

Post Release Job Market Study

by

Morgan Reynolds, Ph.D.
Professor Emeritus, Economics,
Texas A&M University
and
Former Chief Economist,
U.S. Department of Labor

for the

U.S. Department of Justice
Bureau of Justice Assistance

*through a grant
to the*

National Correctional Industries Association

March 2004

“If all men were pleasant and virtuous, if no one wanted what belongs to another, there would be no need for a government, for armies and navies, for policemen, for courts, and prisons.”

--Economist Ludwig von Mises, *Bureaucracy*, 1944

I. The Purpose of This Study

The primary goal of this study is to develop a new knowledge base about where postrelease jobs are likely to exist. A more general statement of purpose would be to improve public safety—reduce recidivism and crime—by raising the likelihood of ex-offender success in the community. A subordinate aim is to assess whether experience in correctional industries plays a role or not in helping ex-offenders become productive and law-abiding citizens.

II. Why Is This Important?

“It’s the economy stupid.”

--James Carville

“It’s productive jobs stupid.”

--Morgan Reynolds

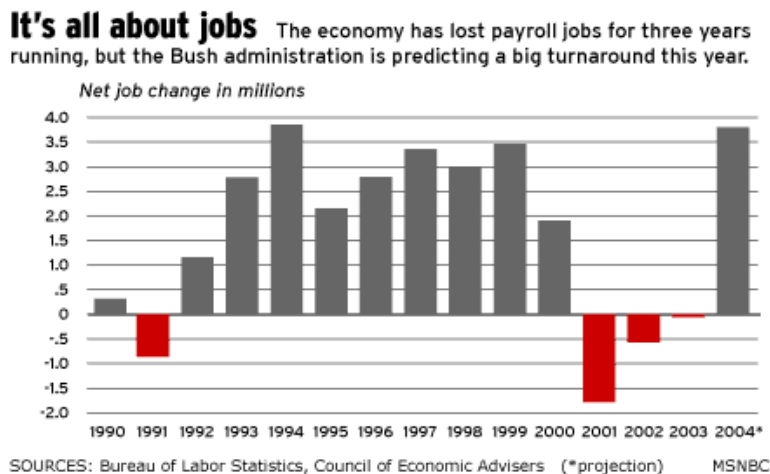
Following an unprecedented prison expansion, state prisons released 592,000 offenders in 2001, over 1,600 per day, versus “only” 405,000 released in 1990, or an increase of almost 50 percent in 11 years. More recently, observers assert that 630,000 prisoners were released in 2003 (*Corrections Today*, August, pp. 16, 18). While the growth of ex-offenders on the street has been rapid, the expansion lags behind an even faster run-up in the prison population (now 1.5 million confined in State and federal prisons) because prisoners now stay longer behind bars. Offenders released for the first time in 1999 served an average 49 percent of their sentence, up from 38 percent in 1990 (Bureau of Justice Statistics [BJS]). Still, BJS asserts that at least 95 percent of state prisoners will be released from prison at some point.

The transition of inmates back into the community is nothing new, but growing numbers have prompted another look at reentry or “reintegration” of offenders in the community (BJS). The policy aim, of course, is to improve the process of reintegrating offenders back into the community. The urgency for this “new look” at an old issue is reinforced by evidence that over the last decade:

- postrelease supervision has declined because many States have ended discretionary parole and more prisoners complete their sentence (nearly 25 percent released recently have had no postrelease supervision, up from 16 percent back in 1990)
- participation in prison educational, substance abuse, vocational and prerelease preparation programs has declined
- ex-offenders are more concentrated in central city neighborhoods than ever before (two of three ex-offenders now return there according to Travis and Petersilia, p. 300).

Along with other prison programs, on-the-job training acquired in correctional industries has failed to grow apace with the rapid run-up in inmate populations. Adding to the difficulties, the job market has become very difficult in the last three years, following an unsustainable economic boom in the late 1990s. Since the latest recession officially began in March 2001, and despite the fact that a recovery officially began in November 2001, the economy has lost over 2.3 million payroll jobs, a 1.8 percent loss. Private employment is down three million payroll jobs since the peak of 132.5 million jobs in March '01. “By our calculations, for a US economy that has now completed 27 months of so-called recovery, private nonfarm payrolls are running about 8.2 million workers below the path that would have been occurred in a more normal upturn,” writes Morgan Stanley chief economist Stephen Roach. “This hiring shortfall has led to an enormous leakage of wage income generation -- more than \$400 billion in foregone growth in real wage and salary disbursements when this expansion is compared with the profile of the six prior cycles.”

Chart 1



At the end of last year, payroll jobs still were 600,000 below the employment level 24 months earlier, an unprecedented occurrence in post-WWII recoveries. The average spell of joblessness exceeded five months in February, the highest in two decades, dissuading workers from continuing to participate in the U.S. labor force. "It's the longest job slump since the Labor Department started keeping track in 1939," according to CNN-Money (March 4, 2004).

Unemployment has even risen sharply in computing, making it more like blue-collar work. "The unemployment rate last year among computer scientists, for example, was 5.2 percent, the highest level since the government began tracking this work as an occupation two decades ago," write Lohr and Richtel. "In most of those years, the unemployment rate for computer scientists was under 2 percent. Similarly, unemployment among electrical engineers last year, at 6.2 percent, was the highest in 20 years, according to the Bureau of Labor Statistics. By comparison, the unemployment rate for all workers, skilled and unskilled, averaged 6 percent last year, a much smaller increase from the low point of joblessness around 4 percent for 2000, and well below the 7.8 percent jobless-rate peak of the early 90's."

Things are no better at the low end of the skill distribution. The skill-appropriate jobs for ex-prisoners tend to be the same type of low-wage/low-skill jobs that are most vulnerable in economic downturns. But perhaps it's become more than cyclical: "You're really talking about a long-term problem among low-skilled, disadvantaged men," says Professor Lawrence M. Mead, a professor of political science at New York University. "Blacks are disproportionately disadvantaged. You're seeing this tendency to drop out. It's very serious and nobody has an answer" (Scott). Industries with the biggest drop in employment - manufacturing, finance and professional services - are dominated by men. And the sector that grew significantly during the recession - education and health services, which now accounts for 18.7 percent of all jobs - is overwhelmingly female. Mead, who specializes in social policy and welfare reform, says that labor force participation - job-holding and job-seeking - among disadvantaged men had been declining nationwide and that New York City had long had "a lower work level" than elsewhere. Others say that a similar racial gap in male employment has been seen in Midwestern and Central states.

A new study by Andrew Sum, director of the Center for Labor Market Studies at Northeastern University, found historic lows in the reported labor force participation of 16- to 19-year-olds, writes *NY Times* columnist Bob Herbert. According to the study, "The estimated 36.8 percent employment rate for the nation's teens was the lowest ever recorded since 1948." Over the past three calendar years the number of people aged 16 to 24 who are both out of work and out of school increased from 4.8 million to 5.6 million, with males accounting for the bulk of the increase. Further, unemployment lasting half a year or longer rose to 22.1 percent of all joblessness in 2003, up from 18.3 percent in 2002 and the highest rate since 1983. Job seekers with college degrees and people 45 and older are having a particularly hard time finding work. The economy is "just not generating enough high-quality jobs to get highly educated and highly experienced workers back to work," said economist Sylvia Allegretto.

III. An Overview of the Task of Corrections

“The divorcing of penology from economics has been attended with disastrous results.”
--Harry Elmer Barnes, *The Journal of Political Economy*, 1921

The corrections industry is huge and growing, spending over \$50 billion annually and employing over 430,000 (http://www.bls.gov/oes/2002/oes_33Pr.htm). Yet its reputation for success is, at best, mediocre. For example, only four of ten parole discharges successfully completed their term of supervision in 2000, a statistic virtually unchanged since 1990. Nearly half of those released in 1994 (the latest BJS data available) were reconvicted within three years. Almost two-thirds of prisoners released are likely to be rearrested within three years. In 1985, 70 percent of parolees successfully completed their parole terms; by 1997, that number had dropped to 44 percent (Travis and Petersilia).

Data from public opinion surveys suggest that the public is not especially impressed with the success of the corrections industry. A Gallup poll on the prison system, for example, garnered the following responses:

Table 1: Gallup Poll on the Prison System

	Good/Excellent	Fair	Poor	NA
Maintaining High Security?	67%	23%	8%	2%
Maintaining a Safe Environment for inmates in prison?	30	37	26	7
Rehabilitating inmates so they are less likely to commit crimes in the future?	14	34	48	4

(Source: BJS, *Sourcebook on Criminal Justice Statistics*, 2003)

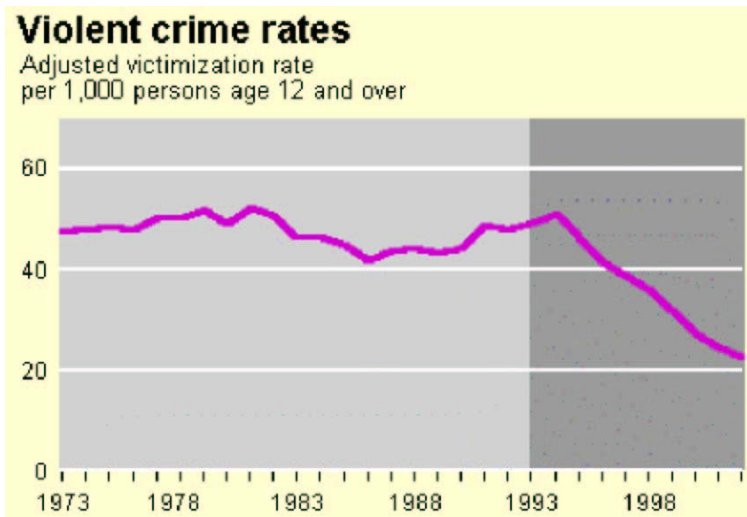
The public, in other words, gives corrections high marks on maintaining safe and secure environments but a whopping 82 percent believe that it does a poor-to-fair job on preparing inmates for successful reentry into society.

The academic and policy communities, of course, tend to be even more critical than the public about the job that corrections do on rehabilitation and reentry, “Efforts to reintegrate prisoners into mainstream society, likewise, border on negligent,” writes Eli Lehrer of the American Enterprise Institute in June 2002. “Per-inmate funding for rehabilitation has fallen steadily even as more people have gone to prison.”

Perhaps the most important long-run test for corrections, however, is the crime rate. If corrections do a poor job of reforming errants as larger numbers return to the streets, then crime rates should turn up, eventually at least. This reasoning holds “all else

equal,” that is, we assume no offsetting changes in variables that might lower criminal activity, like, say, drug legalization or a rise in the wage rates of unskilled men, changes which would reduce the allure of crime and offset the criminogenic impact of additional ex-inmates. Yet the National Crime Victimization Survey, as shown in chart 2, which interviews some 50,000 households annually in order to get a more comprehensive picture of victimization, shows a dramatic decline in crime in recent years. Most of the decline has occurred since 1990 and nearly every crime of violence and property has fallen by more than half.

Chart 2



Note: 1973-91 data adjusted to make data comparable to data after the redesign. Estimates for 1993 and beyond are based on collection year while earlier estimates are based on data year. Rape does not include sexual assault. Homicide data were calculated from the FBI's Uniform Crime Reports. Homicide rates for 2002 are estimated based on 2002 Preliminary Annual Release data.

Source: Bureau of Justice Statistics, www.ojp.usdoj/bjs/glance/viort.htm

The FBI data on crime tracks crimes that the public actually reports to police and which police record. These data also show crime down but not quite so much—violent crime is down 35 percent and property crime is down 26 percent since 1992 (*Sourcebook of Criminal Justice Statistics 2002*, pp. 276-7). Additional progress in public safety has been hard to come by in the last few years, yet there is no noticeable impact of the increasing numbers of ex-offenders on crime rates. Along with a flat crime rate, growth in prison inmates per 100,000 population has also leveled off since 1999, although prison counts are 3.4 times higher than those of 1980.

The upshot of the data is that corrections cannot be hailed as a resounding success nor a resounding failure. At a minimum, the isolation effect of massive incarceration has decreased crime. Less certain and more controversial is whether general deterrence (“I don’t do crimes because I don’t want to go to prison”), individual-specific deterrence (“I

don't want to come back here"), or positive rehabilitation and reform of offenders work best to reduce crime. Theories and research differ (Spelman) but most observers would concur that there is room to improve the results achieved by corrections. The question is how? Despite the cry for a "seamless system for reentry of offenders," "continuity of care approach," "holistic program of rehabilitation," "intensive discharge planning and case management," "building of interagency relationships and partnerships," and "one-stop shopping for ex-offenders" (LeBel), a skeptic might wonder whether more and bigger government programs can succeed.

IV. Jobs and Postrelease Success

In the realm of crime control techniques, there are no magic bullets. That includes jobs because legal and illegal activities are not mutually exclusive, despite a tendency to believe otherwise (Fagan and Freeman). A job does not guarantee that its holder will avoid criminal activity. Illustrating this is the fact that an estimated two-thirds of those sent to prison had a job at the time of their crime (Lynch and Sabol, cited by Travis and Petersilia). Or, sex offenders often are excellent workers but all too often remain irredeemable criminals. Some job holders commit crimes and most of the jobless—either unemployed or outside the labor force—never commit a felony crime.

Despite a lack of clean separation between legal employment and criminal activity, having stable work is widely believed to be "a central part of the process of desistance" from crime (Sampson and Laub). A small number of factors are sturdy correlates of desistance from crime, specifically, "good marriages, stable work, transformation of identity, and aging" (Laub and Sampson). Perhaps the strongest statement in the literature supporting the connection between jobs and departure from crime is by sociologists Rossi, Berke and Lenihan (1980) who concluded from their large experimental study in the 1970s, "Employment for ex-felons is clearly the strongest antidote to reengaging in criminal activities... (W)orking clearly lowers the probability of arrest on all sorts of charges" (pp. 277-8). Similar conclusions emerge from Shover and Uggen. By contrast, the February 2003 issue of *Corrections Today* devoted to probation and parole did not include an article on employment and work.

Only a few studies have systematically examined the labor market experiences of ex-offenders. In a recent survey of these studies, Western, Kling and Weiman (2001) found that serving time in prison depresses earnings by 10 to 30 percent, other factors the same, but does not necessarily harm employment itself. Incarceration, in other words, has surprisingly little effect on having a job compared to statistically similar individuals who were not imprisoned, even though as many as 60 percent of ex-inmates may not be employed in the legitimate labor market (Petersilia). The age-earnings profile of ex-inmates, however, is flat (little or no wage growth) compared to the strong earnings increases achieved by young men who are not incarcerated (Western). The negative impact of imprisonment on earnings is largest for older individuals and those with white-collar occupations. "In short, although ex-inmates regularly find employment, their jobs often provide little secure wage growth," concludes Princeton sociologist Bruce Western (p. 529). "Because they are seldom hired in primary sector jobs with strongly age-graded

pay scales, ex-inmates follow the low-wage trajectories common among day laborers and other kinds of 'flexible' or contingent workers."

