



Family and Consumer Sciences Extension

—Consumer Skills for the Working Poor 2004

Putting Knowledge to Work for Georgia Families

The University of Georgia

Cooperative Extension Service

The Problem

- More than a million Georgians live below the poverty threshold (\$18,850 for a family of 4 in 2004).
- The number of people receiving Temporary Assistance for Needy Families (TANF) in Georgia increased from 127,568 in March 2002 to 132,003 in March 2003, an increase of 3.5% (Child Welfare League of America).
- Georgia ranked 28th in the U.S. in per capita income for 2002 at \$25,949 and has a higher poverty rate for both individuals (13%) and children (16.7%) than the U.S. overall (U.S. Census).
- A single-parent with two children needs to earn \$6.80 an hour and work full-time, 52 weeks per year to earn wages equal to the federal poverty guideline for 2000. Some studies suggest that this single-parent would need to earn in excess of \$8.00 per hour to stay employed and off welfare.
- According to the Georgia Department of Labor, 13,774 Georgians lost their jobs due to layoffs and business closures between July 01, 2003 and June 30, 2004.
- Studies suggest that a significant portion of families often fail to take advantage of programs for which they are eligible, such as the Earned Income Tax Credit, which can significantly enhance economic well-being.

Research-based Solutions

- Having job readiness skills makes a difference in a person's employability.
- Knowing how to access quality, affordable child care and knowing how to handle transportation is the biggest hurdle in remaining employed.
- Once employed, having life skills (job skills, financial management, health and nutrition, clothing, housing and parenting) can help a person remain employed.

Extension's Role

- Participate in local collaboratives to address the needs of low-income families.
- Provide basic skills education to working poor individuals through either direct education or train-the-trainer programs targeted to social service and adult education providers.
- Teach life skills to low-income individuals and families.
- Create community awareness of poverty issues with the poverty simulation.

Extension's Contribution to Solving the Problem

- More than 1,500 contact hours of workforce preparedness education were provided to 1,239 Georgians. More than half (57%) of the training participants were low-income or at-risk audiences.
- The *Surviving Tough Times* extension program, targeted to individuals experiencing a reduction in hours or lay-off, provided important information about surviving on less resources for more than 100 unemployed workers.
- Seventeen poverty simulation workshops were conducted for nearly 1,000 community leaders and service providers. This simulated "month" in poverty informs participants of the realities faced by working poor families.
- Work force preparedness and consumer education information was provided by media to thousands of Georgians.

Impact on Georgians

- A majority (88%) of the people who participated in the *Surviving Tough Times* extension program said the program helped them to gain knowledge and skills to manage a period of unemployment. Most of the participants learned to make correct consumer decisions. For example, 98% of the participants planned to identify at least one way to reduce their spending; 91% planned to reduce household utilities to lower their bills; and 97% of the participants planned to pay basic living expenses and credit obligations before spending money on anything extra.
- Of the participants in workforce preparedness education, 54% planned to update their resumes, and 57% planned to devote their attention to finding jobs.
- Nearly 80% of the community leaders and service providers who participated in the poverty simulation workshop said it helped them to better understand and relate to the issues and problems faced by working poor families. For instance a program participant said, "*It was quite simply, a paradigm-shifting experience. While I've never been one*

of those who say poor people bring all their problems on themselves, I did undergo a major change in how I view the struggle of the poor.”

- Fifty-one percent of the participants in the poverty simulation workshop developed a more positive attitude toward people living in poverty and planned to better serve the needs of the people living in poverty. For example, 91% planned to view people living in poverty differently to better serve their needs; 77% planned to work with other related community resources to assist people who live in poverty and seek out information that can be used to address poverty issues in their community.

Contacts

Michael Rupured, Senior Public Service Associate and Consumer Economics Specialist,
mrupured@uga.edu, (706) 542-8860, Sharon Gibson, Public Service Assistant, CYFAR Coordinator,
smsgibs@uga.edu, College of Family and Consumer Sciences,
or your local Cooperative Extension Service office

The University of Georgia and Ft. Valley State University,

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