The GAIN Evaluation

Working Paper 96.1

FIVE-YEAR IMPACTS ON EMPLOYMENT, EARNINGS, AND AFDC RECEIPT

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July 1996

This paper summarizes the latest findings on the effectiveness of California's Greater Avenues for Independence (GAIN) Program, a statewide initiative aimed at increasing the employment and self-sufficiency of recipients of Aid to Families with Dependent Children (AFDC), the nation's major cash welfare program. GAIN's effects are estimated for a sample of 33,000 persons from six counties -- including single parents (AFDC-FGs) and unemployed heads of two-parent households (AFDC-Us) -- who entered the program between early 1988 and mid-1990. Each sample member was then assigned at random to either an experimental group, who were required to participate in GAIN, or to a control group who were precluded from the program but could seek other services in their community. The paper compares average earnings and AFDC payments for each group over a five-year follow-up, beginning with the first quarter after random assignment (i.e., from quarters 2 through 21). Differences in average earnings and AFDC payments for each group represent the effects, or impacts, of GAIN.

The paper and attached tables and graphs add two years of follow-up to the impact results in Riccio, Friedlander, and Freedman (1994). Among the most noteworthy findings of this paper is that earnings gains continued through year 5 for both assistance groups. GAIN also continued to produce savings in AFDC payments, but only for AFDC-FGs. Such persistence in program effects is unusual for a welfare-to-work initiative and represents a significant achievement for the GAIN program. On the other hand, only about 4 in 10 experimental group members in either assistance group worked for pay during the final year of follow-up; and a relatively large percentage (nearly 40 percent of AFDC-FGs and close to half of AFDC-Us) were receiving AFDC payments at the end of year 5. These results indicate that future improvements in program effectiveness will depend in part on success in helping these long-term AFDC recipients find stable employment.

Summary of Findings

- **Averaged across the six counties (with each county given equal weight), the GAIN program increased the percentage of AFDC-FGs who worked for pay during the five-year follow-up by 4.3 percentage points and raised average earnings by $2,853. Employment impacts generally decreased over time, whereas earnings gains were largest during years 4 and 5.**

- **For AFDC-FGs, five-year AFDC savings averaged $1,496, across the six counties. Moreover, the percentage reduction in AFDC payments was somewhat larger during the last two years of follow-up than during years 1, 2, or 3.**

- **Five-year earnings gains and AFDC savings for AFDC-FGs were achieved in all six counties, although for some effects and some counties the experimental-control group differences were small and not statistically significant.**

- **As before, Riverside's GAIN program produced the largest increase in total earnings ($5,038) for AFDC-FGs and the largest reduction in AFDC expenditures ($2,705).**

- **GAIN increased the percentage of AFDC-Us who found employment by 6.3 percentage points over five years. Earnings gains totaled $1,906 over five years and reached a maximum in year 5.**

- **GAIN reduced AFDC payments to AFDC-Us by an average of $1,432 over five years. However, AFDC savings declined substantially during years 4 and 5.**

Background

Impact results are presented for 22,791 (AFDC-FG) single heads of household and 10,142 unemployed heads of two-parent (AFDC-U) households who entered the GAIN program in Alameda, Butte, Los Angeles, Riverside, San Diego, and Tulare Counties between March 1988 and June 1990. The study used an experimental design in which GAIN enrollees attending a program orientation meeting were randomly assigned either to an experimental group, which had access to GAIN's employment-related services and were subject to the program's mandatory participation mandate, or to a control group which did not have access to GAIN services but could participate in alternative programs in their communities.

In all counties, women comprised the overwhelming majority of AFDC-FGs, whereas men predominated among AFDC-Us. With some exceptions, the AFDC-FG sample was limited to parents whose youngest child was at least six years old at the time of random assignment. Otherwise, sample members in the six counties differed in important ways. For instance, in four counties, the research sample included recently-approved applicants for AFDC, as well as ongoing recipients, whereas Alameda and Los Angeles limited intake into the GAIN program (and into the research sample) to long-term AFDC recipients.

The counties also varied in ethnic and racial composition. Whites made up almost the entire AFDC-FG sample in Butte and slightly more than half the sample in Riverside and Tulare. In contrast, African-Americans predominated among AFDC-FGs in Alameda and made up the largest percentage of sample members in Los Angeles (about 45 percent; most of the other sample members in Los Angeles were of Hispanic origin). In San Diego, whites represented about 40 percent of the AFDC-FG sample, with the remainder of the sample more or less evenly divided among Hispanics and African-Americans. Hispanics comprised at least a quarter of the sample in Los Angeles, Riverside, San Diego, and Tulare. In general, the AFDC-U samples included smaller percentages of whites and African-Americans and larger percentages of persons of Hispanic

and Indochinese ethnicity. Most notably, nearly 60 percent of AFDC-Us in Los Angeles were of Indochinese origin, primarily members of refugee families from Vietnam.

Under the GAIN program model that operated in all six counties during most of the follow-up, enrollees were tested on reading and math skills during their orientation meeting. Those who scored below minimum levels on either exam, did not complete high school or receive a GED degree, or who were not proficient in English were determined to be in need of basic education and usually assigned to classes in Adult Basic Education, GED preparation, or English as a Second Language. Enrollees determined not to need basic education were most often assigned to job search activities.

California's decision to offer basic education services for AFDC recipients on an unprecedented scale is in sharp contrast to many recent state-wide welfare-to-work initiatives which emphasize short-term job search activities. For this reason, the longer-term results of the GAIN program are of particular interest and provide a benchmark against which results from these alternative strategies can be measured. As with any welfare-to-work program that stresses longer-term skill building activities, it is expected that many of the positive effects of the program will be seen in later years in the form of more stable employment, higher earnings, and lower incidence of AFDC receipt for AFDC recipients exposed to the program.

This paper estimates the longer-term effects of GAIN by comparing average employment, earnings, and AFDC outcomes for members of the experimental group to those of the control group at the five-year mark and over the entire follow-up period. GAIN's effects are estimated through June 1995 from statewide automated Unemployment Insurance earnings records and automated county AFDC payment records.

These results are discussed in more detail, along with previously reported results for years 1 through 3, in the sections that follow. The attached tables present impact estimates for years 1 through 5, while the graphs show quarterly estimates and provide additional follow-up for both the full sample in certain counties and for an early cohort of sample members in each county (i.e., those who entered the study early on and for whom more quarters of follow-up are available).

Impacts for Single Parents (AFDC-FGs)

Results for all AFDC-FGs

- **GAIN increased employment for experimental group members by an average of 4.3 percentage points over 5 years. Estimated impacts peaked in year three and then diminished over the last two years of follow-up.**

Averaged across the six counties (with each county given equal weight), 64.8 percent of experimental group members and 60.4 percent of control group members worked for pay at some point during the five-year follow-up (see Table 1). The experimental-control group difference (or impact) in percent employed was therefore 4.3 percentage points (statistically significant).[1]

GAIN also increased the number of quarters in which AFDC-FGs worked for pay during the 5 years (or 20 quarters) after random assignment. During the follow-up, experimental group members in the six counties averaged 5.66 quarters (or about 1 year and 5 months) of employment. (This measure includes zero quarters of employment for experimental group members who never worked for pay). This result is equivalent to saying that in each quarter of follow-up 28.3 percent of experimental group members were employed. In comparison, control group members averaged 4.88 quarters (or nearly 1 year and 3 months) of employment over the five-year follow-up -- an average quarterly employment rate of 24.4 percent. Thus the experimental-control group difference in average length of employment was .78 quarters over five years, equivalent to an increase in the average quarterly employment rate of 3.9 percentage points. These differences are statistically significant.[2]

GAIN's impact on average length of employment resulted partly from the increase in percent employed, cited above, but also because members of the experimental group who found jobs during the follow-up stayed employed about two months longer (.65 quarters) on average than employed members of the control group (results not shown).[3] It should be noted that this comparison is non-experimental because employed experimental group members may have differed in background characteristics from employed control group members.

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[1] Rounding sometimes results in slight discrepancies when calculating differences.

[2]The average quarterly employment rate is calculated by dividing the number of quarters of employment for each sample member (including zeros for those never employed) by 20, the total number of quarters in the 5-year follow-up period. Thus, the average for experimental group members is 5.66/20=28.3 percent and for control group members is 4.88/20=24.4 percent. Converting total number of quarters of employment to a per quarter average permits direct comparisons of results with those achieved by other welfare-to-work initiatives that were evaluated over a different length of follow-up.

[3] This measure is calculated by dividing total quarters of employment by percent ever employed. Averaged across the six counties, employed experimental group members worked for 8.72 (5.66/.648) quarters, or a little over 2 out of the 5 years of follow-up, compared with 8.07 (4.88/.604) quarters of work for employed control group members, for a difference of .65 quarters.

The year-by-year trend in employment impacts tells a less positive story, however. As shown in Table 1, GAIN's employment impacts increased during the first years of follow-up and peaked in year 3 at 5.8 percentage points. The experimental-control group difference then decreased to 3.1 percentage points in year 4 and remained at that level in the following year. This trend is similar to results obtained in previous welfare-to-work initiatives in Virginia, Baltimore, and San Diego, evaluated by MDRC over a five-year follow-up.[4]

- **GAIN increased the earnings of experimental group members over 5 years by an average of $2,853. The estimated impact was largest during the later part of the follow-up period, indicating that GAIN's effects did not diminish over time.**

The average earnings for *all* experimental group members and *all* controls were calculated for the full sample, including people who did not work (and whose earnings were counted as zero). Averaged across the six counties, with each county given equal weight, cumulative earnings over the 5-year period were $15,067 per experimental and $12,215 per control. This yields an earnings gain, or impact, of $2,853 per person, as shown in the "all counties" section of Table 1. The impact on earnings in years 4 and 5 were $752 and $692, respectively, which were larger than the estimates for the previous three years. All of the above differences are statistically significant.

In comparison, only the Baltimore Options program achieved statistically significant earnings gains during the fifth year follow-up.[5]

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[4] See Daniel Friedlander and Gary Burtless, *Five Years After: The Long-Term Effects of Welfare-to-Work Programs* (New York: Russell Sage Foundation, 1995), Tables 3.1, 4.2, 5.3, and pp.90-95. A fourth welfare-to-work initiative, the Arkansas WIN Demonstration Program, produced employment gains of around 5 to 6 percentage points in most years of follow-up. The San Diego program cited in Friedlander and Burtless (1995) was the Saturation Work Initiative Model (SWIM), which operated in two inner-city areas from 1985 through 1988 and was then replaced by GAIN. SWIM, Virginia's Employment Services Program, and the Arkansas WIN Demonstration Program emphasized upfront job search assistance, followed, if necessary, by short-term unpaid work experience. SWIM enrollees could attend education and training classes after completing work experience; and about a quarter of enrollees did so. In contrast, the Baltimore Options program permitted enrollees to attend education or training classes as their initial activity; however, participation in education and training was less common in Baltimore than in the San Diego SWIM program.

[5] Friedlander and Burtless (1995), Table 4.2 and pp. 90-92. However, earnings gains in Baltimore peaked in year 3. The Virginia ESP program was the only one to achieve its largest earnings increase as late as year 4.

- **GAIN reduced AFDC payments to experimental group members over 5 years by an average of $1,496, a saving of 6.9 percent compared to the control group mean. In the last quarter of this period, 39.3 percent of the experimental group members received AFDC, compared with 42.5 percent of the controls.**

AFDC-FG experimental group members received AFDC payments for an average of 33.7 months (or about 2 years and 10 months) out of the 5 years of follow-up, a reduction of nearly 2 months from the control group mean. As this result suggests, substantial percentages of both experimental group members and controls left AFDC during the 5-year period (see Table 1 and the county-specific graphs of Figure 1). These case closures illustrate the normal process of welfare dynamics, with people leaving AFDC because they marry, find jobs, or lose eligibility because their children "age out" of AFDC. In the last quarter of year 5 (the final quarter of follow-up), 39.3 percent of experimental group members and 42.5 percent of control group members received AFDC. Thus, GAIN reduced the AFDC receipt rate in that quarter by 3.2 percentage points (see Table 1).

As shown in Table 1, cumulative AFDC payments over the 5-year period were $20,140 per experimental and $21,636 per control. Thus, GAIN produced a saving of $1,496 (or 6.9 percent) per experimental. The dollar value of AFDC savings peaked in year 2 at $335, then declined in each of the following years. During year 5, the estimated reduction was $259. It should be noted, however, that the percentage reduction in AFDC payments *increased* over time and reached the maximum level (9.1 percent) in both years 4 and 5. All of the above differences are statistically significant.[6] The dollar value of AFDC savings decreased in a similar way in Arkansas, Baltimore, San Diego SWIM, and Virginia. But only in GAIN was the percentage reduction in AFDC payments higher in year 5 than during the earlier years of follow-up.[7]

Results for Counties

- **GAIN had the greatest effect on employment rates in Riverside over 5 years. Alameda, Los Angeles and San Diego all had modest 5-year employment gains; no significant impacts on employment were seen in Butte or Tulare.**

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[6] One reason for the downward trend in the dollar value of AFDC savings is that California reduced maximum AFDC payments by more than 12 percent between 1989 and 1993. Lowering maximum grants reduces the impact associated with reductions in AFDC receipt. For this reason, the percentage difference in AFDC payments is probably a better measure of the effectiveness of GAIN in reducing AFDC dollars. For more information, see *Notes* at the end of this paper.

[7] Friedlander and Burtless (1995), Table 4.2 and pp. 95-99.

In Riverside county, 72.2 percent of experimental group members worked for pay during years 1 through 5 compared to 62.3 percent of control group members. The difference, 9.9 percentage points (statistically significant) is nearly double the impact from any other county. In addition, experimental group members in Riverside realized the largest increase in the average quarterly employment rate among the six counties, a statistically significant gain of 8.9 percentage points. This increase resulted partly from the impact in percent ever employed, but also because experimental group members in Riverside who worked for pay averaged 1.44 more quarters of employment than employed members of the control group (results not shown).

As shown in Table 1, the GAIN program in Alameda, Los Angeles and San Diego Counties increased employment levels of experimental group members by about 5 percentage points during the 5-year follow-up (all statistically significant). In Butte and Tulare, the experimental-control group difference in percent employed was small and not statistically significant. However, in each of these five counties, GAIN increased the average quarterly employment rate for experimental group members -- impacts ranged from 2.1 percentage points in Los Angeles to 3.9 percentage points in San Diego. In Butte and Tulare, these gains resulted mostly from increased length of employment among those experimental group members who found jobs during the follow-up, whereas in Alameda and Los Angeles the increase in percent ever employed was the most important factor. In San Diego, both effects were present.

