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Integrating Milwaukee County AFDC Recipients into the Local Labor Market

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**Integrating Milwaukee County AFDC Recipients
into the Local Labor Market**

by

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November 1995

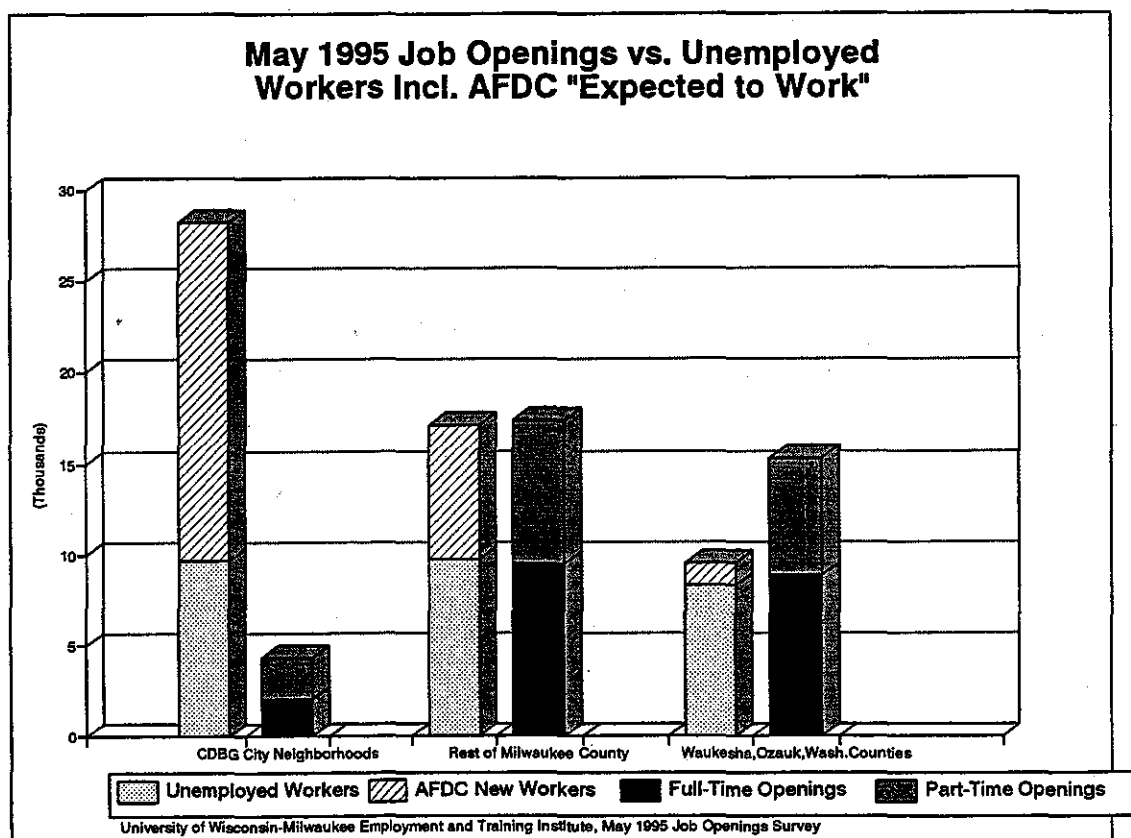
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Executive Summary

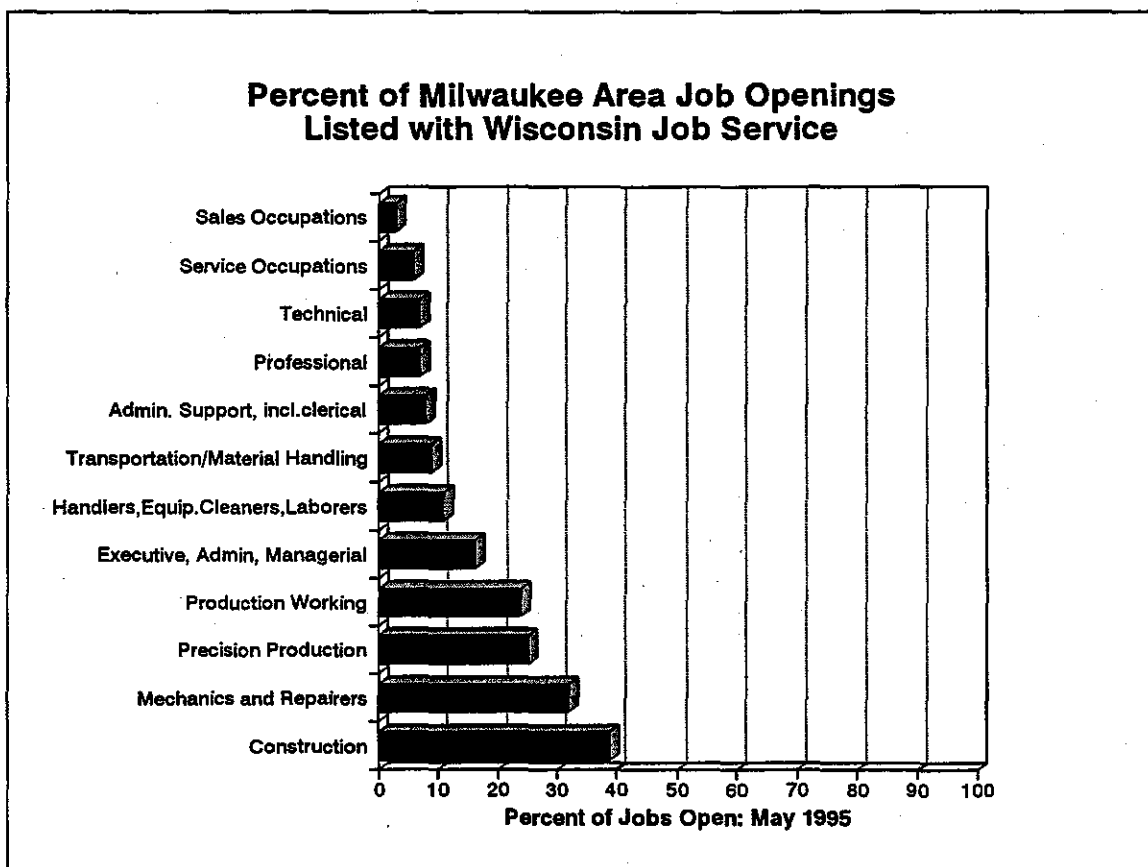
Welfare proposals to move thousands of additional Milwaukee County public assistance recipients into the labor force raise critical issues regarding the availability of jobs in the Milwaukee area and existing mechanisms for filling job openings. There is much speculation about the economic impact of the current welfare proposals. Will the expansion of the local labor force stimulate job creation, reduce the current labor shortage, contribute to a deterioration of wages in some occupations, or expand the pool of low-skilled low-wage workers? Will employers be willing to hire those labor force entrants who lack education, training, job experience or good work habits? If not, how many community service or trial jobs will be necessary to absorb and train the pool of workers unable to obtain unsubsidized employment? Additionally, some job seekers may face significant barriers to employment due to transportation and child care needs.

- Seventy percent of AFDC caseheads expected to work under the state's W-2 welfare proposal reside in central city Milwaukee neighborhoods. Employers reported a total of 2,018 full-time job openings in these areas in May 1995. Under the state's proposal, 18,580 AFDC caseheads from central city neighborhoods would be expected to find employment in addition to the 9,650 unemployed residents already actively seeking work. In the balance of Milwaukee County, employers reported 9,498 full-time openings. Currently an estimated 9,750 unemployed residents are actively seeking work and an additional 7,400 non-employed AFDC adults would be expected to enter the labor market under current welfare proposals.

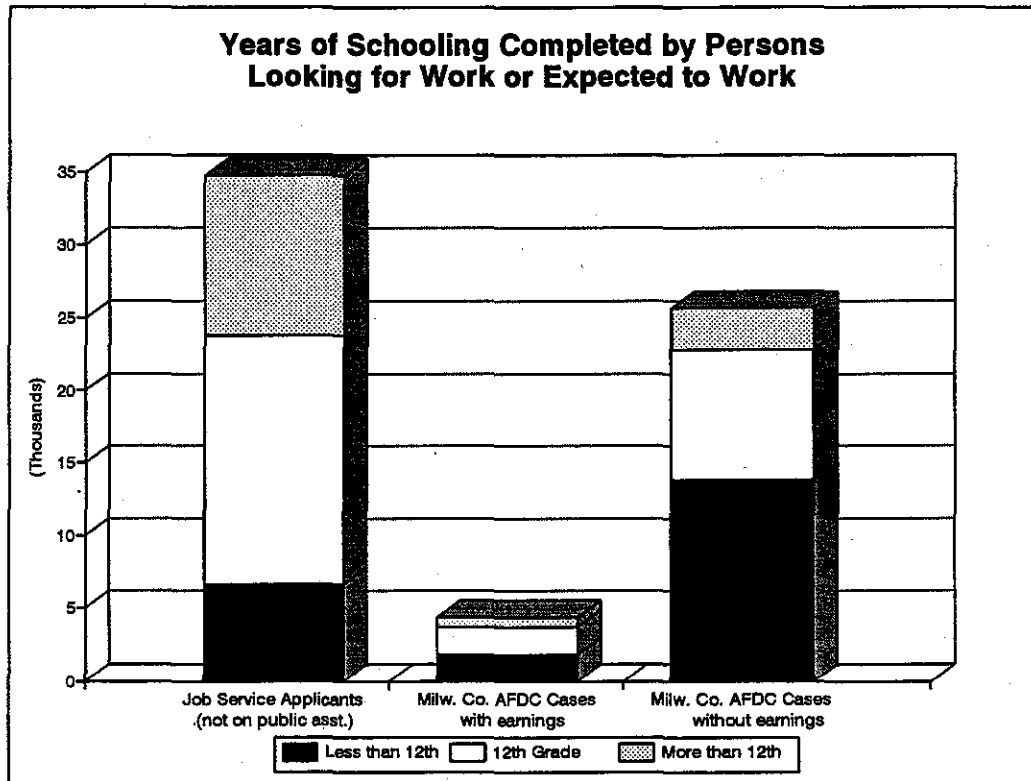
Without a dramatic expansion of jobs in the Milwaukee area, it is unrealistic to suggest that thousands of AFDC recipients from central city neighborhoods can find employment that provides family-supporting wages above the poverty level. For those adults who do find entry-level full or part-time employment, financial supports will likely still be required if families are to meet their children's basic needs while gaining employment experience.