Other researchers find that career-type jobs are inaccessible to ex-offenders, and this is reflected in large earnings penalties for those arrested relatively late in life (Bushway, Lott, Nagin and Waldfogel, Waldfogel). Evans (1968) in early study of parolees found similar results: "Obtaining employment was not a real problem; instead it was the character and quality of the jobs that was the problem" (p. 208).

A recent study (Pager) focuses on the reduced job opportunities available to those with a criminal record, aside from legal prohibitions. A pair of white male and a pair of black male college-age students applied for entry-level jobs (no experience necessary and high school graduation or less required) with identical resumes and interview skills but for their feigned difference in criminal records. Tests were done between June and December 2001 in the Milwaukee area, responding randomly to 350 help-wanted ads in the Milwaukee Journal Sentinel and Jobnet, a state-sponsored Internet job service. About three-quarters of application forms requested criminal record information. 34 percent of the white males with no criminal record got employer callbacks versus 17 percent of the otherwise identical male with a record. Only 14 percent of blacks without criminal records received callbacks, statistically the same as whites with criminal histories. Only 5 percent of blacks with criminal histories received a callback. David R. Howell, a labor economist and professor at New School University, notes that service jobs are particularly hard for black men to get (Scott). Studies show that employers "are particularly uninterested in hiring black men for jobs that require customer or client contact, for whatever reason." They tend to give preference to women, Howell observes.

Some employers actually prefer workers who had been recently released from prison. One owner told an "ex-offender" that he "like[d] hiring people who ha[d] just come out of prison because they tend to be more motivated, and are more likely to be hard workers" [because of not wanting to return to prison] (Pager, pp. 956-7). Overall, the finding "that ex-offenders are only one-half to one-third as likely as non-offenders to be considered by employers suggests that a criminal record indeed represents a major barrier to employment." Pager reports that there are over 12 million people with felony convictions (p. 960).

V. Preliminaries on Labor Markets

Consider a few economic fundamentals about labor services and the markets to rent them (Reynolds). First, labor is the most versatile, the most adaptable, the most flexible factor of production. Contrast the flexibility of human beings with any building, vehicle, machine, software, raw material, or other nonhuman input.

Second, at least one in four jobs, or over 30 million jobs, in the U.S. economy are low skill jobs (as shown below) that can be performed productively by nearly any able-bodied, cooperative person within a short time period.

Third, “there are no dead-end jobs,” writes economist and sociologist Thomas Sowell. “There are only dead-end people” (Reynolds, p. 230). Any job, that is, is a potential stepping stone to better work.

Fourth, there is no shortage of jobs and work to do in the world nor in the United States. Instead, we have a shortage of “high-paying, decent, American” jobs. The misstated “lack of jobs” boils down to a matter of pay, not a true lack of jobs. In economic jargon, an unemployed person “employed” in seeking work has a subjective “reservation wage” in mind. If this reservation wage persistently exceeds the market wage available for a person’s skills (one economist termed this “the extravagant pretensions of the unemployed”), the person does not find an acceptable wage offer. If an offer exceeds the reservation wage, that person accepts the job. The longer the person searches and develops more information about market conditions, generally the lower the reservation wage and the more likely he or she is to become employed.

Fifth, labor market conditions vary over time and space. Some areas are high wage and high skill, while others are low wage and low skill. Over the business cycle, labor markets tighten (boom) and jobs are easy to come by, at other times markets loosen (bust) and (acceptable) jobs are scarce. Jobs can simultaneously be plentiful in one region, scarce in another.

Sixth, the real (inflation-adjusted) wages of unskilled men in the US show a long-term decline.

Seventh, government interventions can harm businesses and interfere with job creation, even if the regulations intend to help labor. The American Economic Association, for example, found that fully 90 percent of the economists surveyed agreed that the minimum wage increases unemployment among low-skilled workers. The difficulty, writes economist Linda Gorman, is that “although minimum wage laws can set wages, they cannot guarantee jobs” (p. 499).

Eighth, wage rates in the short run are relatively rigid downward (though not so upward), and employment levels are flexible. Over the longer run, flexibility in both employment levels and labor prices increases, producing job markets that “clear” or equilibrate by matching quantities of labor supplied and demanded. That is, given enough time, markets coordinate or harmonize the decentralized plans and actions of millions of people. Flexibility and consequent coordination are crucial parts of the process powering economic expansion.

VI. Five States

To get a representative look at where jobs for ex-inmates are, the National Correctional Industries Association commissioned Morgan Reynolds, professor of economics emeritus at Texas A&M University and former chief economist at the U.S. Labor Department, to study the labor markets in five states. Criteria were twofold:

- 1) choose one state in each population quintile (one state among the ten most populous, another in next ten, and so on) and,
- 2) one state in each of five NCIA regions.

Discussions with Gwyn Smith-Ingley, Director of the National Correctional Industries Association, and Shannon Davis, New Enterprise Development Coordinator for Indiana Department of Corrections and Coordinator of Track E “Cultivating Inmate Jobs” at the NCIA Enterprise 2004 National Training Conference (March 21-4, 2004, St. Louis, MO), yielded the following selections:

Table 2: The Five States Selected

Large State:	Texas , South Central	“Lone Star state”
Large Mid-size State:	Indiana , Central	“Hoosier state”
Mid-size State:	South Carolina , Southeast	“Palmetto state”
Small Mid-size State:	Utah , Western	“Beehive state”
Small State:	Rhode Island , Northeast	“Ocean state”

These states fulfilled our two criteria, although other combinations could have too. Subjective elements were unavoidably involved, for example, since the chief investigator spent 28 years in Texas and hence knew Texas meant that Texas was chosen among the ten largest states. But the regional, size and demographic diversity of these states suggested that the study’s findings would prove insensitive to the exact choice of states in our sample.

This study relies on three major techniques for its results: visits and interviews in each state, gathering public data on each state and analysis of all the information.

Table 3 shows the basic population data for the five states. **Texas** ranks second in the nation in population, **Indiana** 14, **South Carolina** 25, **Utah** 34 and **Rhode Island** 43. Together, the five states constitute 12 % of U.S. population, close to the expected 10%. Although the state variation among metropolitan shares of population is narrow, **South Carolina** is least urban (most rural) and **Rhode Island** is most urban. **South Carolina**

Table 3: Population

	U.S.	TX	IN	SC	UT	RI
Resident Population	288,369,000	22,118,509	6,195,643	4,011,848	2,351,467	1,076,164
State Population Rank	--	2	14	25	34	43
Population per sq. mi.	81.5	83.2	171.7	136.4	28.2	1,023.7
Metropolitan % Population	80.3%	84.8%	72.2%	70%	76.5%	94.1%
Black/African-American %	12.7%	11.6%	8.5%	29.9%	0.9%	5.8%
Hispanic %	13.4%	33.6%	3.8%	2.7%	9.7%	9.2%

Source: US Census Bureau, 2003 Statistical Abstract of the United States.

ranks third among all states in its share of population which is African American (29.9%), while the remaining four fall below the U.S. average share, with **Utah** less than one percent black. At one-third Hispanic, **Texas** ranks third only to New Mexico and California among the states in share of population Hispanic, while **Utah** and **Rhode Island** have substantial Hispanic populations at 9.7% and 9.2% respectively, and **South Carolina** and **Indiana** are below 4%. Texas and South Carolina have much larger minority populations (African American and Hispanic) than the national norm, while Indiana, Utah and Rhode Island are well below the national share. Minority population share is highly correlated with crime rates.

Table 4 presents basic data on corrections and crime. There are nearly 1.5 million prisoners, and the five states hold 15% of them. **Texas**, with 162,000 inmates, holds three-quarters of the inmates among the five states compared to only 62% of the five-state population. **Texas** ranks third nationally behind Louisiana and Mississippi in its imprisonment rate, **South Carolina** ranks six, **Indiana** 28, **Utah** 43 and **Rhode Island**

Table 4: Inmates and Crime Rates

	U.S.	TX	IN	SC	UT	RI
Prison Inmates	1,440,655	162,003	21,611	23,715	5,567	3,520
Inmates per 100,000 Population	476	692	348	555	233	191
State Rank Inmates per 100,000 Population	---	3	28	6	43	47
Imprisonment Rate As % US Rate	100.0	145.4	73.1	116.6	48.9	40.1
Corrections FTE Employment per 10,000 Population	23.9	32.8	17.4	27.3	17.5	17.2
% Total Births to Unmarried Women						
1990:	26.6%	17.5	26.2	32.7	13.5	26.3
2001:	33.5%	31.0	35.5	40.1	17.4	35.7
Crime Rate per 100,000 Population As % U.S. Rate						
Violent:	100.0	113.7	73.8	142.9	46.4	61.5
Property:	100.0	125.3	94.6	110.3	109.7	92.3
<i>Source: Statistical Abstract</i>						

47. **Texas** is 45% above the national imprisonment rate and **South Carolina** 17% above, **Indiana** is 27% lower than the national norm, **Utah** 51% lower, and **Rhode Island** is 60% below the national average. Consequently, the corrections employment ratios in **Texas** and **South Carolina** are above the U.S. average and the remaining three states are less than average. Corrections employment in **Utah** and **Rhode Island** is high relative to inmate populations, average in the remaining three states.

In concert with the proposition that “demographics is destiny,” observers point to children being raised in fatherless or parentless homes as a primary factor in crime (Morse 2003). Without a father in the home there is twice the statistical risk of delinquency by age 14; over 70% of youths in state reform institutions grew up in single- or no-parent situations. These facts make births to unmarried women a leading indicator of the future severity of the crime problem. Table 4 shows that that births out of wedlock continue to rise as a share of births in all five states, suggesting a prosperous future for the criminal justice system (Christie 2000). That is not to claim that there is a tight statistical connection between share of births out of wedlock in each state and the crime rate or imprisonment rate fifteen years later. However, there is a link: **Utah** has the

lowest births-out-of-wedlock rate, though rising, and the lowest crime rate; **South Carolina** has the highest out-of-wedlock rate and the highest violent crime rate. **Rhode Island**, by contrast, has an average out-of-wedlock rate and a low crime rate. Clearly, additional factors matter.

Table 5 shows income data for the states. They yield a mixed picture mostly consistent with expectations. Pay is below average in all five states, with **Texas** and **Rhode Island** closest to the national average (only 14 states are above average, none in our sample, which include states like Connecticut, California, New York, New Jersey and Massachusetts). Disposable (after tax) income is below average with the exception of **Rhode Island**, followed by **Texas** at 95% of the U.S. average. **Rhode Island** ranks

Table 5: Income

	U.S.	TX	IN	SC	UT	RI
Average Annual Pay (\$)	36,214	36,039	31,778	29,253	30,074	33,592
Disposable Personal Income per Capita as % U.S. Average	100.0	94.8	92.8	83.8	79.2	101.9
State Rank, Personal Income Per Capita	---	30	32	42	46	16
Median Household Income As % U.S. Median	100.0	95.1	99.0	88.3	108.9	100.2
Persons Below Poverty Level (percent)	12.4	15.4	9.5	14.1	9.4	11.9
<i>Source: Statistical Abstract.</i>						

highest in personal income per capita at 16, followed by **Texas** at 30 and **Utah**, surprisingly, is last at 46. This result is attenuated by the fact that **Utah** has the highest median household income among the five states. The discrepancy is explained by the fact that Utah’s median household is 23% larger than the U.S. median persons per household. **South Carolina** ranks lowest in median household income at 88% of the U.S. median. In terms of official poverty rates, **Indiana** and **Utah** have low rates while **Texas** and **South Carolina** are high, partially reflecting the higher income inequality of southern states.

Table 6 shows major labor market indicators for the nation and each state. Only **South Carolina** among the five states has an employment-population ratio—the proportion of the population 16 and older with jobs—lower than the U.S. average. The highest job rate is **Utah**’s, a remarkable 66.9%, while **South Carolina**’s subpar

Table 6: Labor Markets (December 2003)

	U.S.	TX	IN	SC	UT	RI
Employment/Population Ratio	62.7	63.5	64.7	58.9	66.9	62.9
Unemployment Rate (December 2003)	5.7%	6.4%	5.0%	6.1%	4.7%	5.0%
Civilian Labor Force (000)	146,863	11,033.0	3,205.0	2,019.6	1,222.5	562.8
Nonfarm Payroll Employment (000)	130,878	9,530.3	2,900.9	1,781.7	1,091.0	487.1
1-Year Change in Payroll Employment	- 55,000	+ 45,100	- 8,300	- 41,300	+ 10,100	+ 1,000
1-Year % Change in Payroll Employment	0%	+ 0.5%	- 0.3%	- 2.3%	+ 0.9%	+ 0.2%
<i>Source: U.S. Department of Labor, Bureau of Labor Statistics.</i>						

employment ratio is 88% of the **Utah** rate. In December, 2003, unemployment rates in **Texas** and **South Carolina** were higher than the national average while the other three states had unemployment significantly lower than the national average, suggesting that finding a job would be tougher in **Texas** and **South Carolina** than in **Indiana, Rhode Island** or **Utah**.

Texas, however, had a net growth of 45,100 jobs in 2003, a modest 0.5%, and **Utah** and **Rhode Island** also had net job growth of 0.9% and 0.2%, respectively. Payroll employment declined nationally for the third year in a row, although the loss was statistically insignificant at -55,000 jobs last year. **South Carolina** lost a whopping 41,300 jobs last year, down 2.3%, while **Indiana** lost 8,300, down 0.3%.

With no U.S. job growth and over 600,000 prison inmates released in 2003, the job situation for ex-inmates would appear grim, if not hopeless. These facts, however, ignore the salient point that over 3 percent of jobs open up through employee turnover each month (see Table 9 below). Most hiring involves replacement rather than payroll expansion in an enterprise, establishment or department. Annual turnover of 50 percent would imply employee job tenure of two years, on average.