However, four counties, Alameda, Butte, Riverside, and San Diego, recorded smaller employment gains in years 4 and 5 than had been achieved in years 2 and 3 (see Table 1). In fact, in San Diego, and, most notably in Riverside, employment gains peaked in year 1 and fell steadily thereafter. In contrast, Tulare achieved its biggest impact on employment in year 4 which then fell slightly in year 5. No clear trend in employment impacts is discerned for Los Angeles.

One reason why employment impacts in most counties did not increase over time was that average yearly employment levels for experimental group members either remained about the same (in Butte and Los Angeles) or even declined over time (in San Diego and especially in Riverside). Only in Alameda and Tulare, two of the three counties that, in the first years of follow-up, stressed provision of longer-term education and training services (Los Angeles was the third), employment levels for experimental group members were noticeably higher in year 5 than they had been in year 1. These trends most likely reflect the problems faced by AFDC recipients in finding or keeping jobs during the sustained recession in California of the early-to-mid 1990s.

- **Riverside had the largest 5-year earnings gains of the six counties, with impacts that persisted into year 5. Alameda, Butte, San Diego, and Tulare had middle-range 5-year earnings gains, with impacts growing larger over time in Tulare and, to a greater extent, in Butte. In Los Angeles, GAIN had little effect on earnings.**

Table 1 shows GAIN's impacts on AFDC-FGs in each of the six counties. In Riverside, GAIN increased average earnings over 5 years by $5,038; the impact exceeded $900 in each of years 1 through 5 (all of these estimates are statistically significant).

GAIN's 5-year impacts on earnings were also positive and statistically significant in four of the other five counties: with earnings gains ranging from $1,748 in Tulare to $4,191 in Butte. In Butte, impacts between $272 and $640 (none statistically significant) in years 1 through 3 were followed by statistically significant impacts of $1,385 in year 4 and $1,339 in year 5. In both Alameda and San Diego, earnings gains increased in year 3 (to $755 and $713, respectively) and fell slightly during the remainder of the follow-up period. Positive, statistically significant earnings impacts in Tulare, which first appeared in year 3, also grew larger over time, reaching a peak of $780 in year 4 and remaining statistically significant at $597 in year 5.

In Los Angeles, GAIN's estimated impacts on earnings were small and not statistically significant, despite the fact that a larger percentage of experimental group members worked for pay during the follow-up.

- **AFDC savings varied by county and were most persistent in Alameda and Riverside and least persistent in Los Angeles.**

Experimental group members in Riverside received AFDC for an average of 26.4 months (or a little over 2 years) during the five-year follow-up. In comparison, control group members remained on assistance for about 3 additional months -- the largest experimental-control group difference among the six counties. Reductions in AFDC receipt averaged nearly two months in Alameda, Los Angeles and San Diego and about 1 month in Butte and Tulare.

As shown in Table 1, GAIN produced statistically significant reductions in 5-year AFDC payments in Alameda, Los Angeles, Riverside, and San Diego, ranging from $1,383 (5.4 percent of the control group mean) in Los Angeles to $2,705 (14.7 percent of the control group mean) in Riverside. These reductions were most persistent in Alameda and Riverside, which had 10.9 percent and 12.5 percent AFDC savings, respectively, in year 5. In San Diego, the AFDC reduction declined from $480 (10.3 percent) in year 2 to $203 (6.5 percent) in year 4 and $172 (6.6 percent) in year 5. In Los Angeles, by year 5 the estimated impact ($147, or 4.4 percent) was not statistically significant.

In Butte, the estimated 5-year AFDC saving due to GAIN was $1,302 (7.8 percent), but this estimate was not statistically significant (i.e., given the sample size, there is some probability that an estimate of this size could have arisen by chance). Tulare began to achieve statistically significant AFDC savings in year 4 at $262 (7.4 percent) and in year 5 at $248 (8.4 percent); the overall 5-year estimate was not statistically significant.

- **In five of the six counties, experimental group members gained more in increased earnings than they lost in reduced AFDC payments because of GAIN.**

During the 5-year period, average earnings gains for experimental group members exceeded AFDC savings in all counties except Los Angeles, as can be seen from Table 1. The amount by which the cumulative earnings gain exceeded the cumulative AFDC reduction ranged from $993 in Alameda to $2,889 in Butte. In Los Angeles, experimental group members lost an average of $787 more in reduced AFDC payments than they gained in increased earnings. A forthcoming paper will include a more complete estimate of net financial gain or loss from the perspectives of welfare recipients and of the government budget.[8]

- **An early cohort with longer follow-up than the full sample demonstrates persistent, positive earnings gains for all counties while reductions in AFDC payments seem to be diminishing beyond the period of follow-up.**

Figure 1 shows earnings and AFDC payment impacts for the full sample and an early cohort in each county. For the full sample, follow-up extends for 1 to 3 quarters beyond year 5 (past quarter 21) in Butte, Los Angeles, Riverside and San Diego as well as for the early cohort in each county.

For all counties, results from the early cohort suggest that positive earnings gains will likely continue into year 6. However, the dollar value of AFDC savings continued to decrease.

Results for AFDC-FG subgroups

- **For the two basic education subgroups, GAIN produced earnings gains and AFDC savings, but not always for both groups in each county.**

[8] Riccio, Friedlander, and Freedman (1994) Table 7.5 and p. 251 provide a more comprehensive estimate of monetary gains and losses per AFDC-FG experimental group member over 5 years, which considers GAIN's effects on earnings, fringe benefits, taxes, AFDC payments, Food Stamps, Unemployment Insurance benefits, and Medi-Cal (Medicaid) payments. The analysis (which is based partly on projections of likely effects beyond available follow-up) concluded that GAIN experimental group members lost $1,561 over 5 years in Los Angeles. Elsewhere, experimental group members realized an average gain of between $948 in San Diego to $1,900 in Riverside. The forthcoming paper will update these findings, using actual earnings and benefits data for the last years of follow-up.

As discussed above, GAIN classified registrants into two groups for different service sequences: those "not in need of basic education" and those "in need of basic education." Tables 2 and 3 show the impacts, by county, on these two subgroups.

For the subgroup *not in need* of basic education (Table 2), GAIN produced earnings impacts over 5 years that averaged more than $1,000 per year in three counties (Alameda, Riverside, and San Diego). Two of these counties (Riverside and San Diego) also produced AFDC savings of 10 percent or more. In Butte, earnings impacts between $154 and $418 (none statistically significant) in years 1 through 3 were followed by statistically significant impacts of $1,689 in year 4 and $1,594 in year 5. Los Angeles achieved statistically significant 5-year AFDC savings of 11 percent. In addition, members of the experimental group in Los Angeles earned on average $2,271 more than their counterparts in the control group (and $659 more in year 5), but these differences were not statistically significant. In Tulare, GAIN had no effect on earnings and AFDC payments for this subgroup.

For the subgroup *in need* of basic education (Table 3), GAIN produced 5-year earnings impacts that averaged over $900 per year and AFDC savings of 14 percent or more in two counties (Butte and Riverside). Tulare achieved earnings impacts that averaged nearly $900 in years 4 and 5, but no statistically significant AFDC savings. The other three counties (Alameda, Los Angeles, and San Diego) achieved AFDC payment reductions of 4 to 8 percent without statistically significant earnings gains.[9]

[9]A forthcoming paper will estimate GAIN's effects for subgroups defined by length of previous AFDC receipt, ethnicity, and other background characteristics. The paper will also present additional impact findings for each of the two education subgroups included in this paper.

Impacts on Heads of Two-Parent Families (AFDC-Us)

Results for all AFDC-Us

- **GAIN increased employment for AFDC-U experimental group members by an average of 6.3 percentage points during years 1 through 5. However, GAIN's employment effects decreased somewhat over time.**

The "all counties" section of Table 4 shows the impacts on AFDC-Us, averaged across all counties except Alameda, which is omitted from the average because of its small sample size. As shown in this section, 69.9 percent of experimental group members and 63.6 percent of control group members were employed during the follow-up, a statistically significant difference of 6.3 percentage points. GAIN's impact on employment was highest during year 1 (6.6 percentage points, statistically significant), and declined over time, reaching 4.2 percentage points (statistically significant) in year 5.

Nearly a third (33.1 percent) of AFDC-Us worked for pay in any given quarter, compared to 29.2 percent of control group members, a difference of 4.0 percentage points. This experimental-control group difference resulted primarily from GAIN's increase in percent ever employed; on average, employed AFDC-U experimental group members worked for only about a month longer than members of the control group (results not shown).

- **GAIN increased the 5-year earnings of AFDC-Us in the experimental group by $1,906 on average. GAIN's effects did not diminish over time.**

Average earnings for AFDC-U case heads during the 5-year period were $17,872 per experimental and $15,966 per control. Thus, GAIN increased experimental case heads' average 5-year earnings by $1,906. The program realized statistically significant gains in earnings of at least $350 per year in each of years 1 through 5; and earnings impacts peaked (at $441) in the final year of follow-up.

- **GAIN reduced AFDC payments to AFDC-U experimental group members over 5 years by $1,432 on average, a savings of 5.0 percent compared to the control group mean. Most of this reduction occurred during the first three years. Near the end of the 5-year period, GAIN had little effect on AFDC receipt rates and average payments.**

On average (excluding Alameda), AFDC-U experimental group members received AFDC payments for 35.29 months (or nearly 3 years) during the 5 year follow-up, a few weeks less than the control group average.

GAIN had an effect on AFDC receipt rates early in the follow-up period; in the last quarter of year 1, GAIN reduced the AFDC receipt rate among two-parent families in the experimental group by 3 percentage points. However, by the last quarter of year 3, the control group's AFDC receipt rate had fallen to about the same level as that of the experimental group. Members of both research groups left AFDC at similar rates over the following two years. In quarter 21, the last quarter of follow-up, about half of each group were receiving AFDC and the experimental-control group difference in AFDC receipt remained close to 0.

As shown in Table 4, average AFDC payments during the 5-year period were $26,974 per experimental and $28,406 per control. Thus, GAIN produced savings of $1,432 per experimental (or 5.0 percent, statistically significant). These savings occurred primarily during the first three years; by year 5, savings fell to $118 (2.7 percent).

Results for Counties

- **Among AFDC-Us, Los Angeles produced the largest increase in percent employed over the five-year follow-up. Riverside and San Diego achieved middle-range employment impacts. There was no significant experimental-control group difference in five-year employment rates in Butte or Tulare.**

As shown in Table 4, AFDC-Us in Los Angeles achieved the largest impact on employment over the five-year follow-up, a statistically significant increase of 15.5 percentage points above the control group level of 42.2 percent. Experimental group members in Los Angeles realized large (and statistically significant) gains in percent employed during each year of follow-up and achieved an increase in the average quarterly employment rate of 8.2 percentage points, the biggest impact of any county. Large employment increases for AFDC-Us were also recorded in Alameda, although, results are unreliable due to the small sample size in that site. Elsewhere, the GAIN program increased average quarterly employment rates from 1.1 percentage points (in San Diego) to 4.5 percentage points (in Butte). In most counties (including Los Angeles), employed experimental group members worked for pay for about the same number of quarters as employed control group members; the main exception is Butte, where the difference was .81 quarters, or a little over two months (results not shown).

Riverside and San Diego achieved 5-year employment impacts of 6.9 and 3.9 percentage points, respectively. In both counties, employment gains peaked early on in the follow-up period then declined over time. In fact, in San Diego, the experimental-control group difference in percent employed had disappeared by year 5. Employment gains in Butte and Tulare were small and not statistically significant over the 5-year period.

- **Butte had the largest 5-year earnings gain of the six counties. Smaller gains were achieved in Los Angeles and Riverside. GAIN had little effect on earnings in San Diego and Tulare.**

Table 4 shows the impacts GAIN had on AFDC-Us in each of the six counties. GAIN had a statistically significant earnings impact in Butte of $5,325 over 5 years; the impact exceeded $900 in each of years 2 through 5. GAIN's estimated impact on earnings over 5 years in Los Angeles was $1,630 and $2,415 in Riverside, both smaller than the impact in Butte, but also statistically significant. Earnings gains were also recorded in Alameda. However, the small sample size in Alameda (of AFDC-Us) makes results unreliable.

In San Diego and Tulare, earnings impacts were small and not statistically significant.

- **AFDC savings of between $1,294 and $2,280 were produced in all counties except Tulare.**

The GAIN program in Butte and Riverside produced the largest reductions in average months of AFDC receipt, 1.61 and 1.48 months, respectively. However, in Riverside, GAIN's impact on AFDC receipt had disappeared by the end of year 5, whereas the GAIN program in Butte continued to record reductions in AFDC receipt (although the 5.1 percentage point impact is not statistically significant). Experimental group members in San Diego averaged about one fewer month of AFDC receipt (not statistically significant) during the five-year follow-up. No reduction of AFDC receipt was found in Tulare or Los Angeles (see Table 4).

GAIN produced the largest reduction in AFDC payments in Riverside at an overall savings of $2,280 (statistically significant) or 11 percent. Five-year AFDC reductions in payments were also statistically significant in Los Angeles ($1,294 or 3.3 percent) and San Diego ($1,525 or 5.5 percent). Alameda and Butte achieved AFDC payment savings of $1,911 and $2,097, respectively, neither of which was statistically significant.

- **Only in Butte were 5-year earnings gains for AFDC-U experimental group members noticeably higher than reductions in AFDC payments.**

In Butte, the large 5-year earnings gain ($5,325) exceeded the AFDC payment reduction ($2,097) by over $3,000. During the 5-year follow-up period, experimental group members in Los Angeles and Riverside gained about $135 to $336 more in increased earnings than they lost in reduced AFDC payments, as can be seen from Table 4. If the apparent trends in these counties continue, so that earnings gains persist beyond 5 years but AFDC reductions do not, then experimental group members may realize a net financial gain on average. However, a more complete analysis of

whether AFDC recipients will be made better off financially in the long run would include estimates of GAIN's impacts on other sources of income (such as Food Stamps and the Earned Income Tax Credit) and on expenditures typically incurred by employed sample members.