- The majority of full-time job openings available in the Milwaukee metropolitan area require post-secondary education, technical training and/or occupation-specific experience. In May 1995 only 4,075 full-time jobs were available in Milwaukee County for persons with no experience and no post-secondary education. An analysis of the AFDC cases in Milwaukee County shows that over half (53%) of caseheads without reported earnings have not completed high school, a third have a high school degree only, and only 12 percent have post-secondary training.
- An additional 3,245 entry-level full-time jobs were available in Waukesha, Ozaukee and Washington counties in May 1995. However, without public transportation, changes in hiring patterns on the part of employers in the WOW counties, and access to job information networks, Milwaukee County AFDC recipients will by necessity concentrate their job search on Milwaukee County.
- While employers identified over half of their job openings as difficult to fill in May 1995, they listed only 12 percent of these openings with the state Job Service. As state welfare initiatives increase the numbers of AFDC clients required to participate in job search activities, Job Service may receive even less use by those employers who increasingly prefer job placement/temp agencies to screen out unskilled or less motivated job seekers. This lack of usage limits the effectiveness of the state-supported "one-stop" job centers for AFDC job seekers.



- In addition to AFDC recipients looking for work, Wisconsin Job Service reported over 34,000 persons not on public assistance who were registered as active job applicants in the four-county area in May 1995. Over 80 percent of these applicants have completed high school and about a third have one or more years of college.



- A total of 21,958 children under age five live in families on AFDC in the central city neighborhoods of Milwaukee. These neighborhoods now show 8,382 regulated family and group day care slots.
- Most jobs available for persons lacking technical training or occupation-specific experience are part-time rather than full-time. Milwaukee County employers reported 5,816 part-time entry-level jobs for persons with high school or less. These jobs could provide valuable work experience for new labor force entrants, but do not pay enough to support a family. They also present special child care challenges for parents since work hours may be variable and unpredictable.

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I. Changing Employment Patterns in the Milwaukee Area

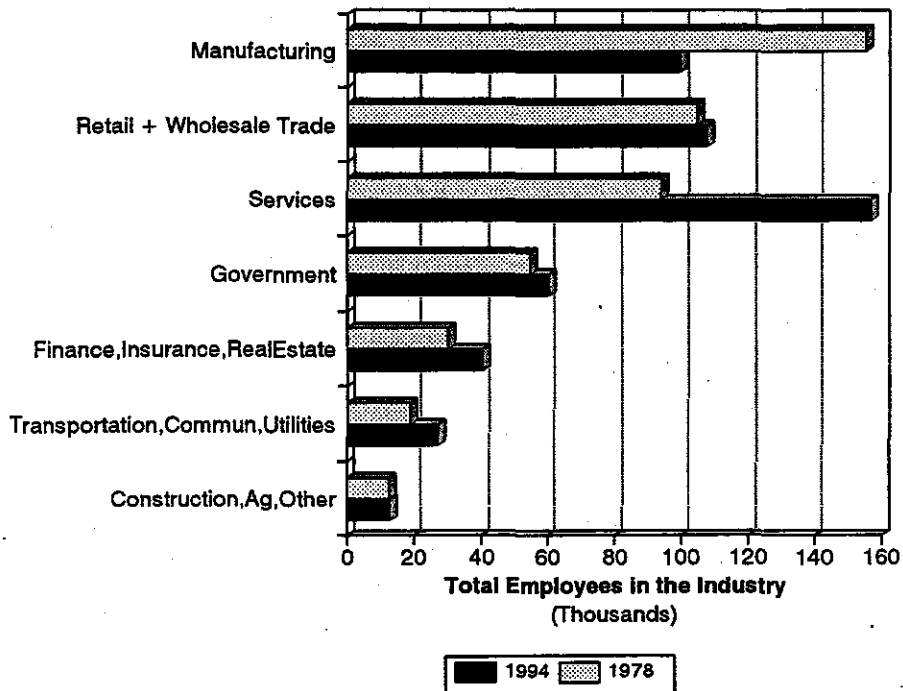
During the 1970s and 1980s the metro Milwaukee area experienced a restructuring of the local economy which hit City of Milwaukee residents the hardest and had serious consequences for men in particular. The number of city residents employed in better paying manufacturing jobs declined dramatically. Lesser skilled factory workers, laborers and operatives accounted for the largest share of jobs lost, with declines becoming increasingly worse over time. Skilled trades also showed a continued loss of jobs in the City of Milwaukee but at much more gradual rates than for lower paid, lower skilled employment for men. By 1990 U.S. Census data showed that the employment of less skilled factory workers, laborers and operatives had dropped to three-fourths of 1980 levels and 60 percent of 1970 levels for men living in the city. From 1970 to 1990 the number of Milwaukee County workers in manufacturing declined while the number of manufacturing workers residing in the Waukesha, Ozaukee and Washington (WOW) counties showed dramatic growth despite the recessions. For men, declines in the manufacturing sector were responsible for most of the job losses experienced by City of Milwaukee residents during these years as employment in other sectors remained fairly stable.

Establishment data from the Wisconsin Department of Industry, Labor and Human Relations was used to examine employment in companies located in the four-county metropolitan area. Trends from 1978 to 1994 show the shift in employment within Milwaukee County and the surrounding three-county area. The impact of the recession in the early 1980s was evident only for Milwaukee County companies which saw overall declines in employment and declines in the manufacturing sector in particular. Manufacturing employment in Milwaukee County suffered an initial five-year loss of 40,000 jobs by 1985. Continuing erosion throughout the last ten years resulted in a further decline of 20,000 jobs in this sector. The county showed higher overall employment numbers largely due to continued growth in the service sector as these lower paying jobs replaced manufacturing work in the county. The retail sector also showed substantial increases by 1990 from 1980 and 1985 levels but then experienced declines by 1994.

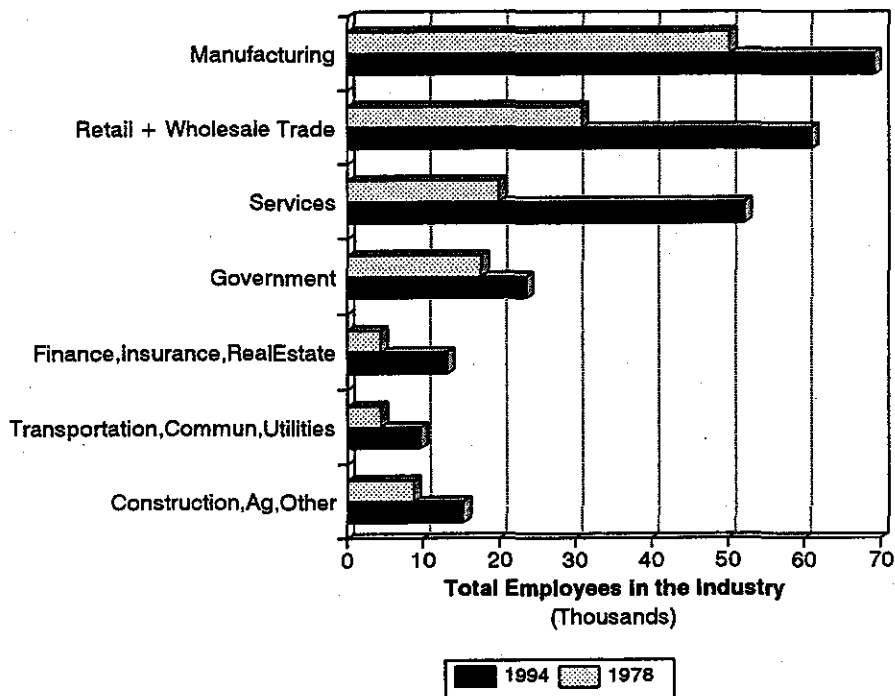
The surrounding three-county area showed a much different pattern of growth for the manufacturing sector. The dramatic declines in manufacturing employment which took place in Milwaukee County were not evident in the balance of the metropolitan area where manufacturing has continued to expand in each of the three counties. Continued expansion of employment has resulted in very low unemployment rates and increasing labor shortages since the labor force in the outlying areas has not expanded as fast as job growth.

