

NLWJC - Kagan

DPC - Box 058 - Folder-023

Welfare - Blair Visit

SCHEDULING REQUEST

January 9, 1998

ACCEPT

REGRET

PENDING

TO: Stephanie Street, Director of Scheduling

FROM: Bruce Reed, Assistant to the President for Domestic Policy

REQUEST: To have the President lead a visit to a welfare to work program accompanied by Prime Minister Blair.

PURPOSE: For the President to show Prime Minister Blair and the American people how welfare recipients are moving from welfare to work.

BACKGROUND: Prime Minister Blair has tracked the Administration's welfare reform efforts with great interest and has incorporated the themes of work, personal responsibility, and private sector involvement into his Welfare to Work strategies. A visit to an innovative welfare reform site would demonstrate first-hand what the public and private sector, working together, can do to help welfare recipients get and keep good jobs. The President could visit a business where the President and Prime Minister could talk with an employer, former welfare recipients, and the public officials involved in welfare reform in that community.

Giant Foods, Inc. has an excellent program in Prince George's County, MD that would be ideal for this visit. They could tour a Giant grocery store, or possibly the central bakery facility. They could visit welfare recipients who are presently being trained or have completed training for positions such as bakery clerks, meat processors, cashiers, and pharmacy clerks.

To date, Giant has hired 71 of 91 people interviewed (exceeding the normal hire rate of 1 in 4). In the four months since the program began, only 5 people have left (compared to Giant's typical attrition rate of 50%). As soon as people enter Giant's training, they earn \$6.60-\$8.75 per hour (depending on the position) and receive full medical benefits within 30 days.

The company: Giant is based in Landover, MD and has 170 stores and 27,000 employees in the Washington Metro area. The company is partially owned by a British firm, J. Sainsbury PLC, the leading food retailer in the UK. Their training program is a partnership between Giant, the Private Industry Council, and the local welfare office in Prince

George's County. We understand that the UFCW union supports the program, but will get more details. Governor Glendening's office is excited about the program and about the potential visit.

PREVIOUS

PARTICIPATION: POTUS has never visited or met with Giant training program executives. Last welfare to work event was in November in Wichita.

DATE & TIME: February 6, 1998

DURATION: TBD.

SEQUENCE OF EVENTS:

- The President and the Prime Minister could tour the facility.
- The President would then make formal remarks to be followed by a roundtable discussion or meeting with former welfare recipients, Giant Executives, and local elected officials who the Prime Minister could ask questions to.

LOCATION: Maryland

PARTICIPANTS:

- The President
- Prime Minister Tony Blair
- Governor Glendening
- Graduates and trainees of the training program
- CEO Pete Manos, Giant training manager
- State and local elected officials
- Eli Segal. (*Giant has just joined the Welfare to Work Partnership.)

REMARKS

REQUIRED: Yes.

MEDIA: Open Press.

CONTACT: Bruce Reed x6-6515
Christa Robinson x6-5165



Cynthia A. Rice

12/17/97 05:17:42 PM

Record Type: Record

To: Andrea Kane/OPD/EOP
 cc: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP, Thomas L. Freedman/OPD/EOP, Diana Fortuna/OPD/EOP
 bcc:
 Subject: Re: Blair visit

I think we would want to show the Prime Minister how we are reforming welfare in America, i.e., how the public and private sectors are working together to move welfare recipients, who are here primarily single women, to work. I do not think we would want to focus a visit on young men just because that's what they're considering in Britain, but we would rather want to focus on the how-to-connect-welfare-recipients-to-jobs issue that seems to also be a strong interest of theirs.

Andrea Kane

Andrea Kane

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP, Cynthia A. Rice/OPD/EOP
 cc: Thomas L. Freedman/OPD/EOP
 Subject: Blair visit

Just had a lengthy and enlightening conversation with Cecilia Calvo at W2W Partnership. She is a wealth of information about what's going on in U.K. re: welfare reform, having recently led a group of high level British officials on a tour to NY, Washington, St Louis and Milwaukee and spending several weeks in Britain learning about what they are doing. She says that the most immediate focus is a 'New Deal' for 18-24 year olds, starting in 12 pilot sites in January and going national in April. The program targets unemployed youth who will be called in once they have received assistance for 6 months. They will come into a job center, meet with a 'New Deal' advisor, get an assessment, and if determined job ready, go to work. If not, they will go through 12 weeks of Strive-like job readiness, including assessment for substance abuse and learning disabilities, then go to one of four steps: unsubsidized job, long-term training, voluntary sector (sort of like work experience), or work in the environmental sector. This is largely a male population, not single parents.