Table 7 shows the distribution of nonfarm payroll employment by industrial division in the nation and within each state (refer to Appendix A for employment by industry sector in thousands). **Texas** has its jobs relatively concentrated in natural resource/mining (oil and gas), construction, trade-transportation-utilities, and government, while the **Texas** job distribution is underrepresented in manufacturing,

professional and business services, and education and health services jobs. **Indiana** has a very large share of its jobs in manufacturing (80% above the national norm) with noticeably lower shares in information, financial activities, professional and business services, and government. **South Carolina** concentrates its jobs in construction, manufacturing, leisure/hospitality and government, while the Palmetto state has in relatively few employed in information, finance, professional and

Table 7: Payroll Employment by Industry Sector, Percentage Distribution (December 2003)

	U.S.	TX	IN	SC	UT	RI
Natural Resources/ Mining	0.4%	1.5%	0.2%	0.3%	0.6%	0%
Construction	5.1	6.1	5.1	6.1	6.3	4.2
Manufacturing	11.0	9.5	19.8	15.1	10.3	12.4
Td.- Transportation Utility	19.8	20.9	20.4	19.7	20.4	17.8
Information	2.4	2.4	1.5	1.5	2.8	2.3
Finance	6.1	6.2	4.8	4.9	6.0	6.6
Professional/Business Services	12.3	11.0	8.2	10.0	12.2	10.0
Education & Health Services	12.9	12.0	12.2	10.2	11.1	18.7
Leisure/Hospitality	9.1	8.8	9.1	9.8	9.2	9.4
Other Services	4.1	3.8	3.8	3.6	3.0	4.7
Government	16.7	17.8	14.9	18.8	18.3	13.8

*Note: Totals may not sum to 100.0 because of rounding
Source: Calculated from Bureau of Labor Statistics.*

business services, and education and health services. **Utah** comes closest among the five states in matching the national distribution of jobs across industry sectors, although its jobs are slightly concentrated in construction, trade-transportation-utilities, information and government, with relatively few jobs in manufacturing, education and health services, and other services. **Rhode Island** concentrates jobs in manufacturing, finance, education and health services (45% higher than the national norm!), leisure/hospitality, and other services.

Table 8 shows changes in payroll employment by industry in 2003. Nationally, manufacturing continued to hemorrhage jobs, down 583,000 last year. Substantial national growth in professional and business services (including temporary help supply) and education and health sectors was insufficient to offset lost jobs in manufacturing, trade-transportation-utilities, information and government. Manufacturing employment slumped in all five states along with the national slump, but only **South Carolina's** 6.8% job decline among the five states surpassed the national loss of 3.9%, exacerbated by the state's job erosion in the textile and apparel industries (see "Textiles: An Industry in Crisis"). **Utah's** loss of 1,000 manufacturing jobs was the smallest percentage decline among the five states at 0.9%.

Table 8: Change in Payroll Employment by Industry Sector, (December 2002-December 2003)

	U.S.	TX	IN	SC	UT	RI
Natural Resources/ Mining	- 6,000	- 2,000	0	+ 100	- 100	0
Construction	+ 90,000	+ 14,400	+ 11,900	- 2,200	0	+ 600
Manufacturing	- 583,000	- 26,700	- 11,800	- 19,700	- 1,000	- 1,200
Td.- Transportation Utility	- 187,000	- 18,400	- 4,800	- 5,600	+ 1,000	+ 2,200
Information	- 112,000	- 11,400	- 100	0	- 400	-300
Finance	+ 74,000	+ 6,100	- 2,000	- 2,200	+ 1,500	- 400
Professional/Business Services	+ 301,000	- 400	- 6,400	- 3,300	+ 1,700	+ 300
Education & Health Services	+ 334,000	+ 36,600	- 2,900	+ 1,200	+ 3,300	+ 300
Leisure/Hospitality	+ 106,000	+ 10,300	+ 3,900	- 3,600	+ 2,200	- 500
Other Services	- 19,000	+ 2,200	+ 1,400	- 1,100	+ 600	+ 500
Government	- 53,000	+ 34,400	+ 2,500	- 4,900	+ 1,300	- 500
Total:	- 55,000	+ 45,100	- 8,300	- 41,300	+10,100	+ 1,000
<i>Source: Calculated from Bureau of Labor Statistics.</i>						

Utah suffered net job losses in only three of 11 industry sectors (mining, manufacturing and information) and enjoyed modest job gains in the remaining eight sectors to finish 2003 some 10,000 jobs ahead. **Rhode Island** suffered job declines in five sectors (manufacturing, information, finance, leisure and government) and achieved gains in the remaining six sectors to end 2003 modestly on the plus side. **Texas** also ended 45,100 jobs to the plus side, with six sectors of gain (construction, finance, education and health services, leisure/hospitality, other services and government) offsetting the loss of jobs in the other five sectors.

Indiana lost 8,300 jobs overall, or 0.3%, on the year, with shrinkage in six sectors (manufacturing, trade-transport-utilities, information, finance, professional and business services, and even education and health services) large enough to offset job gains elsewhere, concentrated in construction and leisure/hospitality. 2003 was a tough year in **South Carolina's** labor markets, with an overall loss of 41,300 jobs, nearly half of those in manufacturing. The only sector with significant payroll expansion was 1,200 jobs in education and health services.

Based on the industrial composition of employment, the five states differ little in terms of job opportunities for unskilled workers. Texas is slightly advantaged by its high employment in construction, trade and transportation; South Carolina by its relative concentration in construction and leisure/hospitality; Utah by construction, trade and transportation; and Rhode Island by leisure/hospitality. The relative concentration of manufacturing employment in Indiana and South Carolina once created great

opportunities for the low skilled but the steady loss of manufacturing jobs, its relatively low hiring rate and shifting demand toward skilled workers have lessened the odds.

VII. Hiring Rates

Overall fluctuations in employment levels are the result of many changes among the millions of establishments employing labor. To improve our understanding of the dynamics of labor markets, the Bureau of Labor Statistics conducts the Job Openings and Labor Turnover Survey (JOLTS), a monthly survey developed to address the need for data on job vacancies, hires, and separations. “These data serve as demand-side indicators of labor shortages at the national level,” states the BLS (2003). “Prior to JOLTS, there was no economic indicator of the unmet demand for labor with which to assess the presence or extent of labor shortages in the United States. The availability of unfilled jobs--the job openings rate--is an important measure of the tightness of job markets, parallel to existing measures of unemployment.”

Data from a sample of approximately 16,000 U.S. business establishments are collected by the Bureau of Labor Statistics through the Atlanta JOLTS Data Collection Center. The JOLTS survey covers all nonagricultural industries in the private and public sectors for the 50 States and the District of Columbia. JOLTS collects data on Total Employment, Job Openings, Hires, Quits, Layoffs & Discharges, and Other Separations.

Table 9 tracks job openings and hires by industry and region during 2003. Perhaps the most remarkable number is that 48 million people were hired during a jobless recovery last year, or 4 million per month, despite zero net job growth. With 600,000 released from prison, that would mean that ex-inmates would have to get one in 80 hires for full employment. The trade-transportation-utilities sector led with 10.1 million hires, followed by leisure/hospitality with 8.4 million hired. Both major sectors hire many unskilled workers in restaurants, stores and warehouses. Construction hired more people (4.7 million) than manufacturing did (3.9 million), despite the fact that construction is much smaller, with less than half the employment level of manufacturing. Construction jobs, of course, suffer from being cold in winter, hot in summer, involve heavy lifting and risk of injury.

Table 9: Job Openings and Hires by Industry and Region, 2003

		Job Openings Monthly Rate ¹	Hires Monthly Rate ²	Hires (000) In 2003	Hires (000) Monthly Average
Total Nonfarm		2.1	3.1	48,165	4,014
Total Private		2.2	3.4	44,559	3,713
Natural Res./ Mining		1.0	3.0	175	15
Construction		1.4	5.8	4,734	395
Manufacturing		1.3	2.2	3,938	328
Td-Transp.- Utilities		1.7	3.3	10,108	842
Information		1.7	2.0	785	65
Financial		2.1	2.1	1,982	165
Prof. And Bus. Services		3.0	3.8	7,314	610
Educ. & Health Services		3.2	2.6	5,100	425
Leisure/Hospitality		2.7	5.8	8,428	702
Other Services		2.1	3.1	1,977	165
Government		1.8	1.4	3,611	301
Region	Northeast	2.0	2.6	7,915	660
	South	2.3	3.3	18,274	1,523
	Midwest	2.0	2.9	10,727	894
	West	2.2	3.3	11,235	936
¹ The job openings rate is the number of job opening on the last business day of the month as a percent of total employment plus job openings. ² The hires rate is the number of hires during the entire month as a percent of total employment.					
<p style="text-align: center;"><i>Source: Calculated from Bureau of Labor Statistics</i></p>					

Both the construction and leisure/hospitality industries tie for the highest hire rate at 5.8 per hundred jobs per month, nearly twice the overall hire rate of 3.1 per hundred jobs. “At restaurants where the average check is less than \$25, there is about a 65 percent [annual] turnover rate among hourly employees, according to the National Restaurant Association” (*New York Times*), which confirms the BLS turnover data. The only other industry sector significantly above the overall 3.1 monthly average hire rate is professional and business services, a sector with relatively few jobs for ex-cons with median school years of 11th grade and little or no productive work experience, with the exception of temporary help supply. Government has the lowest hire rate of 1.4, a sector characterized by a stable and aging work force, followed by information at 2.1, a shrinking industry that overexpanded in the heady ‘90s and has been hard hit by bankruptcies and downsizing in the 2000s.

The hiring data are not available by state but the rapidly growing regions of the South and West have high hire rates, while the Northeast and Midwest lag behind the national average. Also, hiring shows a strong seasonal pattern, with hiring slumping during the winter and rising during the summer and fall.

VIII. Low-Wage Occupations

While it is nice to know that 48 million people were hired in a weak labor market last year, how many of those jobs would ex-inmates qualify for? To approach that question, we can look at the BLS **Occupational Employment Statistics (OES)** program, which produces employment and wage estimates for over 800 occupations. The **Occupational Employment Statistics (OES)** program conducts a semi-annual mail survey designed to produce estimates of employment and wages for specific occupations. These are estimates of the number of people employed in certain occupations, and estimates of the wages paid to them. Self-employed persons are not included in the estimates. These estimates are available for the nation as a whole, for individual States, and for metropolitan areas; national occupational estimates for specific industries are also available.

The [2002 OES Estimates](#) were produced using the revised Standard Occupational Classification (SOC) system. The new SOC system, which is being adopted by all Federal statistical agencies for reporting occupational data, consists of 821 detailed occupations, grouped into 449 broad occupations, 96 minor groups, and 22 major civilian groups plus the military. The OES program provides occupational employment and wage estimates at the major group and detailed occupation level. The detailed SOC occupations are allocated among the 22 major civilian groups, as shown in Table 10.

Employment in all occupations was 127.5 million, the median hourly wage was \$13.31 and average annual pay was \$35,560. By the author's calculation, ex-inmates could qualify for some 37 million of these jobs, or 29.3 percent of total employment, because they are entry-level or low skill and occupational bans for a criminal record would be unusual. At least one in four jobs, in other words, requires only short-term on-the-job training and can be performed satisfactorily within hours or days by able-bodied, literate, cooperative applicants.

Table 10: Employment, Wages, and Entry-level Employment in the 22 Major Civilian Occupational Groups, 2002

	Standard Occupational Code (SOC)	Occupation Title	Employment	Entry-level Jobs	Median Hrly. Wage	Average Annual Pay
	00-0000	All Occupations	127,523,760	37,385,130	\$13.31	\$35,560
1	11-0000	Management	7,092,460	0	32.27	78,870
2	13-0000	Business and Financial Operations	4,772,120	0	25.65	53,350
3	15-0000	Computer and Math. Science	2,772,620	0	28.13	61,630
4	17-0000	Architecture and Engineering	2,411,260	0	26.39	58,020
5	19-0000	Life, Physical and Social Sciences	1,078,630	0	22.29	52,380
6	21-0000	Community and Social Services	1,576,980	0	15.24	34,630
7	23-0000	Legal	934,850	0	27.89	77,330
8	25-0000	Education, Training, and Library	7,772,470	0	17.76	40,160
9	27-0000	Arts, Design, Entertainment, Sports, Media	1,503,680	0	16.63	41,660
10	29-0000	Healthcare Practitioner and Technical	6,185,020	0	21.07	53,990
11	31-0000	Healthcare Support	3,173,400	120,760 ¹	10.11	22,410
12	33-0000	Protective Services	2,993,490	0	13.87	33,330
SOC 11 to 33:			42,266,980	120,760		

For footnotes 1-11, please see Table 11.

Table 10: Employment, Wages, and Entry-level Employment in the 22 Major Civilian Occupational Groups, 2002 (continued)

Standard Occupational Code (SOC)		Occupation Title	Employment	Entry-level Jobs	Median Hrly. Wage	Average Annual Pay
00-0000		All Occupations	127,523,760	37,385,130	\$13.31	\$35,560
13	35-0000	Food Preparation and Serving	10,067,080	8,990,430 ²	7.33	17,180
14	37-0000	Bldg. and Grounds Cleaning and Maint.	4,262,880	3,905,200 ³	8.93	20,850
15	39-0000	Personal Care and Service	2,919,280	506,760 ⁴	8.43	21,370
16	41-0000	Sales and Related	13,339,570	8,141,170 ⁵	9.99	30,610
17	43-0000	Office and Administrative Support	22,754,570	4,461,220 ⁶	12.34	27,910
18	45-0000	Farming, Fishing and Forestry	451,140	320,960 ⁷	8.01	20,220
19	47-0000	Construction and Extraction	6,124,600	1,800,240 ⁸	15.94	36,340
20	49-0000	Installation, Maint. and Repair	5,215,970	237,330 ⁹	16.26	35,780
21	51-0000	Production	10,726,670	4,106,480 ¹⁰	12.02	28,190
22	53-0000	Transportation and Material Moving	9,395,000	4,794,580 ¹¹	11.15	27,220
SOC 35 to 53:			85,256,760	37,264,370		

Inspection of Table 10 shows that management occupations (SOC 11) to sciences (SOC 19) have no employment for ex-inmates without special skills, education or training. Community and social services (SOC 21) employs nearly 300,000 assistants but a criminal record may prevent employment there. In the range of legal occupations to protective services (SOC 23 to 33), there are few opportunities for ex-offenders. The education industry employs over 1.2 million teaching assistants but these are female-dominated and since few are full-time positions, no wage data exist. The only real opportunities would be pharmacy aides (counter help, SOC 31-9095) and veterinarian assistants and lab animal caretakers (SOC 9096), employing a total of 120,000 people at less than \$9 median hourly wages. Protective service occupations (SOC 33) employ nearly one million security guards but a criminal record blocks entry. The upshot is that the first 12 of 22 occupation groupings employing 42.3 million people offer few opportunities for ex-inmates.

Most of the 37 million jobs available to ex-inmates are in the occupational groupings from food preparation and serving occupations to transportation and material moving

occupations (SOC 35 to 53). Bar Chart 3A, derived from Table 10, shows employment and hence potential job opportunities available to ex-inmates in these occupational groupings. Big employment numbers are in seven areas: food preparation, sales, transportation/moving, office and administrative support, production, cleaning/maintenance, and construction. Bar Chart 3B shows the associated median hourly wage in these occupation groupings. Food preparation and serving (SOC 35) has the lowest median hourly wage at \$7.33, while construction/extraction (SOC 47) has the highest at \$15.94. Only the construction/extraction and installation-maintenance-repair (SOC 49) occupations exceed the economy-wide median hourly wage of \$13.31.