In San Diego, GAIN did not increase 5-year earnings but reduced average AFDC payments by $1,525. In Tulare, the GAIN program had little effect on either earnings or AFDC payments.

Results for AFDC-U subgroups

- **For the two basic education subgroups, GAIN produced earnings gains and AFDC savings, although impacts differed in each county depending on the group.**

Tables 5 and 6 show earnings and AFDC impacts by county for the two subgroups: those determined *not to need* basic education and those *in need* of basic education. Again, results from Alameda are not reliable because of the small sample size.

For the subgroup *not in need* of basic education (Table 5), GAIN produced 5-year positive earnings gains in two counties (Butte and Riverside). Members of the experimental group in Butte earned an average of $10,799 more than their counterparts in the control group. Riverside achieved a 5-year earnings impact of $5,264 which peaked in the first two years of follow-up and remained over $800 (though not statistically significant) in each of years 3, 4 and 5. GAIN also produced AFDC savings in these two counties of $5,046 or 21 percent (Butte), and $2,392 or 13 percent (Riverside). All of the above differences are statistically significant. In Los Angeles, San Diego and Tulare, GAIN had little or no effect; overall, 5-year impacts in these counties were not statistically significant.

For the subgroup *in need* of basic education (Table 6), Los Angeles was the only county to have positive and statistically significant earnings gains during the 5-year period. Impacts in Los Angeles steadily increased from year 1 to year 5, and produced an overall 5-year impact of $1,747. While Riverside and Butte both produced 5-year earnings gains of more than $1,000, neither were statistically significant. In Los Angeles, Riverside and San Diego, there were positive and statistically significant reductions in AFDC payments of 4 to 10 percent during the 5-year follow-up period. Overall savings impacts for these three counties ranged from $1,440 to $2,239. Five-year AFDC savings were very small in Butte and Tulare and not statistically significant.

Notes

Differences from third-year report

Because of updates to AFDC payment records and Unemployment Insurance earnings records, some of the attached estimates for year 3 differ slightly from those reported in Riccio, Friedlander, and Freedman (1994). Also, the attached estimates of impact on AFDC payments for AFDC-FGs in Butte (years 1, 2, and 3) differ by about $70 per year from the estimates in that report, because new values were imputed for one person whose original AFDC payment values, as they appear in the research data set, were found to be implausibly high. (The new imputed values were based on the maximum AFDC grant for that person's household size.)

Changes in AFDC rules and benefit levels that may have affected impacts

Since 1993, there have been a number of changes to AFDC rules in California which alter the relationship between earnings and AFDC receipt. In general, the changes allow recipients with earned income to keep a greater portion of their grant. Thus, the extent to which impacts on earnings result in AFDC reductions may be lower in the later years of the follow-up period. Furthemore, the reductions in maximum grant levels that started in 1992 may have reduced the impact on average payments that would normally be associated with a given impact on the AFDC receipt rate.

For instance, the maximum AFDC payment for a family of three was raised from $663 to $694 in July 1989 and then reduced to $663 in July 1992, $624 in December 1992, and $607 in September 1993, and has remained at $607. The MBSAC (need standard) has risen from $703 to $715 (effective July 1993), to $723 (July 1994), to the current level of $730 (July 1995). With "fill-the-gap" budgeting, the gap has thus been growing, from $79 in early 1993 to the current level of $123. Also, in September 1993, the time limit on the thirty-and-a-third earned income deduction was eliminated, and the 100-hour rule for AFDC-U cases was removed for recipients. These changes could weaken the relationship between impacts on earnings and impacts on AFDC payments in the short run, but further investigation is needed to gauge their longer-term consequences.

Changes in GAIN program models

After reaching the end of the embargo period (end of year 3), control group members were treated as exempt clients for the next two years; i.e., they were not mandated or encouraged to participate in GAIN, but if they volunteered, they were allowed into the program *if* there were sufficient slots. (In Alameda, control volunteers were given high priority for services; in the other counties, they

were not given any special priority.) Control group members who volunteered could not be sanctioned.

In 1992, San Diego shifted to a model in which more clients were referred to up-front job search activities. Los Angeles has made a major shift to an employment-focused model in the past three years, based largely on the Riverside model. Alameda has also increased the focus on its employment services, although there is still a strong belief in the value of education and training for some participants. Butte and Tulare have shifted to a more employment-focused model as well. In general, programs in Alameda and Riverside have become more mandatory and more likely to impose financial sanctions for non-compliance. Riverside has continued with the same general employment-focused philosophy, but services were changed somewhat from 1991 through 1994 due to the two-treatment stream design in the JOBS evaluation.

Recent California law changes the GAIN model, effective January 1996, with a major shift toward up-front job search for most clients. Counties will no longer be required to do an up-front determination of whether or not clients are "in need" of basic education, and the majority of participants are expected to be referred to job club or job search as their first activity. This change will not effect the results presented in this paper since it was implemented after the period of follow-up.

Table 1

GAIN's Five-Year Impacts on Employment, Earnings, AFDC Receipt, and AFDC Payments for AFDC-FG Registrants

County and Outcome	Experimentals	Controls	Difference	Percentage Change
Alameda				
Ever employed (%)				
Year 1	30.1	27.3	2.8	10.1%
Year 2	32.8	26.3	6.5 ***	24.8%
Year 3	33.9	27.1	6.8 ***	25.2%
Year 4	35.0	33.4	1.5	4.6%
Year 5	37.0	35.5	1.5	4.4%
Years 1-5	58.9	53.8	5.1 *	9.5%
Average quarterly employment rate (%)				
Years 1-5	23.8	21.3	2.6	12.1%
Average total earnings ($)				
Year 1	1421	1212	209	17.3%
Year 2	2132	1624	508 *	31.3%
Year 3	2880	2125	755 **	35.5%
Year 4	3302	2631	671	25.5%
Year 5	3763	3236	527	16.3%
Total (years 1-5)	13497	10828	2669 *	24.7%
Ever received any AFDC payments (%)				
Last quarter of year 1	86.0	89.2	-3.2 *	-3.6%
Last quarter of year 2	76.6	77.1	-0.5	-0.7%
Last quarter of year 3	67.5	70.6	-3.1	-4.4%
Last quarter of year 4	61.0	63.9	-2.9	-4.5%
Last quarter of year 5	53.4	58.1	-4.7 *	-8.1%
Average number of months receiving AFDC payments				
Years 1-5	42.53	44.15	-1.62	-3.7%
Average total AFDC payments received ($)				
Year 1	6916	7066	-150	-2.1%
Year 2	5816	6077	-261	-4.3%
Year 3	4860	5232	-372 **	-7.1%
Year 4	4055	4524	-469 **	-10.4%
Year 5	3473	3897	-425 **	-10.9%
Total (years 1-5)	25120	26796	-1676 **	-6.3%
Sample size (total = 1205)	602	603		

(continued)

Table 1 (continued)

County and Outcome	Experimentals	Controls	Difference	Percentage Change
Butte				
Ever employed (%)				
Year 1	42.3	45.6	-3.3	-7.2%
Year 2	46.3	42.2	4.0	9.6%
Year 3	46.7	42.5	4.3	10.1%
Year 4	43.9	45.6	-1.6	-3.6%
Year 5	44.0	45.5	-1.5	-3.3%
Years 1-5	70.8	72.1	-1.4	-1.9%
Average quarterly employment rate (%)				
Years 1-5	31.5	28.7	2.8	9.7%
Average total earnings ($)				
Year 1	2001	1729	272	15.7%
Year 2	2998	2442	556	22.8%
Year 3	3633	2993	640	21.4%
Year 4	4209	2824	1385 ***	49.0%
Year 5	4620	3281	1339 **	40.8%
Total (years 1-5)	17461	13269	4191 **	31.6%
Ever received any AFDC payments (%)				
Last quarter of year 1	65.0	68.4	-3.4	-5.0%
Last quarter of year 2	49.4	47.7	1.7	3.6%
Last quarter of year 3	39.7	41.0	-1.3	-3.2%
Last quarter of year 4	31.4	32.8	-1.4	-4.3%
Last quarter of year 5	26.0	30.7	-4.7	-15.2%
Average number of months receiving AFDC payments				
Years 1-5	26.63	27.68	-1.06	-3.8%
Average total AFDC payments received ($)				
Year 1	5132	5421	-288	-5.3%
Year 2	3715	3976	-261	-6.6%
Year 3	2811	3034	-222	-7.3%
Year 4	2135	2391	-256	-10.7%
Year 5	1680	1955	-275	-14.1%
Total (years 1-5)	15474	16777	-1302	-7.8%
Sample size (total = 1229)	986	243		

(continued)

Table 1 (continued)

County and Outcome	Experimentals	Controls	Difference	Percentage Change
Los Angeles				
Ever employed (%)				
Year 1	27.0	24.9	2.1	8.6%
Year 2	26.9	22.9	4.0 ***	17.5%
Year 3	26.0	22.4	3.6 ***	16.3%
Year 4	25.8	23.9	1.9	8.0%
Year 5	29.8	25.8	4.0 ***	15.6%
Years 1-5	48.8	43.8	5.0 ***	11.4%
Average quarterly employment rate (%)				
Years 1-5	19.5	17.3	2.1 **	12.4%
Average total earnings ($)				
Year 1	1304	1308	-4	-0.3%
Year 2	1699	1589	110	6.9%
Year 3	1939	1787	152	8.5%
Year 4	2053	1928	125	6.5%
Year 5	2472	2259	213	9.4%
Total (years 1-5)	9467	8872	596	6.7%
Ever received any AFDC payments (%)				
Last quarter of year 1	84.8	87.9	-3.1 ***	-3.6%
Last quarter of year 2	74.0	76.3	-2.3	-3.0%
Last quarter of year 3	63.8	67.5	-3.7 **	-5.5%
Last quarter of year 4	56.0	58.0	-2.0	-3.5%
Last quarter of year 5	49.4	50.9	-1.5	-3.0%
Average number of months receiving AFDC payments				
Years 1-5	40.60	42.23	-1.63 **	3.9%
Average total AFDC payments received ($)				
Year 1	6874	7202	-328 ***	-4.5%
Year 2	5711	6111	-401 ***	-6.6%
Year 3	4729	5006	-277 **	-5.5%
Year 4	3797	4028	-231 **	-5.7%
Year 5	3193	3340	-147	-4.4%
Total (years 1-5)	24305	25688	-1383 ***	-5.4%
Sample size (total = 4396)	2995	1401		

(continued)

Table 1 (continued)

County and Outcome	Experimentals	Controls	Difference	Percentage Change
Riverside				
Ever employed (%)				
Year 1	52.1	34.0	18.0 ***	53.0%
Year 2	49.4	35.4	14.0 ***	39.6%
Year 3	44.5	35.3	9.2 ***	26.0%
Year 4	41.1	33.8	7.3 ***	21.5%
Year 5	39.4	33.4	6.0 ***	17.9%
Years 1-5	72.2	62.3	9.9 ***	15.9%
Average quarterly employment rate (%)				
Years 1-5	32.6	23.6	8.9 ***	37.8%
Average total earnings ($)				
Year 1	2470	1550	920 ***	59.3%
Year 2	3416	2233	1183 ***	53.0%
Year 3	3563	2553	1010 ***	39.5%
Year 4	3687	2684	1004 ***	37.4%
Year 5	3839	2917	922 ***	31.6%
Total (years 1-5)	16974	11936	5038 ***	42.2%
Ever received any AFDC payments (%)				
Last quarter of year 1	58.7	65.9	-7.2 ***	-11.0%
Last quarter of year 2	46.6	52.0	-5.4 ***	-10.3%
Last quarter of year 3	40.6	45.8	-5.2 ***	-11.4%
Last quarter of year 4	35.1	40.7	-5.6 ***	-13.7%
Last quarter of year 5	31.0	32.5	-1.6	-4.8%
Average number of months receiving AFDC payments				
Years 1-5	26.42	29.57	-3.14 ***	-10.6%
Average total AFDC payments received ($)				
Year 1	4962	5658	-695 ***	-12.3%
Year 2	3458	4161	-703 ***	-16.9%
Year 3	2864	3448	-584 ***	-16.9%
Year 4	2377	2811	-434 ***	-15.4%
Year 5	2012	2301	-289 ***	-12.5%
Total (years 1-5)	15674	18379	-2705 ***	-14.7%
Sample size (total = 5508)	4457	1051		

(continued)

Table 1 (continued)

County and Outcome	Experimentals	Controls	Difference	Percentage Change
San Diego				
Ever employed (%)				
Year 1	46.0	40.0	6.0 ***	14.9%
Year 2	45.9	40.8	5.1 ***	12.4%
Year 3	42.5	37.3	5.2 ***	13.9%
Year 4	40.8	37.2	3.6 **	9.8%
Year 5	40.4	37.1	3.3 **	8.9%
Years 1-5	69.2	63.8	5.4 ***	8.4%
Average quarterly employment rate (%)				
Years 1-5	31.7	27.8	3.9 ***	14.1%
Average total earnings ($)				
Year 1	2462	2113	349 **	16.5%
Year 2	3503	2794	709 ***	25.4%
Year 3	3821	3108	713 ***	23.0%
Year 4	4102	3554	548 **	15.4%
Year 5	4305	3750	555 **	14.8%
Total (years 1-5)	18193	15318	2875 ***	18.8%
Ever received any AFDC payments (%)				
Last quarter of year 1	69.1	72.1	-3.1 **	-4.2%
Last quarter of year 2	56.0	61.1	-5.1 ***	-8.3%
Last quarter of year 3	49.0	51.9	-3.0 *	-5.7%
Last quarter of year 4	42.1	44.8	-2.6 *	-5.9%
Last quarter of year 5	36.8	39.4	-2.6 *	-6.5%
Average number of months receiving AFDC payments				
Years 1-5	31.53	33.48	-1.95 ***	5.8%
Average total AFDC payments received ($)				
Year 1	5529	5832	-302 ***	-5.2%
Year 2	4199	4679	-480 ***	-10.3%
Year 3	3555	3908	-353 ***	-9.0%
Year 4	2940	3143	-203 **	-6.5%
Year 5	2437	2609	-172 *	-6.6%
Total (years 1-5)	18659	20171	-1511 ***	-7.5%
Sample size (total = 8219)	7049	1170		

(continued)

Table 1 (continued)

