiency facing Hmong W-2 participants. Most Hmong aid recipients lack the job skills, educational attainment or language ability needed for employment and yet are receiving little or no skill training through the W-2 program. The majority of Hmong respondents experience serious difficulty communicating with their W-2 caseworkers.

Moreover, the reduction in cash benefits brought about by W-2's flat grant structure (with no adjustment for family size) has created additional financial stress for these Hmong families, a substantial number of whom are unable to meet their basic food and clothing needs.

The data collected from Hmong aid recipients indicates that the W-2 program does not adequately address the needs of these vulnerable families. The survey data reveals that the W-2 program is not meeting its stated goal of helping these marginally skilled workers make a successful transition to self-sufficiency and increased family stability. Many Hmong W-2 participants are fast approaching the end of their allowable time in W-2's subsidized employment categories and will soon be ineligible for cash assistance. Without substantial program alterations, many Hmong families will face severe crisis in the coming months.

Recommendations

The survey findings indicate that Wisconsin's Hmong aid recipients face considerable obstacles to achieving self-sufficiency. As W-2 agencies confront the reality that those remaining on W-2 are also those with the most severe barriers to employment, it is essential that policymakers carefully consider the needs of the Hmong population and make necessary programmatic adjustments, including:

- 1) **Provide Hmong families with the language assistance they need to effectively communicate with caseworkers and succeed in the W-2 program.** W-2 agencies should develop explicit policies and procedures (i.e. hiring more bilingual staff, contracting with local Hmong organizations, etc.) to ensure that Hmong families are sufficiently informed about and able to participate in the W-2 program.
- 2) **Evaluate the English proficiency of all immigrant aid applicants and ensure that Hmong participants' W-2 activities include English language assistance.** Assessments of English proficiency and literacy should be conducted consistently to ensure that Hmong families in need of language assistance receive help through their W-2 placement activities.
- 3) **Expand education and technical training opportunities.** To achieve W-2's primary goal of achieving self-sufficiency through work, the program must do more to provide skill training and education if Hmong families are to overcome their significant skill and education deficits.

- 4) **Extend the two-year time limit on W-2 employment placements.** The current limits do not allow sufficient time for many participants to acquire the job and language skills they need to achieve self-sufficiency. These limits must be extended in recognition of the multiple barriers facing these Hmong families.

- 5) **Increase W-2 grant levels for larger families.** Hmong aid recipients are not able to meet their basic subsistence needs. W-2's current flat grant structure (with no adjustment for family size) keeps these families far below the poverty line.

INTRODUCTION

Thirty-five years ago, the Hmong people lived in the mountain highlands of Vietnam and Laos as subsistence farmers. Today, tens of thousands of Hmong are working to rebuild their lives in communities across Wisconsin. The Hmong community, headed by aging ex-soldiers who assisted the U.S. during the Vietnam War, moved to this state with their families as political refugees after the defeat of the U.S. South Vietnamese forces. As of August 1999, there were over 39,000 Hmong residing in Wisconsin.

During the Vietnam War, the Hmong living in Vietnam and Laos were recruited by the CIA as a counter-insurgency force. When the war ended, they were forced to flee to refugee camps in Thailand. Beginning in the late 1970s and continuing until 1997 when the last of the Thai refugee centers was closed, the Hmong resettled in countries willing to take them as refugees, including the United States. Wisconsin, along with California and Minnesota, is currently home to one of the largest concentrations of Hmong immigrants in the country. Because of cultural differences, language and skill barriers, a number of Wisconsin's Hmong population have relied on welfare to survive this transition.

In 1997, Wisconsin was one of the first states to implement a work-based assistance program to replace welfare.¹ At that time there were more than 31,336 families receiving cash assistance in Wisconsin; of those, 1,327 families were Southeast Asian with the overwhelming majority (90 percent) believed to be Hmong.

Under the new welfare replacement legislation, Wisconsin Works (W-2) replaced cash aid welfare with a time-limited, work-based assistance program. Applicants for financial assistance are assigned to one of four job placement categories, structured to move them from dependence on public assistance to financial self-sufficiency through employment. These job placement categories, known as the "W-2 Employment Ladder" include unsubsidized jobs with supportive services and work programs subsidized by a flat cash grant as well as the family support programs.² Each step in the ladder is to be completed within two years and overall participation is limited to five years.

W-2 provider agencies place applicants into one of these employment or employment preparation programs with the expectation and goal that all participants will acquire the skills and experience they need to compete successfully in the job market. Long-term training and higher education are not allowed. Allowable training is usually restricted to a two-month preparation course for the high school equivalency test,

English as a Second Language (ESL) courses, soft skill training in job preparedness, or on-the-job training. However, the W-2 program manual states that the work experience of those assigned to the subsidized work programs (Community Service Jobs and W-2 Transitions) should receive “training [that] is similar to that given in vocational school.”³ Furthermore, short-term job skills training, linked to local job openings, is allowable. In short, it is expected that progressing through W-2's job placement categories will provide all participants with the training they need to increase self-sufficiency and prepare for unsubsidized employment.⁴

Hmong families in Wisconsin have faced significant hurdles to social integration and economic self-sufficiency due to language and culture gaps. Older adults – especially the most recent arrivals – often speak little or no English and have no formal education. Most grew up in a traditional rural society and many never attended school. In fact, there was no written version of the Hmong language until the 1950s, and few adults ever learned to read or write.

For the Hmong families enrolled in W-2 since its inauguration in the fall of 1997, their allowable two-years of participation in W-2 employment positions (i.e., Trial Jobs, Community Service Jobs, and W-2 Transitions) is nearing an end. It is important, therefore, to assess whether the W-2 program has prepared Hmong participants sufficiently for unsubsidized employment. Moreover, by December 1998 there were only 300 Southeast Asian families out of a total W-2 caseload of 11,272.^{5,6} These figures show a drastic drop in the number of Hmong receiving public assistance but it is not clear that Hmong heads-of-household are leaving W-2 with the experience and skills needed for unsubsidized employment.