The long-term impacts of the recession and subsequent recovery were very different for Milwaukee County than for the outlying counties. In Milwaukee County continued loss of durable manufacturing jobs took place throughout the 1980s and 1990s with the most severe declines occurring during the early 1980s recession. A net loss of 50,876 durable manufacturing jobs and 4,457 non-durable manufacturing jobs has occurred since 1978. During this same period the service sector increased steadily and posted a net gain of 62,726 jobs. The FIRE (finance, insurance and real estate) and TCU (transportation, communications and utilities) sectors also showed substantial net gains, although TCU has posted overall declines since 1990 as utilities experienced significant downsizing. By 1990 total employment levels of companies located in Milwaukee County had rebounded from the early 1980s recession, but by 1994 net losses again appeared in most sectors.

Number of Employees by Industries Milwaukee County: 1978 and 1994



Number of Employees by Industries Wauk/Ozauk/Wash. Counties: 1978, 1994



In the outlying counties of Waukesha, Washington and Ozaukee, employment expanded dramatically in all sectors. In sharp contrast to Milwaukee County these counties posted net gains of 8,161 jobs in durable manufacturing and 10,884 jobs in non-durable manufacturing. Jobs in the service sector jobs more than doubled with a 32,163 net gain, leading all industries. Jobs in retail trade and wholesale trade also showed dramatic increases with net gains of 19,204 and 11,072 jobs, respectively. The total number of employees listed as working in these counties almost doubled during the period 1978 through 1994, showing a net gain of 107,871.

The population growth in the outlying areas has not kept pace with the expansion of companies, contributing to a very tight labor market and increasing demand for new employees. The U.S. Census data showed that the number of employed adults residing in Waukesha, Ozaukee and Washington counties increased by 45,429, still much less than the net gain of jobs during the same period. Milwaukee County, meanwhile, experienced a net decline of 19,798 able-bodied adults ages 20-64 and a net decline of 11,041 employed adults.

Analysis of the U.S. Census PUMA (Public Use Microdata Area) 2203, which approximates the Community Development Block Grant area of the City of Milwaukee, allowed comparison of labor force trends for 1970-1990 for central city neighborhoods. Nowhere were job losses more dramatic than in the central city neighborhoods of Milwaukee where the number of men and women employed in the durable manufacturing sector fell to 40 percent of 1970 levels while employment in the non-durable sector fell to 54 percent of 1970 levels. In these neighborhoods, the percent of men employed full-time dropped dramatically as did labor force participation. For the population of men of prime working ages (25-54 years), labor force participation dropped from 95 percent in 1970 to 75 percent in 1990. The percent of central city men (ages 25-54) working full-time dropped from 82 percent to a low of 50 percent by 1990.

The loss of an estimated 13,000 manufacturing jobs was compounded by the fact that many of these jobs (20 percent) had been accessible by public transportation and were primarily good paying, unionized jobs for semi-skilled labor. Historically, central city men relied heavily upon the manufacturing sector as a source of better paying jobs with over half (53 percent) employed in this sector in 1970. However, by 1990 the manufacturing share of all jobs held by central city men fell to 30 percent. Women in central city neighborhoods also felt the loss of manufacturing jobs, with employment in manufacturing dropping from 30 percent to 15 percent of all employment in 1990.

Rising Disability and Retirement Rates

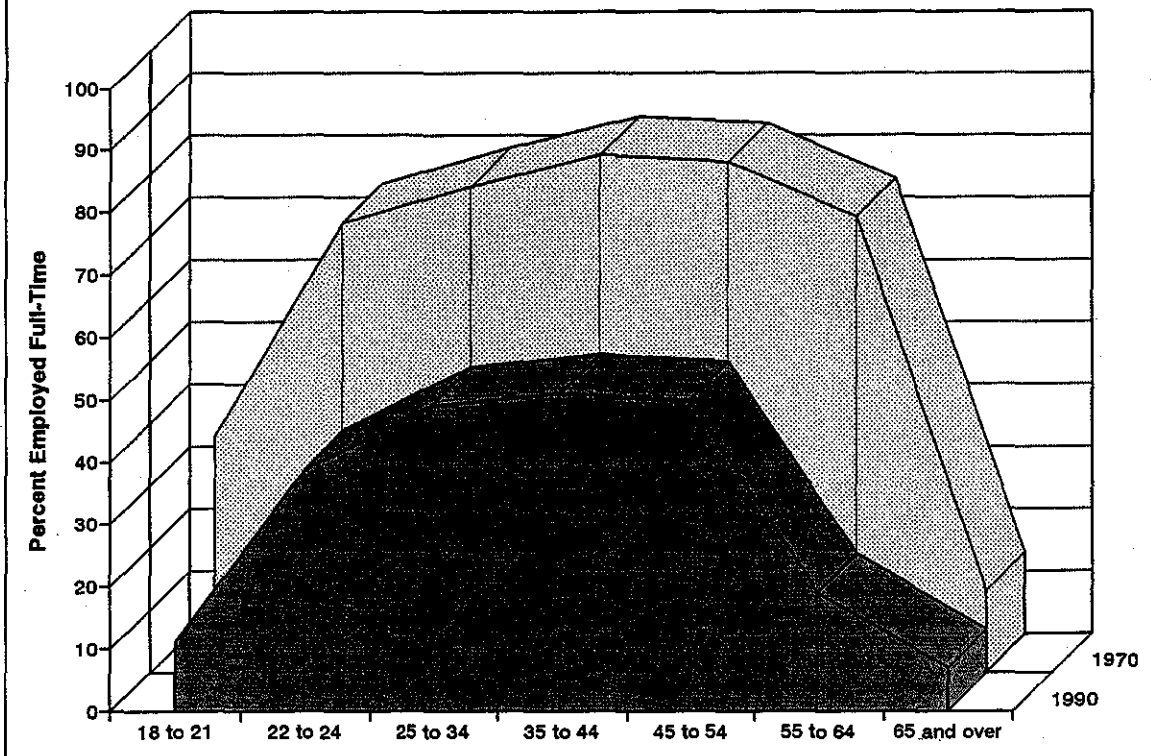
While the manufacturing losses for Milwaukee workers were partially offset with poorer paying jobs in other sectors such as retail and service sectors, the overall loss of better paying manufacturing jobs on male labor force participation was devastating. Manufacturing losses were likely responsible for a large portion of the male population in the central city leaving the labor force entirely as the recession of the early 1980s increased in severity. Public relief roles soared and increasing numbers of workers sought early retirement. As the federal Supplemental Security Income (SSI) and disability programs expanded their eligibility criteria and the county initiated outreach and recruitment efforts, increasing numbers of men and women enrolled in these programs. The incidence of reported disabilities in Milwaukee County rose by age for both men and women and was most severe in the central city. Over half of central city adults (ages 45-64) who were shown as not employed were listed as disabled according to the 1990 U.S. Census.

The impact of these changes was most striking for the 55-64 year-old population. By 1990 only 20 percent of central city men and 28 percent of central city women of this age group were employed full-time. In the central city of Milwaukee, 71 percent of men (ages 55-64) were not employed at all. Forty-three percent of older central city women were not employed at all in 1990.

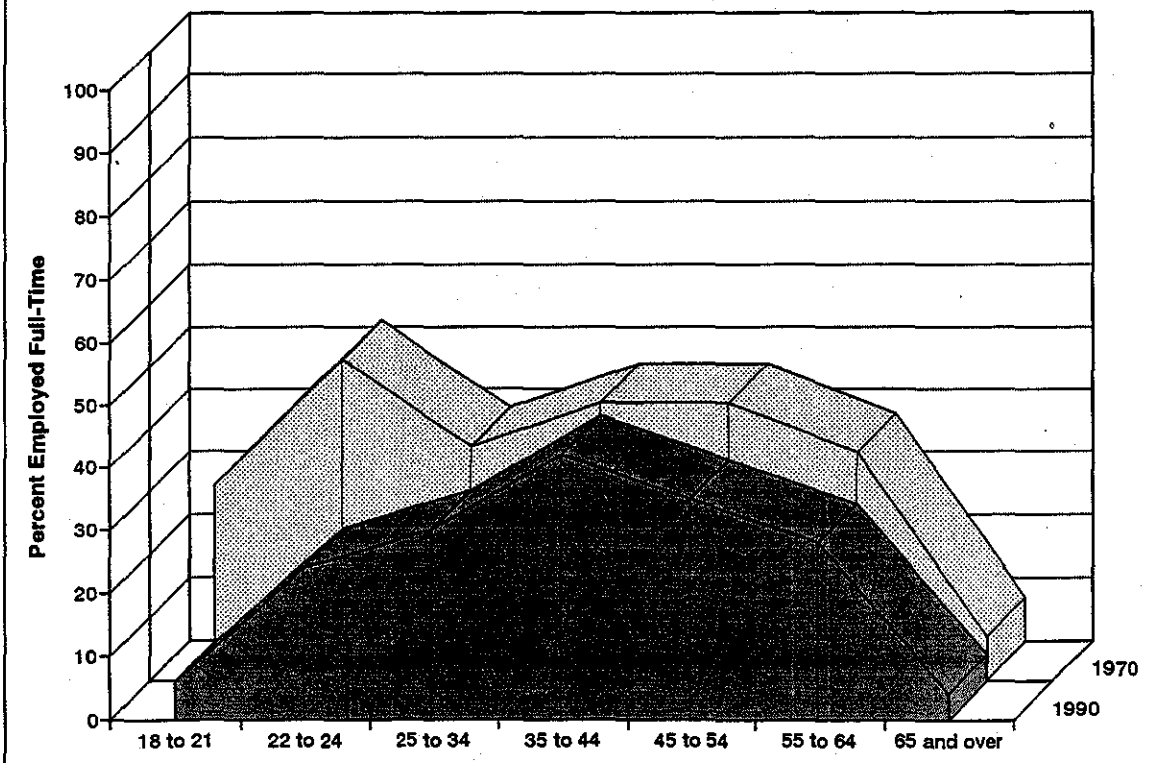
Early retirement and disabilities accounted for much of the population ages 45-54 and 55-64 who were not working. Countywide, 49 percent of middle aged men (ages 45-54) who were not working were disabled and 34 percent of older men (ages 55-64) who were not working were disabled. Central city men out of the labor force had a high proportion of reported disabilities, with 56 percent of 45-54 year-olds and 50 percent of 55-64 year-olds disabled of the population not working. For this same group, 61 percent had social security or retirement income for ages 55-64 and 32 percent for the 45-54 year-old group.