Chart 3A: Entry-Level Jobs by Major Occupational Groupings

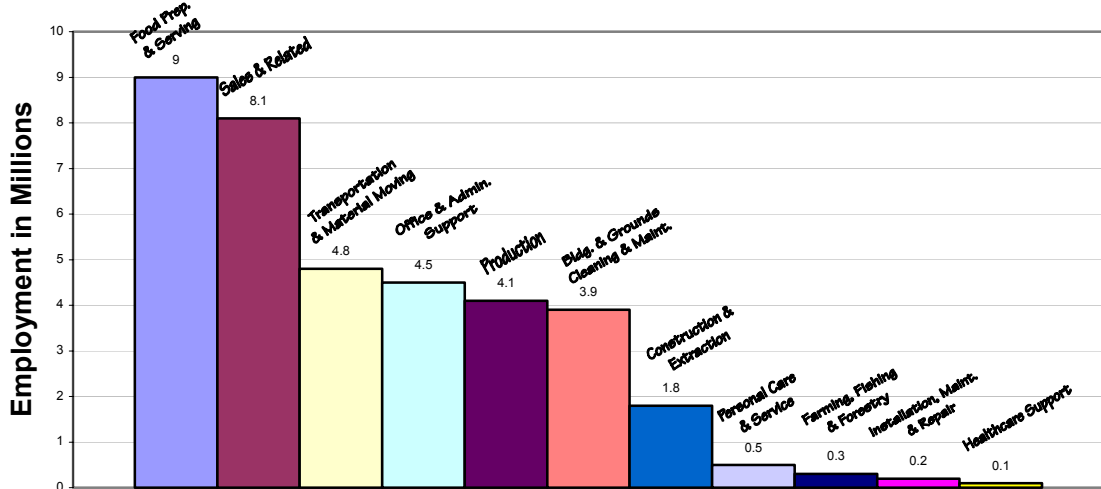


Chart 3B: Median Hourly Wage by Major Occupational Group

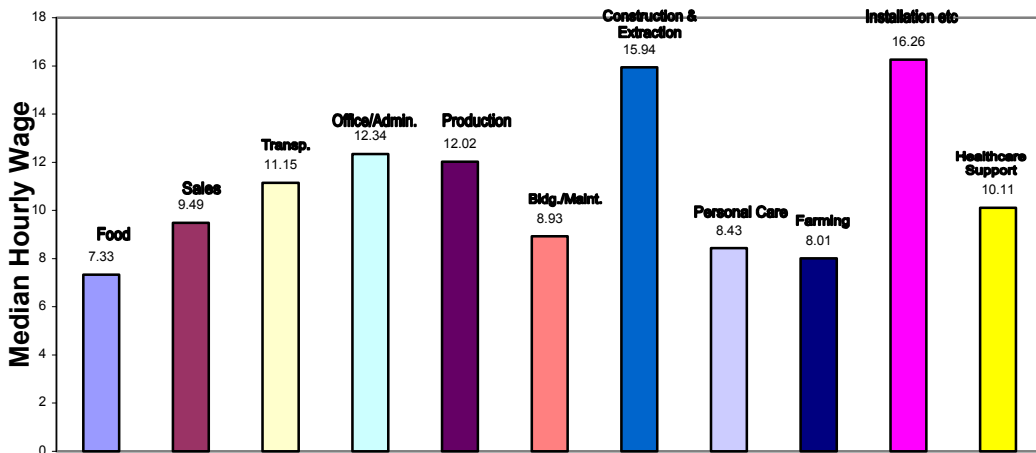


Table 11 lists all 83 detailed occupation titles, or 10 percent of all titles, deemed ex-inmate eligible. Only five of the occupation titles has a median wage higher than the overall hourly median wage of \$13.31: fallers (logging, 45-4021) \$13.54; Painters (47-2141) \$13.98; Roofers (47-2181) \$14.51; Highway Maintenance Workers (47-4051) \$13.65; and Paper Goods Machine Setters, Operators and Tenders (51-9196) \$13.59. Table 11 notes which states in our sample of five ranks among the top five states in concentration in a particular low-wage occupation. Each state achieves top five share in a few of the low-wage occupations, Utah, for example, in telemarketers, bill and account collectors, order clerks, couriers and messengers, roofers, carpenters' helpers, painters' helpers and production workers' helpers.

Table 11 : Entry-level Jobs, Detailed Occupation Titles

Table 10 Footnote	SOC	Occupation Title	Employment	Median Hrly. Wage	Comment: Among Top 5 States in Occupation's Concentration?	
1	31-9095	Pharmacy Aides	58,020	\$8.86	INDIANA #5 (1,700 jobs)	
	31-9096	Veterinarian Assistants and Lab Animal Caretakers	62,740	8.85		
2	35-2011	Cooks, Fast Food	582,630	6.90	S. CAROLINA #4 (5,380 jobs)	
	35-2012	Cooks, Institution and Cafeteria	416,710	8.72		
	35-2014	Cooks, Restaurant	715,520	9.16		
	35-2015	Cooks, Short Order	223,030	7.82		
	35-2021	Food Preparation Workers	836,540	7.85		
	35-3011	Bartenders	453,390	7.21		
	35-3021	Combined Food Preparation and Serving Workers, Including Fast Food	2,000,070	6.97		
	35-3022	Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	466,270	7.32		
	35-3031	Waiters and Waitresses	2,086,120	6.80		
	35-3041	Food Servers, Non-restaurant	193,980	7.52		TEXAS #5 (19,960 jobs)
	35-9011	Dining Rood and Cafeteria Attendants and Bartender Helpers	404,210	6.99		
	35-9021	Dishwashers	499,070	7.15		
	35-9031	Hosts and Hostesses, Restaurant Lounges, and Coffee Shop	295,170	7.36		

Table 11: Entry-level Jobs, Detailed Occupation Titles (continued)

Table 10 Footnote	SOC	Occupation Title	Employment	Median Hrly. Wage	Comment: Top 5 States in Occupation' Concentration?
3	37-2011	Janitors and Cleaners (except Maids and Housekeeping Cleaners)	2,052,090	\$8.77	
	37-2012	Maids and Housekeeping Cleaners	912,340	7.90	
	37-3011	Landscaping and Grounds-keeping Workers	792,170	9.51	
	37-3012	Pesticide Handlers, Sprayers, and Applicators, Vegetation	22,000	11.94	INDIANA #5 (1,010 jobs)
	37-3013	Tree Trimmers and Pruners	43,530	12.07	
4	39-2021	Nonfarm Animal Caretakers	86,700	8.21	
	39-3021	Motion Picture Projectionist	9,600	7.97	
	39-3031	Ushers, Lobby Attendants, and Ticket Takers	106,050	7.02	
	39-3091	Amusement and Recreation Attendants	225,100	7.18	
	39-3093	Locker Room, Coat Room and Dressing Room Attendants	21,660	8.14	
	39-6011	Baggage Porters and Bellhops	57,650	8.58	
5	41-2011	Cashiers	3,375,510	7.41	
	41-2021	Counter and Rental Clerks	425,380	8.31	
	41-2031	Retail Salespersons	3,894,760	8.51	
	41-9041	Telemarketers	419,740	9.40	UTAH #1 (8,680 jobs)
	41-9092	Door-to-Door Sales Workers, News Vendors, and Related	25,780	12.18	

Table 11: Entry-level Jobs, Detailed Occupation Titles (continued)

Table 10 Footnote	SOC	Occupation Title	Employment	Median Hrly. Wage	Comment: Top 5 States in Occupation' Concentration?
6	43-2011	Switchboard Operators, Including Answering Service	226,890	10.19	
	43-3011	Bill and Account Collectors	407,280	12.88	UTAH #2 (6,670 jobs)
	43-3021	Billing and Posting Clerks and Machine Operators	491,000	12.55	
	43-4071	File Clerks	258,680	9.63	
	43-4081	Hotel, Motel, and Resort Desk Clerks	176,140	8.35	
	43-4151	Order Clerks	327,120	11.93	UTAH #3 (4,220 jobs)
	43-5021	Couriers and Messengers	120,900	9.32	UTAH #5 (1,140 jobs)
	43-5041	Meter Readers, Utilities	52,510	13.86	
	43-5071	Shipping, Receiving, and Traffic Clerks	792,470	11.26	
	43-5081	Stock Clerks and Order Fillers	1,608,230	9.26	
7	45-2041	Graders and Sorters, Agricultural Products	54,500	7.67	
	45-2092	Farm Workers and Laborers, Crop, Nursery and Greenhouse	218,020	7.24	
	45-2093	Farm workers, Farm and Ranch Animals	38,260	8.22	S. CAROLINA #5 (1,650 jobs)
	45-4021	Fallers (logging)	10,180	13.54	

Table 11: Entry-level Jobs, Detailed Occupation Titles (continued)

Table 10 Footnote	SOC	Occupation Title	Employment	Median Hrly. Wage	Comment: Top 5 States in Occupation' Concentration?
8	47-2061	Construction Laborers	830,860	11.90	
	47-2141	Painters, Construction and Maintenance	257,140	13.98	
	47-2181	Roofers	117,140	14.51	UTAH #4 (1,620 jobs)
	47-3011	Helpers – Brick Masons, Block Masons, Stone Masons, and Tile and Marble Setters	60,740	11.73	
	47-3012	Helpers – Carpenters	97,900	10.34	UTAH #5 (2,050 jobs)
	47-3013	Helpers – Electricians	97,690	11.10	S. CAROLINA (3,420 jobs) TEXAS #5 (11,920 jobs)
	47-3014	Helpers – Painters, Paperhangers, Plasterers, and Stucco Masons	31,320	9.66	UTAH #2 (700 jobs)
	47-3015	Helpers – Pipe Layers, Plumbers, Pipe Fitters, and Steam Fitters	78,750	10.69	
	47-3016	Helpers – Roofers	21,950	9.85	
	47-4051	Highway Maintenance Workers	146,290	13.65	
	47-5071	Roustabouts, Oil and Gas	31,960	10.71	TEXAS #5 (16,450 jobs)
47-5081	Helpers – Extraction Workers	28,690	12.12		
9	49-3091	Bicycle Repairers	7,000	9.25	
	49-3093	Tire Repairers and Changers	81,560	9.69	
	49-9098	Helpers	148,770	10.31	

Table 11: Entry-level Jobs, Detailed Occupation Titles (continued)

Table 10 Footnote	SOC	Occupation Title	Employment	Median Hrly. Wage	Comment: Top 5 States in Occupation' Concentration?
10	51-2022	Electrical and Electronic Equipment Assemblers	267,030	11.03	
	51-2023	Electromechanical Equipment Assemblers	57,500	12.15	
	51-2092	Team Assemblers	1,139,360	10.90	INDIANA #2 (57,540 jobs)
	51-3011	Bakers	161,820	9.89	RHODE ISLAND #5 (930 jobs)
	51-3022	Meat, Poultry, and Fish Cutters and Trimmers	150,920	8.57	
	51-4031	Cutting, Punching and Press Machine Setters, Operators and Tenders	277,410	11.81	
	[51-4121	How many Welders, Cutters, Solderers, and Brazers?]	361,970	[13.90]	
	51-6031	[Sewing Machine Operators]	277,800	[8.39]	
	51-6061	Textile Bleaching and Dyeing Machine Operators and Tenders	25,950	10.00	S. CAROLINA #2 (2,680 jobs) RHODE ISLAND #3 (590 jobs)
	51-6062	Textile Cutting Machine Setters, Operators, and Tenders	32,970	9.77	S. CAROLINA #1 (2,290 jobs)
	51-6063	Textile Knitting and Weaving Machine Setters, Operators, Tenders	49,410	11.05	S. CAROLINA #1 (7,250 jobs) RHODE ISLAND #5 (530 jobs)
	51-6064	Textile Winding, Twisting, and Drawing out Machine Setters, Operators, and Tenders	62,800	10.54	S. CAROLINA #1 (9,140 jobs)
	51-6093	Upholsterers	40,380	11.86	INDIANA #3 (1,490 jobs)
	51-9111	Packaging and Filling Machine Operators and Tenders	390,380	10.20	
	51-9196	Paper Goods Machine Setters, Operators and Tenders	114,390	13.59	S. CAROLINA #5 (2,780 jobs)
	51-9198	Helpers – Production Workers	464,390	9.25	UTAH #5 (5,970 jobs)

Table 11: Entry-level Jobs, Detailed Occupation Titles (continued)

Table 10 Footnote	SOC	Occupation Title	Employment	Median Hrly. Wage	Comment: Top 5 States in Occupation' Concentration?
11	53-3033	Truck Drivers, Light or Delivery Services	977,920	\$11.48	
	53-6021	Parking Lot Attendants	108,460	7.84	
	53-6031	Service Station Attendants	102,550	7.97	
	53-7061	Cleaners of Vehicles and Equipment	311,070	8.20	
	53-7062	Laborers and Freight, Stock, and Material Movers, Hand	2,217,590	9.48	S. CAROLINA #4 (40,070 jobs)
	53-7064	Packers and Packagers, Hand	927,740	8.03	INDIANA #3 (30,940 jobs)
	53-7081	Refuse and Recyclable Material Collectors	132,290	11.60	
	<p><i>n=83 including 33 at \$10.00 median hourly wage or higher. Source: BLS, 2002 National Occupational Employment and Wage Estimates</i></p>				

To cut down on the details, Table 12 summarizes the top 15 occupations employing 750,000 or more in each low-skill occupation:

Table 12: Largest 15 Entry-Level Occupations, Each employing 750,000 plus

Cooks	1,937,890
Food Preparation Workers	836,540
Combined Food Preparation and Serving	2,000,070
Waiters and Waitresses	2,086,120
Janitors and Cleaners	2,052,090
Maids and Housekeeping Cleaners	912,340
Landscaping and Groundskeeping	792,170
Cashiers	3,375,510
Retail Salespersons	3,894,760
Stock clerks and Order Fillers	1,608,230
Construction laborers	830,860
Team assemblers	1,139,360
Truck drivers, light or delivery services	977,920
Laborers and Freight, Stock, and Material Movers, Hand	2,217,590
Packers and Packagers, Hand	<u>927,740</u>
Total	25,589,190

Source: Calculated from BLS, National Occupational Employment and Wage Estimates; also see Table 11 above.

These 15 low-skill occupations employ a total of 25.6 million people, or 19.7% of total payroll employment. Nearly 7 million jobs are in food preparation and service alone.