Research Overview

This study seeks to document how Hmong families are faring under the Wisconsin Works (W-2) program. Specifically, it looks at:

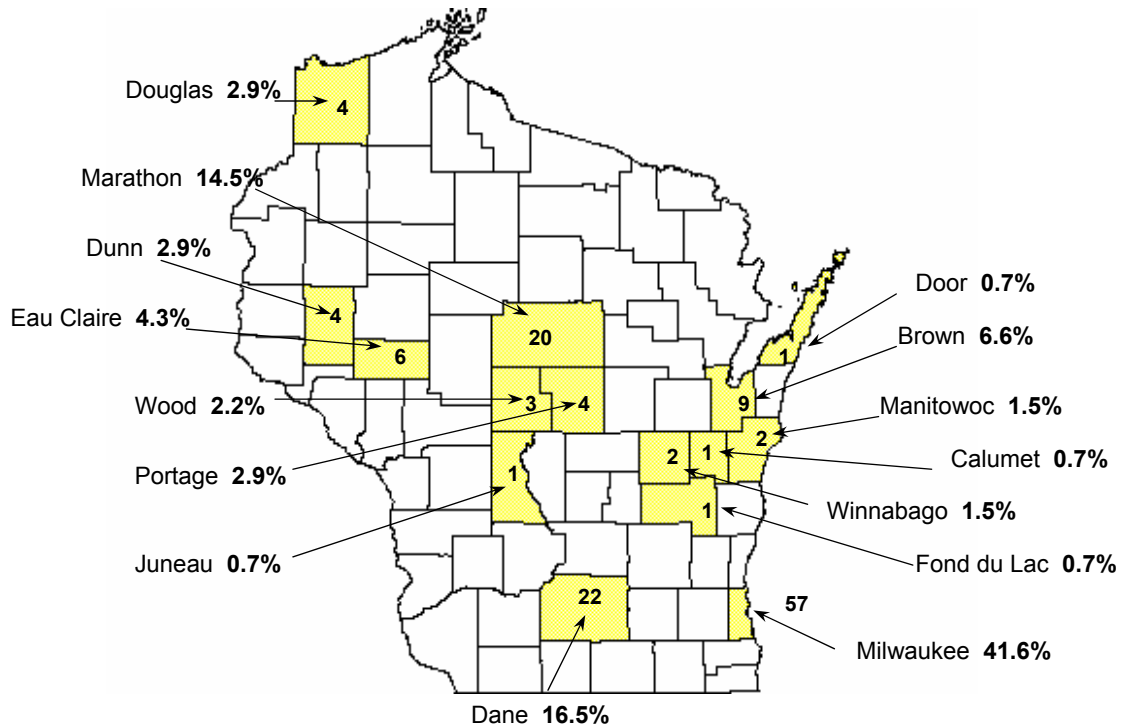
- 1) The individual and family characteristics of Hmong cash assistance recipients that make it difficult to achieve self-sufficiency through employment.
- 2) How effective the W-2 system is in creating a transition for Hmong participants to overcome skill and education deficits and become more prepared to succeed in the job market.
- 3) How Hmong aid recipients perceive the impact of W-2 on their families' lives.

To address these issues, the Institute for Wisconsin's Future commissioned a graduate student researcher with the Milwaukee Hmong/American Friendship

Association to identify all of the W-2 participants with Hmong surnames listed in the administrative data system compiled by the Department of Workforce Development (DWD). The persons listed were then contacted by telephone. Interviews, conducted in Hmong, were completed during the fall of 1998 and winter of 1999. The survey instrument (see Appendix) used in the interviews included questions on the respondents' individual and family characteristics, work histories, the training and assistance received through W-2 and how W-2 has affected their families' life.

A total sample of 137 interviews was completed -- half of the estimated number of Hmong families enrolled in W-2 in December 1998. Although the respondents represent a convenience sample of the total population of Hmong receiving aid, they appear to be representative of the overall population of Hmong aid recipients.

Chart 1
**Respondents' County of Residence
(Count and Percent)**



FINDINGS

I. Demographic Profile of Survey Respondents

The survey included information on the demographic characteristics of the Hmong respondents and their families. More than 90 percent of the survey respondents are 30 years of age or older, and more than 60 percent are 40 years of age or older. Nearly four out of five are married, and men appear to account for about a quarter of aid recipients. As Table 1 shows, these W-2 participants have very large families. More than 50 percent have five or more children under the age of 18, and nearly one in five respondents (18.3 percent) indicate that they have eight or more children under the age of 18. In addition, 63 percent have at least one child under the age of six. In short, most Hmong W-2 participants are the middle-aged heads of very large traditional families.

Table 1
Number of Children Under 18 Years Old

<i>Number of Children per Family</i>	<i>Count</i>	<i>Percent</i>
0	5	3.7%
1	11	8.1%
2	9	6.6%
3	19	14.0%
4	7	5.1%
5	18	13.2%
6	16	11.8%
7	26	19.1%
8 or more	25	18.3%

II. Barriers to Work

Overview

Despite their disadvantaged position in the job market, the vast majority of Hmong aid recipients want to work. Nearly 72 percent of the respondents answered affirmatively when asked, "Do you want to work?" The 36 respondents who answered "no" were then asked their reasons for not wanting to work. Many cited more than one reason, with 18 citing their own poor health, five indicating that they need to care for a sick parent or child, and 17 saying that they are too old to work. Of the 36 respondents

who do not want to work, 25 are 50 or more years of age and many have chronic health problems.

Although most of the respondents want to work, they face a number of barriers in seeking or maintaining unsubsidized employment. All respondents were asked about the barriers or problems they have encountered in seeking employment. Their responses are summarized in Table 2 and show that the lack of job skills is most frequently cited as a major obstacle to employment. Nearly half (48.2 percent) feel that their lack of job skills has prevented them from working, while over 40 percent say that their limited ability to speak, read or write English has been an obstacle to employment. In addition, approximately one out of four (24.1 percent) cite child care problems, over 15 percent cite poor health, five percent mention transportation problems, and nearly 10 percent give "other" reasons such as age or having to care for a sick child.