County and Outcome	Experimentals	Controls	Difference	Percentage Change
Tulare				
Ever employed (%)				
Year 1	39.9	40.9	-1.0	-2.4%
Year 2	41.8	42.3	-0.5	-1.2%
Year 3	43.9	38.2	5.7 **	14.9%
Year 4	44.2	38.2	5.9 ***	15.5%
Year 5	45.8	40.8	5.0 **	12.2%
Years 1-5	68.7	66.7	2.0	2.9%
Average quarterly employment rate (%)				
Years 1-5	30.6	27.7	2.9 **	10.4%
Average total earnings ($)				
Year 1	1792	1941	-149	-7.7%
Year 2	2536	2531	5	0.2%
Year 3	3110	2595	514 **	19.8%
Year 4	3576	2796	780 ***	27.9%
Year 5	3799	3201	597 *	18.7%
Total (years 1-5)	14812	13064	1748 *	13.4%
Ever received any AFDC payments (%)				
Last quarter of year 1	76.7	75.0	1.7	2.3%
Last quarter of year 2	65.4	62.2	3.1	5.0%
Last quarter of year 3	54.5	56.2	-1.7	-3.1%
Last quarter of year 4	47.1	49.6	-2.5	-5.0%
Last quarter of year 5	39.2	43.7	-4.5 **	-10.3%
Average number of months receiving AFDC payments				
Years 1-5	34.66	35.31	-0.65	-1.8%
Average total AFDC payments received ($)				
Year 1	6363	6231	132	2.1%
Year 2	5118	5023	95	1.9%
Year 3	4171	4284	-113	-2.6%
Year 4	3271	3533	-262 *	-7.4%
Year 5	2686	2934	-248 *	-8.4%
Total (years 1-5)	21609	22005	-395	-1.8%
Sample size (total = 2234)	1588	646		

(continued)

Table 1 (continued)

County and Outcome	Experimentals	Controls	Difference	Percentage Change
All counties (a)				
Ever employed (%)				
Year 1	39.6	35.5	4.1 ***	11.6%
Year 2	40.5	35.0	5.5 ***	15.8%
Year 3	39.6	33.8	5.8 ***	17.2%
Year 4	38.5	35.3	3.1 ***	8.8%
Year 5	39.4	36.4	3.1 ***	8.4%
Years 1-5	64.8	60.4	4.3 ***	7.2%
Average quarterly employment rate (%)				
Years 1-5	28.3	24.4	3.9 ***	15.9%
Average total earnings ($)				
Year 1	1908	1642	266 ***	16.2%
Year 2	2714	2202	512 ***	23.2%
Year 3	3157	2527	631 ***	25.0%
Year 4	3488	2736	752 ***	27.5%
Year 5	3800	3107	692 ***	22.3%
Total (years 1-5)	15067	12215	2853 ***	23.4%
Ever received any AFDC payments (%)				
Last quarter of year 1	73.4	76.4	-3.1 ***	-4.0%
Last quarter of year 2	61.3	62.7	-1.4	-2.2%
Last quarter of year 3	52.5	55.5	-3.0 ***	-5.4%
Last quarter of year 4	45.5	48.3	-2.8 ***	-5.9%
Last quarter of year 5	39.3	42.5	-3.2 ***	-7.6%
Average number of months receiving AFDC payments				
Years 1-5	33.73	35.40	-1.67 ***	-4.7%
Average total AFDC payments received ($)				
Year 1	5963	6235	-272 ***	-4.4%
Year 2	4669	5005	-335 ***	-6.7%
Year 3	3832	4152	-320 ***	-7.7%
Year 4	3096	3405	-309 ***	-9.1%
Year 5	2580	2839	-259 ***	-9.1%
Total (years 1-5)	20140	21636	-1496 ***	-6.9%
Sample size (total = 22791)	17677	5114		

(continued)

Table 1 (continued)

SOURCE: MDRC calculations from California Unemployment Insurance (UI) earnings records and from county AFDC records.

NOTES: The sample for this table consists of individuals who were randomly assigned as follows:

Alameda	July 1989-May 1990
Butte	March 1988-March 1990
Los Angeles	July 1989-March 1990
Riverside	August 1988-March 1990
San Diego	August 1988-September 1989
Tulare	January 1989-June 1990

The sample used to analyze GAIN's impacts is slightly smaller than the full research sample.

Dollar averages include zero values for sample members not employed or not receiving welfare. Estimates are regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

Rounding may cause slight discrepancies in calculating sums and differences.

For all measures, year 1 refers to follow-up quarters 2-5; year 2, to quarters 6-9; year 3, to quarters 10-13; year 4, to quarters 14-17; and year 5, to quarters 18-21.

Quarter 1 refers to the calendar quarter in which random assignment occurred. Because quarter 1 may contain some earnings and AFDC payments from the period prior to random assignment, it is excluded from the summary measures of follow-up.

A two-tailed t-test was applied to differences between experimental and control groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5; * = 10 percent.

(a) In the all-county averages, the results for each county are weighted equally.

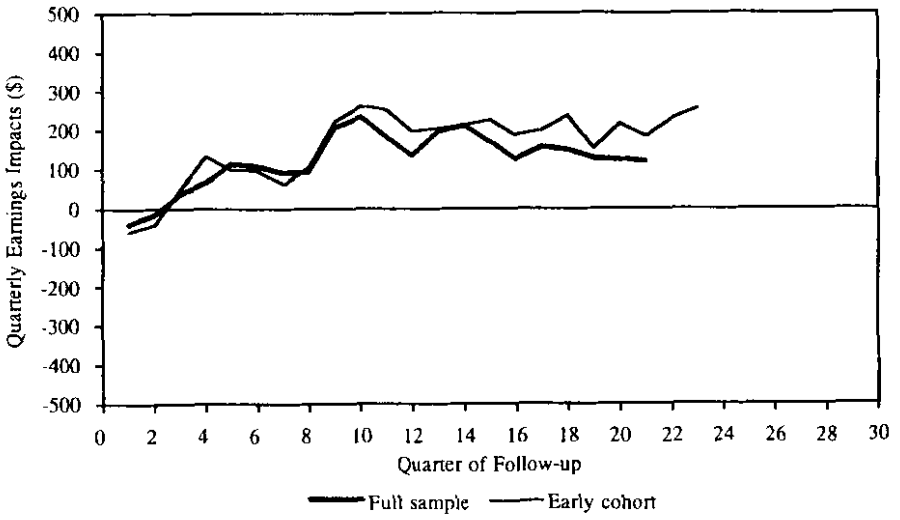
Figure 1

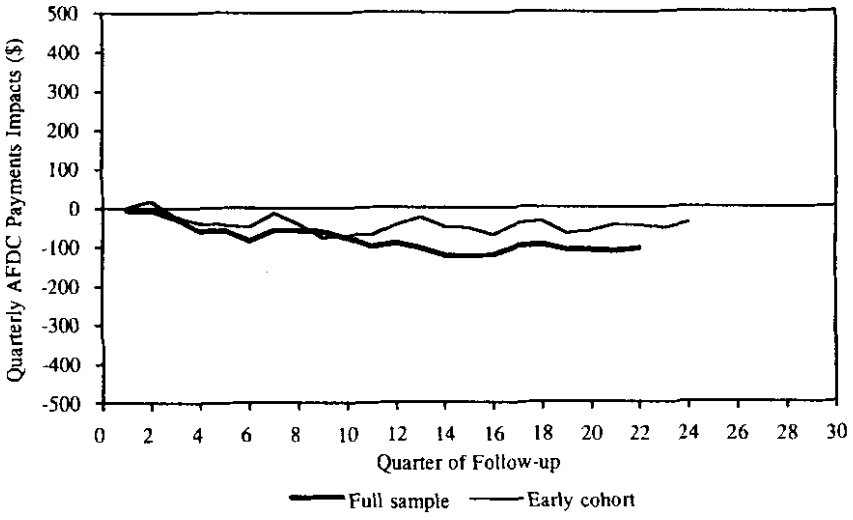
Impacts on Earnings and AFDC Payments for the Full Samples and Early Cohorts of AFDC-FG Registrants

Year 1: Quarters 2-5
Year 2: Quarters 6-9
Year 3: Quarters 10-13
Year 4: Quarters 14-17
Year 5: Quarters 18-21

Alameda

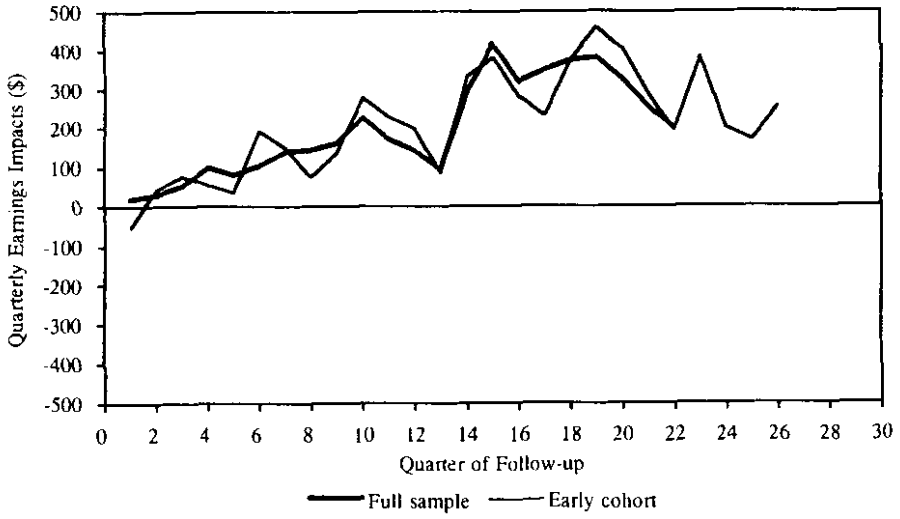
(Full sample: 1,205. Early cohort: 569.)

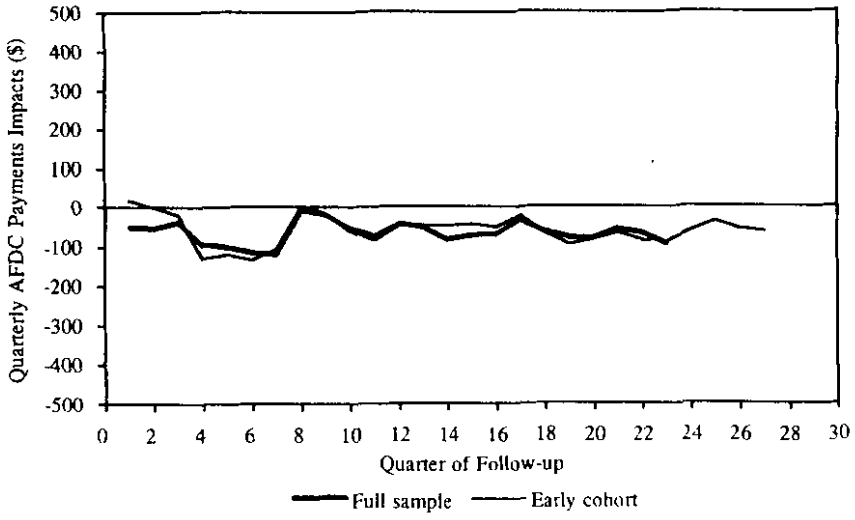




Butte

(Full sample: 1,229. Early cohort: 790.)



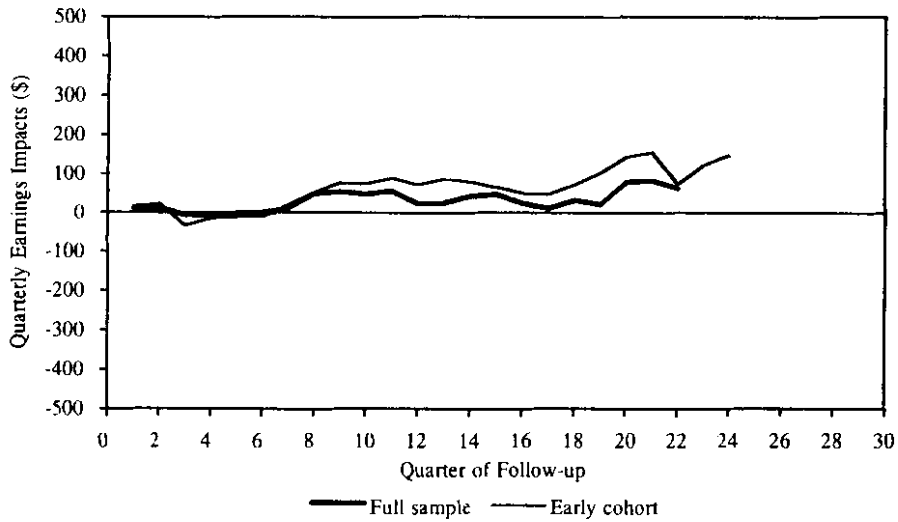


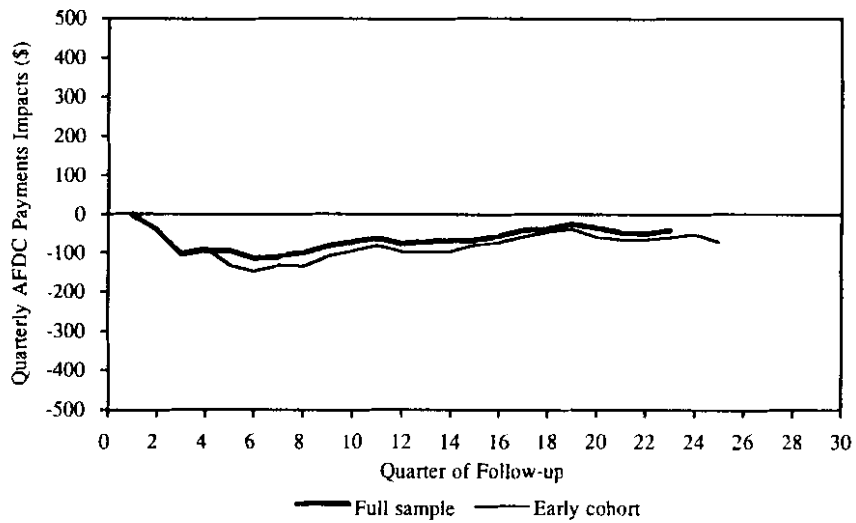
(continued)