Countywide, women were less likely to be disabled as a condition of non-employment. Thirty-two percent of non-employed 45-54 year-olds were disabled and 24 percent of non-employed 55-64 year-olds were disabled. However, central city women were as likely as men to be disabled, with 54 percent of non-employed 45-54 year-olds reported as disabled and 47 percent of non-employed 55-64 year-olds reported as disabled.

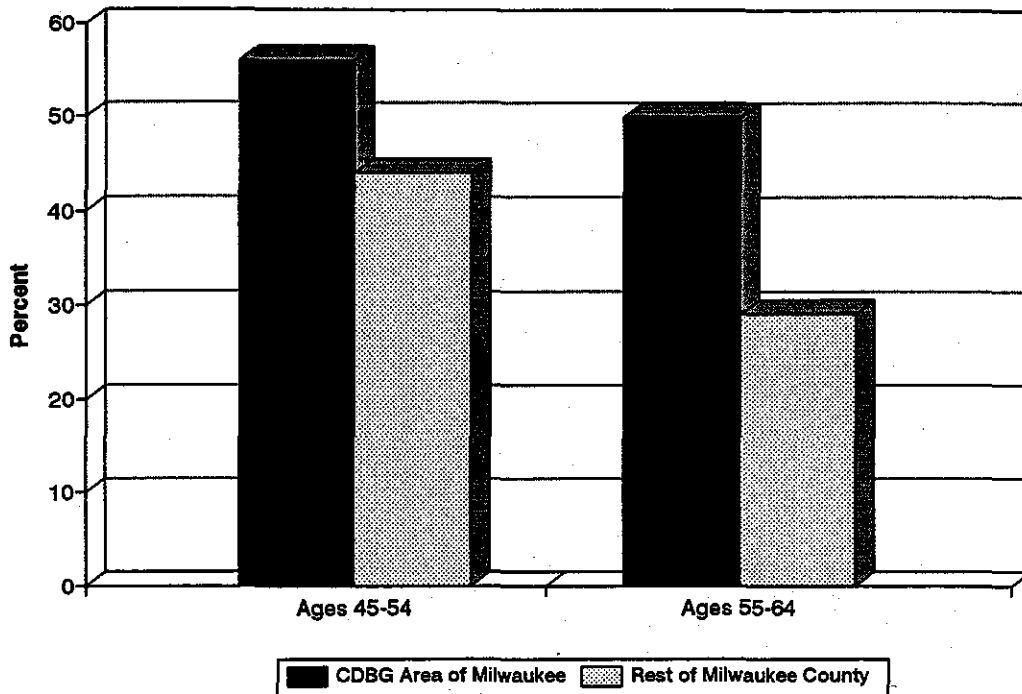
**Central City Milwaukee Men Employed
Full-Time: 1970 and 1990**



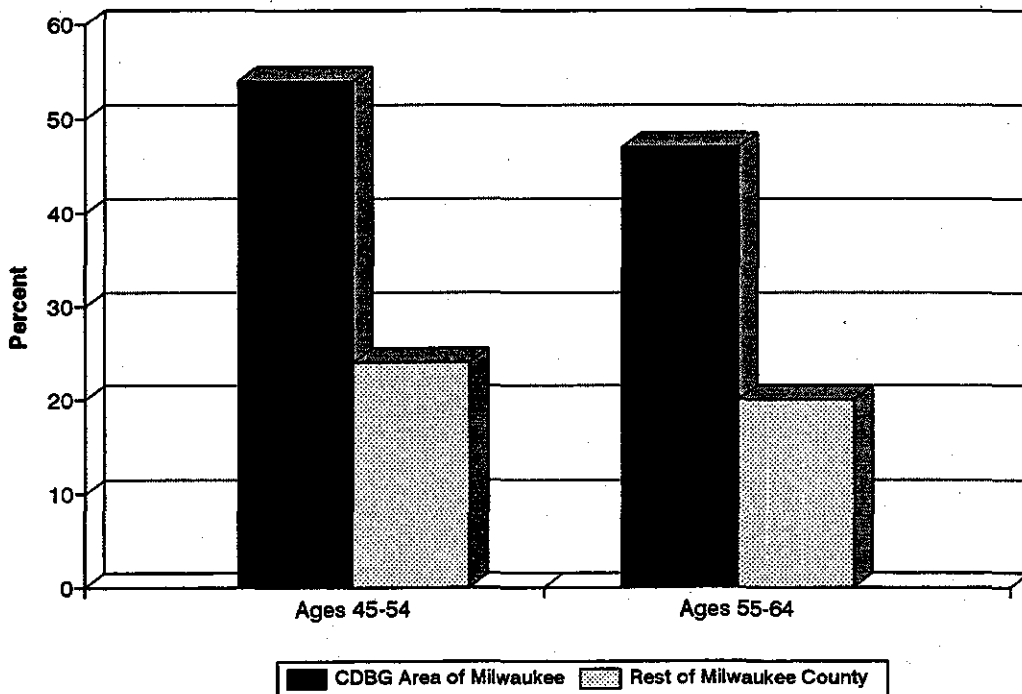
**Central City Milwaukee Women Employed
Full-Time: 1970 and 1990**



Percent of Non-Employed Men Who Are Disabled: 1990



Percent of Non-Employed Women Who Are Disabled: 1990



II. The Labor Market Context for Welfare Reform

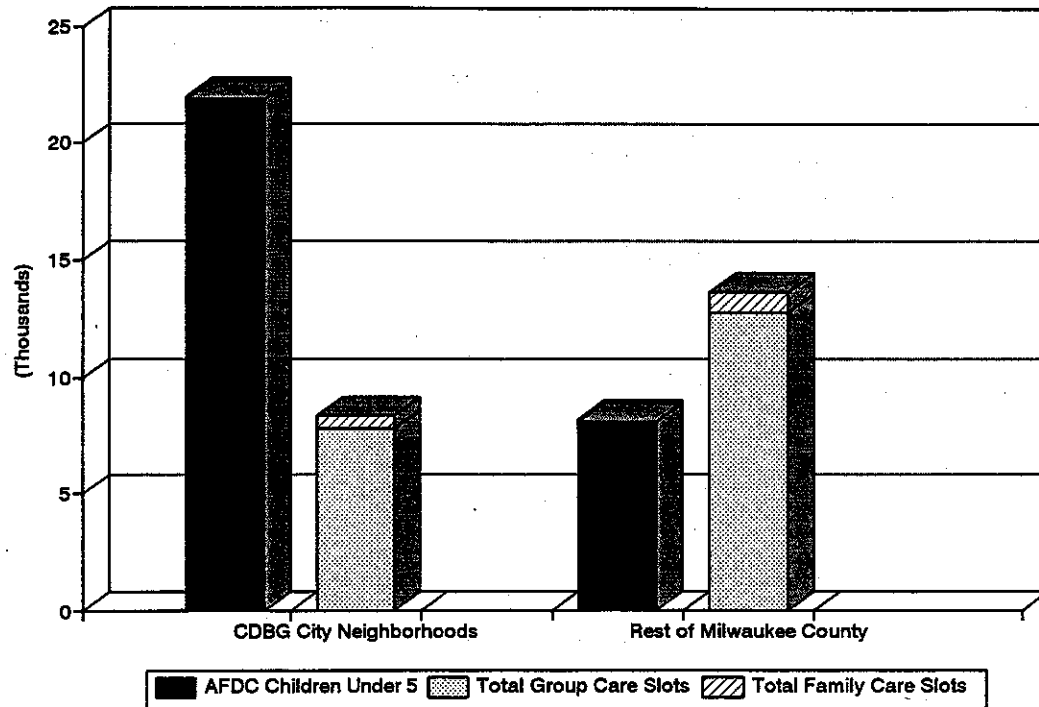
The effective labor market for the W-2 population is limited geographically to Milwaukee County employers rather than the larger four-county area. Despite the fact that many full and part-time jobs exist in Waukesha, Ozaukee and Washington counties, few women in the W-2 population are likely to secure employment in these areas. Census data for the Milwaukee County population of women ages 18-39 indicated that only 5 percent of Black and Hispanic women (and 11 percent of white women) found work outside the county. Availability of transportation is clearly a problem as only a third of parents on public aid report having a car in their household, according to census data. Even fewer active AFDC cases in Milwaukee County (13 percent) report cars in their household.