Given this focus, we *may* want to reconsider some of the site visit options, or at least ask people in the four states if they have suggestions for programs focusing on a similar population. Cecilia is sending me some info about some Americorps/welfare reform partnerships in Florida and NY. She said her visit to YouthBuild in St Louis was also good. At the same time, she says Blair et al remain very interested in how to operate effective job centers and private sector involvement. Seems to me the question is to what extent we want to highlight the youth issue, since the population the Brits are targeting is not really a primary focus of our welfare reform initiatives. Do you have any thoughts on this?


Wp-Blair visit

Andrea Kane

Record Type: Record

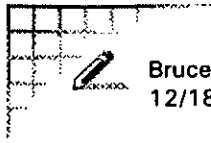
To: Bruce N. Reed/OPD/EOP

cc: Elena Kagan/OPD/EOP, Cynthia A. Rice/OPD/EOP, Thomas L. Freedman/OPD/EOP

Subject: Re: Blair visit 

I concur, and will continue getting more details on options in Indiana (Indianapolis) and Florida (Miami) that focus on moving welfare recipients to work with private sector involvement (possibly community as well as business) and highlight the new role/culture of public agencies.

WR-Blair visit



Bruce N. Reed
12/18/97 05:39:55 PM

Record Type: Record

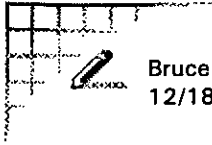
To: Andrea Kane/OPD/EOP

cc: Elena Kagan/OPD/EOP, Cynthia A. Rice/OPD/EOP, Thomas L. Freedman/OPD/EOP

Subject: Re: Blair visit

Much as I loved The Full Monty, I agree with Cynthia that we should show Blair our kind of welfare reform, not his. Blair our kind of welfare reform

W_R-Blair visit



Bruce N. Reed
12/18/97 05:36:47 PM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP

cc: Christa Robinson/OPD/EOP, Elena Kagan/OPD/EOP, Andrea Kane/OPD/EOP, Diana Fortuna/OPD/EOP

Subject: Re: Welfare Events

Another stunning chart! I'm happy going anywhere with Blair on welfare-to-work.



Cynthia A. Rice

12/18/97 03:29:37 PM

Record Type: Record

To: Christa Robinson/OPD/EOP
cc: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP
bcc:
Subject: Re: Welfare Events

Christa --

Andrea sent Bruce and Elena some options several days ago, but with the budget meetings, I don't think they've had a chance to think about them. Bruce had told us that the President should show Blair a model public-private effort moving welfare recipients to work, and he was very interested in Milwaukee. Andrea's also found possible sites in Indiana, Florida, and Maryland -- but I don't know whether Bruce wants to give scheduling options or push for Milwaukee.

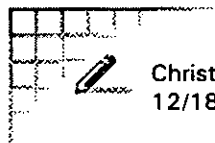
The purpose would be to show Blair how we're reforming welfare in America as he begins to reform welfare in England. This may be an event we would do with the Welfare to Work Partnership (which has been working with companies in England about possibly launching a Partnership there) -- the Partnership is interested, but we haven't made plans yet.

Here's what we sent Bruce & Elena-- use your judgement about how much to reveal.



bla1216.wp

Christa Robinson



Christa Robinson
12/18/97 02:55:19 PM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP, Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP
cc:
Subject: Welfare Events

Do you all want to make a recommendation for a welfare event for the Tony Blair visit? I will make sure scheduling is aware that a request is coming, but if you have any more details before I go into the 4pm short term meeting today it would be great. Thanks.

Andrea Kane

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP
cc: Cynthia A. Rice/OPD/EOP, Diana Fortuna/OPD/EOP
Subject: Tony Blair visit and event on welfare reform

The attached document: (1) provides some background on what's going on in U.K. re: welfare reform, (2) lays out--in a chart--options for site visits in four states, and (3) provides additional information about the possible sites. How do you suggest proceeding with scheduling memo--do you want to pick your first choice for a site visit and send that forward, with backup options available as needed, or should we send forward several options? We'd be happy to discuss these sites with you to help narrow it down.



tbvisit.wpd

Background on where things stand in U.K. (based on press clips and recent visits of British officials)