Table 2
Perceived Barriers to Employment

<i>Have any of these problems prevented you from working?</i>	<i>Count</i>	<i>Percent</i>
Lack of job skills	66	48.2%
Language barriers	55	40.1%
Child care problems	37	24.1%
Poor health/Disability	21	15.3%
Transportation problems	7	5.1%
Other (age, sick child, etc.)	13	9.5%

1) Lack of Job Skills

The greatest barrier facing these Hmong W-2 participants is their lack of marketable job skills.

The vast majority of Hmong respondents possess few marketable job skills and have very limited work experience. To assess their level of skill preparation, the respondents were presented with the W-2 policy manual's listing of job skills for which training is allowable and asked, "Do you have any of the following skills?" ⁷

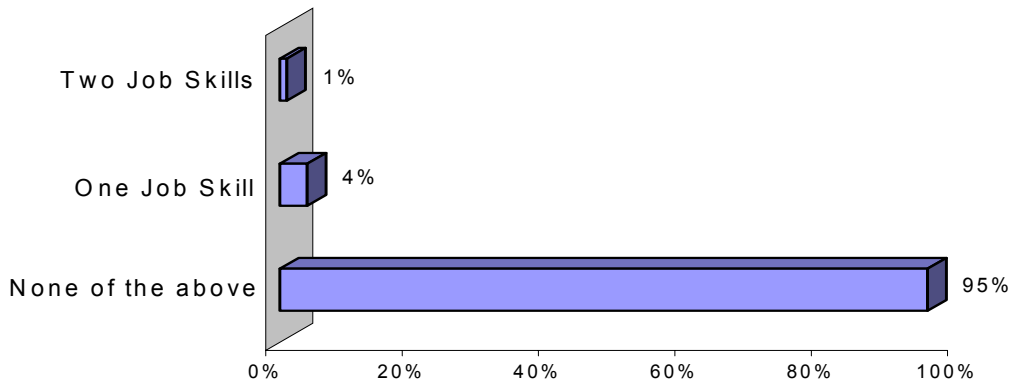
As Chart 2 reveals, approximately 95 percent of respondents indicated that they did not have skills in any of these employment areas:

- Basic welding
- Food preparation
- Child care
- Keyboard/data entry
- Electronic assembly
- Utility Installation
- Certified nursing assistants
- Press production
- Office software
- Entrepreneurial/small business
- Hospitality training

Only six respondents indicated that they had skills in one of these employment categories, and two stated that they had skills in two of these job areas. The only job skill that a substantial number (13) of respondents reported having was "packing/light assembly," a job category that is not included in the W-2 listing presumably because it does not require even minimal training.

Chart 2

Number of Listed Job Skills Reported by Hmong Respondents



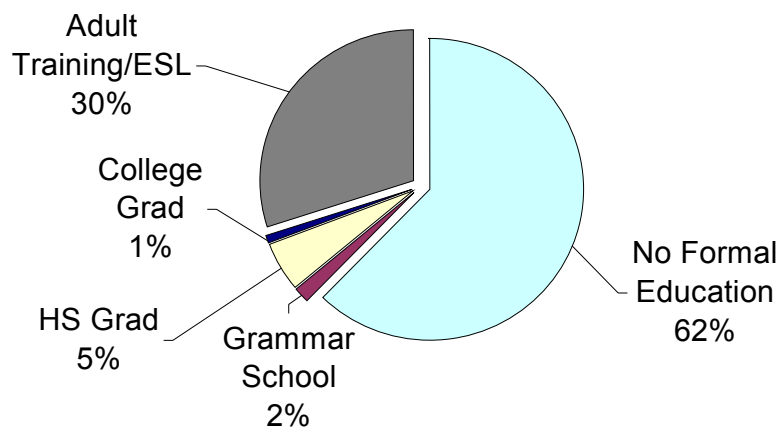
2) Lack of Basic Education and Literacy

The average education level of Hmong W-2 participants is too low to qualify for even entry level jobs. Literacy levels in both English and Hmong are also extremely low.

In addition to their lack of marketable job skills, these Hmong respondents also possess extremely low literacy levels and have a lack of formal education. The average education level of these W-2 participants is quite low, as Chart 3 demonstrates. More than 60 percent have no formal education, and an additional 30 percent have attended only adult education classes, including classes in English as a Second Language (ESL).

Chart 3

Education Levels of Hmong Respondents



As we might expect given the small number of respondents who have received formal schooling, literacy levels in both English and Hmong are also low. More than 90 percent read little or no English, and over 70 percent have little or no literacy in Hmong.

3) **Assistance Needed to Access Job Market**

Hmong families need a variety of assistance to overcome employment barriers – in particular, they desire technical training.

When Hmong respondents were asked what kinds of assistance they needed to prepare for work, over half (55.5 percent) indicated that they need either technical training, apprenticeships, or more education, while 20 percent say they need classes in English as a Second Language. Although a quarter of all respondents reported that child care problems have prevented them from working, a negligible number (2) feel that they need child care. Many clearly recognize that caring for their children limits their ability to work, yet they appear to be hesitant to place their children in available child care facilities. See Table 3.

Table 3

Assistance Needed to Prepare for Work

<i>What do you need to prepare you to work?</i>	<i>Count</i>	<i>Percent</i>
Technical Training	70	51.1%
English as a Second Language courses	28	20.4%
More time	17	12.4%
Apprenticeships	3	2.2%
More education	3	2.2%
Transportation	2	1.5%
Child care	2	1.5%

Summary of Barriers to Work

The survey documents important characteristics of the Hmong families participating in W-2 and the barriers they face in becoming self-sufficient through employment. These primarily middle-aged, non-English speaking refugees have large, two-parent families. The vast majority have no education, minimal literacy and none of the job skills for which training is needed and allowed under W-2. At the same time, the survey reveals that most of these aid recipients want to work, that they perceive their lack of skill training as a major obstacle to employment and that, more than anything else, they want additional technical training to prepare them for the job market.