Table 13 shows the relative frequency (percentage) distribution of occupations in the U.S. and among the five states. The goal is to see if occupational distributions and hence job opportunities differ very much among the five states. The most noticeable lesson, reading across the rows of Table 13, is how similar the share of jobs is for each occupational grouping among the states. Since the economies and labor markets are rather similar, the variation in occupational composition in the states is quite small. In two minor cases, high relative concentration of an occupational grouping in one state exceeds that of the lowest state by a factor of two or more. Specifically, at 2% of employment, community and social services occupations in Rhode Island amount to twice the concentration in Indiana and over twice that in Texas (0.8%). Also, Rhode Island's relatively large legal community (0.9%) is over twice that in Indiana (0.4%). These sectors, however, employ few ex-inmates, so these minor differences do not matter for ex-inmate jobs.

A potentially relevant variation in employment potential for ex-inmates is in production occupations. Indiana's occupational share of 14.2% and South Carolina's share of 12.0% loom large because of the importance of manufacturing jobs in these two states. At the other end of the range, Texas (7.2%) and Utah (7.9%) have production occupation shares below the national average of 8.4%. None of this matters very much for ex-offenders jobs, however, because manufacturing continues to shed jobs, albeit at a slower pace than in the previous two years, and has a relatively low hire rate.

Table 13: Payroll Employment by Major Occupational Group, % Distribution, 2002

SOC	Occupation Title	US	TX	IN	SC	UT	RI
11	Management	5.6	6.1	4.7	6.3	5.6	4.1
13	Business & Finance	3.7	3.4	3.0	2.8	3.3	4.0
15	Computer & Math	2.2	2.3	1.3	1.1	2.4	2.0
17	Arch. and Eng.	1.9	2.2	1.8	1.9	1.8	1.6
19	Sciences	0.8	0.8	0.6	0.6	1.0	0.9
21	Community and Social Sciences	1.2	0.8	1.0	1.2	1.4	2.0
23	Legal	0.7	0.7	0.4	0.7	0.6	0.9
24	Education Training and Library	6.1	6.9	5.3	5.6	5.6	7.0
27	Arts, etc.	1.2	0.9	0.9	0.8	1.3	1.2
29	Healthcare, Practitioners & Technicians	4.9	4.4	5.2	5.0	4.0	6.1
31	Healthcare Support	2.5	2.4	2.2	2.3	2.2	3.3
33	Protective Service	2.3	2.5	1.9	2.2	2.0	2.3
35	Food Prep and Serving	7.9	7.9	8.6	8.5	7.4	8.8
37	Bldg. and Grounds Cleaning and Maint.	3.3	3.2	3.2	3.6	3.3	3.3
39	Personal Care & Service	2.3	2.6	1.9	1.8	2.0	2.5
41	Sales and Related	10.5	10.7	9.7	10.1	11.7	9.6
43	Office and Administrative Support	17.8	17.8	16.1	15.4	18.4	18.1
45	Farming, Fishing and Forestry	0.4	0.2	0.2	0.4	0.2	0.1
47	Construction and Extraction	4.8	5.4	4.8	4.9	6.4	3.8
49	Installation and Maintenance & Repair	4.1	4.5	4.5	4.8	4.3	3.3
51	Production	8.4	7.2	14.2	12.0	7.9	9.1
53	Transportation and Material Moving	7.4	7.2	8.5	8.1	7.2	6.1

Source: Bureau of Labor and Statistics

Bernstein and Gittleman offer additional perspective on low-skill jobs. The authors examine the skill demands of low-wage jobs using a relatively new data set from the National Compensation Survey of Occupational Wages conducted by the Bureau of Labor Statistics. Almost 22% of hours worked in 2001 were in jobs whose wage rate was less than two-thirds of the median wage rate (\$8.67). Among major industry divisions, retail trade stands out as having by far the largest share of low-paid hours worked, with 55.9% of hours paid less than two-thirds of the median wage. Services are second at 22.1% and wholesale trade third at 15%. 25% of hours spent in private, for-profit companies are low-wage versus 9.9% in not-for-profit organizations and 5.8% in state

and local government. In terms of major occupation groups, service occupations have the highest share of low-paid jobs at 52.7%, handlers-equipment-cleaners-helpers-and-laborers second at 40.5%, and sales third at 39.7%. By contrast, managers, professional specialties, technical workers, and precision crafts have almost no low-wage employment.

In terms of skill levels, the NCS is unique in providing information on the skills, responsibilities, and working conditions associated with each job. The survey contains 10 measures like required knowledge, intricacy of tasks, degree of discretion versus strict guidelines, scope and impact of the work, supervisory duties, etc. Past research shows that knowledge is the factor most strongly related to wages (Pierce). 41% of all hours worked only require level 1 or 2 knowledge out of 9 levels. Workers whose jobs have a knowledge level 3 are highly unlikely to have low-paid jobs. Only one in four hours require knowledge at level 5 or above, which is in rough accord with the share of employees with bachelor degrees. 58% of hours worked are at complexity (a separate measure from knowledge) level 1 or 2, very basic, and most jobs entail a fair amount of supervision (low discretion). 80% of jobs have no supervisory duties whatsoever. There is a wage premium for work that requires considerable physical exertion or high safety risks. Construction, for example, continues to record the highest number of fatal injuries of any major industry (*Monthly Labor Review*, October 2003, p. 2)

Low-skill jobs have maximum skill measures of 2 on each of the 10 factors. These productivity factors, along with job and establishment characteristics like union-nonunion and private or governmental, explain the bulk of variation in both low-skill and high-skill pay (Bernstein and Gittleman).

IX. Major Metropolitan-Area Jobs

In addition to jobs at the state level, we should look at the job situation in the largest metropolitan area in each of the five states. In each state the largest metro area sends the largest number of offenders to the DOC and receives the largest number of ex-offenders upon release.

Table 14 compares metro areas along three dimensions: the unemployment rate and entry-level jobs and entry-level production jobs as a share of payroll employment.

Table 14: Labor Markets in Five Metropolitan Areas, 2002

	<u>Unemployment Rate (Dec '03)</u>	<u>Entry-level Job Share</u>	<u>Production Worker Job Share</u>
U.S.	5.7%	29.3%	3.2%
Houston	5.9	27.0	2.1
Indianapolis	4.6	28.0	1.7
Greenville- Spartanburg- Anderson	5.3	33.6	6.6
Salt Lake City	4.3	28.2	2.9
Providence	5.2	27.7	3.3

Source: Calculated from Bureau of Labor Statistics

Houston has the highest unemployment rate at 5.9% and **Salt Lake City** the lowest at 4.3%, a relatively narrow spread. The entry-level share of employment potentially available to ex-offenders is very similar among the metro areas with the notable exception of **Greenville-Spartanburg-Anderson**, where a 33.6% entry-level job share is well above the 27-28% prevailing in the other four metro areas. The clear reason, shown in column three, is the large number of production worker jobs filled at **G-S-A**-area manufacturers, where 6.6% of jobs is substantially above the 2-3% production work in the other metro areas. G-S-A has major manufacturing companies like BMW, Michelin, Milliken, West Point Stevens, Georgia Pacific, Lockheed Martin, Hitachi, Kemet Electronics and many others. Textile jobs, however, continue to fall precipitously and manufacturing jobs overall continue to decline as productivity gains remain high. Despite manufacturers hiring 3.9 million workers in 2002, production jobs remain hard to come by for ex-offenders (and others).

X. Job Growth and Decline, 2002-2012

The future is unknown and therefore making accurate occupational forecasts is virtually impossible. Educated guesses are possible, and the BLS makes them, as shown in Table 15, which shows occupations with the largest anticipated job growth from 2002 to 2012. Perhaps the most striking observation is that despite all the talk about how important schooling and training are to job success, low-skill and low-wage occupations show a healthy expansion in the forecast. Six of the top ten growth occupations require

only short-term on-the-job training (retail sales, combined food preparation and serving, cashiers, janitors and cleaners, waiters and waitresses, nursing aides) and a seventh requires moderate-term on-the-job training (customer service representative).

2000 Standard Occupation Classification code and title	Employment		Change		Quartile rank by 2002 median annual earnings (1)	Most significant source of postsecondary education or training (2)
	2002	2012	Number	Percent		
29-1111 Registered nurses	2,284	2,908	623	27	1	Associate degree
25-1000 Postsecondary teachers	1,581	2,184	603	38	1	Doctoral degree
41-2031 Retail salespersons	4,076	4,672	596	15	4	Short-term on-the-job training
43-4051 Customer service representatives	1,894	2,354	460	24	3	Moderate-term on-the- job training
35-3021 Combined food preparation and serving workers, including fast food	1,990	2,444	454	23	4	Short-term on-the-job training
41-2011 Cashiers, except gaming	3,432	3,886	454	13	4	Short-term on-the-job training
37-2011 Janitors and cleaners, except maids and housekeeping cleaners	2,267	2,681	414	18	4	Short-term on-the-job training
11-1021 General and operations managers	2,049	2,425	376	18	1	Bachelor's or higher degree, plus work experience
35-3031 Waiters and waitresses	2,097	2,464	367	18	4	Short-term on-the-job training
31-1012 Nursing aides, orderlies, and attendants	1,375	1,718	343	25	3	Short-term on-the-job training
53-3032 Truck drivers, heavy and tractor- trailer	1,767	2,104	337	19	2	Moderate-term on-the- job training
43-4171 Receptionists and information clerks	1,100	1,425	325	29	3	Short-term on-the-job training
33-9032 Security guards	995	1,313	317	32	4	Short-term on-the-job training
43-9061 Office clerks, general	2,991	3,301	310	10	3	Short-term on-the-job training
25-9041 Teacher assistants	1,277	1,571	294	23	4	Short-term on-the-job training
41-4012 Sales representatives, wholesale and manufacturing, except technical and scientific products	1,459	1,738	279	19	1	Moderate-term on-the- job training
31-1011 Home health aides	580	859	279	48	4	Short-term on-the-job training
39-9021 Personal and home care aides	608	854	246	40	4	Short-term on-the-job training
53-3033 Truck drivers, light or delivery services	1,022	1,259	237	23	3	Short-term on-the-job training
37-3011 Landscaping and groundskeeping workers	1,074	1,311	237	22	3	Short-term on-the-job training
25-2021 Elementary school teachers, except special education	1,467	1,690	223	15	2	Bachelor's degree

Table 15: 30 Occupations with the largest job growth, 2002-12 [Numbers in thousands of jobs]						
2000 Standard Occupation Classification code and title	Employment		Change		Quartile rank by 2002 median annual earnings (1)	Most significant source of postsecondary education or training (2)
	2002	2012	Number	Percent		
31-9092 Medical assistants	365	579	215	59	3	Moderate-term on-the-job training
49-9042 Maintenance and repair workers, general	1,266	1,472	207	16	2	Moderate-term on-the-job training
13-2011 Accountants and auditors	1,055	1,261	205	19	1	Bachelor's degree
15-1051 Computer systems analysts	468	653	184	39	1	Bachelor's degree
25-2031 Secondary school teachers, except special and vocational education	988	1,167	180	18	1	Bachelor's degree
15-1031 Computer software engineers, applications	394	573	179	46	1	Bachelor's degree
13-1111 Management analysts	577	753	176	30	1	Bachelor's or higher degree, plus work experience
35-2021 Food preparation workers	850	1,022	172	20	4	Short-term on-the-job training
41-1011 First-line supervisors/managers of retail sales workers	1,798	1,962	163	9	2	Work experience in a related occupation
Occupations with short-term on-the-job training in bold.						
Footnotes:						
(1) The quartile rankings of Occupational Employment Statistics annual earnings data are presented in the following categories: 1=very high (\$41,820 and over), 2=high (\$27,500 to \$41,780), 3=low (\$19,710 to \$27,380), and 4=very low (up to \$19,600). The rankings were based on quartiles using one-fourth of total employment to define each quartile. Earnings are for wage and salary workers.						
(2) An occupation is placed into one of 11 categories that best describes the education or training needed by most workers to become fully qualified.						
NOTE: For more information about the categories, see Chapter II, "Selected Occupational Data, 2000 and Projected 2010" in Occupational Projections and Training Data, Bulletin 2542 (Bureau of Labor Statistics, January 2002), pp. 18-19, or in Bulletin 2572, the forthcoming 2004-05 edition of this publication.						

The next ten occupations tell the same story with eight of ten requiring only short-term on-the-job training (receptionists and information clerks, security guards, office clerks, teacher assistants, home health aides, personal and home care aides, light and delivery truck drivers, landscaping and groundskeeping workers). The third ten is dominated by high skill requirements. We may conclude that low-skill jobs will stay around for the foreseeable future. The left-leaning Employment Policy Institute terms the situation a “long term decline in job quality” (www.jobwatch.org)

Table 16 is the BLS forecast of the 30 occupations that will suffer the largest job losses. From the perspective of correctional industries and the training of ex-inmates for

likely postrelease jobs, it is interesting that sewing machine operators suffer the second largest decline (-99,000 jobs), stock clerks and order fillers rank fourth (-68,000), and

Table 16: 30 Occupations with the largest job decline, 2002-12
[Numbers in thousands of jobs]

2000 Standard Occupation Classification code and title	Employment Change				Quartile rank by 2002 median annual earnings (1)	Most significant source of postsecondary education or training (2)
	2002	2012	Number	Percent		
11-9012 Farmers and ranchers	1,158	920	-238	-21	3	Long-term on-the-job training
51-6031 Sewing machine operators	315	216	-99	-31	4	Moderate-term on-the-job training
43-9022 Word processors and typists	241	148	-93	-39	3	Moderate-term on-the-job training
43-5081 Stock clerks and order fillers	1,628	1,560	-68	-4	4	Short-term on-the-job training
43-6014 Secretaries, except legal, medical, and executive	1,975	1,918	-57	-3	3	Moderate-term on-the-job training
51-2022 Electrical and electronic equipment assemblers	281	230	-51	-18	3	Short-term on-the-job training
43-9011 Computer operators	182	151	-30	-17	2	Moderate-term on-the-job training
43-2021 Telephone operators	50	22	-28	-56	2	Short-term on-the-job training
43-5053 Postal service mail sorters, processors, and processing machine operators	253	226	-26	-10	2	Short-term on-the-job training
43-4131 Loan interviewers and clerks	170	146	-24	-14	2	Short-term on-the-job training
43-9021 Data entry keyers	392	371	-21	-5	3	Moderate-term on-the-job training
41-9041 Telemarketers	428	406	-21	-5	4	Short-term on-the-job training
51-6063 Textile knitting and weaving machine setters, operators, and tenders	53	33	-20	-39	3	Long-term on-the-job training
51-6064 Textile winding, twisting, and drawing out machine setters, operators, and tenders	66	46	-20	-30	3	Moderate-term on-the-job training
51-2092 Team assemblers	1,174	1,155	-19	-2	3	Moderate-term on-the-job training
43-4151 Order clerks	330	311	-19	-6	3	Short-term on-the-job training
41-9091 Door-to-door sales workers, news and street vendors, and related workers	155	137	-18	-12	3	Short-term on-the-job training
41-3041 Travel agents	118	102	-16	-14	3	Postsecondary vocational award
43-4011 Brokerage clerks	78	67	-11	-15	2	Moderate-term on-the-job training
43-4061 Eligibility interviewers, government programs	94	83	-11	-12	2	Moderate-term on-the-job training
51-5022 Prepress technicians and workers	91	81	-10	-11	2	Long-term on-the-job training
45-3011 Fishers and related fishing workers	36	27	-10	-27	3	Moderate-term on-the-job training
51-6051 Sewers, hand	36	29	-8	-21	4	Short-term on-the-job training
51-6062 Textile cutting machine setters, operators, and tenders	34	26	-8	-23	3	Moderate-term on-the-job training
51-6061 Textile bleaching and dyeing machine operators and tenders	27	19	-8	-29	3	Moderate-term on-the-job training
27-3010 Announcers	76	68	-8	-10	3	Long-term on-the-job training
43-5041 Meter readers, utilities	54	46	-8	-14	2	Short-term on-the-job training
51-8091 Chemical plant and system	58	51	-7	-12	1	Long-term on-the-job training