Figure 1 (continued)

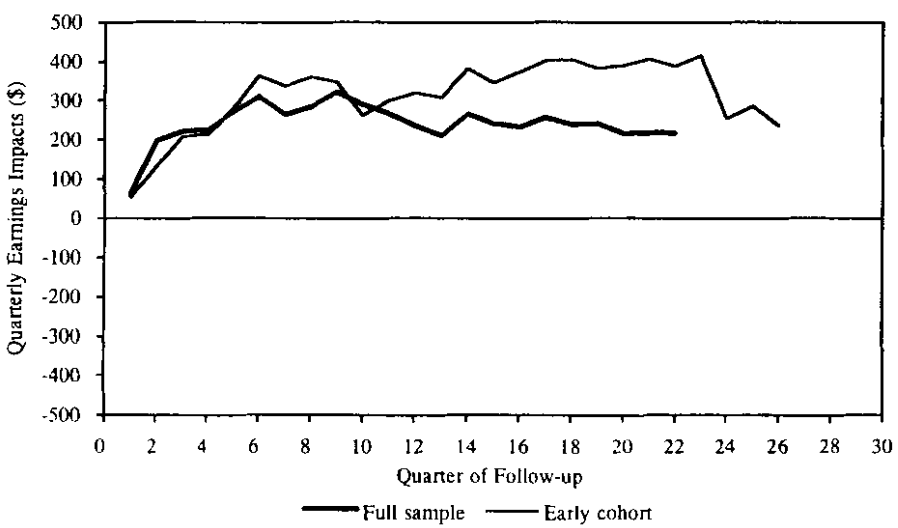
Year 1: Quarters 2-5
Year 2: Quarters 6-9
Year 3: Quarters 10-13
Year 4: Quarters 14-17
Year 5: Quarters 18-21

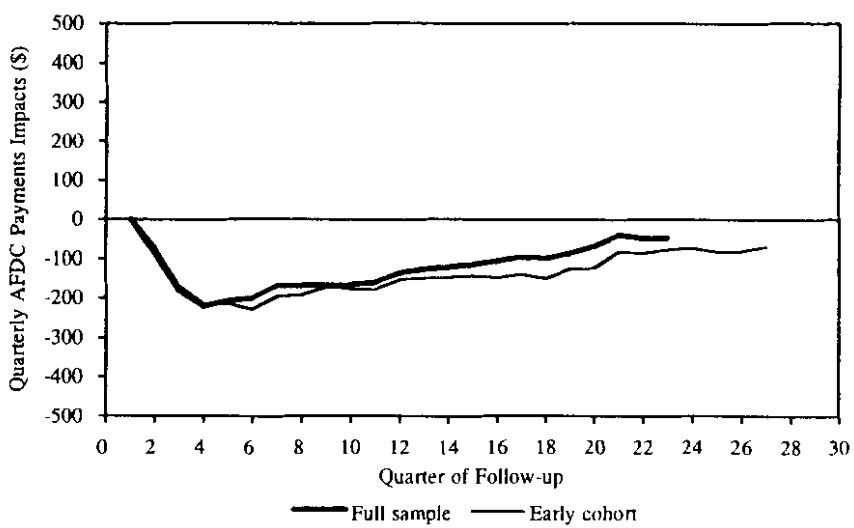
Los Angeles
(Full sample: 4,396. Early cohort: 2,466.)





Riverside
(Full sample: 5,508. Early cohort: 2,554.)



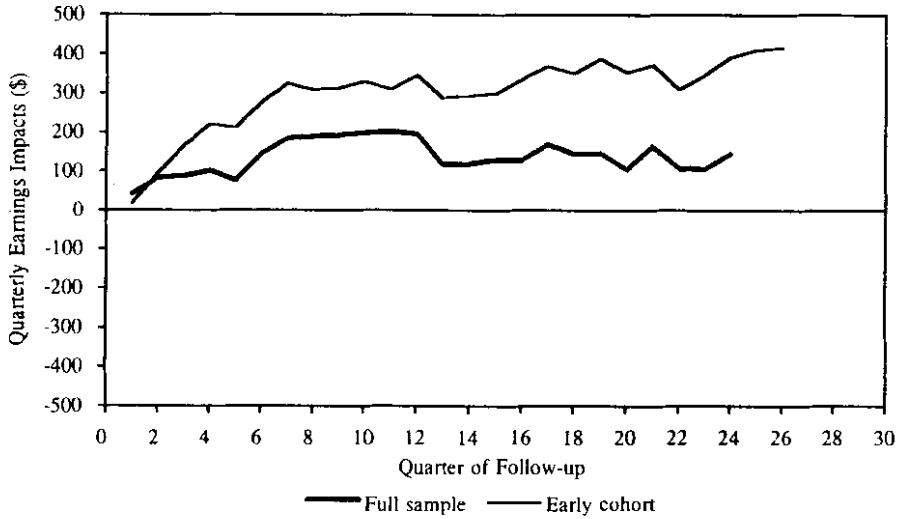


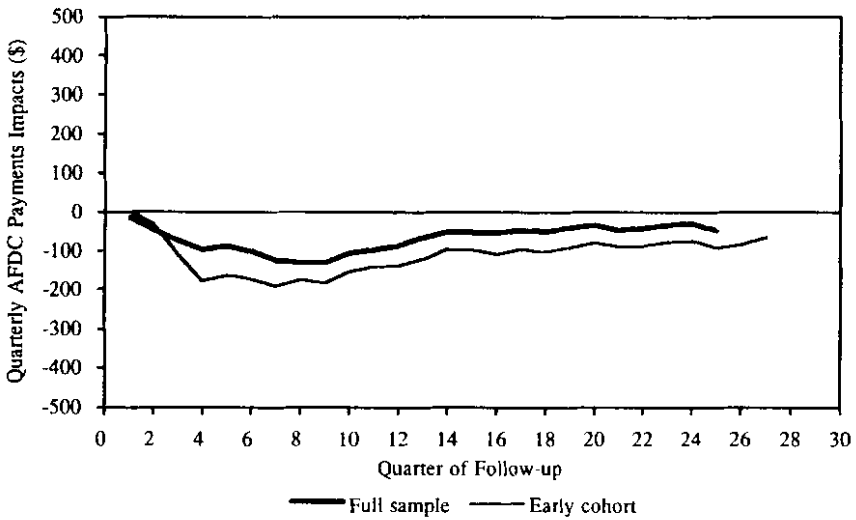
(continued)

Figure 1 (continued)

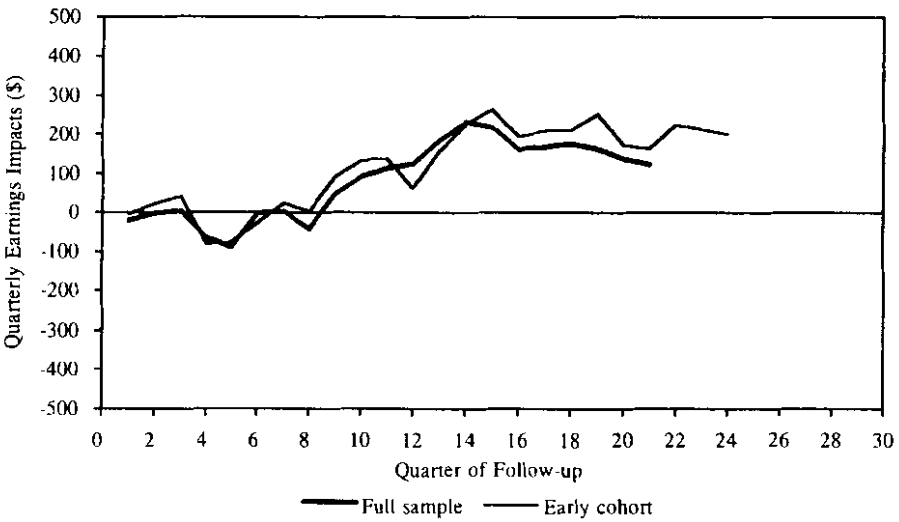
Year 1: Quarters 2-5
Year 2: Quarters 6-9
Year 3: Quarters 10-13
Year 4: Quarters 14-17
Year 5: Quarters 18-21

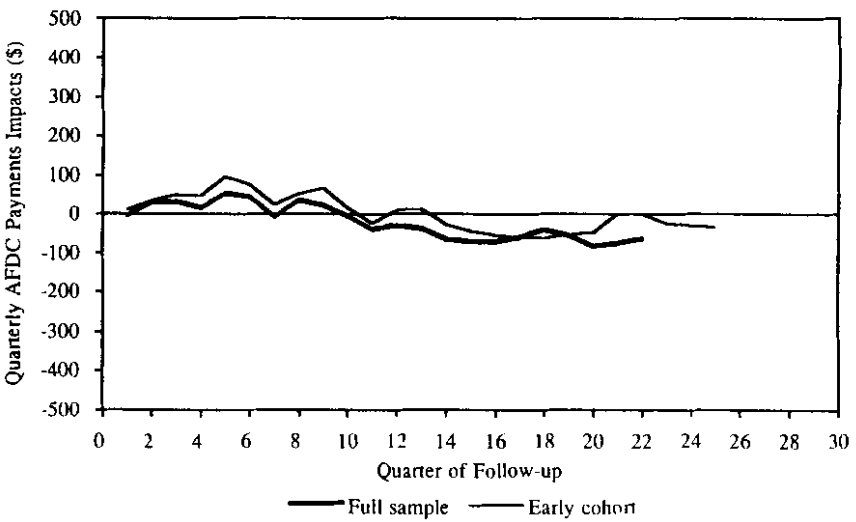
San Diego
(Full sample: 8,219. Early cohort: 5,152.)





Tulare
(Full sample: 2,234. Early cohort: 1,285.)





(continued)

Figure 1 (continued)

SOURCE and NOTES: See Table 1. The early cohort in this figure consists of individuals who were randomly assigned as follows:

Alameda	July 1989-December 1989
Butte	March 1988-March 1989
Los Angeles	July 1989-September 1989
Riverside	August 1988-March 1989
San Diego	August 1988-March 1989
Tulare	January 1989-September 1989

Table 2

GAIN's Five-Year Impacts on Earnings and AFDC Payments for AFDC-FG Registrants Determined Not To Need Basic Education

	Average Total Earnings				Average Total AFDC Payments			
County and Year	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change
Alameda								
Year 1	2094	1422	672 *	47%	6518	6519	-1	0%
Year 2	3374	2365	1008	43%	5403	5441	-38	-1%
Year 3	4622	3422	1200	35%	4456	4550	-94	-2%
Year 4	5411	4284	1126	26%	3653	3833	-180	-5%
Year 5	6239	5158	1081	21%	3166	3325	-158	-5%
Total (years 1-5)	21740	16652	5088	31%	23197	23667	-471	-2%
Sample size (total = 417)								
Butte								
Year 1	2320	2166	154	7%	5217	4816	400	8%
Year 2	3786	3412	374	11%	3656	3299	357	11%
Year 3	4808	4391	418	10%	2623	2394	229	10%
Year 4	5779	4090	1689 *	41%	1947	1896	51	3%
Year 5	6347	4752	1594 *	34%	1502	1643	-141	-9%
Total (years 1-5)	23040	18811	4229	22%	14945	14048	897	6%
Sample size (total = 629)								
Los Angeles								
Year 1	2463	2262	201	9%	6189	6880	-692 ***	-10%
Year 2	3270	2736	534	20%	4985	5779	-794 ***	-14%
Year 3	3556	3144	412	13%	4060	4769	-709 ***	-15%
Year 4	3640	3175	465	15%	3295	3647	-352	-10%
Year 5	4443	3783	659	17%	2790	3001	-211	-7%
Total (years 1-5)	17371	15100	2271	15%	21319	24076	-2757 ***	-11%
Sample size (total = 853)								

(continued)

Table 2 (continued)

County and Year	Average Total Earnings				Average Total AFDC Payments			
	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change
Riverside								
Year 1	3304	2105	1199 ***	57%	4591	5274	-682 ***	-13%
Year 2	4731	3268	1464 ***	45%	3058	3749	-691 ***	-18%
Year 3	5121	3836	1285 ***	33%	2386	3079	-693 ***	-23%
Year 4	5294	4222	1072 **	25%	1972	2328	-356 **	-15%
Year 5	5595	4691	904 *	19%	1646	1871	-225	-12%
Total (years 1-5)	24046	18121	5924 ***	33%	13654	16302	-2648 ***	-16%
Sample size (total = 2194)								
San Diego								
Year 1	3403	2771	632 **	23%	4985	5301	-317 **	-6%
Year 2	5045	3861	1185 ***	31%	3444	4000	-556 ***	-14%
Year 3	5618	4395	1223 ***	28%	2824	3230	-405 ***	-13%
Year 4	6127	5005	1122 **	22%	2238	2448	-210	-9%
Year 5	6327	5364	963 **	18%	1793	2027	-234 *	-12%
Total (years 1-5)	26521	21395	5126 ***	24%	15284	17007	-1723 ***	-10%
Sample size (total = 3612)								
Tulare								
Year 1	2521	3136	-614 *	-20%	5853	5522	331	6%
Year 2	4002	4235	-233	-5%	4465	4256	208	5%
Year 3	4990	4776	214	4%	3473	3469	4	0%
Year 4	5623	5049	574	11%	2565	2818	-253	-9%
Year 5	5932	5726	206	4%	2085	2381	-296	-12%
Total (years 1-5)	23068	22921	147	1%	18441	18447	-6	0%
Sample size (total = 780)								

SOURCE and NOTES: See Table 1.