These findings indicate that the W-2 program, if working effectively, would have ample opportunity to help prepare these families for unsubsidized employment. These Hmong respondents clearly need and desire skill training in the areas that the W-2 policy manual deems important. The W-2 program also allows for basic education (designed primarily to help participants complete a high school equivalency degree) and English as a Second Language courses – both of which would be highly beneficial to these Hmong aid respondents.

III. Experiences With the W-2 System

Overview

The survey data indicates that Hmong families face considerable difficulty making the transition from welfare to unsubsidized work due to language, education and skill gaps. For families enrolled in W-2 since its statewide implementation in September 1997, the two-year time-limit for participation in W-2's subsidized employment categories is nearing. The primary goal of this survey was to determine whether Hmong families have overcome employment-related barriers through W-2 and are prepared to compete in the labor market.

Under W-2, Hmong families receiving public assistance would have been placed in one of the rungs on W-2's "employment ladder" – unsubsidized work, trial jobs, community service jobs for a flat grant, or employment transitions, a form of sheltered workshop activity subsidized with a flat grant. The decisions about these job placements and any additional supports or training are made through individualized case management or employability plans. These plans are intended to identify obstacles to employment and develop a program plan to overcome these obstacles while taking into consideration any problems that may limit the participant's ability to work full-time. W-2 case managers, known as Financial and Employment Planners (FEPs), determine job readiness, place participants in one of the rungs on W-2's employment ladder and assign weekly activities.

This portion of the survey was designed to determine how effective the W-2 system has been at enabling these extremely challenged families to overcome skills and education deficits in order to achieve self-sufficiency.

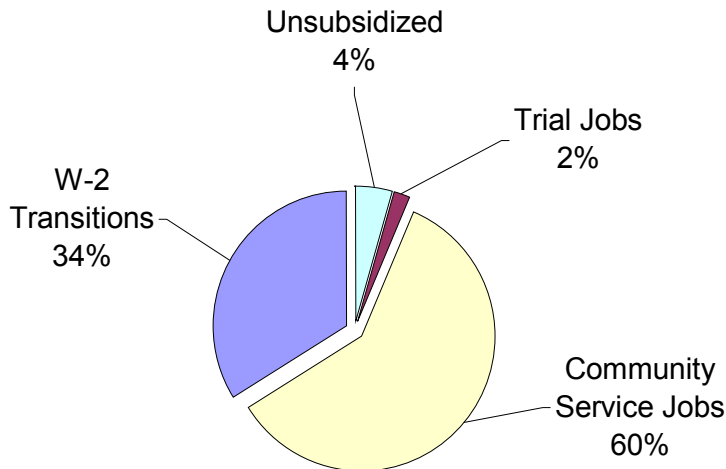
1) W-2 Placement Status

Nine out of ten Hmong participants were placed in subsidized jobs.

Approximately 85 percent of all survey respondents said they were enrolled in the W-2 program at the time of the survey. The remainder either had been enrolled in the program and left, had tried to enroll and had been refused placement, or were unable to answer. Furthermore, more than 90 percent reported that they were also former AFDC recipients.

More than 90 percent of Hmong W-2 participants were placed in either Community Service Jobs (CSJs) or in W-2 Transitions (See Chart 4). Ideally, in these categories, participants would be assigned a combination of work activities and employment preparation to help overcome specific skill, language and education barriers to work. Only five respondents were placed in the unsubsidized ("job ready") category, and two others were placed in Trial Jobs.

Chart 4
W-2 Placements of Hmong Respondents



2) Hmong W-2 Participant Job Activities

Two out of three were assigned to light assembly and cleaning activities involving no skill development.

All of the respondents placed in Community Service Jobs and W-2 Transitions were asked to describe their job activities. Many did not have a job placement assignment and were unable to respond. The work activities of those that did respond are detailed in Table 4, below. As the figures indicate, 40 percent of the job placements are classified as "light assembly" and consist of folding, sorting, and packing activities. In addition, more than a quarter (25.4) percent describe their W-2 work activity as "cleaning." Other W-2 work activities include food service and preparation, machine operator (usually sewing), caring for children or elderly, clerical work, and working as an educational assistant.

Table 4

W-2 Work Activities of Hmong Participants

<i>Work Category</i>	<i>Count</i>	<i>Percent</i>
Light Assembly (Sorting, Packing, Folding)	28	40.0%
Cleaning	18	25.7%
Food Service	9	12.9%
(Sewing) Machine Operator	7	10.0%
Child/Elder Care	3	4.3%
Clerical	2	2.9%
Teacher Aide	1	1.4%
Other	2	2.9%

The majority of these job placements provide little or no skill training. Other than the three respondents engaged in elder or child care placements and the nine who reported food preparation work assignments, none of these Hmong respondents were assigned work activities in the key skill areas targeted in the W-2 policy manual. Few of these W-2 placement activities provide the kind of skill training or experience that would enable these family heads to earn enough to lift their families out of poverty.

3) Training Activities

Less than 10 percent of Hmong W-2 participants were engaged in skills training or basic education classes.

Those in Community Service Job or Transitions placements often have other hours of assigned activity each week outside of their primary work activity. These additional 10-12 hours of activity are intended primarily to improve skills training and education levels. The survey found that additional activity hours are not being utilized to improve the job readiness of the Hmong participants. When asked, "What other activities do you do through your W-2 placement?" only 13 reported receiving training or taking classes as part of their W-2 assigned activities, and seven of these were taking ESL courses. These figures are quite low, considering that 20.4 percent of respondents indicated that they need ESL courses to prepare for work and 90 percent reported that they read little or no English. The majority of respondents were not involved in any additional activities designed to prepare them for unsubsidized employment or improve their education levels.

In short, even though W-2 explicitly states that training is allowable for a number of employment areas, neither the primary W-2 work assignments nor additional allowable W-2 activities are being used to provide Hmong families with the training or education needed for unsubsidized employment.

4) Communication Problems

Seventy percent of Hmong respondents were unable to communicate verbally with their W-2 caseworkers and ninety percent were unable to read written materials sent from the W-2 agency.

