



Nokomis Foundation

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Michigan's Missing Class of Women The Listening and Learning Tour 2008-2009

Introduction

During the past year, Nokomis Foundation focused on learning more about systemic barriers to economic self-sufficiency among women who earn between \$20,000 - \$40,000 annually. Such women sometimes referred to as comprising the "missing class" or "near-poor," lack resources to provide for the basic needs of the families, which they head despite working.

In 2008, W.K. Kellogg Foundation approved a grant to Nokomis for the project "Michigan's Missing Class of Women – The Listening and Learning Tour." Kellogg also extended an invitation to Nokomis to share its learnings from this project along with eleven other national women's organizations through participation in WKKF Women's Philanthropy and Poverty Cluster.

Project Purpose

The scope of the project included conducting an environmental scan, convening focus groups with affected women across Michigan, and holding forums with key Michigan stakeholders and service providers. Results are to be used to develop an action agenda to promote civic engagement and system change to advance opportunities for economic self-sufficiency for women and their dependent children.

Environmental Scan

Research indicates that in Michigan more than 100,000 female-headed households are in this missing class. Using Michigan's self-sufficiency wage as a standard, a single woman with two young children must earn an annual income of at least \$40,252 to meet expenses associated with minimal and basic family needs. Research reviewed included the 2006 American Community Survey and the ongoing work of the Michigan League for Human Services.

The review of the literature indicates that women earning at levels under \$40,000 are frequently just one paycheck away from falling into poverty. Most lack health benefits; many work more than one job. All struggle with childcare and worry about maintaining shelter. Any small mishap or unexpected expense may result in stressful choices between paying for rent or procuring safe childcare, between buying groceries or filling a prescription. An underlying constant concern is adequately meeting the developmental and basic needs of their children.

Sometimes, small gains in real income have compounding negative impacts because of how public supports are structured. Experts in social welfare reform call this the "cliff effect." Ironically, women who

start to progress financially via increased earnings are penalized by loss of subsidies critical to sustainable financial progress.

Michigan Economic Self-Sufficiency Wages

Family Composition	MI rate /hour	MI Annualized
Single individual	\$9.08	\$18,896
Single parent family, 2 children under 6 yrs	\$19.35	\$40,252
Two-parent family with 2 children under 6 years, both working	\$10.74/each	\$44,678
Two-parent family with 2 children under 6, one working	\$12.58	\$26,166

Source: Michigan League for Human Services.

Convening

Nokomis convened focus groups to hear directly from women residing in six Michigan counties with a disproportionate concentration of missing class families. Seeking to determine if and how women’s own voices would corroborate and enliven the quantitative findings of the environmental scan, Nokomis framed its work by asking:

- Why are women not economically self-sufficient?
- What are the best routes for women to become economically self-sufficient?

Stories shared by the women re-enforce data indicating fragile earning power keeps them from advancing economically and adversely affects the well being of the children who are their primary concern.

The following graph provides a demographic snapshot of participants:

Monroe	Marquette*	Clare*	Calhoun	Kent	Ottawa
Underemployed, laborers, professionals & service providers	Fully employed, government professionals & service providers	Fully employed, lower educational attainment, leisure & service providers	Fully employed, lower educational attainment, laborers & service providers	Fully employed, laborers & service providers	Underemployed, factory, seasonal workers, & service providers
<ul style="list-style-type: none"> • ESS=\$42,169 • \$13,264 Wage Gap • 45% Associate Degree or More • 59% Professionals • 50% Worked <52 Weeks 	<ul style="list-style-type: none"> • ESS=\$36,901 • \$8,074 Wage Gap • 65% Associate Degree or More • 80% Prof and Service Providers, 36% Gov’t • 18% Worked <52 Weeks 	<ul style="list-style-type: none"> • ESS=\$36,523 • \$8,006 Wage Gap • 22% Associate Degree or More • 56% Service Workers, 36% Government • 18% Worked <52 Weeks 	<ul style="list-style-type: none"> • ESS=\$37,927 • \$10,021 Wage Gap • 23% Associate Degree or More • 55% Prof and Service Providers, 39% Man’f • 33% Worked <52 Weeks 	<ul style="list-style-type: none"> • ESS=\$42,169 • \$9,555 Wage Gap • 43% Associate Degree or More • 46% Construction or Manufacturing • 29% Worked <52 Weeks 	<ul style="list-style-type: none"> • ESS = \$40,077 • \$13,569 Wage Gap • 47% Associate Degree or More • 30% Construction or Manufacturing • 54% Worked <52 Weeks
56% of SHH MC women	34% of SHH MC women	38% of SHH MC women	32% of SHH MC women	42% of SHH MC women	41% of SHH MC women

Source: Community Data Survey 2006

* Reflects cluster of area counties
SHH MC = Single head of household missing class women

In addition to convening forums with affected women, Nokomis convened direct service providers in the six-targeted locations. State of Michigan departmental stakeholders met in Lansing for an executive briefing of the project and its findings. They were given opportunities to identify areas for policy change that might benefit the target population.