Table 3

GAIN's Five-Year Impacts on Earnings and AFDC Payments for AFDC-FG Registrants Determined To Need Basic Education

	Average Total Earnings				Average Total AFDC Payments			
County and Year	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change
Alameda								
Year 1	1071	1092	-21	-2%	7139	7342	-202	-3%
Year 2	1467	1238	229	19%	6049	6399	-350 *	-5%
Year 3	1898	1496	402	27%	5090	5575	-485 **	-9%
Year 4	2157	1784	373	21%	4293	4865	-572 ***	-12%
Year 5	2411	2260	151	7%	3657	4177	-520 **	-12%
Total (years 1-5)	9004	7870	1134	14%	26228	28358	-2130 **	-8%
Sample size (total = 788)								
Butte								
Year 1	1686	1179	507 *	43%	5039	6107	-1069 ***	-17%
Year 2	2214	1243	972 **	78%	3769	4747	-978 ***	-21%
Year 3	2442	1345	1097 **	82%	2999	3765	-766 **	-20%
Year 4	2630	1235	1394 ***	113%	2329	2939	-610 *	-21%
Year 5	2869	1500	1368 **	91%	1862	2308	-446	-19%
Total (years 1-5)	11841	6503	5339 ***	82%	15998	19867	-3869 ***	-19%
Sample size (total = 600)								
Los Angeles								
Year 1	1031	1066	-35	-3%	7035	7288	-252 ***	-3%
Year 2	1327	1299	28	2%	5883	6197	-314 ***	-5%
Year 3	1557	1445	112	8%	4890	5063	-173	-3%
Year 4	1676	1616	60	4%	3921	4114	-193 *	-5%
Year 5	2002	1885	117	6%	3295	3411	-116	-3%
Total (years 1-5)	7593	7311	282	4%	25025	26072	-1047 **	-4%
Sample size (total = 3543)								

(continued)

Table 3 (continued)

County and Year	Average Total Earnings				Average Total AFDC Payments			
	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change
Riverside								
Year 1	1919	1181	738 ***	63%	5213	5890	-677 ***	-11%
Year 2	2551	1528	1023 ***	67%	3725	4424	-700 ***	-16%
Year 3	2533	1700	834 ***	49%	3181	3690	-509 ***	-14%
Year 4	2624	1664	960 ***	58%	2644	3137	-492 ***	-16%
Year 5	2680	1725	955 ***	55%	2253	2594	-341 **	-13%
Total (years 1-5)	12307	7797	4510 ***	58%	17016	19735	-2718 ***	-14%
Sample size (total = 3314)								
San Diego								
Year 1	1719	1645	74	5%	5957	6239	-281 **	-5%
Year 2	2287	2018	269	13%	4790	5215	-426 ***	-8%
Year 3	2404	2174	230	11%	4127	4440	-313 **	-7%
Year 4	2507	2496	11	0%	3489	3692	-204	-6%
Year 5	2709	2571	138	5%	2940	3072	-132	-4%
Total (years 1-5)	11625	10904	721	7%	21303	22658	-1355 **	-6%
Sample size (total = 4607)								
Tulare								
Year 1	1406	1283	123	10%	6641	6603	39	1%
Year 2	1761	1586	174	11%	5476	5419	57	1%
Year 3	2103	1419	684 ***	48%	4552	4704	-152	-3%
Year 4	2486	1566	920 ***	59%	3651	3913	-262	-7%
Year 5	2663	1821	842 ***	46%	3014	3215	-202	-6%
Total (years 1-5)	10418	7675	2743 ***	36%	23334	23854	-520	-2%
Sample size (total = 1454)								

SOURCE and NOTES: See Table 1.

Table 4

GAIN's Five-Year Impacts on Employment, Earnings, AFDC Receipt, and AFDC Payments for AFDC-U Registrants

County and Outcome	Experimentals	Controls	Difference	Percentage Change
Alameda				
Ever employed (%)				
Year 1	29.8	20.2	9.6 *	47.3%
Year 2	27.6	20.4	7.2	35.4%
Year 3	27.6	18.0	9.6 *	53.1%
Year 4	23.8	23.4	0.4	1.8%
Year 5	31.9	19.0	12.9 **	68.1%
Years 1-5	52.9	30.4	22.5 ***	73.9%
Average quarterly employment rate (%)				
Years 1-5	21.5	15.8	5.7	36.1%
Average total earnings ($)				
Year 1	1115	1061	54	5.1%
Year 2	1332	1133	200	17.6%
Year 3	1600	1080	521	48.2%
Year 4	2126	1667	460	27.6%
Year 5	2998	1852	1146	61.9%
Total (years 1-5)	9171	6792	2380	35.0%
Ever received any AFDC payments (%)				
Last quarter of year 1	94.6	93.3	1.3	1.4%
Last quarter of year 2	86.2	85.2	1.0	1.2%
Last quarter of year 3	67.1	79.7	-12.6 **	-15.8%
Last quarter of year 4	66.8	75.4	-8.6	-11.4%
Last quarter of year 5	57.0	70.1	-13.1 *	-18.6%
Average number of months receiving AFDC payments				
Years 1-5	46.34	49.06	-2.71	-5.5%
Average total AFDC payments received ($)				
Year 1	10066	9905	161	1.6%
Year 2	9071	8889	182	2.1%
Year 3	7506	7952	-447	-5.6%
Year 4	6209	6875	-665	-9.7%
Year 5	5185	6327	-1142 **	-18.0%
Total (years 1-5)	38037	39948	-1911	-4.8%
Sample size (total = 182)	96	86		

(continued)

Table 4 (continued)

County and Outcome	Experimentals	Controls	Difference	Percentage Change
Butte				
Ever employed (%)				
Year 1	51.5	44.1	7.3 **	16.6%
Year 2	50.4	45.5	4.9	10.8%
Year 3	48.1	41.9	6.2 *	14.7%
Year 4	45.4	43.9	1.5	3.5%
Year 5	45.3	40.5	4.9	12.0%
Years 1-5	73.8	70.2	3.6	5.1%
Average quarterly employment rate (%)				
Years 1-5	33.2	28.7	4.5 **	15.6%
Average total earnings ($)				
Year 1	3026	2393	633 *	26.5%
Year 2	4033	2776	1257 ***	45.3%
Year 3	4752	3346	1406 **	42.0%
Year 4	4742	3677	1066 *	29.0%
Year 5	5096	4132	964	23.3%
Total (years 1-5)	21650	16324	5325 **	32.6%
Ever received any AFDC payments (%)				
Last quarter of year 1	63.7	67.0	-3.3	-4.9%
Last quarter of year 2	52.8	57.6	-4.7	-8.2%
Last quarter of year 3	47.9	52.7	-4.8	-9.1%
Last quarter of year 4	43.6	46.8	-3.2	-6.9%
Last quarter of year 5	39.4	44.6	-5.1	-11.6%
Average number of months receiving AFDC payments				
Years 1-5	30.15	31.76	-1.61	-5.1%
Average total AFDC payments received ($)				
Year 1	6523	6749	-226	-3.4%
Year 2	5246	5775	-529	-9.2%
Year 3	4555	5071	-516	-10.2%
Year 4	3840	4180	-339	-8.1%
Year 5	3327	3814	-487	-12.8%
Total (years 1-5)	23492	25589	-2097	-8.2%
Sample size (total = 1006)	780	226		

(continued)

Table 4 (continued)

County and Outcome	Experimentals	Controls	Difference	Percentage Change
Los Angeles				
Ever employed (%)				
Year 1	41.2	29.4	11.8 ***	40.1%
Year 2	39.0	29.3	9.7 ***	33.0%
Year 3	35.8	26.0	9.8 ***	37.7%
Year 4	35.7	27.0	8.7 ***	32.3%
Year 5	39.0	28.0	11.0 ***	39.2%
Years 1-5	57.7	42.2	15.5 ***	36.7%
Average quarterly employment rate (%)				
Years 1-5	30.2	22.0	8.2 ***	37.5%
Average total earnings ($)				
Year 1	1480	1221	259 **	21.2%
Year 2	1787	1468	319 *	21.7%
Year 3	1726	1418	307	21.7%
Year 4	1891	1533	358 *	23.3%
Year 5	2192	1805	387	21.4%
Total (years 1-5)	9075	7445	1630 **	21.9%
Ever received any AFDC payments (%)				
Last quarter of year 1	91.2	92.3	-1.1	-1.2%
Last quarter of year 2	85.5	85.3	0.1	0.2%
Last quarter of year 3	78.4	77.9	0.5	0.6%
Last quarter of year 4	73.9	73.1	0.8	1.1%
Last quarter of year 5	68.0	66.4	1.6	2.3%
Average number of months receiving AFDC payments				
Years 1-5	48.69	48.37	0.32	0.7%
Average total AFDC payments received ($)				
Year 1	9440	9871	-431 ***	-4.4%
Year 2	8333	8826	-493 ***	-5.6%
Year 3	7417	7739	-323 *	-4.2%
Year 4	6633	6737	-104	-1.5%
Year 5	6198	6142	57	0.9%
Total (years 1-5)	38021	39315	-1294 *	-3.3%
Sample size (total = 1458)	735	723		

(continued)

Table 4 (continued)

County and Outcome	Experimentals	Controls	Difference	Percentage Change
Riverside				
Ever employed (%)				
Year 1	57.2	48.6	8.6 ***	17.7%
Year 2	51.3	44.7	6.6 ***	14.8%
Year 3	44.8	40.2	4.6 **	11.3%
Year 4	41.7	37.6	4.1 *	10.8%
Year 5	38.6	35.3	3.2	9.2%
Years 1-5	73.8	66.9	6.9 ***	10.3%
Average quarterly employment rate (%)				
Years 1-5	32.8	28.4	4.4 ***	15.3%
Average total earnings ($)				
Year 1	3691	2930	761 ***	26.0%
Year 2	4038	3628	411	11.3%
Year 3	3812	3478	334	9.6%
Year 4	3742	3487	256	7.3%
Year 5	3940	3287	653 *	19.9%
Total (years 1-5)	19224	16809	2415 *	14.4%
Ever received any AFDC payments (%)				
Last quarter of year 1	51.1	56.9	-5.8 ***	-10.2%
Last quarter of year 2	46.9	49.5	-2.6	-5.3%
Last quarter of year 3	42.6	40.9	1.7	4.1%
Last quarter of year 4	39.9	39.6	0.3	0.8%
Last quarter of year 5	37.4	37.4	0.0	-0.1%
Average number of months receiving AFDC payments				
Years 1-5	25.57	27.05	-1.48	-5.5%
Average total AFDC payments received ($)				
Year 1	4840	5807	-967 ***	-16.7%
Year 2	3892	4640	-748 ***	-16.1%
Year 3	3615	3964	-349 *	-8.8%
Year 4	3283	3355	-71	-2.1%
Year 5	2954	3099	-145	-4.7%
Total (years 1-5)	18584	20864	-2280 ***	-10.9%
Sample size (total = 2323)	1590	733		

(continued)

Table 4 (continued)

County and Outcome	Experimentals	Controls	Difference	Percentage Change
San Diego				
Ever employed (%)				
Year 1	53.9	50.1	3.8 **	7.6%
Year 2	50.0	45.8	4.2 **	9.1%
Year 3	45.6	43.9	1.7	3.9%
Year 4	42.6	42.5	0.1	0.3%
Year 5	40.7	40.3	0.4	1.0%
Years 1-5	72.4	68.6	3.9 **	5.6%
Average quarterly employment rate (%)				
Years 1-5	34.4	33.3	1.1	3.4%
Average total earnings ($)				
Year 1	3331	3089	242	7.8%
Year 2	4128	3978	150	3.8%
Year 3	4144	4402	-258	-5.9%
Year 4	4051	4323	-273	-6.3%
Year 5	4129	4187	-58	-1.4%
Total (years 1-5)	19783	19979	-197	-1.0%
Ever received any AFDC payments (%)				
Last quarter of year 1	69.4	74.6	-5.2 ***	-7.0%
Last quarter of year 2	61.8	64.0	-2.2	-3.5%
Last quarter of year 3	56.9	57.2	-0.2	-0.4%
Last quarter of year 4	51.7	52.1	-0.3	-0.6%
Last quarter of year 5	46.7	47.8	-1.1	-2.3%
Average number of months receiving AFDC payments				
Years 1-5	34.94	36.05	-1.11	-3.1%
Average total AFDC payments received ($)				
Year 1	6790	7301	-510 ***	-7.0%
Year 2	5565	6197	-632 ***	-10.2%
Year 3	5155	5339	-184	-3.4%
Year 4	4497	4642	-145	-3.1%
Year 5	3984	4038	-54	-1.3%
Total (years 1-5)	25991	27516	-1525 **	-5.5%
Sample size (total = 3272)	2427	845		

(continued)

Table 4 (continued)

County and Outcome	Experimentals	Controls	Difference	Percentage Change
Tulare				
Ever employed (%)				
Year 1	52.5	51.2	1.3	2.5%
Year 2	50.2	48.9	1.3	2.6%
Year 3	48.9	48.4	0.5	1.0%
Year 4	48.3	44.0	4.3 *	9.8%
Year 5	46.4	45.0	1.4	3.1%
Years 1-5	72.0	70.3	1.7	2.4%
Average quarterly employment rate (%)				
Years 1-5	35.2	33.5	1.7	5.2%
Average total earnings ($)				
Year 1	2987	2961	26	0.9%
Year 2	3721	3999	-277	-6.9%
Year 3	4121	4138	-17	-0.4%
Year 4	4319	3955	364	9.2%
Year 5	4479	4220	259	6.1%
Total (years 1-5)	19627	19273	354	1.8%
Ever received any AFDC payments (%)				
Last quarter of year 1	74.7	74.5	0.2	0.2%
Last quarter of year 2	66.4	65.3	1.1	1.7%
Last quarter of year 3	60.5	59.9	0.5	0.9%
Last quarter of year 4	56.1	54.1	2.0	3.7%
Last quarter of year 5	51.9	51.2	0.8	1.5%
Average number of months receiving AFDC payments				
Years 1-5	37.10	36.27	0.83	2.3%
Average total AFDC payments received ($)				
Year 1	7545	7523	23	0.3%
Year 2	6316	6261	54	0.9%
Year 3	5588	5600	-12	-0.2%
Year 4	4882	4952	-70	-1.4%
Year 5	4449	4409	39	0.9%
Total (years 1-5)	28780	28745	35	0.1%
Sample size (total = 1901)	1319	582		

(continued)

Table 4 (continued)

County and Outcome	Experimentals	Controls	Difference	Percentage Change
All counties (a)				
Ever employed (%)				
Year 1	51.2	44.7	6.6 ***	14.7%
Year 2	48.2	42.8	5.3 ***	12.4%
Year 3	44.6	40.1	4.5 ***	11.3%
Year 4	42.7	39.0	3.7 ***	9.6%
Year 5	42.0	37.8	4.2 ***	11.0%
Years 1-5	69.9	63.6	6.3 ***	9.9%
Average quarterly employment rate (%)				
Years 1-5	33.1	29.2	4.0	13.7%
Average total earnings ($)				
Year 1	2903	2519	384 ***	15.3%
Year 2	3542	3170	372 **	11.7%
Year 3	3711	3356	354 **	10.6%
Year 4	3749	3395	354 **	10.4%
Year 5	3967	3526	441 **	12.5%
Total (years 1-5)	17872	15966	1906 ***	11.9%
Ever received any AFDC payments (%)				
Last quarter of year 1	70.0	73.0	-3.0 ***	-4.2%
Last quarter of year 2	62.7	64.3	-1.7	-2.6%
Last quarter of year 3	57.3	57.7	-0.5	-0.8%
Last quarter of year 4	53.1	53.1	-0.1	-0.1%
Last quarter of year 5	48.7	49.5	-0.8	-1.6%
Average number of months receiving AFDC payments				
Years 1-5	35.29	35.90	-0.61	-1.7%
Average total AFDC payments received ($)				
Year 1	7028	7450	-422 ***	-5.7%
Year 2	5871	6340	-469 ***	-7.4%
Year 3	5266	5543	-277 ***	-5.0%
Year 4	4627	4773	-146	-3.1%
Year 5	4182	4301	-118	-2.7%
Total (years 1-5)	26974	28406	-1432 ***	-5.0%
Sample size (total = 9960)	6851	3109		

(continued)

Table 4 (continued)

SOURCE: MDRC calculations from California Unemployment Insurance (UI) earnings records and from county AFDC records.