To ensure that a participant's employability plan accurately identifies and helps individuals overcome obstacles to employment (while taking into consideration any problems that may limit their ability to work full-time), a participant must be able to effectively communicate with her/his Financial Employment Planner (FEP). Because FEPs determine job readiness, place participants in one of the rungs on the W-2 "employment ladder" and assign work activities, the ability of participants to communicate and develop a rapport with their FEPs is of crucial importance to their success in the W-2 program.

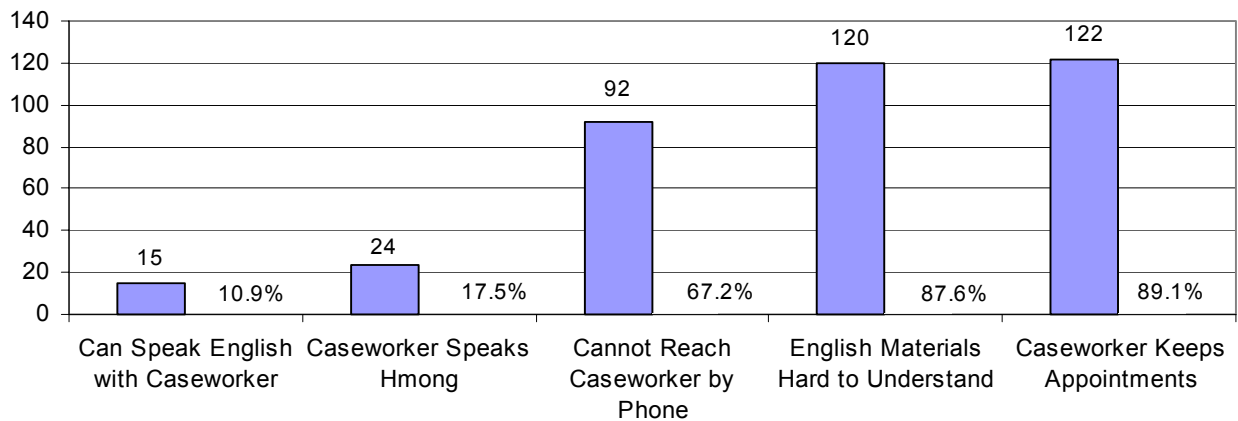
When questioned about the ability of respondents to communicate with their FEPs, most Hmong W-2 participants stated that they have considerable difficulty

communicating with their caseworkers (See Table 5). Fewer than one in five (17.5 percent) respondents were assigned a caseworker who speaks Hmong. An additional 10.9 percent indicated that they were able to communicate with their caseworker in English. This means that almost seven out of ten Hmong clients were unable to communicate verbally with their FEP.

An overwhelming majority (89.8 percent) of respondents also report that the materials they receive from the W-2 agency (presumably about their benefits and case information) are in English -- even though over 90 percent of respondents report that they read little or no English. Furthermore, fully 87.6 percent of respondents indicated that these W-2 materials are hard to understand and that they must rely on others to translate.

These language barriers are compounded by accessibility and communication problems. Two-thirds (67.2 percent) of respondents said that they are not able to reach their caseworkers by phone, although nearly all (89.1 percent) indicated that their caseworker does keep appointments. When asked what they think of the caseworker's job performance, only 38 percent gave positive assessments. Nearly a third described the caseworker's performance in negative terms, and the remainder either did not answer or were noncommittal.

Table 5
Communication Problems with W-2



Respondents often expressed frustration either over an inability to reach the caseworker or over what they perceived as an indifferent or uncaring response to

their situation.⁸ In either case, the difficulty of surmounting the language barrier is compounded by an evident lack of rapport between many Hmong participants and W-2 personnel.

IV. Impact of W-2 on Hmong Families

Overview

What has been the overall impact of W-2 on Hmong families? As noted earlier, approximately 85 percent of survey respondents were enrolled in the W-2 program at the time of the survey interview and more than 90 percent had been AFDC recipients. Most respondents were thus able to assess the impact of the programmatic change from AFDC to W-2 upon their lives.

One of the most dramatic changes that occurred during the transition from AFDC to W-2 was a reduction in benefit levels for those with larger families. Under AFDC, assistance levels increased incrementally with family size. Under W-2, the families of those placed in Community Service Jobs receive \$673 a month while the families of those in the W-2 Transitions receive \$628. There is no adjustment for family size. As Table 6 reveals, many, if not all, of these Hmong survey respondents would have received considerably greater income support under the former welfare program. As a result, median family income under W-2 is lower for these Hmong families than under AFDC.

Table 6

Monthly Benefits under AFDC and W-2 for Different Size Families⁹

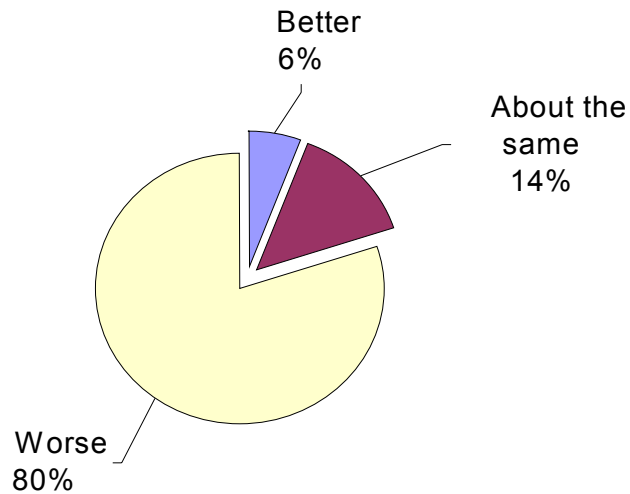
<i>Family Size</i>	<i>AFDC Benefit</i>	<i>W-2 Benefits</i>		<i>Poverty Standard (monthly income)</i>
		<i>Community Service Jobs</i>	<i>W-2 Transitions</i>	
1	\$249	\$673	\$628	\$707
2	\$440	\$673	\$628	\$914
3	\$517	\$673	\$628	\$1,093
4	\$617	\$673	\$628	\$1,378
5	\$709	\$673	\$628	\$1,621
6	\$766	\$673	\$628	\$1,815

1) Overall Impact of W-2

Four out of five Hmong respondents feel W-2 has made their family's life worse.