The effective labor market is further limited to lower paid entry-level positions due to the lack of education and labor market experience of much of the W-2 population. These positions are least likely to provide fringe benefits or to pay wages at levels necessary to sustain a family at levels above poverty.

For mothers with young children not currently expected to work, the effective labor market will be even further constrained by the availability of child care. An examination of the AFDC population in Milwaukee County suggests that over 35,000 children less than 6 years of age are on AFDC in a given month and that almost three-fourths of these parents reside in central city neighborhoods. Yet current licensed day care slots in these central city neighborhoods totaled 8,382 in May 1995.

Even if half of these slots were available, they would not come close to the potential demand caused by 21,958 children under 6 and on AFDC entering the W-2 initiative. Expansion of the day care pool through the use of unlicensed home child care providers is currently being proposed to absorb the number of children potentially in need of child care. Currently there are no estimates of the additional number of slots which would be required by W-2 or estimates of the new slots to be generated through unlicensed family providers. For those families able to secure child care arrangements, transportation to these child care providers, then to work, back to child care at the end of the work day, and then home creates a challenging schedule even for those owning a car.

Regulated Day Care Slots and Children Under 5 on AFDC in Milwaukee County



MILWAUKEE COUNTY AFDC ACTIVE CASES APRIL 1994
AFDC CHILDREN BY AGE BY ZIPCODE OF RESIDENCE

ZIPCODE OF RESIDENCE	AGE OF CHILDREN AS OF APRIL 1994 BY YEARS OF AGE						
	UNDER 1	1	2	3	4	5	ALL
53110	27	26	40	32	29	26	180
53129	4	3	7	2	2	3	21
53130	2	3	0	2	2	0	9
53132	10	10	10	5	6	7	48
53154	10	25	13	16	19	11	94
53172	27	39	38	31	33	31	199
53202	40	29	29	25	24	19	166
53203	0	2	2	0	2	2	8
53204	556	632	656	628	588	557	3617
53205	295	343	350	342	340	300	1970
53206	760	883	840	859	777	701	4820
53207	84	118	77	97	88	59	523
53208	643	742	757	753	631	604	4130
53209	474	548	491	457	483	415	2868
53210	427	517	509	495	489	441	2878
53211	17	15	13	11	8	16	80
53212	546	616	647	605	577	562	3553
53213	10	13	13	7	8	6	57
53214	60	72	53	72	75	61	393
53215	337	353	339	350	335	291	2005
53216	313	360	366	329	339	261	1968
53217	1	4	4	1	6	5	21
53218	324	368	364	355	366	314	2091
53219	37	35	34	35	26	30	197
53220	19	26	25	26	24	20	140
53221	47	56	57	52	45	41	298
53222	14	11	11	12	15	10	73
53223	65	72	72	57	64	60	390
53224	110	121	135	140	143	127	776
53225	104	137	125	123	133	110	732
53226	6	4	2	6	2	2	22
53227	31	35	22	33	29	25	175
53228	5	7	10	6	3	5	36
53233	129	140	135	136	125	105	770
53235	10	16	8	6	5	3	48
ALL	5549	6386	6261	6107	5844	5233	35380
CDBG AREA	3993	4603	4626	4502	4234	3847	25805
CDBG AREA %	72%	72%	74%	74%	72%	74%	73%
BALANCE OF COUNTY	1556	1783	1635	1605	1610	1386	9575

REGULATED DAY CARE SLOTS
MAY 1995

TYPE OF CARE				AFDC CHILDREN UNDER 5
	FAMILY	GROUP	ALL	
	32	376	408	154
	8	296	304	18
		222	222	9
	24	586	610	41
	24	286	310	83
	32	339	371	168
	16	262	278	147
		130	130	6
	8	1012	1020	3060
	16	682	698	1670
	112	653	765	4119
	64	191	255	464
	40	570	610	3526
	104	1570	1674	2453
	96	1088	1184	2437
	40	798	838	64
	72	1388	1460	2991
	48	688	736	51
	88	491	579	332
	40	984	1024	1714
	152	1048	1200	1707
	48	1411	1459	16
	104	713	817	1777
	48	528	576	167
	24	59	83	120
	40	510	550	257
	40	560	600	63
	32	464	496	330
	24	185	209	649
	32	136	168	622
	24	719	743	20
	24	551	575	150
	24	335	359	31
		498	498	665
	16	186	202	45
	1496	20583	22079	30147
	600	7782	8382	21958
	40%	38%	38%	73%
	896	12801	13697	8189

III. The Availability of Entry-level Jobs

The majority of full-time job openings available in the Milwaukee metropolitan area required post-secondary education, technical training and/or occupation-specific experience. An analysis of the AFDC cases in Milwaukee in April 1994 found, however, that half of caseheads had not completed high school and only 12 percent had post-secondary training.

Education of AFDC Caseheads in Milwaukee County: April 1994

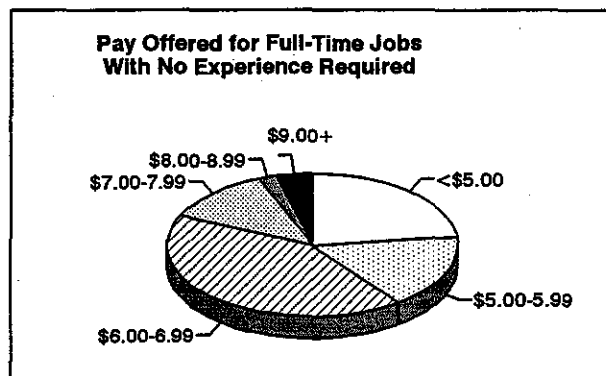
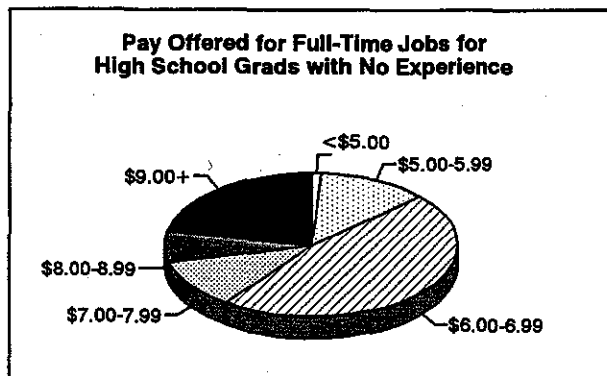
Education of Casehead	TOTAL Number	% of Respondents	Caseheads Without Reported Earned Income	
Less than 12th Grade	14,541	51%	12,846	53%
12th Grade	10,416	37%	8,553	35%
More than 12th Grade	3,410	12%	2,759	11%
Missing data	<u>2,081</u>	N/A	<u>1,823</u>	N/A
TOTAL	30,448		25,981	

There is a shortage of full and part-time jobs in the County of Milwaukee to meet the demand which will be created if the AFDC W-2 population were to move from welfare to work. Data from the May 1995 Job Opening Survey for Milwaukee County employers was used to estimate the demand for entry-level jobs in the county. Entry-level jobs are defined as either having no requirements or requiring high school completion only and no experience. Because the vast majority of the AFDC W-2 population not currently working has a high school diploma or less (88 percent), it can be assumed that the most likely unsubsidized placements will fall into these categories. While considerably more jobs are available in the WOW counties, it is unlikely that many recipients will travel to these outlying areas particularly for part-time openings.

Entry-Level Job Openings by Level of Education Required: May 1995
(Job Openings Requiring No Experience or Post-Secondary Education)

Job Site Location	FULL-TIME OPENINGS:		PART-TIME OPENINGS:		TOTAL OPENINGS:	
	H.S. Only	No Requirements	H.S. Only	No Requirements	Full-Time	Part-Time
Milwaukee County	1,659	2,416	1,649	4,142	4,075	5,816
WOW Counties	1,298	19 49	1,575	2,776	3,246	4,351

The majority of entry-level full-time jobs in the metro area are currently paying well above the minimum wage. Most (87 percent) jobs requiring high school but not experience are paying at or above \$6.00 per hour, while 60 percent of those full-time job openings having no requirements whatsoever paid at or above \$6.00 per hour.



Rate of Pay Offered for Entry-Level Job Openings: May 1995

Rate of Pay	FULL-TIME OPENINGS:		PART-TIME OPENINGS:	
	H.S. Only	No Requirements	H.S. Only	No Requirements
Below \$5.00	1%	23%	6%	36%
\$5.00 to \$5.99	12	17	39	42
\$6.00 to \$6.99	47	42	38	16
\$7.00 to \$7.99	11	12	11	3
\$8.00 to \$8.99	7	2	2	3
\$9.00 or above	<u>22</u>	<u>4</u>	<u>4</u>	<u>0</u>
Total Openings	100%	100%	100%	100%

For part-time openings however, most entry-level jobs in the metro area pay below the \$6.00 level. Seventy-eight percent of part-time job openings with no requirements pay below \$6.00 as do 45 percent of jobs requiring only a high school diploma and no experience.