Table 16: 30 Occupations with the largest job decline, 2002-12
[Numbers in thousands of jobs]

2000 Standard Occupation Classification code and title	Employment Change				Quartile rank by 2002 median annual earnings (1)	Most significant source of postsecondary education or training (2)
	2002	2012	Number	Percent		
operators						
51-9023 Mixing and blending machine setters, operators, and tenders	106	99	-7	-7	2	Moderate-term on-the-job training
43-4041 Credit authorizers, checkers, and clerks	80	74	-5	-7	3	Short-term on-the-job training
Footnotes:						
(1) The quartile rankings of Occupational Employment Statistics annual earnings data are presented in the following categories: 1=very high (\$41,820 and over), 2=high (\$27,500 to \$41,780), 3=low (\$19,710 to \$27,380), and 4=very low (up to \$19,600). The rankings were based on quartiles using one-fourth of total employment to define each quartile. Earnings are for wage and salary workers.						
(2) An occupation is placed into one of 11 categories that best describes the education or training needed by most workers to become fully qualified.						
NOTE: For more information about the categories, see Chapter II, "Selected Occupational Data, 2000 and Projected 2010" in Occupational Projections and Training Data, Bulletin 2542 (Bureau of Labor Statistics, January 2002), pp. 18-19, or in Bulletin 2572, the forthcoming 2004-05 edition of this publication.						

electrical and electronic equipment assemblers rank sixth in decline (-51,000). Telemarketers rank 12 in job decline (-21,000), textile machine operators suffer an overall predicted decline of -56,000 jobs, and team assemblers and order clerks decline -19,000 each.

Will these predictions prove accurate? The BLS occupational employment projections developed for the 1988-2000 period were reasonably accurate, correctly capturing most general occupational trends. The major error was projection of industry changes in use of occupations—staffing patterns within industries—rather than the projections of industry employment themselves. Prediction errors for detailed occupations averaged 23% but only 9% for the largest growth occupations (Alpert and Auyer). Thirteen occupations with large projected job growth were among the top 20 with large actual job growth and the 13 accounted for 94% of net job growth.

After 43 straight months of job decline and high rates of productivity growth in manufacturing, it would seem that job prospects in manufacturing are bleak. Yet Phyllis Eisen of the National Association of Manufacturers notes, “Manufacturers anticipate needing over 10 million workers during the next decade, suggesting that even workers with minimal skills who have at least some exposure to a range of manufacturing industries may have better job prospects than offenders without this exposure.” Despite a sluggish labor market, businesses, especially manufacturers, continue to forecast a

shortage of workers in the “not-too-distant future,” and emphasize the need for a well-trained workforce.

XI. Education and Skills

“Your class position is established by your view of time, not the money you own today. If you are future-oriented, you are upper class. If you are present-oriented, you are lower class.”

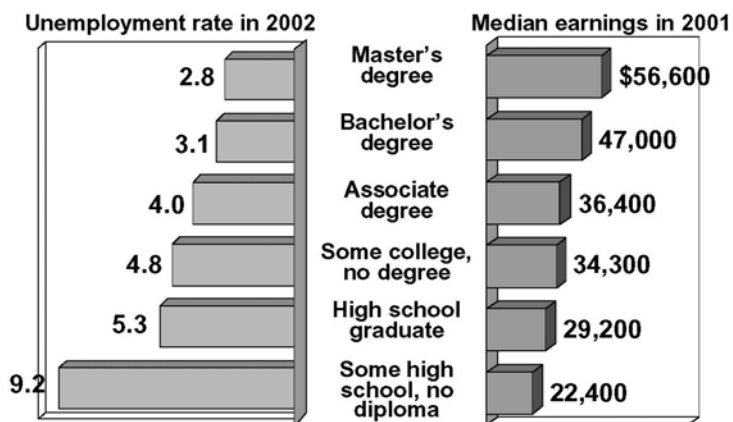
--Gary North, March 6, 2004,

<http://www.lewrockwell.com/north/north254.html>

While higher schooling or special skills are not required to get a job, the praise heaped on schooling has a basis in fact. There is strong positive association between levels of schooling and pay, as shown in Chart 4, as well as an inverse association between schooling and unemployment rates (higher schooling, lower unemployment). In

Chart 4

Education and training pays



NOTE: Unemployment and earnings for workers 25 and older, by educational attainment

Source: www.bls.gov/emp/emped00.pdf

practice, boosting pay means acquiring new skills, mostly knowledge, valued in the market. These skills must be acquired via investment in training, usually on the job or in formal programs, or else via education, usually through formal schooling. Ex-inmates who want higher pay can start in entry-level jobs but must improve their skills through training and education to obtain higher future pay.

Research shows that four-year college graduates who started at community college are not at a substantial earnings disadvantage relative to those who started at a four-year college (Gill and Leigh). Also, community college students in terminal training

programs enjoy a positive payoff comparable to that received by four-year college starters who do not graduate, suggesting that ex-offenders who attend community colleges can do well.

XII. Tales from the Field in Five States

The normal methods of job search and placement include direct employer contact, classified ads, job websites, state employment services, friends and relatives, welfare agencies and others. Yet ex-offenders pose special problems. To find out more, the author visited the five states and interviewed prison industry officials, Chamber of Commerce appointees, state employment security officials, parole officers and even a couple of inmates. Appendix B lists the interviews. The purpose was to gather information from officials in the field about the methods and difficulties of placing ex-inmates in jobs. The idea was not to systematically track ex-inmates and try to assess “what works.” NCIA has commissioned such a study by Cindy Smith at the University of Baltimore, and the Urban Institute/The Roundtable has a tracking study underway in four states. None of the five corrections departments in this study had a tracking study to assess whether prison industries made a difference in postrelease recidivism. The idea here is to gather impressions about the postrelease labor market experience of ex-inmates, including whether ex-inmates with jobs in correctional industries seemed more employable than those without.

The universal opinion was yes, ex-inmates with correctional industry experience were easier to employ. Prison or parole officials often could cite an individual example, and sometimes an ex-inmate worked in the same or similar job outside as inside.

Difficulties in the postrelease job market abound. “It’s hard to find jobs,” says Steve Outlaw, a parole supervisor in Indianapolis. “Most of them have no GED, no high school degree. They work odd jobs.” He cites one parolee with a master’s degree who works in a kitchen. One problem is that job applications often inquire about felony convictions. Some Indianapolis parolees have skills but “all need money. The person they’re living with gets frustrated at the continuing difficulties of the ex-offender.”

Despite these challenges, “if a person wants to work, he’ll find work,” Outlaw says. “Those who don’t want to work, complain, ‘I can’t find a job. It’s my criminal record,’ but it’s an excuse.” Inspection of a sample of 2002 parole reports showed that 70 percent of parolees in Indianapolis district 3 were employed. Via individual networking, each parole agent has his or her own job bank or employer list. Drug abuse among young people, not jobs, was viewed as the biggest problem. “How else does an ex-offender have \$200 sneakers, two cell phones, a beeper and a wad of money?” asks parole agent Denise Jackson in Indianapolis.

Women can get a job easier. “A majority have children and have to do the right thing, so they start to be more responsible,” said Jackson. As far as predictors of success or failure, some have family support, a job and other factors working, yet still fail. It’s a

technical violation of parole to not have a job but “we cut ‘em some slack, give ‘em the benefit of the doubt.” Some are on disability, or claim to be filing for benefits or are appealing. “You get it all here,” says agent Denise Jackson. Some wait until they have to report and then work a few temporary jobs. When a lay off comes, the felons are the first to go. One parole agent worked in Dallas, Texas and in Gary, Indiana and comments, “It’s the same parolees, there’s just more paperwork in Gary.”

Indiana has 27 state WorkOne Centers for one-stop job and training shopping. Programs like the Workforce Investment Act (WIA) have federal dollars tied to achievement standards and sanctions, however, so there is political-bureaucratic selection bias in enrollment and ex-offenders are less desirable. Performance standards involve counseling, placement, employment 90 days later, tracking wage records, a 180 day follow-up, then exit. However, some money is set aside for ex-offenders, according to Jim Hmurovich, former welfare administrator for Indiana. During the welfare-to-work program, many ex-offenders were enrolled. That program had less stringent standards but has been terminated after four years. The welfare population allegedly has begun to grow in Indiana again.

Indiana Workforce Development officials claimed that they have a good relationship with DOC. Like every state, the “unemployment office” has a job matching system (computer) which works for any registrant seeking work. Employment services officials in South Carolina emphasized the same thing. Two methods to offset employer discrimination against felons—fidelity bonding and work opportunity tax credit—have only marginal value. The bonding program for high-risk employees is available if a commercial bond is not available, “but it’s a low volume activity,” says Carol Baker of Indiana Workforce Development. Unfortunately, the Patriot Act has introduced new restrictions on ex-offender employment.

The workforce agency goes behind bars to conduct assessments, resume workshops, prerelease interviews and job matching 30 to 60 days before release. “DOC does a lot and works closely with Workforce Development,” says Bob Ohlemiller. Officials in all five states confirmed that the degree of employer discrimination against ex-inmates very much depends on how tight or loose the labor market is.

“All parolees must apply for work and our offices recommend job interviews,” says David Gomez, Utah Director of Correctional Industries. “It’s the desire to work, not really skills, that matters. There are fewer jobs than labor supply.”

All corrections departments are acutely aware of the need to prepare inmates for the postrelease world. As a result, there are many programs in operation, though they vary among the states. Programs include education, training, resume preparation, interview skills, counseling, job fairs and interviews. While these programs have good intentions and seem commonsensical, this study provides no direct assessment on the process or results of these government programs. In Utah, for example, there is a program to learn the building trades through training at the Salt Lake City community college and construction of modular homes. Additional prisoner construction of

affordable housing is underway in cooperation with the Utah housing authority. These programs can produce skills that “lead to decent jobs.” With state certification in asbestos abatement, for example, an ex-inmate can get a job quickly or can establish his own business. One PIE project, Bullfrog Spas, involved component assembly and employed 15 with the notion that there would be an easy transition to postrelease jobs in the same company.

The Reentry Initiative in Utah will spend \$1 million on 100 inmates, or \$10,000 each. Belle Brough, Director of Program Services at the Utah DOC administers the program and says, “This is part of the DOJ \$2 million for each state. We fill in gaps and have hired a Workforce Commission employee—Larry Wininger—to work full-time finding jobs for the 100 parolees. It’s really important to have Workforce Services and not have somebody different at the One-Stop everytime. We’ve got everyone so far, about 30 paroled now, a job through knocking on doors.” Women tend to be the least prepared for employment and usually get minimum wage jobs as waitresses, says Brough, because they don’t have job skills.

If an ex-inmate has had job training in UT Correctional Industries, parole capitalizes on it. At the Probation and Parole day reporting center in Salt Lake City, Supervisor Rolina McQuiston says, “A majority are employed with construction at the high end, assembly in the middle and fast food at the low end. We have a good relationship with the Workforce Commission. Those with Correctional Industries experience usually have already made the job connection.” At least 20% are unemployed and “we have to dog ‘em.” Many don’t have a stable residence. Sex offenders are usually good employees but substance abusers are not.

Larry Hines, Assistant Regional Administrator in Probation and Parole in Salt Lake City, runs a transition shelter for 44 ex-inmates without any other place to go by leasing a wing of a Salvation Army building. “It’s short term, get ‘em a job and out. The average stay is 1 1/2 months. Typical jobs are fast food, used car salesman, chimney sweep, telemarketing. Employment rates run 70-80%. Some are unmotivated slugs. Rent is free for the first two weeks, then \$3 a day.”

“Today we push agents to use alternative sanctions. Once, dirty urine meant ‘back to prison.’ Now it’s ‘accountability,’” says Leo Lucey, Deputy Director of Adult Probation and Parole in Utah. “The current philosophy is ‘work with ‘em’ instead of ‘get rid of ‘em.’ With only 11 staff employees for 450 parolees, it’s cost effective. If a parolee poses a physical risk, go back to prison. Otherwise, find another way—relapse education, day reporting, drug board and so on. It’s kind of working because crime has stayed low and it’s lower-cost supervision. Once it was a punitive philosophy, now it’s rehabilitative. It may go back to the old philosophy if the idea of the ‘powerless parole agent’ spreads. A key to success is ‘buy in’ from staff.”

In Texas, the Reintegration of Offenders (RIO) began as a partnership among four state agencies with a pilot program in Dallas and Houston in 1985 to place ex-inmates in jobs. “Project RIO is designed to reduce re-incarceration, or recidivism, through

employment, under the premise that numerous studies have shown reduced recidivism rates for employed ex-offenders” (<http://www.twc.state.tx.us/svcs/rio.html>).

Full-time staff in the Workforce Commission are assigned to offender placement, with 20 staffers in Houston, for example. To prepare inmates for release, there are 120 staffers behind the walls and 12 in youth facilities. “Proper attitudes are more important than skills,” says John Ownby of Project RIO. “We have a close relationship with the supervisory officer. We organize a work search campaign and actual job interviews. ‘Keep ‘em on the road’ is key. The Workforce Commission does prerelease work in 81 of 135 TDCJ units.” Ownby cites a Texas A&M University study in the early 1990s which found that RIO cost \$4 million but generated \$10 million in lower reincarceration costs. The latest annual RIO report shows 59,000 inmates were served prerelease and 27,500 postrelease.