Chart 5 depicts the respondents' overall assessment of how W-2 has affected their lives. When asked whether their lives are "better," "about the same," or "worse" under W-2, 80 percent said that their life is worse while only six percent said that life is better.

Chart 5
Assessment of Overall Impact of W-2 on Respondent's Life



The survey then listed a number of both positive and negative possible changes that could have occurred in their lives as a result of W-2. Table 7 shows the number and percent agreeing with each of the possible changes. Most notably, more than three out of four respondents (75.9 percent) indicate that they have less income and more than half (51.8 percent) report having less food. Furthermore, almost one-quarter (24.8 percent) say that they have more stress, and 10 percent admit to more family problems. By contrast, fewer than five percent say they have more income, and approximately two percent indicate that they have more resources or that they have fewer problems since W-2 was inaugurated. None of the respondents agree that they have more training or more jobs under W-2.

Table 7

Specific Ways Life Changed with W-2

<i>How has life changed as a result of W-2?</i>	<i>Count</i>	<i>Percent</i>
Drop in income	104	75.9%
More stress	34	24.8%
Fewer problems	2	1.5%
Less food	71	51.8%
More kids home alone	3	2.2%
More training	0	0.0%
Increase in income	6	4.4%
More jobs	0	0.0%
Less time with kids	1	0.7%
More family problems	14	10.2%
More homelessness	0	0.0%
More resources	3	2.2%

2) Ability to meet basic needs

Hmong family expenses exceed monthly income and many Hmong respondents are not able to meet their basic subsistence needs.

Each respondent was asked about their family's monthly expenditures on housing, utilities, telephone, food, clothing, transportation, medical and child care. The median monthly expenditure on housing that they reported was \$355, the median expenditure for utilities (heat, electricity, and water) was \$182, and the median cash expenditure on food was \$200 (in addition to an average monthly food stamp allotment of \$316). These expenses alone exceed the maximum monthly W-2 benefit level of \$673.

Approximately one out of three Hmong families has run out of food in the last six months and 20 percent said that they had received food from a food pantry during the previous three months. The median amount of money spent on clothing was zero, and nine out of ten (89 percent) said that they did not have enough money to buy the clothing their family needs. Taken together, these findings indicate that many Hmong aid recipients have experienced significant financial hardship. This evidence of worsening hardship indicates that the rapid decline in the Hmong caseload is not explained by any improvement in their economic situation.

CONCLUSION

As the two-year time limit on participation in W-2 employment positions runs out for many participants, it is important to determine whether their W-2 experience has prepared them for unsubsidized employment. Obstacles to economic self-sufficiency loom large especially for Wisconsin's Hmong refugees. This survey of Hmong families enrolled in Wisconsin's welfare replacement program, Wisconsin Works (W-2), was conducted by a native Hmong speaker to determine Hmong family characteristics, document their experiences with the W-2 program and assess overall family well-being. The survey responses indicate that the Hmong community in the public assistance system has not benefited under W-2 and, in fact, is largely worse off.

The decline in the number of Hmong participating in W-2 has been more rapid than that of the W-2 caseload in general. There is no evidence, however, that these immigrant families have achieved economic self-sufficiency. This report documents the continuing obstacles to employment and self-sufficiency facing Hmong W-2 participants. Most Hmong aid recipients lack the job skills, educational attainment or language ability needed for employment and yet are receiving little or no skill training through the W-2 program. The majority of Hmong immigrants experience serious difficulty communicating with their W-2 caseworkers. Most Hmong families are experiencing serious financial hardship and many are facing looming time-limits which could end their receipt of monthly cash assistance.

Specifically, the report finds that:

- The typical Hmong respondent participating in W-2 is middle-aged and married. More than 50 percent have five or more children under the age of 18 and 63 percent have at least one child under the age of six.
- More than 90 percent of Hmong respondents read little or no English and over 70 percent have little or no literacy in Hmong. More than 60 percent have no formal education and an additional 30 percent have attended only adult education classes, including English as a Second Language (ESL).
- The primary barriers to employment for these Hmong W-2 participants are their lack of job skills (48 percent), language barriers (40 percent), childcare problems (24 percent) and health problems (15 percent).

- Nearly 95 percent do not have job skills in any of the employment areas for which W-2 can provide training. Yet only a handful of the respondents' W-2 job placements provide the experience or skills that might qualify them for employment in these targeted skill areas.
- More than half (55 percent) of respondents indicate that, to prepare for unsubsidized employment, they need technical training, apprenticeships, or more education; 20 percent say that they need ESL classes. Yet fewer than 10 percent report that they received any training or English language instruction through their W-2 assigned activities.
- Most Hmong aid recipients cannot communicate directly with their W-2 caseworker and fully 67 percent cannot reach their caseworker by phone. Furthermore, 87 percent of respondents have difficulty understanding the written materials they receive from W-2 agencies and must rely upon children, relatives, friends and others for translation.
- Fully 80 percent of respondents stated that their lives are worse under W-2, with three out of four saying they have less income and over half saying they have less food. One out of three respondents reported running out of food during the past six months, and 20 percent have obtained food from a food pantry during the previous three months.

In short, empirical data collected from Hmong families indicates that the W-2 program does not adequately address the needs of these vulnerable families. Many Hmong W-2 participants are fast approaching the end of their allowable time in W-2's subsidized employment categories and will soon be ineligible for cash assistance. The data from this survey reveals that the W-2 program is not meeting its stated goal of helping these marginally skilled workers make a successful transition to self-sufficiency and increased family stability.

