

NEW YORK STATE DISPLACED HOMEMAKER PROGRAM

November 27, 2007

Utica, NY

Good evening.....My name is Eleanor Moran and I am Executive Director of the Women's Employment and Resource Center. I would like to thank Governor Spitzer and the Division of Budget for providing this opportunity to speak on behalf of the 22 Displaced Homemaker Centers that serve New York State. I would also like to welcome you all to our great city of Utica.

I, as well as all others in attendance tonight, am keenly aware of the goal that has been set to cap the state budget in the upcoming budget year. I respect the need to examine expenditures and to assess how to best serve the needs of our State in the most cost-effective manner. I would like to remind you of the investment that has been made in the DHP which has successfully met the challenge of providing workforce development and training to "displaced homemakers" for almost 30 years. This population was clearly defined in legislation passed in 1978 and ensures assistance to individuals who have been providing unpaid services to family members in the home, and who have lost their primary source of income due to death, divorce or separation from a spouse, or who are receiving public assistanceall of whom are struggling to reenter the workforce.

Many are seeking help that will keep them from having to apply for public assistanceand most definitely to avoid becoming dependent upon public assistance. They need help navigating an environment that is foreign to them...the ever-changing world of work. They need to learn how to assess the current labor market as it relates to their skills, abilities and experience, and to then determine the best and most expedient entry into employment at the highest level of financial sustainability as is possible. They need the opportunity to develop employment plans that will ensure acquisition and retention of jobs, as well as, the potential for advancement. We often use the analogy of preparing to take a road trip....pointing out the difficulties of reaching any destination without a roadmap. Their individual employability plans, with goals and benchmarks, make the obstacles more manageable and the progress more focused and measurable.

The DHP addresses very specific needs and issues. It deals with those who require more intensive assistance than the traditional job seeker. They may not be as self-directed at that point or may have numerous complex obstacles such as child care issues, housing concerns, safety, lack of skills, medical problems, no money or bad credit. They are frequently victims of domestic violence who have escaped a bad situation with

virtually nothing to restart their lives. To complicate things further they are totally unfamiliar with the dynamics of the employment landscape. The centers provide more targeted assistance than is available at regional One Stop Centers which are very skilled at working with job seekers who have recent work experience and minimal obstacles. Of equal significance is the fact that DH Centers have established relationships with local employers. We connect displaced homemakers with employers who recognize the quality of job-readiness preparation we have provided. Our networks with employers facilitate quality job referrals and placements. Everyone wins! Job seekers have a paycheck. Employers have new hires who are responsibly referred as good “fits” – minimizing the cost of turnover. Communities become stronger as families become more financially independent. And the State has a significant return on its investment.

Many of our centers serve people from other countries who are seeking to become a part of their new communities. They are often without their spouses, yet have children to care for. The centers provide non-bureaucratic environments that offer non-threatening places to seek help....especially for those who may be culturally different from their new neighbors. We successfully bring very diverse individuals together to prepare them for employment as it will be in the “real” world....diverse work groups woven into productive work teams. We have served many who clearly fear those who are different. Misunderstandings can evolve from uniqueness. Learning to meld is an incredible challenge that becomes even more ominous as one faces new languages, traditions, appearances and behaviors. Learning to trust and work together comes from positive daily exposure and structured opportunities that build understanding. Transitioning into the world of work begins with training that reflects the world of work. The DHP provides that forum.

Other focuses may include assistance with acquiring a GED which is an enormous obstacle to employment. Our partnerships and on-site programs help in motivating them to earn even a minimal education. A basic training includes learning new computer skills that employers expect they will know upon hire. The centers help participants identify adaptable and transferable skills and teach them how to apply them to current work requirements and how to market them in an interview. We help them identify future trainings that can be incorporated into their employment plan and can be achieved while they are working.

Some data that reaffirms the need for the Displaced Homemaker Program comes from a 2005 publication, Chutes and Ladders: The Search for Solid Ground for Women

in the Workforce. It was researched and evaluated by *Women Work! The National Network for Women's Employment*. Let me share some of those results:

- **Approximately 463,081 displaced homemakers reside in New York State**
- **Of those, 38% live in poverty**
- **There has actually been an increase of 39% in the last 10 years**
- **Nationally, 58% of displaced homemakers, and 62% of single mothers have not completed education beyond a high school diploma or GED**
- **16% of displaced homemakers and 39% of single mothers in New York State live with their own children under the age of six**
- **While 48% of displaced homemakers were employed in 2003, 42% had incomes that were below the official poverty level and 16% were “near poor”**
- **90% of adults receiving TANF (temporary assistance to needy families) are women, and 93% of these women are single heads of households (that according to the Department of Health and Human Services)**

According to the NYS Displaced Homemaker Association:

- **Since its inception, 199,426 displaced homemakers have been served and 47,952 have entered and remained in the labor market***
- **The estimated contribution to the New York State's economy through 2006 is \$11 million, assuming minimum wage. As the majority earned a higher income, the total impact on the state is closer to \$30 million**
- **The cost of maintaining a typical family on public assistance is \$8,292 per year in direct grants. The cost of providing the Displaced Homemaker program is \$1,250 per participant.....a significant contrast.**
- **Approximately 24% of displaced homemakers served by this program receive public assistance.**

Applying this percentage to the total annual DHP job placements, and assuming that at least half of these placements earn enough to get off public assistance, the **conservative estimate of savings to the State is approximately \$2,296,884 per year.**

- **If we combine the savings in welfare benefits and the newly earned income estimated at approximately \$16,032,016 using only minimum wage, then consider new discretionary dollars to be reinvested in each community....and then extend that number over the 29+ year period the DHP has been providing assistance, the positive impact of this program on New York State is much more than noteworthy. It is simply a great investment of tax dollars.**

The current cost to New York State to provide this program through 22 state-wide centers is \$5.3 million. When we look again at the cost compared to the savings we can easily justify how very cost-effective and beneficial the Displaced Homemaker Program is to the State. We can see that the need is not diminishing (as we would certainly like to see), but rather it continues to spiral upward.....continuing to be a burden on our communities and on our economy.

We need to insure that this program continues to be available to:

- prepare these individuals to meet the needs of our current labor market
- teach these individuals to break the cycle of poverty and work toward financial independence through our support and guidance
- be used as a vehicle to bring together diverse job seekers who are struggling to survive in a new environment and do not want to rely on welfare
- provide the services that were deemed appropriate and necessary by our legislators in 1978 and is still appropriate now.

The ultimate “payback” to the state above and beyond its financial impact is that these individuals and their families grow to become financially independent, have discretionary funds to reinvest in their local economies, become viable members of our labor market, and become more positively integrated into their communities. As the displaced homemaker rises above the challenges of unemployment so too does the family.

Our 2007-2008 funding came through general funds that allows us to be able to serve ALL displaced homemakers who come to us for services. For this opportunity, we thank you and ask that future funds are made available that make it possible for us to continue to meet our charge as is delineated in legislation. While we share your goal of streamlining our State budget, we ask that you recognize the impact of this program.... from both an economic and humanistic perspective. We ask that you help us help those who need to become viable members of our community, and contributing tax payers of New York State.

Thank you again for this opportunity. Have a great evening and a safe journey home.