NOTES: The sample for this table consists of individuals who were randomly assigned as follows:

Alameda	July 1989-May 1990
Butte	March 1988-March 1990
Los Angeles	July 1989-March 1990
Riverside	August 1988-March 1990
San Diego	August 1988-September 1989
Tulare	January 1989-June 1990

The sample used to analyze GAIN's impacts is slightly smaller than the full research sample.

Dollar averages include zero values for sample members not employed or not receiving welfare. Estimates are regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

Rounding may cause slight discrepancies in calculating sums and differences.

For all measures, year 1 refers to follow-up quarters 2-5; year 2, to quarters 6-9; year 3, to quarters 10-13; year 4, to quarters 14-17; and year 5, to quarters 18-21.

Quarter 1 refers to the calendar quarter in which random assignment occurred. Because quarter 1 may contain some earnings and AFDC payments from the period prior to random assignment, it is excluded from the summary measures of follow-up.

A two-tailed t-test was applied to differences between experimental and control groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5; * = 10 percent.

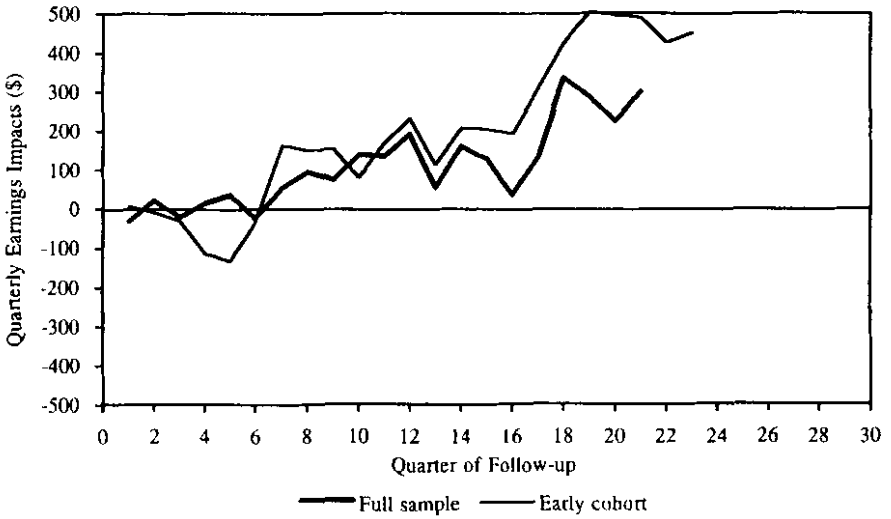
(a) In the all-county averages, the results for each county, except Alameda, are weighted equally. Alameda is excluded because its AFDC-U impacts are based on a very small sample size.

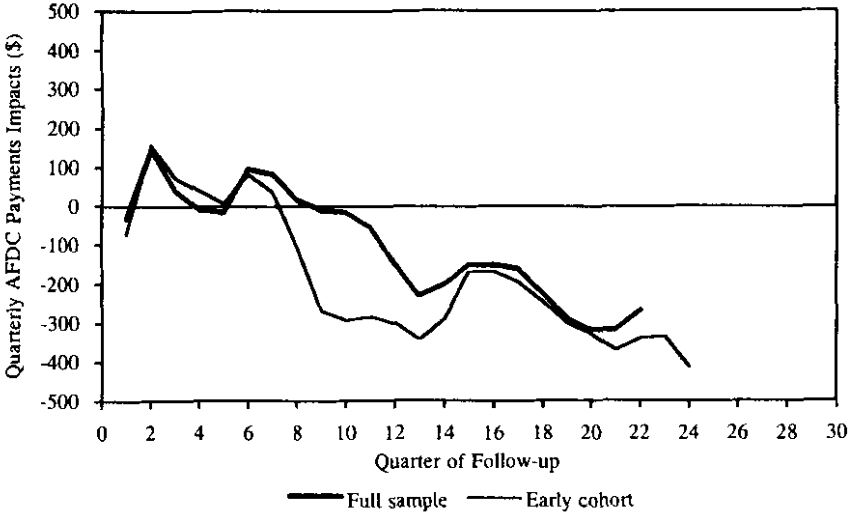
Figure 2

Impacts on Earnings and AFDC Payments for the Full Samples and Early Cohorts of AFDC-U Registrants

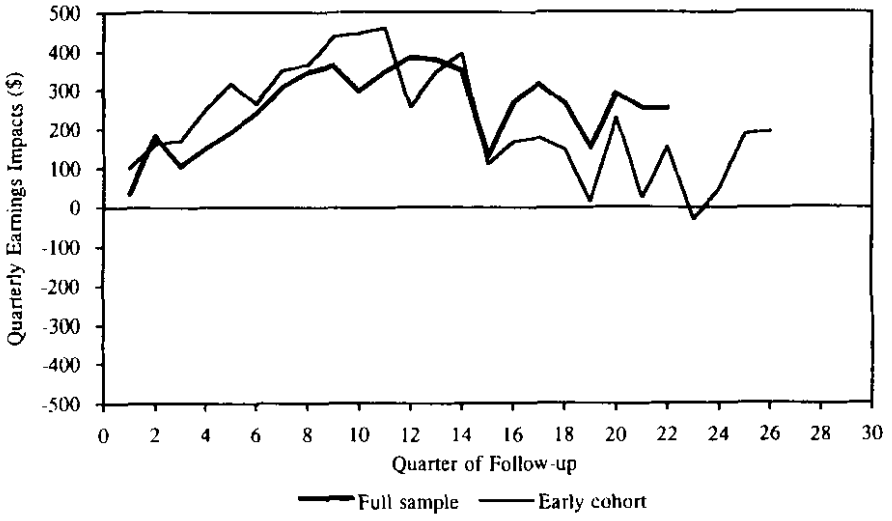
Year 1: Quarters 2-5
Year 2: Quarters 6-9
Year 3: Quarters 10-13
Year 4: Quarters 14-17
Year 5: Quarters 18-21

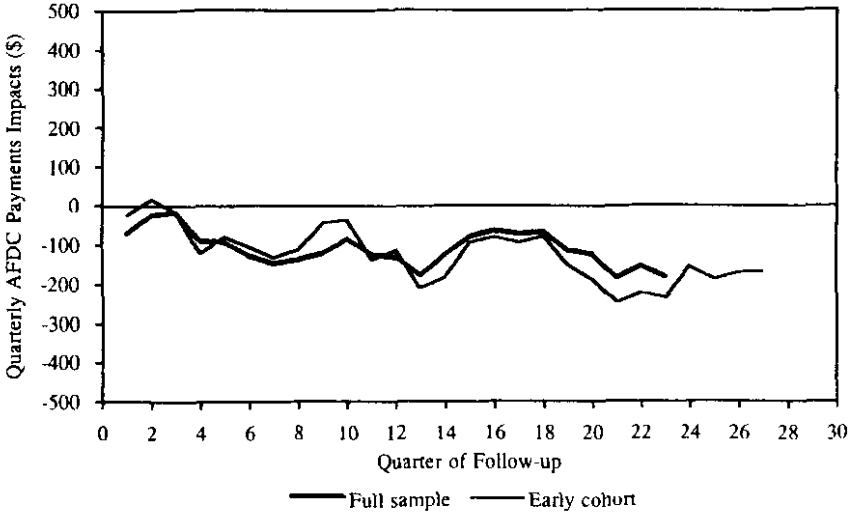
Alameda
(Full sample: 182. Early cohort: 87.)





Butte
(Full sample: 1,006. Early cohort: 587.)



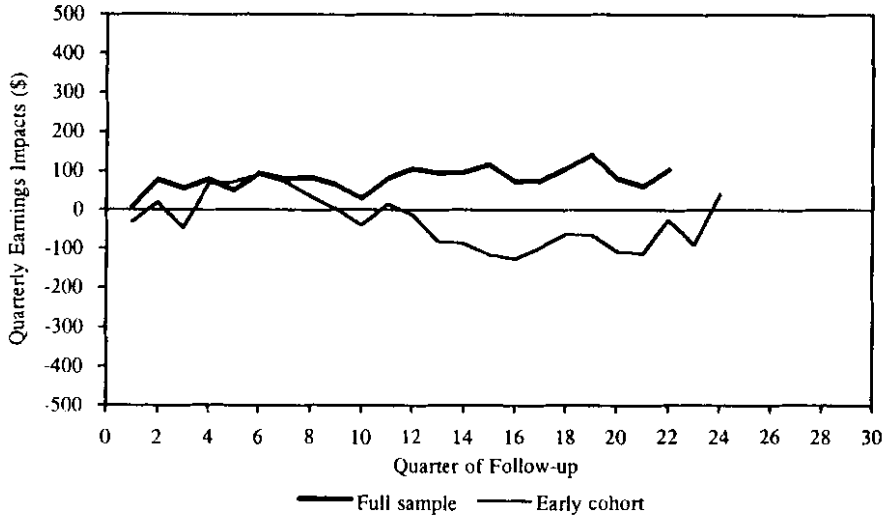


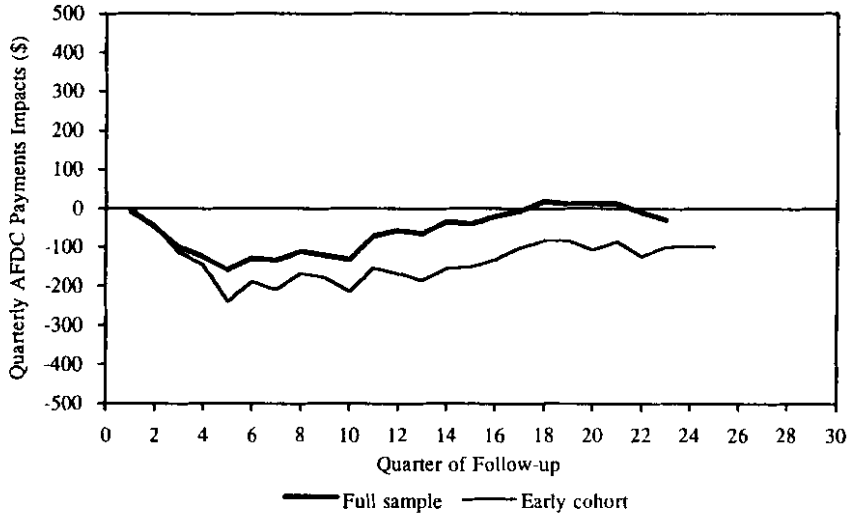
(continued)

Figure 2 (continued)

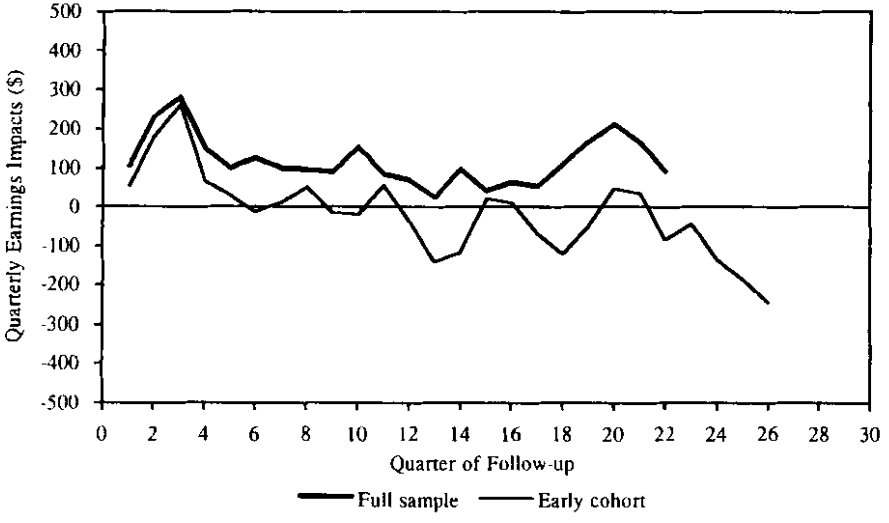
Year 1: Quarters 2-5
Year 2: Quarters 6-9
Year 3: Quarters 10-13
Year 4: Quarters 14-17
Year 5: Quarters 18-21

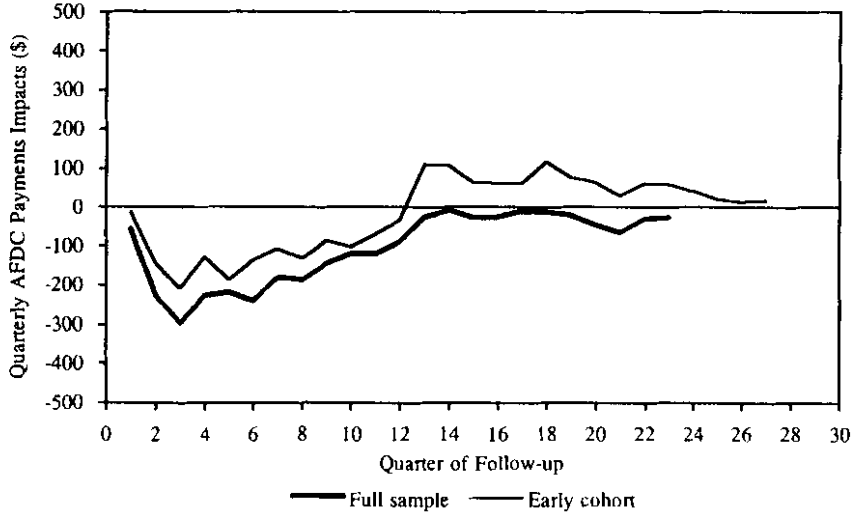
Los Angeles
(Full sample: 1,458. Early cohort: 664.)