Key Findings

Women's Voices

The central priority: their children. Women take jobs based on family needs and schedules, and frequently make sacrifices with the interest of their children in mind. Yet they also expressed emotional concern, such as the “shame” of being on welfare and the guilt of being away at work, which has at times negatively affected the education and socialization of their children.

“That is my biggest regret. I missed their growing up completely. I had to make a choice. To survive, you miss everything.”

The importance of childcare and its connection to other factors affecting decision-making. The proximity of childcare to the women's work and their children's school is a priority, along with the cost of childcare. Some indicated that they have had to turn down modest raises in order to keep subsidies to make childcare affordable. Others have said they have ruled out jobs farther from their home or a second shift due to the lack of childcare.

Health care is an urgent need. Most women indicated they have no health coverage or very costly options. Family planning is crucial. Healthcare is a constant concern both for access to care and medicines.

“I make too much to qualify for any government programs but can't afford insurance. My only option is the E.R., but I could never pay the bill. I don't know what I would do.”

The treatment of flexibility as its own currency, often with value that far exceeds money. Some women had opted out of higher-paying jobs or new opportunities to maintain the flexibility afforded in a current position. The ability to be available for their children and accessible in case of emergencies is one of their top priorities.

The realization of being thwarted by the system, with no room for error. If they plan for the unexpected by saving, their subsidies are affected. If they have no savings, they are “one accident away from losing everything.” Some rely on credit cards to cover such expenses, often creating additional long term debt.

“There is no getting ahead. As soon as you get started, you get knocked down. You try to better yourself and get penalized.”

The system's misunderstanding of the realities of living in the missing class. Some women were surprised at the economic self-sufficiency standard and felt it highlighted the disconnect between the system and those being served. The very term “self-sufficiency” appeared to be a misnomer, as it is a standard that does not account for debt, savings, or emergencies.

The need for better information and improved access to it. Women expressed frustration that they often must sort through incomplete information and struggle to find specific answers about resources and how they qualify. The women believe their social networks are the strongest source of information.

“You have to ask specific questions, the right question. You are trapped if you haven't been in the system. You have to find friends who will help you through the system.”

Competing priorities. Many women expressed a desire to get ahead through additional education or career path advancement. Some women perceived that taking such steps could jeopardize the

existing safety net they have been able to cobble together. They had to weigh putting their families at risk in the present for a potential longer-term gain they couldn't quite trust.

Stakeholder Voices

Most agencies working within the formal service delivery system focus on women living at or below the poverty level, providing little to no support for women earning more than \$15,000. Providers verified that eligibility ceilings were structured to exclude missing class women, leaving them ineligible for subsidies at a time when they would be most beneficial. In addition to the confusion surrounding eligibility criteria, supports available were described as unrealistically limited, restrictive and difficult to access. Many providers indicated that they were unaware of the numerous barriers to sustained economic self-sufficiency facing missing class women. Acknowledging a vicious circle, they reported serving missing class women only when the impact of the cliff effect brought them back to the ranks of the poor. A number of agency representatives, based on their professional experience, noted the importance of access to reproductive health care.

Decision makers at the state level confirmed the limitations regarding supports for missing class women and the related likelihood of their falling back into poverty. Many seemed reluctant to support or unable to imagine initiatives aimed at policy change during current times of economic uncertainty and stress. Most indicated that their departments were focused on maintaining mission and services against the realities of a downward-spiraling tax base. Some expressed hope that several statewide programs like creation of a Benefit Bank or College Access Network might open opportunities that would enhance economic self-sufficiency, while others were optimistic regarding emerging opportunities at the federal level that might result in improved income and resources.

Next Steps

The Nokomis Foundation Listening and Learning Tour reaffirmed that economic self-sufficiency for women and their families rests on elements that provide stability for everyone in our society: living wage work, access to health care, secure housing, and reliable, quality childcare. Related issues include pathways to work, education and training, occupational segregation and removal of barriers such as limited transportation and unevenly enforced child support.

From the array of issues identified as critical to women attaining economic self-sufficiency, Nokomis Foundation will focus on health care access and equity in the state of Michigan beginning in 2010. Future funded initiatives will include convening national policy experts charged with drafting a policy agenda for the state, support for advocacy, education, knowledge marketing and public will building necessary for implementation.

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Phillips Wyatt Knowlton, Inc. (PWK) contributed to this report. PWK is a management and measurement resource for social change. (For more information see – www.pwkinc.com).