Every released inmate should register with RIO, but in fact it’s about three-quarters of those released each month, according to Zeke Pena, Program Administrator in the Parole Division. An intensive training and apprenticeship program called Work Against Recidivism (WAR), directed by Neil Rayford of Offender Work Programs, is a high-profile, joint effort among four agencies to facilitate reintegration. Enrolling nearly 300 inmates, WAR puts “training ahead of profit, and we have ASE certification in auto repair, computer maintenance, and certified braille transcription, graphics and other skills,” says Rayford. This responds to an oft-heard Workforce Commission demand: “Give me work experience, a background.” The WAR database shows very high reintegration rates.

The Texas Youth Commission effort is even more intensive on the theory that there is “more bang per buck” with youth. Connie Simon, Texas Youth Commission Employment Training Program Administrator, says, “Most of our youth are at third and fourth grade reading levels. We have a four-year education plan but stays are shorter. At 16+ years old, youths are RIO eligible and the RIO class is six weeks long, with individualized assessment, etc. The GED is available plus RIO completion plus work experience, including PIE metal fabrication, plus certification.”

The impact of geography is huge, say officials, because if it’s rural, it’s a job problem. Employment in construction ranks first, transportation and material handling second, and minimum-wage service jobs third. It’s usually a matter of taking it for the time being, “to stop the bleeding,” “any port in a storm,” starting where teenagers do, that’s the rule, say Texas officials. Ex-inmates usually have a bad work history and no single occupation. “At 35 years-old, they’ve put themselves at the beginning.”

For parolees, the typical drill is daily reporting at the Day Reporting Center for the first 30 days. Some halfway houses have an employment specialist. During the current job slump, it’s been especially tough out there. Workforce placements are down 10 percent and ex-offenders are last in the queue. Texas Governor Rick Perry, inspired by RIO, is pushing for more statewide coordination among TDCJ, TYC, Workforce

specialists and parole. Some private groups like Interfaith in Houston (“God Pod”) have higher success levels but are self-selecting.

With regard to job applications, policy advises ex-offenders to “admit the conviction, take responsibility, and explain why it’s not an issue today.” “More of those unemployed recidivate than those employed,” says Hector Marquez, Unit Supervisor, Parole Division in Austin. “In my experience, offenders with prison industries experience have better employment than those without. Some want to work, others don’t want to do anything to better themselves. They’re resistant.” Kim, a small-town parole officer, says offenders go into construction, oil, over to San Marcos, wherever: “Ya got fees to pay. We push employment, they do find jobs.”

“In Blanco county, it’s more agriculture, some construction,” says Parole officer Tully, who rides the circuit in outlying counties in central Texas. “In Luling, it was the oil boom. It’s either a curse or a blessing to return to an outlying county, a curse if you messed over the wrong person. Some can call in family favors. If it was white-collar crime, they’re finished. Some of ‘em are dreamers. They want vocational training in wellness and nutrition but where’s the job? Training in air conditioning repair but a burglary record? They feel like they’ve changed but bump into reality. Tech lay offs in Austin have made jobs difficult to come by in Travis county. RIO works with ‘em more now. Still, some employers hire any able-bodied person.”

“Some have family connections but others are competing for jobs against UT students,” says Parole officer Veronica. “With the Dell lay off, hi tech people are now counter help or working in clothing stores. It’s ‘work to live.’ Many have self-employment in odd jobs, painters and landscaping work.”

“Some fill out lots of applications but there’s no follow-up,” says Tully. “Industries experience helps because, yes, I’ve got a track record. It’s a no ‘hide’ mentality.” If they start out hiding their felony conviction, she says, it will be revealed eventually.

“Some offenders appreciate their parole supervisor,” says Veronica. “It’s the only stable relationship they have. We become mother confessor.” To redirect thinking, Angie tells offenders, “You’re not your felony. Attitude shows up in a bad voice mail greeting, everywhere. Competition for jobs is stiff. Those enrolling in vocational education or training have a much better experience and increased employability.” Angie leads a support group and finds, “Self esteem is so important. They have to have a better attitude toward what they’re capable of.” “Plus cognitive skills,” adds Hector Marquez.

The primary work of Stephen Schnitz, Austin program specialist in Workforce Development, is to place offenders in jobs, over 20 each week. “I wish they developed resumes in prison,” he says. “They often have a class but no resume.” Among the jobs he mentions are “heavy equipment training is good, a commercial drivers license (CDL) even with little experience in local material hauling, construction work, computer skills

training, even at Home Depot they use a computer terminal. The Austin labor market has been tough, thousands showed up to apply for jobs at a new Target store, and there were 50-60 per position at the new Hilton conference center.” Training and work experience “definitely help. Certificates are something to show an employer and good for self-esteem, pride.” In a tough labor market, “I’m ready for more jobs out there,” Schnitz said. Prison industries makes his job easier: “Some sort of training helps attitudes, there’s better willingness to try something new, and work with others more responsibly.”

In Rhode Island, Dick Beneduce, administrator of Workforce Investment in the RI Department of Labor and Training (DLT), has initiated a program to temp out ex-offenders to various work sites. His model is the Center for Economic Opportunity in Manhattan, a 501c3 nonprofit, that temps out ex-offenders and pays them minimum wage (\$5.15/hr. x 8 hrs. = \$40.15) and charges employers \$127/day. “Their advantage is the availability of mass transportation and all contracts are with government agencies,” says Beneduce. Difficulties include securing a new liability insurance underwriter. DLT will track everything. Registered as a building contractor, DLT can rent out its own housing crews. Another project is repackaging votive candles, lawn maintenance and landscaping, construction subcontractors. “Part of the benefits of these employment projects will be building a resume,” says Beneduce.

Mindy Tarlow, executive director of the Center for Employment Opportunities, an employment program for men and women with criminal records that is based in Lower Manhattan, said her agency's success rate in placing clients in unsubsidized jobs has dropped to 55 percent from 65 percent between 2000 and 2003. She attributed the change not only to the recession but also to women coming off welfare and looking for work. "I do know there are more people in the low-skill job market competing for the same low-skill jobs," she said. "In some ways, the low-skill job market has become more competitive. Welfare reform came into law in 1996, but I think the impact was starting to be felt around 2000, maybe earlier" (Scott).

XIII. Government Programs

The reputation of Welfare-to-Work as a successful program suggests that major job progress for ex-offenders is possible. Since the 1996 reform of welfare (Personal Responsibility and Work Opportunity Reconciliation Act), the proportion of federal and state welfare funds spent on cash assistance fell to 44% from 77% in 1977. “Welfare is evolving from a blank-check system for subsistence living into a program geared toward making families and individuals more successful,” according to the *Washington Times National Weekly Edition* (October 20-26, 2003, p. 37). “Since the law was passed, the number of people on welfare has dropped by well over half—from 12.2 million to 5 million. The law forced welfare to develop into a system that primarily helps individuals find, keep and become qualified for employment.”

The requirement that current welfare recipients participate in programs such as job training and continuing education has led to increased average earnings among welfare leavers. In total, exiters since welfare reform appear financially somewhat better

off than those prior to welfare reform. They earn higher wages and are much less likely to return to welfare (Mueser and Troske). Others argue that the auspicious coincidence of welfare reform, a tight labor market, and expansion of the earned income tax credit (EITC) is largely responsible for the large employment gains experienced by poor single mothers during the 1990s (Bartik, Moffit).

Chicago economist Robert Topel, on the other hand, points out that recommendations for increased funding for public sector jobs and training programs ignores the fact that “the evidence on the operation of such programs suggests that they are exceedingly bad ideas” (Blank and Haskins, p. 99). A “meta-analysis” of 31 evaluations of 15 government-funded training programs for the disadvantaged that operated between 1964 and 1998 found positive earnings effects to have been largest for women, quite modest for men and negligible for youths (Greenberg et.al.). Classroom skills training apparently was effective in increasing earnings, while basic education was not. More than three decades of governmental experience in running training programs demonstrated no increase in effectiveness over time. “Decades of experimentation offer plenty of examples of failed government programs,” writes David Wessel. “Federally run training programs, often created in response to the government’s own flawed projections of job vacancies, don’t work well. They proved easy to start, expensive to operate, discouraging in results and politically tough to kill.”

But is it so hard to find a job? Consider young male, Latinos: "Typical of them is Jorge Alberto, a 22-year-old Guatemalan, who doesn't speak English, didn't complete high school and had never held a job — until he slipped across the border into California from Mexico last year. In Los Angeles, 'I found a job almost immediately,' he says, pushing a cart through the muddy lot where he and five other Hispanic men are laying the foundation for a house" (Jordan).

Finally, consider the Delancey Street Restaurant, with its staff made up entirely of ex-criminals, a Bay Area institution drawing enthusiastic crowds. Founder Mimi Silbert, who holds a Ph.D. in criminology from UC Berkeley, says that the biggest problem with most rehabilitation efforts is that they focus on one part of the problem—literacy, job skills or drug abuse—because that is how government finances them and specialists approach them. Most criminals return to crime, Dr. Silbert says, because it is all they know. If they learn—or are taught by others, as at Delancey Street—to fit in with the noncriminal world, she argues, most of them will (Cohen).

XIV. Conclusion

“Correctional industries teaches marketable skills and good work habits, which occupy inmates productively, preparing them for successful re-integration into society’s workforce.”

--Rhode Island Department of Corrections

“There’s an awful lot of marketable people on the street right now.”

--Jeff Taylor, CEO of Monster.com,

Time magazine, November 24, 2003, p. 51

This study is part of a wider effort to improve job-related correctional programs, especially “the ability of correctional agencies to track offender demand, participation and program availability” and “to assess offenders’ needs and match them with appropriate programming” (Lawrence et.al., p. 20). Is it faddism or prelude to progress?

“Working on the Inside, Succeeding on the Outside” is the NCIA theme. There are over 1 million job openings listed on America’s Job Bank (<http://www.ajb.org/>) on a typical day, part of the DOL and state employment security agencies’ One Stop Career centers. Four million people are hired each month, even in a jobless recovery. In view of the analysis of postrelease labor markets in this report, how well suited do correctional industries jobs seem as preparation for these free-world jobs? Two factors suggest a mismatch:

- 1) over nine in ten prison industry jobs are in traditional correctional industries serving public agencies, while nine in ten low-skill jobs outside are in for-profit, private enterprises serving the public, especially retail and business customers, and
- 2) most correctional industries jobs are in manufacturing while this sector outside the walls has a low hire rate and only employs one in ten workers.

Yet how much does this industrial mismatch matter? Not very much if general employability skills, especially proper attitude and knowledge, matter most. Arguably, experience in a steady, productive job is most important, with all the intangible lessons of responsibility, reliability, cooperation, and proper attitude imparted. Substitution among the specific occupations and jobs across shifting industries is huge, rendering analysis of specific occupations and industries less important than might be expected. Prison industries should create productive jobs and lots of them rather than worry too much about the exact mix of specific job skills acquired.

True, critics “register the same concerns with prison industries as they do with vocational programs—namely, that there is too much emphasis placed on reducing offender idleness and not enough emphasis on developing skills offenders need to obtain post-release employment...what offenders learn in many prison industries provides a limited foundation for obtaining higher paying jobs when inmates are released” (Lawrence et.al., p. 17). Even so, vocational and work programs seem to be effective in reducing recidivism and improving job readiness skills for ex-offenders (Seiter and Kadela).

The primary deficiency of prison industries is the shortage of jobs relative to the ready supply of prison labor, rather than a deficiency in the types of jobs available. In addition, the tiny number of private-sector PIE projects and jobs is a glaring deficiency in

prison industry programs today. Among the recommendations of the Urban Institute to improve employment-related programs is that “businesses from the private sector could be engaged in the training and employment of offenders prior to their release, with the goal of linking these prisoners to employment after release” (Lawrence et.al., p. 20).

Finally, ex-inmates can qualify for some 37 million unskilled jobs, or 29.3 percent of payroll. Ex-inmates with job skills can do better. Expert opinion strongly supports industries experience, and 95 percent of prisoners will be released into the community.

APPENDIX A: Nonfarm Payroll Employment by Industry Sector, 000 (December 2003)

	U.S.	TX	IN	SC	UT	RI
Natural Resources/ Mining	569.0	142.5	7.1	5.3	6.8	.2
Construction	6,703.0	580.6	147.2	108.2	67.8	20.0
Manufacturing	14,336.0	906.0	574.8	269.2	112.0	60.5
Td.- Transportation Utility	25,881.0	1,990.2	590.8	350.4	222.5	87.0
Information	3,190.0	230.5	42.1	27.6	30.6	11.1
Finance	7,974.0	589.0	138.4	88.0	65.1	32.2
Professional/Business Services	16,142.0	1,050.2	239.0	178.5	132.8	48.9
Education & Health Services	16,885.0	1,146.1	354.2	181.1	121.5	91.2
Leisure/Hospitality	11,929.0	842.4	265.4	174.8	100.0	45.9
Other Services	5,365.0	358.0	110.2	63.5	32.6	23.1
Government	21,904.0	1,694.8	431.7	335.1	199.3	67.0
Total:	130,878	9,530.3	2,900.9	1781.7	1,091.0	487.1

Source: Calculated from Bureau of Labor Statistics

Appendix B: NCIA Interviews on Postrelease Labor Markets

Texas

January 20, 2004, Tuesday

Robert F. Carter, Program Administrator V, Prison Industries Enhancement Program,
Texas Department of Justice, Austin, TX

H. Zeke Pena, Program Administrator III, Parole Division, Texas Department of Justice,
Austin, TX

Neill Rayford, Offender Work Program/Training, Special Programs Division,
Manufacturing and Logistics, Texas Department of Justice, Huntsville, TX

Connie Simon, Employment Training Program Administrator, Texas Youth Commission,
Austin, TX

John L. Ownby, Project RIO, Texas Workforce Commission, Austin, TX

Jim Van Geffen, Manager, Labor Market Information Dept., Texas Workforce
Commission, Austin, TX

Hector Marquez, Unit Supervisor, Parole Division in Austin, TX; Tully, Senior Parole
Officer, plus Parole Officers Angie, Kim, Tully, Veronica

Stephen Schnitz, Program Specialist, Workforce Development, Texas Workforce
Commission, Austin, TX

January 21

Two jail inmates in Brazos county (Bryan, TX) who had served prison time

Indiana

December 16, 2003, Tuesday

Shannon Davis, New Enterprise Development, Program Coordinator, State of Indiana
Department of Correction, Indianapolis, IN

Steve Outlaw, Supervisor, District #3, Parole Services Section, State of Indiana
Department of Correction, Indianapolis, IN

Denise Jackson, Parole Agent, District #3, Parole Services Section, State of Indiana
Department of Correction, Indianapolis, IN

JoAnn Joyce, Indiana Private Industry Council, Indianapolis, IN

Carolyn Brown, Vice-President, Indiana Private Industry Council, Indianapolis, IN

Betsy Bedwell, Indiana Workforce Development, State of Indiana, Indianapolis, IN

Carol Baker, Indiana Workforce Development, State of Indiana, Indianapolis, IN

Bob Ohlemiller, Indiana Workforce Development, State of Indiana, Indianapolis, IN

South Carolina

November 17-18, 2003

NCIA Host: Tony Ellis, Director, Prison Industries, South Carolina Department of Corrections, Columbia, SC

Tom McQueen, Industries Administrative Manager, South Carolina Department of Corrections, Columbia, SC

Samuel L. Pike, Deputy Executive Director, A&T, Employment Security Commission, Columbia, SC

James "Mac" Horton, Assistant Deputy Executive Director, E & T, Employment Security Commission, Columbia, SC

Michele R. Brinn, Vice President, Workforce Development, Chamber of Commerce, Greater Greenville, SC

Hank Hyatt, Senior Manager, Economic Research, Chamber of Commerce, Greater Greenville, SC

Richard Breen, Business Editor, *The Greenville Journal*, Greenville, SC

Charles Yates, Administrative Coordinator, Prison Industries, South Carolina Department of Corrections, Columbia, SC

Utah

January 19, 2004

David J. Gomez, UCI Director, Correctional Industries Division, State of Utah Department of Corrections, Draper, UT

Alan James, Deputy Director, Correctional Industries Division, State of Utah Department of Corrections, Draper, UT

Leo Lucey, Deputy Director, Adult Probation and Parole, Interstate Compact Administrator, State of Utah Department of Corrections, Draper, UT

Steve Metcalf, Adult Probation and Parole, Interstate Compact Administrator, State of Utah Department of Corrections, Draper, UT

Belle Brough, Utah Reentry, State of Utah Department of Corrections, Draper, UT (?)