The occupational areas for these entry-level openings are heavily concentrated with 77 percent of full-time and 79 percent part-time openings in Milwaukee County falling into 15 occupational areas. The highest demand for full-time entry-level jobs were for freight, stock and material handlers, food counter workers, and truck drivers which made up one-third of full-time entry-level openings in the county. Part-time openings in highest demand were for food counter workers and cashiers which made up 37 percent of entry-level part-time openings in the county.

Over 60 percent of full-time job openings in Milwaukee County required post-secondary education, technical training or experience, licensing, certification or a college degree. The remaining jobs open to persons with a high school degree or less and with no experience requirement are shown below.

**Estimated Full-Time Job Openings by Occupational Groups
Milwaukee County: May 1995**

Occupational Cluster	Total Openings	Entry-Level Jobs for High School Grads	Entry-Level Jobs with No Education Req.	Total Entry-Level Jobs With No Experience Req.	
				Number	%
Food Preparation and Service Occupations	1,621	139	788	927	57%
Health Service Occupations	243	39	21	60	25%
Cleaning and Building Services, Non-Household	131	20	46	66	50%
Other Service Occupations	271	35	38	73	27%
Sub-Total Service Occupations	(2,266)	(233)	(893)	(1,126)	50%
Sales Workers	966	210	303	512	53%
Sales Representatives	512	12	--	12	2%
Sub-Total Sales Occupations	(1,478)	(222)	(303)	(524)	35%
Laborers	1,039	81	706	787	76%
Transportation/Material Moving Occupations	872	489	101	590	68%
Handlers, Helpers, Cleaners	764	297	258	555	73%
Fabricators, Assemblers, Hand Work	158	40	80	120	76%
Machine Operators, Inspectors	240	19	20	39	16%
Sub-Total Operators, Fabricators, Laborers	(3,072)	(926)	(1,165)	(2,091)	68%
Secretaries, Stenographers, Typists	402	38	--	38	9%
Other Administrative Support Occupations	927	198	56	254	27%
Sub-Total Administrative Support	(1,329)	(236)	(56)	(292)	22%
Mechanics and Repairers	111	23	--	23	21%
Precision Production, Plant and Systems Oper.	129	13	--	13	10%
Technicians and Related Support Occupations	695	4	--	4	1%
Construction Trades	119	2	--	2	2%
Professional Specialty Occupations	670	--	--	--	0%
Executive, Admin., Managerial Occupations	505	--	--	--	0%
All OCCUPATIONS	10,372	1,659	2,416	4,075	39%

*Columns may not total due to weighting used to estimate openings in each occupation and by level of education and experience required.

Individual job titles are shown below for the top 25 occupations with job openings available for entry-level workers in Milwaukee County in May 1995.

MILWAUKEE COUNTY JOB OPENINGS FOR ENTRY LEVEL
MAY 1995
TOP TWENTY-FIVE POSITIONS

OCCUPATIONS	PART TIME MILWAUKEE COUNTY			FULL TIME MILWAUKEE COUNTY			ALL
	HIGH SCHOOL	NO	TOTAL	HIGH SCHOOL	NO	TOTAL	
	NO EXPERIENCE	REQUIREMENTS	PART TIME	NO EXPERIENCE	REQUIREMENTS	FULL TIME	
Food counter, fountain and related occupations		1528	1528		459	459	1987
Cashiers	90	545	635	78	52	129	764
Production inspectors, checkers, and examiners	420		420	3		3	423
Miscellaneous food preparation occupations		345	345		153	153	498
Sales workers, apparel	147	155	302	100	67	167	469
Janitors and cleaners	19	192	211	15	40	55	266
Sales workers, other commodities	45	132	178	0	22	22	200
Sales support occupations, n.e.c.	58	105	163	12	103	115	278
Interviewers	160		160	0		0	160
Sales counter clerks	0	141	141	21	44	65	206
Hand packers and packagers	0	120	120	27	15	42	162
Bartenders	0	111	111	27	25	52	163
Receptionists	80	20	100	15	2	17	117
Cooks		66	90		45	45	135
Waiters and waitresses	0	90	90	40	4	44	134
Health aides, except nursing	18	66	85	29	21	50	135
General office clerks	2	81	84	0	0	0	84
Laborers, exc. Const. - all other industries	18	65	82	18	182	200	282
Sales workers, furniture and home furnishings	74		74	0		0	74
Guards and police, except public service	40	24	64	36	4	40	104
Kitchen workers, food preparation	39	26	64	41	2	43	107
Stock and inventory clerks	30	31	61	30	45	75	136
Supervisors, food preparation and service occupations	0	60	60	30	60	91	151
Vehicle washers and equipment cleaners		54	54		27	27	81
Freight, stock, and material handlers, n.e.c.	0	35	35	259	216	475	510

Without innovative new transportation programs, changes in hiring patterns on the part of employers in the WOW counties, and access to job information networks for suburban and exurban areas, Milwaukee County AFDC recipients will by necessity concentrate their job search on Milwaukee County. An estimated 3,246 full-time entry-level jobs were available in Waukesha, Ozaukee and Washington counties in May 1995, including 1,949 openings with no education or experience requirements and 1,298 jobs open for high school graduates with no occupation-specific experience. Significant numbers of jobs were available in sales, food preparation and service, and health service, as well as some openings for assemblers, machine operators, transportation workers and material movers, and laborers.

**Estimated Full-Time Job Openings by Occupational Groups
Waukesha, Ozaukee and Washington Counties: May 1995**

Occupational Cluster	Total Openings	Entry-Level Jobs for High School Grads	Entry-Level Jobs with No Education Req.	Total Entry-Level Jobs With No Experience Req.	
				Number	%
Food Preparation and Service Occupations	1,148	118	679	797	69%
Health Service Occupations	153	18	--	18	12%
Cleaning and Building Services, Non-Household	110	19	71	90	82%
Other Service Occupations	176	--	27	27	15%
Sub-Total Service Occupations	(1,587)	(155)	(777)	(932)	59%
Sales Workers	1,118	570	358	928	83%
Sales Representatives	336	30	--	30	9%
Sub-Total Sales Occupations	(1,454)	(600)	(358)	(958)	66%
Laborers	375	237	69	306	82%
Fabricators, Assemblers, Hand Work	389	50	176	226	58%
Handlers, Helpers, Cleaners	544	43	178	221	41%
Transportation/Material Moving Occupations	352	21	88	109	31%
Machine Operators, Inspectors	1,070	41	134	175	16%
Sub-Total Operators, Fabricators, Laborers	(2,731)	(392)	(646)	(1,038)	38%
Secretaries, Stenographers, Typists	117	1	--	1	1%
Other Administrative Support Occupations	943	94	104	198	21%
Sub-Total Administrative Support	(1,060)	(95)	(104)	(199)	19%
Precision Production, Plant and Systems Oper.	393	--	46	46	12%
Mechanics and Repairers	238	26	--	26	11%
Technicians and Related Support Occupations	326	16	2	18	6%
Professional Specialty Occupations	343	--	15	15	4%
Construction Trades	166	12	--	12	7%
Executive, Admin., Managerial Occupations	193	--	--	--	0%
All OCCUPATIONS	8,528	1,296	1,949	3,245	38%

* Columns may not total due to weighting used to estimate openings in each occupation and by level of education and experience required.

IV. Availability of Total Jobs in the Milwaukee Metropolitan Area

This section analyzes the job gap between the numbers of workers expected to find employment and job openings reported by Milwaukee area employers, using the semi-annual employer surveys conducted by the University of Wisconsin-Milwaukee Employment and Training Institute and Social Science Research Facility. In May 1995 the survey showed employers in the four-county area seeking an estimated 20,543 full-time workers and 16,731 part-time employees. That month, the Bureau of Labor Statistics estimated that 27,700 workers were unemployed and actively seeking jobs. Additionally, 25,981 AFDC caseheads¹ would be expected to find employment under the W-2 proposal (excluding caseheads on SSI or caring for non-legally related children). Even if the skills of job seekers matched perfectly with the requirements for job openings established by employers, the gap between job seekers and available full-time openings would exceed 33,000 jobs. If AFDC recipients were allowed to find part-time employment (with subsidies adequate to support their families) the minimum job gap (again, assuming that job seekers showed a perfect skills match with employer needs) would lessen to 16,400 jobs needed.

The table and graph below show the jobs picture for the City of Milwaukee Community Development Block Grant (CDBG) central city neighborhoods, the remainder of Milwaukee County and the WOW (Waukesha, Ozaukee and Washington) counties. As shown, AFDC job seekers in the CDBG areas of Milwaukee would confront an estimated shortage of over 26,000 full-time jobs in their neighborhoods.

