

Arkansas Working Families Project

The Struggles of Getting By and Getting Ahead

June 2000 Issue 1

A Project of the Good Faith Fund, Arkansas Advocates for Children & Families, and the Arkansas Public Policy Panel

Earlier this year, a series of focus groups with working families was held in Helena, Little Rock and Springdale as part of the new Arkansas Working Families Project, which draws attention to the struggles faced by low-income working families.

The Working Families Project was launched in April with the release of "How Families Are Faring in the Booming Economy: The State of Working Arkansas." That report used data to show how families were faring with their income, wages, assets, taxes and supports, such as child care, education and training, health insurance and housing. The Working Families Project is a collaborative effort between Arkansas Advocates for Children & Families, the Good Faith Fund and the Arkansas Public Policy Panel.

About 15 parents participated in each focus group. Typically, these parents had three children ranging in age from infant to 18, with a good mix of preschool- and school-aged children.

Focus group participants were asked to identify the basic financial needs they must meet every month and the kinds of things that keep them from meeting those needs. They were also asked to discuss what makes it difficult for them to move ahead financially.

WHY CAN'T FAMILIES MEET THEIR NEEDS?

What keeps these families from meeting their basic needs? Following are some of the working parents' answers:

- Child Care

Participants raised a range of issues around child care including:

 1. Cost of \$80-\$105 per week, which is about half of gross income for a parent making minimum wage;
 2. Care hours do not coincide with work hours;
 3. Lack of child care where parents feel safe leaving their children;
 4. Having to take children to different providers because the provider cannot take children of different ages; and
 5. Lack of providers serving infants.

WHAT ARE A FAMILY'S BASIC NEEDS?

- Cars – Gas, Insurance, Payment
- Child Care
- Child Support
- Clothes
- Credit
- Dental Care
- Education – GED, Training, Higher Ed
- Food
- Job
- Life Insurance
- Health Care/Health Insurance
- Home Repairs
- Housing
- School Supplies
- School Uniforms
- Toiletries
- Transportation
- Utilities

On programs supported by public funds, focus group participants said they were concerned about the low-income eligibility guidelines for Head Start; getting help when they did not have a job, but not getting it when they did; and difficulty getting on the waiting list because they were not employed.

■ Clothes

Keeping children in clothes can be an expensive venture. A parent in the Little Rock focus group said, "Children outgrow clothes quickly, even from one month to the next. One month the shirt fits and the next month it's up to their stomach." Parents expressed concern that children's clothes cost as much as adult clothing.

Regarding school uniforms, some parents found it to be more expensive, especially for larger-sized children, but some parents saw the benefits. "I know that the person who dresses the best is the most popular. When school starts, you buy clothes for them anyway. Why not just buy uniforms?" asked one parent.

■ Credit

Families participating in the focus groups realized that good credit is important when renting an apartment, getting utilities turned on, buying a house, buying a car or making other purchases. One of the biggest problems in keeping good credit, according to the parents, is unpaid medical bills. Bankruptcy and student loans also affect credit status. Other participants have trouble because they had no credit history at all.

■ Health Care

Concerns raised about health care and health insurance included:

1. Meeting deductibles of \$200-\$500 per family member;
2. Monthly premium costs of \$50-\$200;
3. Having a preexisting condition and getting insurance;
4. Getting dental insurance;
5. Finding a job that provides health insurance as a benefit;
6. Finding a public health facility that serves people without insurance and has the appropriate staff to provide care (one place in Helena only has a doctor on Wednesdays, and Little Rock has only one site, which is in College Station);

7. Limits on the number of prescriptions that can be filled per month; and
8. Caps on what the insurance will pay the doctor, leaving families to pay the remaining bill.

Other issues of concern surrounded Medicaid and ARKids First, including lack of coverage for adults unless they are pregnant, and the fact that Medicaid won't pay for everything. One mother in the focus group was stuck with a \$30,000 bill after her son spent three weeks at a Little Rock hospital.

■ Housing

A participant in Springdale said, "You can't get ahead because when you live in government housing and you make a penny more than you did last week, they want to take it from you. They didn't design it so you can save a little bit and get ahead." Another concern was that rent is based on gross income rather than net income, making it harder to qualify for housing.