RECOMMENDATIONS

The survey findings indicate that Wisconsin's Hmong families face considerable obstacles to achieving self-sufficiency. As W-2 agencies confront the reality that those remaining on W-2 are also those with the most severe barriers to employment, it is essential that policymakers carefully consider the needs of the Hmong population and make necessary programmatic adjustments. This study's findings highlight the need for changes in the way the W-2 program serves Hmong families.

1) All W-2 agencies must provide persons of Limited English Proficiency (LEP) with the language assistance they need to ensure effective communication.

This is more than a matter of sensible public policy; it is the law.¹⁰ The federal Office of Civil Rights (OCR) has determined that all agencies receiving federal financial assistance must take reasonable steps to provide services and information in languages other than English so that LEP persons are effectively informed about and able to participate in their programs.¹¹ The OCR has specifically determined that agencies may not require program beneficiaries to use friends or family members as interpreters – as many Hmong survey respondents indicate they do. All W-2 agencies should develop explicit policies and procedures to address this issue. Agencies have several options (ie. hiring bilingual staff or staff interpreters, utilizing volunteer community or staff interpreters, contracting with a local Hmong community group) to ensure that Hmong families are able to effectively communicate with their caseworkers and succeed in the W-2 program.

2) Evaluate the English proficiency of all immigrant aid and ensure that Hmong participants' W-2 activities include English language assistance. W-2's procedures for appraising the job readiness of applicants should specifically include an evaluation of the applicant's English proficiency and literacy. These assessments should be conducted consistently to ensure that Hmong families in need of language assistance receive help through their W-2 placement activities.

3) Expand education and technical training opportunities. To achieve W-2's primary goal of helping participants achieve self-sufficiency through work, the W-2 program must do more to provide skill training and educational opportunities for Hmong families. The W-2 policy manual identifies a number of employment areas for which training could be made available. Depending on local labor market demand, job training programs in these areas should be provided to all W-2 participants who are not judged to be job ready. Community Service Job and

Transitions placements must consist of more than low-skilled, make-work assignments if Hmong families are to overcome their significant skill and education deficits.

4) Extend the two-year time limit on W-2 employment placements. The current limits do not allow sufficient time for many participants to acquire the job and language skills they need to achieve self-sufficiency. These limits should be extended in recognition of the multiple barriers to employment facing Wisconsin's Hmong aid recipients.

5) Increase W-2 grant levels for larger families. Hmong aid recipients are not able to meet their basic subsistence needs. These families have experienced tremendous financial hardship during the transition from AFDC to W-2. W-2's flat grant structure keeps these families far below the poverty level.

In conclusion, it is important to emphasize that most Hmong aid recipients want to work and are anxious to acquire the skills and training they need to enter the job market. There is a great deal of evidence that this immigrant population will make the most of opportunities when they are offered. The failure to provide that opportunity may result in continued caseload decline, but it will not meet W-2's long-term goal of ensuring greater economic security and self-sufficiency for program participants.

H. Clothing

1. Do you have enough money to buy the clothing your family needs? 1 YES 0 NO
2. How much do you currently spend each month on clothing for your family? \$ _____

I. Medical

1. Do you have medical assistance or health insurance? 1 YES 0 NO

2. If **NO**, why not? _____

3. Does every child under 18 in your household have medical assistance or other health insurance?
1 YES 0 NO

4. How much cash do you spend each month on medical expenses? \$ _____

J. Child Care

1. Do you need childcare at times during the week? 1 YES 0 NO

2. If **YES**, how many times? _____

3. For what purpose do you need childcare?

1 Look for job 2 Go to work 3 Go to school 4 Other _____

4. Do you get childcare assistance? 1 YES 0 NO

5. How many children do you need childcare for? _____

K. Work History

1. Are you working now? 1 YES 0 NO

2. If **YES**, is this job part of W-2? 1 YES 0 NO
3. How many hours do you work per week? _____
4. What kind of work are you doing? _____
5. Where do you work? _____
6. What is your hourly wage? \$ _____
7. Check the benefits that you receive through your job.
1 Health insurance 2 Dental 3 Life
4 Pension/retirements 5 Paid leave benefits (sick time, vacation)
8. How long have you had this job? _____
9. Do you find this work satisfying or enjoyable? 1 YES 0 NO

10. If **NO**, have you worked outside the home in the last 2 years? 1 YES 0 NO
11. If YES, what kind of work did you do? _____
12. How long did you work? _____
13. If NO, why not? _____

14. Have any of the following problems prevented you from working?

1 Lack of job skills/experience 2 Language barrier 3 Transportation problems
4 Child care problems 5 Other

15. Do you have any of the following job skills? (Please check all that apply)
- | | | |
|---|--|--|
| 1 <input type="checkbox"/> Welding | 2 <input type="checkbox"/> Keyboard/Data entry | 3 <input type="checkbox"/> Nursing assistant |
| 4 <input type="checkbox"/> Utility installation | 5 <input type="checkbox"/> Office software | 6 <input type="checkbox"/> Food preparation |
| 7 <input type="checkbox"/> Assembly—electronic | 8 <input type="checkbox"/> Child care | 9 <input type="checkbox"/> Press production |
| 10 <input type="checkbox"/> Small business | 11 <input type="checkbox"/> Hospitality training | 12 <input type="checkbox"/> Packing/light assembly |
| 13 <input type="checkbox"/> None of the above | 14 <input type="checkbox"/> Other: _____ | |

16. What do you feel you need in order to prepare you to work?
- | | | | |
|--------------------------------------|---|---|---|
| 1 <input type="checkbox"/> ESL | 2 <input type="checkbox"/> Technical training | 3 <input type="checkbox"/> Apprenticeship | 4 <input type="checkbox"/> More education |
| 5 <input type="checkbox"/> More time | 6 <input type="checkbox"/> Child care | 7 <input type="checkbox"/> Transportation | 8 <input type="checkbox"/> Other _____ |