- Frank Field, the social security minister, has submitted a 'green paper' on welfare reform to the PM Blair for review. Apparently this takes a comprehensive, though general, look at reforming a wide range of benefit programs including pensions and disability benefits. Benefits to the disabled are a large and rapidly growing component of welfare spending. Proposals have been floated to cut benefits to the disabled, generating intense opposition from many in the Labour party.
- On December 10th, Parliament approved a cut in benefits for lone (single) parents. This was supported by Blair, Social Security secretary Harriet Harman, and Chancellor Gordon Brown. Apparently this was necessary to meet the budget targets set by the Tory Government. The proposal created a major revolt by Labour backbenchers, leading to several resignations, and 47 Labour MPs voting against the proposal. Blair and Brown justified their position as one of the 'hard choices' that Labour must make, demonstrating a commitment to live within tough spending limits and consistent with weaning single parents from welfare to work. As part of the package, Brown announced a new child care program and a "New Deal" jobs program to help people move into work. The cuts, and the new programs, are scheduled for implementation in April.
- Concern about promoting responsibility, reducing dependency, and addressing underclass. One in 3 children in Britain are born out of wedlock. On December 8th, Blair launched a new "Social Exclusion Unit" intended to prevent the further development of an underclass. This group will focus on: tackling the problems of school expulsion and chronic truancy, reducing the number of people sleeping on the streets, and improving the quality of life on the worst 'housing estates' (presumably, and ironically, this translates to housing projects in U.S. English).
- Interest in requiring single parents to work sooner. Currently they are able to collect benefits until their youngest child is 16. They are now being invited in on a voluntary basis to participate in employment and training assistance. It remains to be seen whether this will occur on a large scale--funding is not adequate to make it mandatory.
- Time limits, contracting/privatization, teen parent residency requirement are apparently off the table.
- Commitment to some form of safety net--empower rather than punish.
- Trying to break cycle of dependency--may be focusing initially on young people (18-24) who are unemployed, come from dependent households, etc.
- Welfare reform in Britain appears to be more directly motivated by budget issues than in U.S.
- Interested in improving Job Centres (if anyone saw Full Monty, they don't look very effective!).
- At end of September, Blair gave first address to Labour's annual conference.

Themes were very familiar: Shift from looking at people's barriers to their resources, disability to ability, new role for public sector (organizer, regulator, cajole, compel people to work, no longer the safety net).

- Interested in encouraging those who have been disabled and unemployed to return to work. This includes many unemployed men with 'redundant' skills, e.g. steel workers and miners.

BLAIR VISIT--OPTIONS FOR WELFARE REFORM EVENT

ISSUE	MARYLAND	MILWAUKEE	INDIANA
Specific site	(1) Giant Foods training program (2) Job Connection (3) Anne Arundel Job Center See descriptions below	One of the Job Centers. See descriptions below	(1) Scott Cou (2) Indianapolis
Distance from D.C.	Close--approx 20 miles		
Potential Host(s)	Gov Glendening + others TBD	Gov. Thompson + others TBD	Gov. O'Banno TBD
Employer Involvement	Active involvement with chambers of commerce, employers	Active outreach to employers	Active outrea employers
Welfare to Work Partnership Involvement	Governor recently joined Advisory Committee, Partnership staff has had preliminary discussions, may target Baltimore.	W2W Partnership had successful event in Milwaukee	W2W Partner in Indianapolis

Focus of site	(1) Giant: work-based training for good jobs; close connection between local welfare office, PIC and employer; focus on retention. (2) Anne Arundel Job Center: one-stop shop with strong work first message, universal access for job seekers and employers (3) Job Connection: collaboration between small business, chambers, local welfare offices and PIC to place welfare recipients with small business	One-Stop Job Center, strong work first approach with ongoing supportive services, employer involvement.	Strong work f increasing foc retention and self-sufficienc community in employer invo
Other features:	Strong tracking component, good data on what's happening to people	Strong leadership, strong message	Experience wi limit (2 yrs)--fi hit 7/97
Caseload reduction	Moderate but accelerating caseload reduction (30% since 1/93, 21% since 8/96)	Large caseload reduction (58% since 1/93, 33% since 8/96)	Large caseloa reductions (4 1/93, 24% si
Economy/labor market	Suburban, low unemployment	Urban, generally strong economy with pockets of concentrated poverty.	Rural (Scott C urban (Indiana generally stro economy.

ADDITIONAL INFORMATION ABOUT SITES:

MARYLAND

(1) The state has a contract with Giant Foods to train and place approximately 80 people. To date, Giant has hired 45 welfare recipients. This is a partnership between Giant, the PIC, and the local welfare office in Prince Georges County. Giant provides the PIC with hiring requirements. The local welfare office identifies

possible candidates and does initial screening and selection. Those who meet criteria go to PIC for a two week pre-employment training. Giant hires and provides 6 weeks of paid on the job training (funded by the state). Individuals are hired as cashiers, pharmacy and bakery clerks, and meat wrappers, as union employees with full benefits and wages commensurate with others in the food industry. A job coach is available to help people succeed on the job and work with the local welfare agency to solve problems, arrange support services, etc. The fact that individuals are welfare recipients is kept confidential and invisible to other employees. Initial numbers look good and apparently clients are clamoring to join this program.

Site information: training takes place at Giant's training facility in Greenbelt, MD. Welfare recipients participate in the same training as other new hires. Visit could either be to the training facility or to a Giant store, though the training facility would probably make more sense.