Lawrence E. Hines, Asst. Regional Administrator, Region III—Salt Lake Transitional Program, Division of Adult Probation and Parole, State of Utah Department of Corrections, Salt Lake City, UT

Rolina McQuiston, Supervisor, Region III—Day Reporting Center, Division of Adult Probation and Parole, State of Utah Department of Corrections, Salt Lake City, UT

Rhode Island
December 17, 2003

Joe Flaherty, Associate Director, Rhode Island Correctional Industries, Rhode Island Department of Corrections, Cranston, RI

Janet Raymond, Senior Vice President, Economic Development, Greater Providence Chamber of Commerce, Providence, RI

Jean Burritt Robertson, Director, Research and Development, Rhode Island Economic Development Corporation, Providence, RI

Richard J. Beneduce, Administrator, Workforce Investment Office, Rhode Island Department of Labor and Training, Cranston, RI

Robert J. Langlais, Assistant Director, Labor Market Information Division, State of Rhode Island Department of Labor and Training, Cranston, RI

Appendix C: Methodology/Replication For Postrelease Labor Markets

If you wish to replicate this study for your state or, to some extent, a metropolitan area, you should acquire the public data used in the following tables, as well as interview experts in parole and at the workforce development commission in your state or city. Specifically:

Table 3: Population <http://www.census.gov/prod/2004pubs/03statab/pop.pdf>

Table 4: Inmates and Crime Rates

- Rows 1-4: Prison Inmates <http://www.ojp.usdoj.gov/bjs/pub/pdf/p02.pdf>
- Rows 5: Corrections Employment
<http://www.census.gov/prod/2004pubs/03statab/stlocgov.pdf> (stand in)
- Row 6: Births to Unmarried Women
<http://www.census.gov/prod/2004pubs/03statab/vitstat.pdf>
- Rows 7-8: Crime Rates
<http://www.census.gov/prod/2004pubs/03statab/law.pdf>

Table 5: Income

- Row 1: Average Pay
<http://www.census.gov/prod/2004pubs/03statab/labor.pdf> Table no. 639
- Row 2: Disposable Income
<http://www.census.gov/prod/2004pubs/03statab/income.pdf> Table no. 672
- Row 3: Personal Income State Rank
<http://www.census.gov/prod/2004pubs/03statab/income.pdf> Table no. 671
- Row 4: Median Household Income
<http://www.census.gov/prod/2004pubs/03statab/income.pdf> Table no. 682
- Row 5: Poverty
<http://www.census.gov/prod/2004pubs/03statab/income.pdf> Table no. 699

Table 6: Labor Markets

- Row 1: Employment/Population
- Rows 2-3: Unemployment Rate, Civilian Labor Force
<http://www.bls.gov/news.release/laus.t03.htm>
- Row 4: Nonfarm Payroll Employment
<http://www.bls.gov/new.release/laus.t06.htm>
- Row 5: Calculated from Row 4
- Row 6: Calculated from Row 5

Table 7: Payroll Employment by Industry, Percentages

- Calculated from Appendix A

Table 8: Change in Payroll Employment by Industry

- Calculated from <http://www.bls.gov/news.release/laus.t06.htm>

Table 9: Job Openings and Hires

- <http://www.data.bls.gov/cgi-bin/surveymost?jt>
- http://www.bls.gov/jlt/jlftoc_1203.htm

Table 10: Employment, Wages and Entry-Level Employment in Occupational Groups

- Management <http://www.bls.gov/oes/2002/oes110000.htm>
- To Transportation and Material Moving
<http://www.bls.gov/oes/2002/oes530000.htm>

Table 11: Entry-Level Jobs, Detailed Occupational Titles

- Same as Table 10 Sources

Table 12: Largest 15 Entry-Level Occupations

- Calculated from BLS, National Occupational Employment and Wage Estimates, see Table 11 above.

Table 13: Payroll Employment by Major Occupational Groups, Percentages

- Calculated from <http://www.bls.gov/oes/2002/oessrcst.htm> (also available for major metropolitan areas in each state)

Table 14: Labor Markets in Five Metropolitan Areas, 2002

- Unemployment rates from <http://www.bls.gov/web/laummtrk.htm>
- Job distributions calculated from <http://www.bls.gov/oes/2002/oessrcsma.htm>

Table 15: Occupations With Largest Job Growth

- Only Available for US Economy <http://www.bls.gov/emp/emptab4.htm>

Table 16: Occupations With the Largest Job Decline

- Only Available for US Economy <http://www.bls.gov/emp/emptab5.htm>

Chart 2: Crime Rates

- Violent <http://www.bls.gov/oes/2002/oessrcst.htm>
- Property <http://www.ojp.usdoj.gov/bjs/glance/house2.htm>

Chart 3A: Median Hourly Wage

- Derived From Table 10

Chart 3B: Median Hourly Wage

- Derived From Table 10

Chart 4: Education and Training Pays

- Only Available for US Economy www.bls.gov/emp/emped00.pdf

Appendix: A: Nonfarm Employment By Industry

<http://www.bls.gov/new.release/laus.t06.htm>

NCIA References

- Alpert, Andrew, and Jill Auyer. 2003. "Evaluating the BLS 1988-2000 employment projections." *Monthly Labor Review* October: 13-37.
- Bartik, Timothy J. 2001. *Jobs for the Poor: Can Labor Demand Policies Help?* New York: Russell Sage Foundation.
- Bernstein, Jared, and Maury Gittleman. 2003. "Exploring low-wage labor with the National Compensation Survey." *Monthly Labor Review*, 126, 11/12, November/December: 3-12.
- Blank, Rebecca M., and Ron Haskins. 2001. *The New World of Welfare*. Washington, DC: Brookings Institution Press.
- Bureau of Justice Statistics. www.ojp.usdoj.gov/reentry
- Bureau of Labor Statistics. 2003. <http://www.bls.gov/jlt/jltover.htm#purpose>
- Bushway, Shawn David. 1996. "The Impact of a Criminal History Record on Access to Legitimate Employment." Ph.D. dissertation, School of Public Policy and Management, Carnegie Mellon University, Pittsburgh, PA.
- Christie, Nils. 2000. *Crime Control as Industry*. New York and London: Routledge.
- Cohen, Adam. 2004. "A Community of Ex-Cons Shows How to Bring Prisoners Back Into Society." *New York Times* January 2: <http://www.nytimes.com/2004/01/02/opinion/02FRI3.html>
- Day, Sherri. 2003. "Restaurant Hiring May Lead the Way to Wider Job Gains." *New York Times* December 10: <http://www.nytimes.com/2003/12/10/business/10FOOD.html?pagewanted>
- Eisinger, Jesse. 2004. "Working Stiffs." *The Wall Street Journal* February 6: C1.
- Evans, Robert. 1968. "The Labor Market and Parole Success." *Journal of Human Resources* 3: 201-12.
- Fagan, Jeffrey, and Richard B. Freeman. 1999. "Crime and Work." *In Crime and Justice: A Review of Research*, edited by Michael Tonry. Chicago: University of Chicago Press.

- Finn, Peter. 1998. "Successful Job Placement for Ex-Offenders: The Center for Employment Opportunities." National Institute of Justice.
<http://www.ncjrs.org/pdffiles/168102.pdf>
- Gill, Andrew M., and Duane E. Leigh. 2003. "Do the Returns to Community Colleges Differ Between Academic and Vocational Programs?" *The Journal of Human Resources* 38: 134-155.
- Gorman, Linda. 1993. "Minimum Wages." In *The Fortune Encyclopedia of Economics*, edited by David R. Henderson. New York: Time, Inc.
- Greenberg, David H., Charles Michalaopoulos, and Philip K. Robins. 2003. "A Meta-Analysis of Government-Sponsored Training Programs." *Industrial and Labor Relations Review* 57: 31-51.
- Herbert, Bob. 2004. "The Unrecognizable Recovery." <http://www.nytimes.com/2004/03/08/opinion/08HERB.html?th>
- Jordan, Miriam 2004. "Latinos Take the Lead in Job Gains." *The Wall Street Journal* February 23 A2.
- Laub, John H., and Robert J. Sampson. 2001. "Understanding Desistance from Crime." In *Crime and Justice: A Review of A Review of Research*, edited by Michael Tonry. Chicago: University of Chicago Press.
- Lawrence, Sarah, Daniel P. Mears, Glenn Dubin and Jeremy Travis. 2002, May. "The Practice and Promise of Prison Programming." Research Report, Justice Policy Center. Washington, DC: Urban Institute.
- LeBel, Thomas P. 2002. "Reintegration Model." *Encyclopedia of Crime and Punishment*, edited by David Levinson. Thousand Oaks, CA: Sage.
- Lehrer, Eli. 2002. "America the Safe: Why Europe's Crime Rates Have Surpassed Ours." June 1. http://www.aei.org/publications/pubID.13948,filter./pub_detail.asp
- Lohr, Steve, and Matt Richtel. 2004. "Lingering Job Insecurity of Silicon Valley." <http://www.nytimes.com/2004/03/09/technology/09jobs.html?th>
- Lott, John R. 1990. "The Effect of Conviction on the Legitimate Income of Criminals." *Economics Letters* 34: 281-5.
- Moffit, Robert. 2002. "From Welfare to Work: What the Evidence Shows." In *Welfare Reform and Beyond: The Future of the Safety Net*, edited by Isabel Sawhill. Washington, DC: Brookings Institution.

Morse, Jennifer Roback. 2003. "Parents or Prisons." *Policy Review* August & September: 49-60.

Mueser, Peter, and Kenneth R. Troske. 2003. "Welfare Reform and Its Effects on the Dynamics of Welfare Receipt, Employment and Earnings." Employment Policies Institute: August http://www.epionline.org/studies/epi_Troske_08-2003.pdf

Nagin, Daniel S., and Joel Waldfogel. 1998. "The Effect of Conviction on Income Through the Life Cycle." *International Review of Law and Economics* 18: 25-40.

Pager, Devah. 2003. "The Mark of a Criminal Record." *American Journal of Sociology* 108: 937-75.

Petersilia, Joan. 2000. "When Prisoners Return to the Community: Political, Economic and Social Consequences." In *Sentencing & Corrections: Issues for the 21st Century*. NCJ 184253. Washington, DC: U.S. Department of Justice, National Institute of Justice.

Pierce, Brooks. 1999. "Using the National Compensation Survey to Predict Wage Rates." *Compensation and Working Conditions* Winter: 8-16.

Reynolds, Morgan. 1995. *Economics of Labor*. South-Western College Publishing.

Roach, Stephen. 2004. "Stymied." <http://www.morganstanley.com/GEFdata/digests/20040308-mon.html>

Rossi, Peter H., Richard A. Berke, and Kenneth J. Lenihan. 1980. *Money, Work, and Crime: Experimental Evidence*. New York: Academic Press.

Sampson, Robert J., and John H. Laub. 1993. *Crime in the Making*. Cambridge, MA: Harvard University Press.

Scott, Janny. 2004. "Nearly Half of Black Men Found Jobless." *New York Times*, February 28.

Seiter, Richard P., and Karen R. Kadela. 2003. "Prisoner Reentry: What Works, What Does Not, and What Is Promising." *Crime & Delinquency* 49: 360-88.

Shover, Neil. 1996. *Great Pretenders: Pursuits and Careers of Persistent Thieves*. Boulder, CO: Westview.

Spelman, William. 2000. "What Recent Studies Do (and Don't) Tell Us about Imprisonment and Crime." In *Crime and Justice: A Review of Research*, edited by Michael Tonry. Chicago: University of Chicago Press.

"Textiles: An Industry in Crisis." <http://www.sces.org/lmi/whatsnew/TEXTILE.pdf>

Travis, Jeremy, and Joan Petersilia. 2001. "Reentry Reconsidered: A New Look at an Old Question." *Crime & Delinquency* 47: 291-313.

Uggen, Christopher. 2000. "Work as a Turning Point in the Life Course of Criminals: A Duration Model of Age, Employment, and Recidivism." *American Sociological Review* 67: 529-46.

Waldfogel, Joel. 1994. "The Effect of Criminal Conviction on Income and the Trust 'Reposed in the Workmen'." *Journal of Human Resources* 29: 62-81.

Wessel, David. 2003. "Recovery Blues: Finding the Cure for Joblessness Remains a Riddle." *The Wall Street Journal* October 13: A1, A14.

Western, Bruce. 2002. "The Impact of Incarceration on Wage Mobility and Inequality." *American Sociological Review* 67: 526-46.

Western, Bruce, Jeffrey R. Kling, and David F. Weiman. 2001. "The Labor Market Consequences of Incarceration." *Crime & Delinquency* 47: 410-27.

This study was supported by the Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice, through Grant No. 2001-RE-CX-001 to the National Correctional Industries Association. Points of view or opinions in this document are those of the author and do not represent the official position or policies of the United States Department of Justice or the National Correctional Industries Association.