17. Do you want to work? 1 YES 0 NO

18. If YES , do you want to work? 1 <input type="checkbox"/> Full-time 2 <input type="checkbox"/> Part-time
--

19. If NO , why not? _____

20. Have you ever used a computer? 1 YES 0 NO

L. W-2 Status

1. Did you ever receive AFDC benefits? 1 YES 0 NO

2. If YES , for how long? _____
--

3. Are you a W-2 participant? 1 YES 0 NO 2 Never Participated 3 Don't know
4 Was on W-2 For how long? _____

5. If YES , what agency do you go to? 1 <input type="checkbox"/> Goodwill 2 <input type="checkbox"/> UMOS 3 <input type="checkbox"/> Maximus 4 <input type="checkbox"/> YW Works 5 <input type="checkbox"/> OIC 6 <input type="checkbox"/> Don't know 7 <input type="checkbox"/> Other: _____
6. What is your placement status? 1 <input type="checkbox"/> Trial Job 2 <input type="checkbox"/> Community Service Job (working for check) 3 <input type="checkbox"/> W-2 Transition (W-2 T) 4 <input type="checkbox"/> Unsubsidized (no cash benefit check) 5 <input type="checkbox"/> Don't know
7. If you are in an Unsubsidized Job or Job Ready, are you employed? 1 <input type="checkbox"/> YES 0 <input type="checkbox"/> NO
8. If YES, did you get your job through a W-2 agency? 1 <input type="checkbox"/> YES 0 <input type="checkbox"/> NO
9. Where do you work? _____
10. What is your job position? _____
11. How many hours per week do you work? _____
12. How much do you earn on your job? \$ per hour _____ \$ per month _____
13. If you are in <u>Community Service Job or Transitions placement</u> , where do you work? _____
14. What work activities do you do? _____
15. How many hours per week do you work? _____
16. What other activities do you do through your W-2 placement (GED, counseling, workshops, etc.)? _____
17. How many hours per week do you do these activities? _____

18. If **NO**, did you try to enroll in W-2 but were turned away?

1 YES 0 NO

19. If YES, what reason did they give? _____

19. Have you ever been sanctioned? 1 YES 0 NO

20. If YES, why? _____

21. Have your W-2 benefits (cash, Food Stamps, or Medical) ever been cut-off or reduced?

1 YES 0 NO

21. If YES, how much was cut or reduced? \$ _____

22. What reason were you given to why your W-2 benefits was cut or reduced? _____

M. Financial & Employment Planner (FEP)

1. Does your FEP (caseworker) speak Hmong? 1 YES 0 NO

2. If **NO**, how do you communicate with your FEP? _____

3. What language were the flyers or letters that you received from your FEP/W-2 agency?

1 English 2 Hmong 3 Both

4. If in English, were they hard to understand? 1 YES 0 NO

5. If YES, who helped you understand the flyers or letters? _____

6. Can you reach your worker by phone? 1 YES 0 NO

7. Does your worker return your messages? 1 YES 0 NO

8. Does your worker keep your appointments? 1 YES 0 NO

9. What do you think of the FEB's job performance and why? _____

N. Impact of W-2

1. In W-2, is your life...

1 better than before W-2; why? _____

2 about the same

3 worse; why? _____

2. How has your life changed because of W-2?

1 Drop in income

7 Increase in income

2 More stress

8 More jobs

3 Fewer problems

9 Less time with kids

4 Less food

10 More family problems

5 More home-alone kids

11 More homelessness

6 More training

12 More resources

3. What do you do to live on less income? _____

4. How has W-2 helped you? _____

5. What is your biggest barrier with W-2? _____

6. How can W-2 help or has W-2 helped you overcome that barrier ? _____

Endnotes

¹ In August 1996 Congress passed the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) that ended the entitlement of families in poverty to cash assistance. However, Wisconsin began implementing Wisconsin Works, or W-2, prior to the passage of PRWORA, and by September 1997, W-2 had replaced Aid to Families with Dependent Children (AFDC) in every county in the state.

² **W-2 Employment Ladder**

- 1) *Unsubsidized employment* for applicants considered to be "job ready." No cash grants are provided and participants receive only case management and access to support services (i.e., child care, transportation support, Food Stamps, medical assistance).
- 2) *Trial jobs* with firms that received six-month subsidies of up to \$300 a month to hire W-2 participants. Participants receive the minimum wage for each hour worked instead of a W-2 benefit check.
- 3) *Community Service Jobs* that provide participants with monthly grants of \$673 (a flat grant that does not vary with family size) for up to 30 hours a week of work-related activity and up to 10 hours of job preparation/training activities.
- 4) *W-2 Transitions* that provides monthly grants of \$628 (a flat grant that does not vary with family size) for 40 hours weekly of work-related activity, including up to 12 hours of job training or education.

³ Wisconsin Department of Workforce Development, Wisconsin Works Manual, Chapter 7, page 5.

⁴ Wisconsin Works Manual, Chapter 1, page 2.

⁵ The Wisconsin agency that administers the W-2 program, the Department of Workforce Development (DWD), classifies participants by race; DWD estimates reveal that the Hmong make up approximately 90 percent of the aid recipients categorized as Southeast Asian. In September 1997 when W-2 officially replaced AFDC there were 1,327 Southeast Asian families among the statewide total of 31,336 cases, or 4.2 percent of the total caseload.

⁶ Estimates of the number of Asian aid recipients were obtained from the Office of Refugee Services, Wisconsin Department of Workforce Development.

⁷ W-2 does not allow participants to pursue long-term training or post-secondary education. However, W-2 does allow short-term (generally one-year or less) training as long as that training is linked to job openings in the local community.

⁸ Typical negative comments were "cannot reach them," "no respect given," "too demanding," and "rigid."

⁹ Source: Department of Workforce Development.

¹⁰ Title VI of the Civil Rights Act of 1964 prohibits any agency that directly or indirectly receives federal funding from excluding or limiting the participation of program beneficiaries on the basis of race, color, or national origin. Pursuant to Title VI, the U.S. Supreme Court ruled in *Lau v. Nichols* (1974) that such agencies must provide LEP persons with a meaningful opportunity to participate in public programs.

¹¹ Office of Civil Rights, "Title VI Prohibition Against National Origin Discrimination," Guidance Memorandum, January 29, 1998.

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