Job Gap Between Persons Expected to Work and Available Jobs in the Metro Area: May 1995

Location	Full-Time Openings	Part-Time Openings	Unemployed Workers Seeking Jobs	Non-Employed AFDC Adults Expected to Work**	Minimum Shortage of Full-Time Jobs	Minimum Shortage of Total Jobs***
CDBG Neighborhoods	2,018	2,330	9,650	18,580	26,212	23,882
Rest of Milwaukee County	9,498	7,894	9,750	7,401	7,653	(241)
Waukesha, Ozaukee, and Washington Counties	8,884	6,462	8,300	1,297	713	(5,749)
TOTAL*	20,543	16,731	27,700	25,981	33,138	16,407

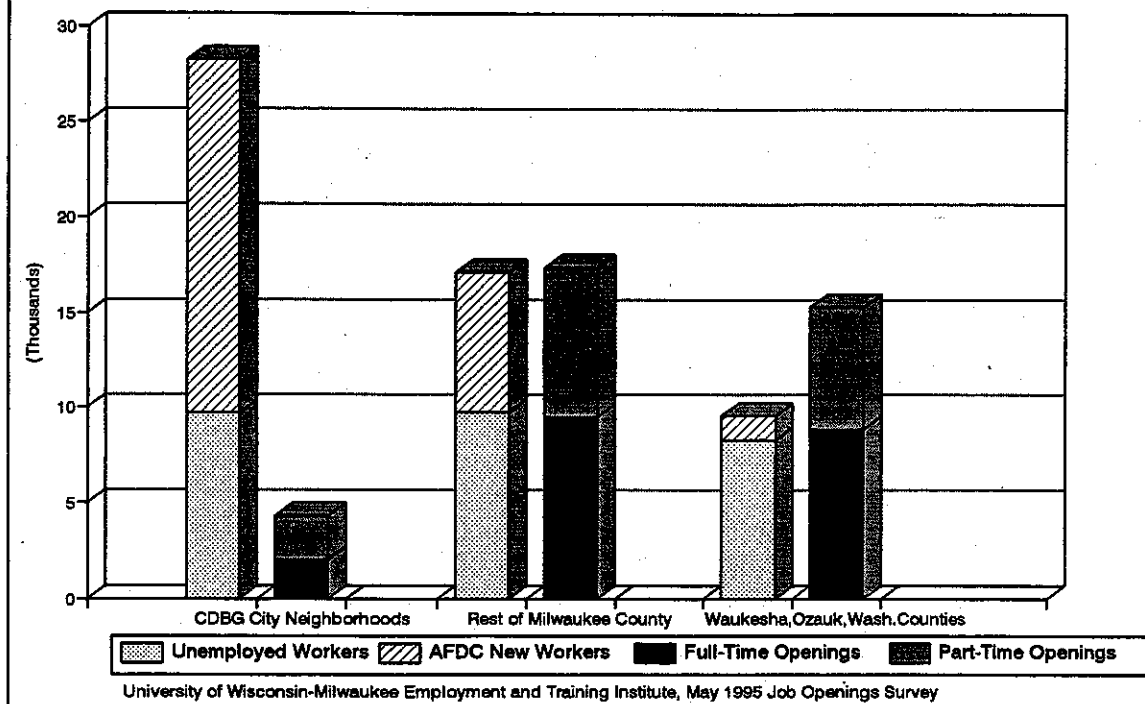
* Job openings totals include metro Milwaukee area jobs without site locations.

** Includes those AFDC recipients with no reported earnings who would be expected to enter the labor force under W-2-type proposals. In Milwaukee County, caseheads on SSI or NLRR are excluded. This information was not available in the data file used for the analysis of AFDC caseheads in WOW counties.

*** If AFDC caseheads were allowed to obtain part-time jobs (with income subsidies), the job gap would narrow to these numbers. Outside the CDBG neighborhoods, the total number of full- and part-time openings exceeds the number of unemployed workers and AFDC caseheads without earnings.

¹ Active AFDC cases expected to work in Milwaukee County and without reported earned income as of April 1995.

May 1995 Job Openings vs. Unemployed Workers Incl. AFDC "Expected to Work"



For the Milwaukee metropolitan area the availability of entry level jobs offering family sustaining wages and fringe benefits is very limited. For those jobs requiring high school but no experience, only 52 percent of full-time jobs could support a family of three at or above the poverty level. For those jobs having no requirements less than 23 percent offered wages above the poverty level with fringe benefits. Only rarely do part-time openings offer fringe benefits.

Percent of Full-Time Job Openings With Health Insurance and Family Wages Above Poverty Milwaukee Metro Area: May 1995

Percent of Jobs with Health Insurance + Wages Above Poverty for a Family of:	4-Year College BA/BS Degree	Certificate, AA, Licensing or Prior Experience	High School Only	No Requirements	All Openings
Two (wage > \$4.92/hour)	94%	83%	72%	59%	73%
Three (wage > \$6.16/hour)	92%	76%	52%	23%	57%
Four (wage > \$7.40/hour)	89%	58%	31%	7%	35%

V. Limitations of State Labor Exchange Mechanisms

A cornerstone of employment programs for welfare recipients and displaced workers under both the Clinton and Thompson Administrations is the state employment service, which offers a labor exchange clearinghouse for employers and job seekers. Recently, the state and federal governments increased funding for "one-stop" job centers in order to afford AFDC recipients greater access to available jobs. The centers are premised on the expectation that Job Service functions as the primary resource on job openings in metropolitan areas. To provide data on employer usage of Job Service, job openings reported in the May 22, 1995, survey of Milwaukee area employers were compared to job listings with Wisconsin Job Service offices for the month of May 1995.

For all types of work, jobs listed with Wisconsin Job Service fell far short of the number of openings reported available by employers. Job Service listings made up only 12 percent of total openings in the four-county area and only 8.5 percent of jobs available in Milwaukee County. As a result, the large pool of Milwaukee AFDC job seekers are far less likely to have ready access to employment opportunities.

Wisconsin Job Service Listings Compared to Estimated Job Openings: May 1995

	<u>Estimated Job Openings Reported in ETI Survey</u>	<u>Wisconsin Job Service Listings</u>	<u>% Listed with Job Service</u>
Milwaukee County	21,729	1,850	8.5%
Waukesha, Ozaukee, and Washington Counties	15,342	2,651	17.3%
SUM	37,274*	4,501	12.1%

*Includes 192 jobs in the four-county area for which employers did not provide a job site location.

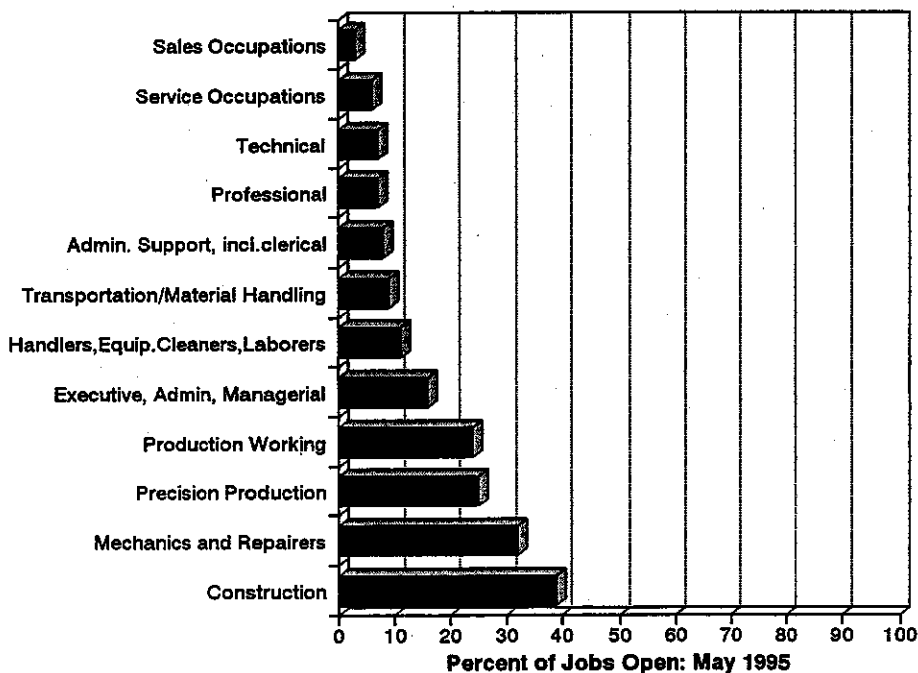
In May 1995, 32,869 Milwaukee County workers were listed as active job seekers with Wisconsin Job Service. That month employers in Milwaukee County posted 1,850 job listings with Job Service, while reporting an estimated 21,729 openings in the ETI/SSRF survey. Job Service showed much higher numbers of job applicants in Milwaukee County than in the three outlying counties. At the same time, state employment service job listings for Milwaukee County were below those of the WOW (Waukesha, Ozaukee and Washington counties) area.

The largest numbers of jobs for persons lacking occupation-specific training or education beyond high school were in service and sales. However, only 3 percent of sales jobs and 6 percent of service job openings (900 of the estimated 18,311 sales and service openings) were registered with Job Service.