Riverside
(Full sample: 2,323. Early cohort: 1,078.)



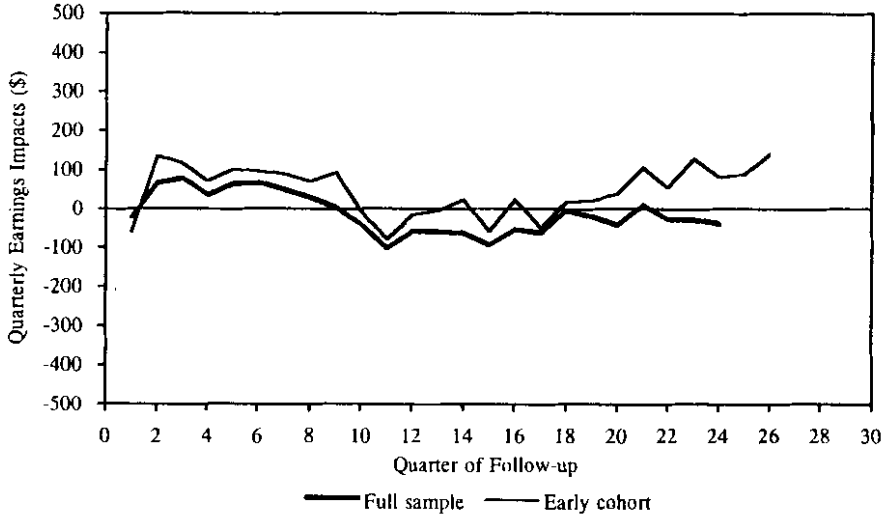


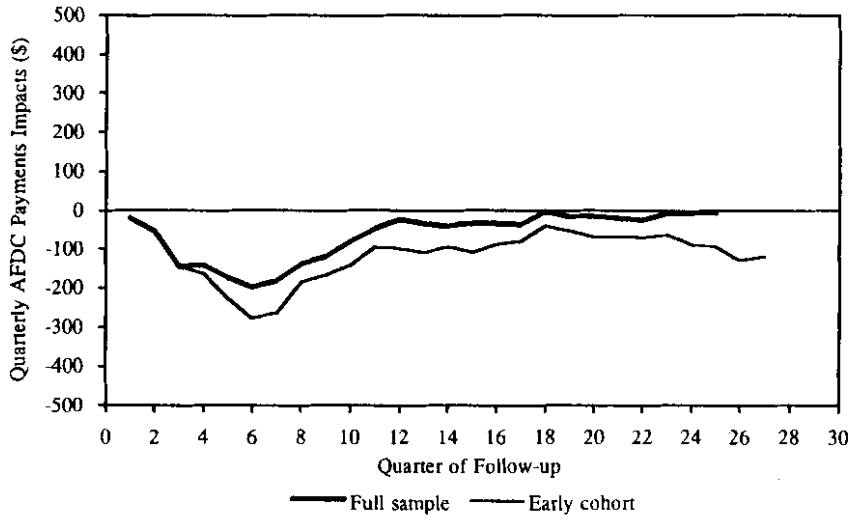
(continued)

Figure 2 (continued)

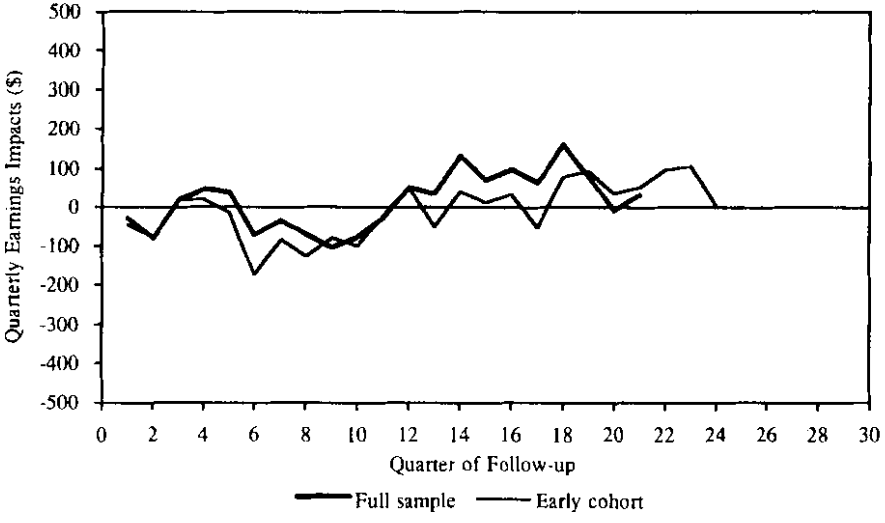
Year 1: Quarters 2-5
Year 2: Quarters 6-9
Year 3: Quarters 10-13
Year 4: Quarters 14-17
Year 5: Quarters 18-21

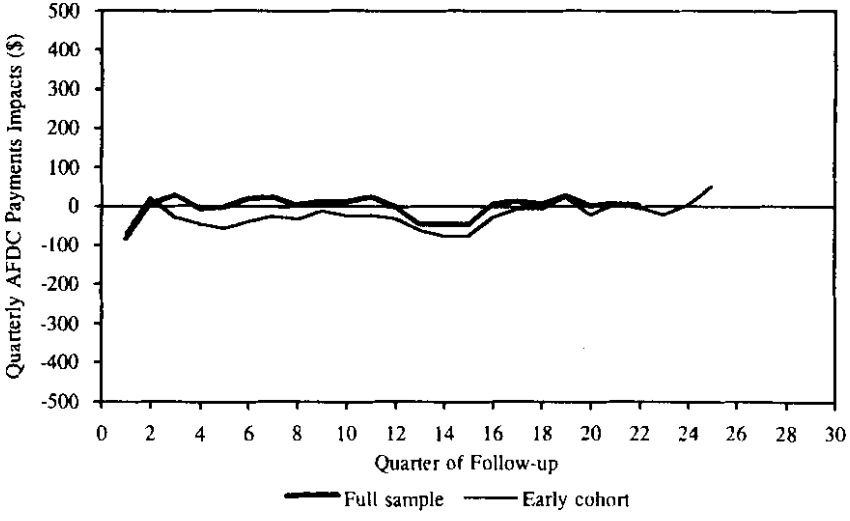
San Diego
(Full sample: 3,272. Early cohort: 2,055.)





Tulare
(Full sample: 1,901. Early cohort: 1,283.)





(continued)

Figure 2 (continued)

SOURCE and NOTES: See Table 4. The early cohort in this figure consists of individuals who were randomly assigned as follows:

Alameda	July 1989-December 1989
Butte	March 1988-March 1989
Los Angeles	July 1989-September 1989
Riverside	August 1988-March 1989
San Diego	August 1988-March 1989
Tulare	January 1989-September 1989

Table 5

GAIN's Five-Year Impacts on Earnings and AFDC Payments for AFDC-U Registrants Determined Not To Need Basic Education

	Average Total Earnings				Average Total AFDC Payments			
County and Year	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change
Alameda								
Year 1	2460	1194	1265	106%	8757	9799	-1042 *	-11%
Year 2	3224	1012	2212	219%	7538	8315	-777	-9%
Year 3	2777	272	2505 **	920%	6608	7139	-531	-7%
Year 4	3300	1037	2263	218%	4345	6153	-1809	-29%
Year 5	5657	921	4737	514%	1922	5919	-3998 *	-68%
Total (years 1-5)	17418	4436	12982 **	293%	29169	37325	-8156	-22%
Sample size (total = 34)								
Butte								
Year 1	3938	2690	1248 *	46%	5945	6472	-528	-8%
Year 2	5566	3235	2331 **	72%	4404	5611	-1207 **	-22%
Year 3	6621	4193	2428 **	58%	3477	4632	-1154 **	-25%
Year 4	7084	4719	2365 *	50%	2784	3929	-1145 **	-29%
Year 5	7784	5357	2427 *	45%	2419	3430	-1011 **	-29%
Total (years 1-5)	30994	20195	10799 **	53%	19028	24074	-5046 ***	-21%
Sample size (total = 426)								
Los Angeles								
Year 1	1775	1591	183	12%	8457	9675	-1217 ***	-13%
Year 2	2470	2687	-217	-8%	7364	8326	-962	-12%
Year 3	1655	2932	-1277	-44%	7104	7025	79	1%
Year 4	2488	3155	-667	-21%	6835	5717	1119	20%
Year 5	2975	3683	-708	-19%	6451	4640	1811 **	39%
Total (years 1-5)	11362	14048	-2685	-19%	36211	35382	829	2%
Sample size (total = 113)								

(continued)

Table 5 (continued)

County and Year	Average Total Earnings				Average Total AFDC Payments			
	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change
Riverside								
Year 1	4718	3143	1575 ***	50%	4582	5744	-1162 ***	-20%
Year 2	5284	4244	1040 *	24%	3387	4245	-858 **	-20%
Year 3	4732	3886	846	22%	3103	3528	-424	-12%
Year 4	4843	4029	814	20%	2824	2655	169	6%
Year 5	4849	3860	989	26%	2428	2546	-117	-5%
Total (years 1-5)	24426	19162	5264 **	27%	16325	18718	-2392 *	-13%
Sample size (total = 774)								
San Diego								
Year 1	4562	3531	1032 **	29%	5852	6610	-758 ***	-11%
Year 2	5491	4929	562	11%	4588	4920	-331	-7%
Year 3	5604	5744	-140	-2%	4193	3950	243	6%
Year 4	5226	6204	-978	-16%	3582	3392	190	6%
Year 5	5212	5698	-486	-9%	3104	3030	74	2%
Total (years 1-5)	26094	26105	-11	0%	21319	21901	-582	-3%
Sample size (total = 1214)								
Tulare								
Year 1	4322	4069	253	6%	6295	6410	-115	-2%
Year 2	5803	6731	-928	-14%	4991	4535	456	10%
Year 3	6986	5835	1151	20%	4281	3879	401	10%
Year 4	7512	5514	1998 **	36%	3365	3644	-280	-8%
Year 5	7370	6080	1289	21%	2991	3149	-158	-5%
Total (years 1-5)	31993	28229	3764	13%	21923	21618	305	1%
Sample size (total = 495)								

SOURCE and NOTES: See Table 4.

Table 6

GAIN's Five-Year Impacts on Earnings and AFDC Payments for AFDC-U Registrants Determined To Need Basic Education

	Average Total Earnings				Average Total AFDC Payments			
County and Year	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change
Alameda								
Year 1	730	1113	-382	-34%	10360	9938	422	4%
Year 2	879	1180	-301	-26%	9319	9139	180	2%
Year 3	1402	1183	219	19%	7665	8192	-527	-6%
Year 4	2082	1558	525	34%	6488	7208	-720	-10%
Year 5	2638	1782	856	48%	5731	6651	-920	-14%
Total (years 1-5)	7731	6815	916	13%	39563	41128	-1565	-4%
Sample size (total = 148)								
Butte								
Year 1	2385	2062	323	16%	6944	6970	-26	0%
Year 2	2944	2289	655	29%	5872	5888	-16	0%
Year 3	3426	2541	885	35%	5344	5419	-75	-1%
Year 4	3053	2778	274	10%	4609	4409	200	5%
Year 5	3124	3195	-71	-2%	3993	4112	-119	-3%
Total (years 1-5)	14931	12866	2065	16%	26761	26798	-36	0%
Sample size (total = 580)								
Los Angeles								
Year 1	1436	1209	227 *	19%	9518	9881	-364 ***	-4%
Year 2	1703	1385	318 *	23%	8410	8866	-456 ***	-5%
Year 3	1680	1321	359 *	27%	7440	7809	-369 **	-5%
Year 4	1814	1409	406 *	29%	6629	6827	-198	-3%
Year 5	2097	1661	437 *	26%	6208	6262	-54	-1%
Total (years 1-5)	8732	6985	1747 **	25%	38204	39644	-1440 **	-4%
Sample size (total = 1345)								

(continued)

Table 6 (continued)

County and Year	Average Total Earnings				Average Total AFDC Payments			
	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change	Experimentals ($)	Controls ($)	Difference ($)	Percentage Change
Riverside								
Year 1	3169	2840	329	12%	4959	5858	-899 ***	-15%
Year 2	3423	3303	119	4%	4137	4855	-718 ***	-15%
Year 3	3361	3254	107	3%	3872	4178	-306	-7%
Year 4	3205	3187	17	1%	3517	3694	-177	-5%
Year 5	3496	2977	519	17%	3223	3362	-139	-4%
Total (years 1-5)	16653	15562	1091	7%	19708	21947	-2239 **	-10%
Sample size (total = 1549)								
San Diego								
Year 1	2622	2807	-184	-7%	7345	7698	-353 **	-5%
Year 2	3341	3381	-40	-1%	6147	6945	-799 ***	-11%
Year 3	3294	3584	-290	-8%	5732	6146	-414 *	-7%
Year 4	3366	3160	206	7%	5043	5372	-328	-6%
Year 5	3509	3224	285	9%	4505	4629	-124	-3%
Total (years 1-5)	16132	16156	-24	0%	28772	30790	-2018 **	-7%
Sample size (total = 2058)								
Tulare								
Year 1	2512	2578	-66	-3%	7981	7925	56	1%
Year 2	2981	3060	-79	-3%	6775	6880	-105	-2%
Year 3	3106	3540	-434	-12%	6040	6221	-181	-3%
Year 4	3189	3402	-213	-6%	5407	5435	-28	-1%
Year 5	3466	3544	-77	-2%	4963	4853	110	2%
Total (years 1-5)	15255	16124	-869	-5%	31166	31314	-148	0%
Sample size (total = 1406)								

SOURCE and NOTES: See Table 4.