(2) Anne Arundel County has a one-stop job center that has gotten a lot of positive attention. It integrates the Department of Labor's automated job bank and social services at one site and provides lots of flexibility to provide whatever services people need to get employed and leave welfare. The center serves as a single point of contact for any job seeker (welfare or not). Maryland staff indicate this makes a good visit.

(3) The Job Connection is a public-private partnership with local departments of welfare, small businesses, local chambers of commerce and APG (a national consulting firm that supports small businesses). The goal is to place 2,500 welfare recipients over the next 27 months. The project has been operating for several months. Small businesses notify the Job Connection (via a 1-800 number) when they have a vacancy. The Job Connection geocodes the job location, and provides geocoded information about nearby supportive services, i.e. child care and transportation. They then fax this information to the local welfare department, who has 72 hours to respond with job candidates. Once someone is hired, APG and the Chamber help the small business qualify for federal and state tax credits.

Site information: The Job Connection is based in Columbia, MD. Most of the work at the site is 'virtual'--i.e. by phone and fax. We could see staff receiving and making referrals and geocoding information, but would not likely see welfare to work participants.

MILWAUKEE

We could visit one of the Wisconsin Works (W-2) Job Centers. These are one-stop employment centers for job seekers and employers. They are each operated by a different private contractor (Goodwill, YW Works, Opportunities Industrialization Center, Maximus, and United Migrant Opportunity Service). The Private Industry Council of Milwaukee serves as the W-2 Contracts Administrator and coordinator for all 5 contractors.

NOTE: a British parliamentary delegation recently visited Wisconsin, and representatives from Blair's administration attended a recent trans-Atlantic seminar on welfare reform sponsored by Hudson Institute.

INDIANA

Indiana is proud of several welfare reform initiatives. While it is not a county-administered welfare system, there is a strong emphasis on devolution and local involvement in planning and designing welfare reform. Funds are provided to support local initiatives, particularly to build community supports to ensure that people leaving welfare are successful in maintaining employment and self-sufficiency. The state feels it has successfully gone through the culture change to work first (confirmed in a recent Abt evaluation). It is now dealing with the next stage, i.e. what happens once someone gets a job and leaves welfare. They are focusing on life long learning and increasingly partnering with businesses to address the longer term self-sufficiency issues. [I will follow up after the W2W Partnership event on 12/15 to get suggestions on a possible site to visit.]

They have just launched a major public-private partnership on child care with large companies putting private dollars into a fund to support child care initiatives around the state (not restricted to current/former welfare recipients). Indiana has transferred \$62 million in TANF savings to the CCDF to boost child care funds available for working families. Like many places, Indiana finds transportation to be a major challenge. The state is about to award \$5 million in 'barrier busting' grants to localities, with about 85% of the grants focusing on transportation. Particularly in rural and suburban areas, mass transit is not sufficient to address the needs of welfare recipients going to work. Local areas will use funds to help people repair cars, make car loans, pay for drivers licenses, etc.

FYI: A class action suit on family cap was recently filed in Indiana.

FLORIDA

Staff in the Governor's Washington office is exploring potential initiatives/sites with state staff and will get back to us by the end of the week with some ideas. They have suggested coordinating the State WAGES board (the private/public board governing the program) as well as the local WAGES coalition wherever we might want to visit. Generally, Florida's welfare reform program is thoughtful, well managed, relatively mature. One interesting item that I'm getting more information about--they have evidence of improved school performance of children whose parents went to work through welfare reform.

Florida has invested significant state funds in child care and has a Child Care Purchasing Pool to provide subsidies to low-income working parents who would otherwise be on waiting lists. Public funds are matched dollar for dollar with private + local funds.

Andrea Kane

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP
cc: Cynthia A. Rice/OPD/EOP, Diana Fortuna/OPD/EOP
Subject: Nicholas Timmins

Just a heads up...I ran into Nicholas, public policy editor for the Financial Times of London, at the NGA policy forum last week. He mentioned that he was working through Dan Balz of the Washington Post to try to get an interview on welfare reform, and said Balz had contacted Bruce. Apparently Timmins had arranged an interview for Balz with Tony Blair or some high level British official and now Balz is trying to reciprocate. Timmins is spending several months studying and writing about welfare reform in the U.S. Without revealing anything about the upcoming Blair visit, I took the opportunity to ask Nicholas about what's going on with welfare reform in the U.K.

Key points:

- Rhetoric from U.S. continues to play big in U.K., though in practice their strategies have a different focus.
- Major focus right now is primarily on unemployed males. Many of the men are structurally employed, i.e. laid off steel workers whose skills have become 'redundant'.
- Lone (single) parents are a secondary focus. Currently they are able to collect benefits until their youngest child is 16. They are now being invited in on a voluntary basis to participate in employment and training assistance. It remains to be seen whether this will occur on a large scale--funding is not adequate to make it mandatory.