The cost of child care is \$80-\$105 a week -- about 2 of the gross income for some working parents.

Parents are concerned about the lack of child care in areas of town where children will be safe.

In Helena, participants talked about service and privacy. For example, if a toilet backs up, it takes the housing authority two to three days to fix it. And, public housing officials often

come into residents' apartments without their permission. In all three towns, participants said the waiting lists to get into public housing are two to six months long.

Discrimination in private housing against families with children and African-American and Hispanic families was also a concern. In terms of home-ownership, participants were aware of programs that provide help, but they felt that many people had not heard of these programs.

■ Transportation

Helena offers at least two transportation options, but working parents had issues with each. Cabs are expensive (\$15 one way from Elaine to Helena), and the private transit authority requires daily reservations, is sometimes hours late or does not pick people up at all, and does not operate in the evenings. The private transit system in Springdale has similar problems with reliability, according to focus group participants. Car ownership carries its own burdens, such as gas, repairs, insurance and sales tax.

■ Utilities

High utility bills were a concern for parents in the Little Rock focus group. "Water used to be one of the cheapest bills. Now it's one of the most expensive. My average water bill is \$80," the parent said.

Another parent said, "My electric and gas bills are high because my house has poor insulation. If you try to get the landlord to do it, they say, 'You do it' and take it out of the rent."

Working parents in Springdale had similar concerns. One mother said she limits how many times a week she washes clothes so she can keep her bills down. Another parent talked about the difficulty of paying deposits for every utility every time she moved.

WHAT KEEPS FAMILIES FROM MOVING AHEAD?

Focus group participants also expressed a desire to move ahead financially, to be able to do more than just "get by." What keeps these working families from getting ahead financially?

■ Education

Parents said that GEDs, training and higher education are all important to help them get jobs that pay enough to support their basic needs, but they had concerns about all levels of the educational system.

Some of the concerns around elementary and secondary education included:

1. Undiagnosed learning disabilities and a lack of interest by educators in helping students who have learning disabilities;
2. "College prep" focus that leaves out the majority of students;
3. Lack of child care at or near schools; and
4. Lack of encouragement for young parents to stay in school.

Higher education concerns included:

1. The cost of books and fees;
2. Varying tuition rates for community colleges. For example, to attend the community college in Rogers, Benton County residents pay \$100 an hour, but people in Springdale pay \$300 an hour);

3. Lack of training programs;

4. Lack of accommodations for students with learning disabilities; and

5. Lack of transportation to school, especially at night.

■ Jobs

Participants expressed concerns about the jobs that are available to them. One Springdale parent said he heard about a man who earned \$5 an hour and had three different jobs.

Another participant talked about the value that is placed on certain jobs. One mother who works at a child care facility asked, "I have responsibility for 18 kids a day. Don't you think I am worth more than \$6 an hour?"

■ Race

Participants said race often keeps them from moving ahead. They see this happening when they try to rent an apartment, buy a house or apply for a job.

If you get a job while on Medicaid, they kick you off immediately. They don't give you six months of having this job to get ahead. ...

■ A Springdale mother

However, the reasons given by landlords or employers for not accepting an applications is stated differently. "Usually they don't say it's because you are black. They'll say its be-

cause you have too many children or your credit is not good. With a job, it's you don't have enough education or you are overqualified," said one parent.

Another participant shared her experience of moving into a new neighborhood. "People stereotype. There were two older white women on my block who seemed kind of nervous at first. One of them came over and said that I have so many kids but it's so quiet you'd never know. Then they found out what kind of family we were. They accepted us. They were so glad to have us on the block. But some times you don't even get the chance to prove who you are," said one parent.

■ The System

Focus group participants were quite eloquent when saying that programs seem designed to keep people from moving ahead, instead of helping them. One participant said, "If I worked full time, I would get no help with child care, no Food Stamps, and I'd have to pay \$400 for the projects (public housing)."



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Someone else said, "To be on Food Stamps, you can't have a car worth more than a certain amount. To get a welfare check, you cannot have any car. I lied and said I didn't have a car because I needed a reliable car to get to work."

A Springdale participant talked about her experience with Medicaid. "If you get a job while on Medicaid, they kick you off immediately. They don't give you six months of having this job to get ahead. How can you save money?"

**FOR MORE INFORMATION
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