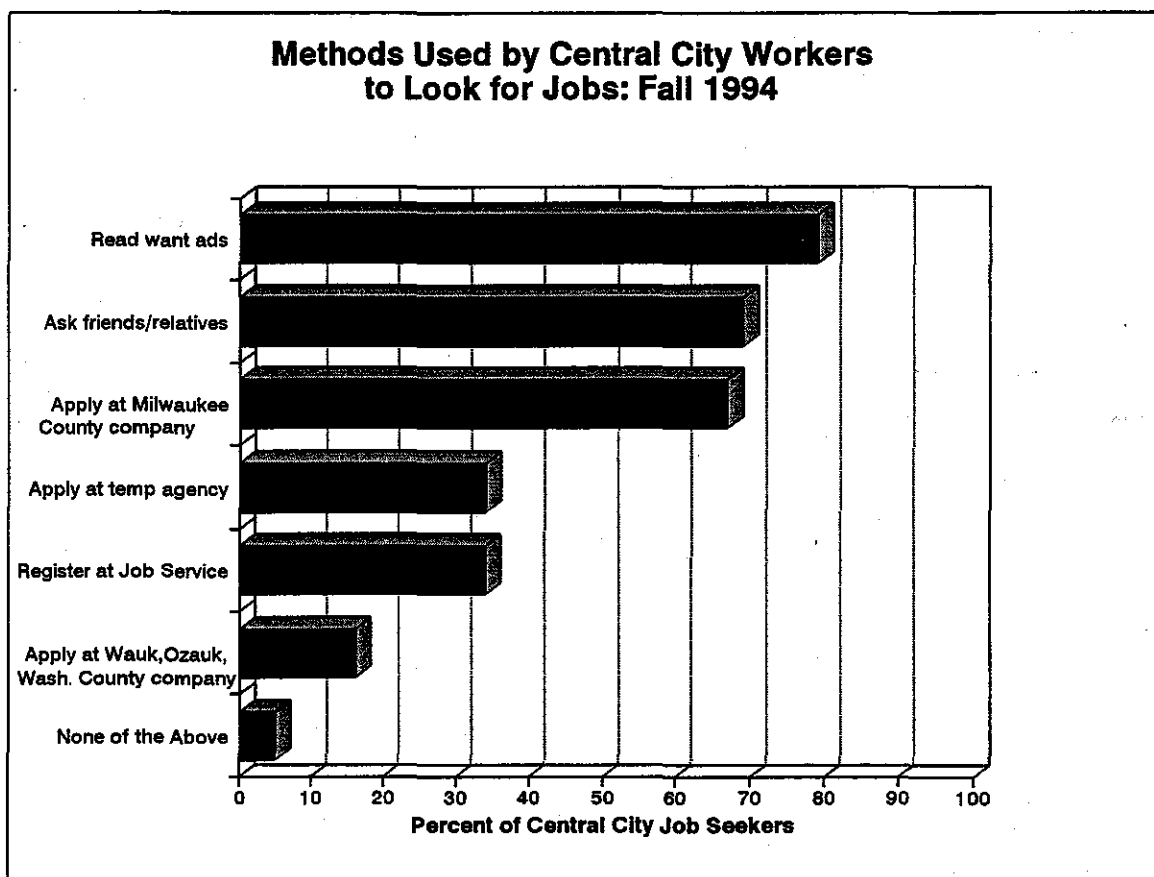
**Job Service Listings for Month of May 1995 Compared to May 22, 1995
Openings Reported in ETI/SSRF Survey of Employers in Four-County Area**

<u>Occupational Cluster</u>	<u>Job Service Listings</u>	<u>Estimated Job Openings Reported by Employers in ETI/SSRF Survey</u>	<u>% of Openings Listed with Job Service</u>
Service Occupations	657	11,002	6%
Sales Occupations	243	7,309	3%
Administrative Support (including clerical)	405	4,921	8%
Handlers, Equipment Cleaners & Laborers	405	3,837	11%
Production Working	627	2,573	24%
Transportation and Material Handling	167	1,925	9%
Professional	123	1,851	7%
Technical	109	1,586	7%
Executive, Administrative, Managerial	106	696	15%
Precision Production	143	568	25%
Mechanics & Repairers	149	459	32%
Construction	110	283	39%
Farming, Forestry and Fishing	58	61	95%
Unclassified	1,199	---	
TOTAL	4,501	37,071	12%

**Percent of Milwaukee Area Job Openings
Listed with Wisconsin Job Service**



Similarly, many job seekers are not using Job Service to identify available jobs. A survey of central city Milwaukee workers actively seeking jobs in Fall of 1994 found that only a third (34 percent) registered with Job Service. Job seekers most commonly relied on newspaper want ads (79 percent) or contacted friends and relatives about jobs (69 percent). Central city job seekers using temporary employment agencies (34 percent) were equal in number to those using Job Service, with young people more likely to use temp agencies than the state employment service.



VI. Non-AFDC Workers in Competition for Available Jobs

The Job Service active applicant files were examined to describe the characteristics of job seekers in the Milwaukee metropolitan area and to compare job openings with skills of workers seeking employment. Due to the conversion to a new state welfare computer system, most job seekers receiving AFDC are no longer included in the WIMS Job Service active computer file. As of May 31, 1995, a total of 32,554 Milwaukee County workers were listed with Job Service in search of a new or different job. Given the computer changes, only 1,522 of these workers were receiving AFDC. Consequently, this file gives an indication of the occupations of mostly non-AFDC clients who were looking for work through Job Service. These job applicants outnumbered listed jobs by 17 to 1 in Milwaukee County. Administrative support jobs showed a ratio of 31 applicants for every 1 job listed with Job Service and service occupations showed a 26 to 1 ratio of applicants to Job Service listings. Mechanics and repairers outnumbered available job listings by a ratio of 42 to 1.

**Milwaukee County Job Service Applicants and Job Listings for Month of May 1995
(Does Not Includes Most AFDC Clients Registered in a Separate Computer System)**

<u>Occupational Cluster</u>	<u>WISCONSIN JOB SERVICE:</u>			<u>Estimated Job Openings</u>		
	<u>Active Applicants</u>	<u>Job Listings</u>	<u>Ratio</u>	<u>Full-Time</u>	<u>Part-time</u>	<u>Total</u>
Executive, Admin. & Managerial	2,097	30	69:1	490	17	507
Professional	2,677	65	41:1	706	605	1,311
Technical	132	38	3.5:1	766	332	1,098
Sales Occupations	2,075	112	18.5:1	1,482	2,189	3,671
Admin. Support, incl. clerical	5,889	185	31:1	1,778	1,068	2,846
Service Occupations	5,742	219	26:1	2,743	4,344	7,087
Farming, Forestry & Fishing	313	22	14:1	--	27	27
Mechanics & Repairers	1,933	46	42:1	108	60	168
Construction	765	50	15:1	118	3	121
Precision Production	1,003	76	13:1	132	21	153
Production Working	2,806	185	15:1	405	534	939
Transportation & Mat. Handling	1,119	83	13.5:1	897	412	1,309
Handlers, Equipment Cleaners & Laborers	3,012	168	18:1	1,881	611	2,492
Unclassified	2,991	571	5:1	---	---	---
TOTAL	32,554	1,850	17.6:1	11,506	10,223	21,729

Job Service offices in the WOW counties showed fewer active applicants and more job listings. Administrative support jobs (which showed a ratio of 31 applicants for each job listing in Milwaukee County) had a ratio of 5 applicants for every 1 job listed with Job Service in WOW counties. The ratio for WOW service workers was only 1.3 applicants for each job listing (compared to 26 applicants for each job listing in Milwaukee County). Listed WOW jobs for technicians, service workers, and production workers were very near to the number of job applicants listed for these fields. Overall, WOW counties showed a ratio of 2.7 active applicants for every 1 job listed with Job Service, compared to a ratio of 17.6 job applicants for every 1 job listed in Milwaukee County.

**Waukesha, Ozaukee and Washington Counties
Job Service Applicants and Job Listings for Month of May 1995**

<u>Occupational Cluster</u>	WISCONSIN JOB SERVICE:			Estimated Job Openings Reported in ETI/SSRF Survey:		
	<u>Active Applicants</u>	<u>Job Listings</u>	<u>Ratio</u>	<u>Full-Time</u>	<u>Part-time</u>	<u>Total</u>
Executive, Administrative & Managerial	849	76	11:1	188	1	189
Professional	740	58	12:1	344	196	540
Technical	54	71	1:1	393	95	488
Sales Occupations	492	131	3:1	1,484	2,154	3,638
Administrative Support including clerical)	1,118	220	5:1	1,182	893	2,075
Service Occupations	558	438	1.3:1	1,592	2,323	3,915
Farming, Forestry & Fishing	138	36	3:1	34	--	34
Mechanics & Repairers	568	103	5.5:1	240	51	291
Construction	211	60	3.5:1	162	---	162
Precision Production	338	67	5:1	392	23	415
Production Working	653	442	1.5:1	1,536	98	1,634
Transportation & Material Handling	243	84	3:1	385	231	616
Handlers, Equipment Cleaners & Laborers	421	237	2:1	949	396	1,345
Unclassified	832	628	1.3:1	---	---	
TOTAL	7,214	2,651	2.7:1	8,881	6,461	15,342

In contrast to the AFDC and general assistance population, other active Job Service applicants are more likely to have completed high school and or attended post-secondary school. Over 80 percent of Milwaukee area Job Service active applicants not on public assistance had completed high school, and 32 percent had one or more years of college. Less than half of AFDC cases in Milwaukee County without earnings had completed high school.

