

Employment Opportunities for Ex-Offenders in New Jersey

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Submitted: April 8, 2003

Overview

This brief analysis provides a preliminary overview of the labor market conditions facing former prisoners re-entering civilian life, and contains recommendations for further empirical research to reach a fuller understanding of the dilemmas these individuals face in New Jersey. The former prisoners are arguably the most adversely impacted subset of the civilian labor force. According to national analyses of this population (for example, Holzer, Raphael, Stoll, 2002), most ex-offenders have multiple barriers to employment including low-skills, low literacy, spotty work history, as well as behavioral health issues. Compounding these barriers is the widespread reluctance of employers to hire individuals with criminal records, and improvements in information technology making criminal background information more accessible. As the economy slows and unemployment levels continue to rise, employment opportunities and earnings for this population, as a particularly disadvantaged group of generally low-skilled workers, may further deteriorate.

Analysis of ex-offenders' performance in the labor market is only just beginning at the national level and is virtually non-existent at New Jersey state and local levels. In 1997 The New Jersey State Employment and Training Commission (SETC) convened a corrections education task force to understand skills gaps between ex-offenders and employer demand for workers. The SETC found that despite the lack of literacy and marketable skills less than 3% of the Department of Corrections resources were spent on education in State prisons, and most of these resources were targeted to juvenile offenders. Reentering prisoners are not identified as a significant target for local resources by any workforce investment area.

Most of what is known at the sub-national level on employment of ex-offenders is anecdotal. This anecdotal data suggests that some ex-offenders have successfully secured employment in several sectors of the labor market, particularly the light manufacturing, construction, and during the tight labor market of the late 1990s, the retail trade service sector.

NJ Employment Prospects for Reentering Prisoners

The ten fastest growing occupations in New Jersey through 2008 are projected to include desirable computer-related, health care, legal, and human service professional jobs. However, this list also includes lawn maintenance, home health care and childcare workers, jobs that continue to grow as a share of the work force, but offer relatively low pay and benefits. Nevertheless, statutory prohibitions will further impede application for employment among the reentry population in some low-skill growth occupations, particularly health care, as various state laws restrict access to certain kinds of jobs.

Projected Job Growth or Decline, 2000-2010	Number of Jobs	Percent Growth or Decline
Professional and Related Jobs	170,800	+20.9
Service Jobs	137,900	+18.8
Management, Business, and Financial Jobs	50,500	+11.5
Sales and Related Jobs	45,200	+9.1
Office and Administrative Support Jobs	31,100	+3.8
Transportation and Material Moving Jobs	24,200	+7.3
Construction and Extraction Jobs	12,700	+7.9
Installation, Maintenance, and Repair Jobs	5,200	+3.5
Production Jobs	-16,800	-5.8

Source: New Jersey Department of Labor

Although some researchers have begun to examine the lifetime wage penalty imposed by incarceration, actual wage comparison data for employed ex-offenders nationally and for New Jersey is not readily accessible. Still, based on conversations with practitioners that provide dedicated job search assistance for ex-offenders, the following table lists the mean wage for specific occupational employment most frequently mentioned by these practitioners.

Occupation	Mean Wage		Est'd Employment
	Hourly	Annually	
Retail Salespersons	10.85	22,565	119,390
Packers and Packagers, hand	8.50	17,655	46,390
Laundry and Dry-Cleaning Workers	9.20	19,105	6,100
Helpers, Construction trades	12.00	24,995	1,410
Construction Laborers	18.90	39,340	14,900
Waiters and Waitresses	8.40	18,345	23,770
Food Preparation and Serving – related occupations	8.95	18,615	233,300
Maids and Housekeeping Cleaners	9.05	18,800	21,470
Janitors and Cleaners	10.15	21,165	76,370

Source: New Jersey Department of Labor

Throughout the U.S., the construction trades provide employment for a significant number of ex-offenders. However, several New Jersey practitioners revealed that the work is often seasonal, temporary and located in areas lacking adequate transportation, a particular problem as many recently released prisoners have suspended drivers' licenses and do not have access to a car. Construction union apprenticeships, which do provide a living wage and eventually lead to jobs with good benefits, also require valid drivers' licenses, in addition to basic literacy and math skills.

Barriers to Employment for Reentering Offenders

Finding employment quickly is a priority for individuals leaving prison, and is usually mandated as a parole requirement, according to workforce practitioners. One case manager noted that of his average annual caseload of 600 ex-offenders seeking assistance, approximately 100 require immediate assistance finding employment to meet the mandates required for their release. In addition, ex-offenders often require some flexibility in their jobs, in order to meet court-ordered or parole mandates, such as drug counseling and therapy, and to meet regularly with their parole officers. Returning prisoners also enter a competitive labor market saddled with a combination of literacy problems, limited skills, and limited work experience. These individuals therefore have comparatively limited access to jobs offering career ladders, mobility, training, or job security. The lowest-paying, lowest-skilled jobs are the easiest to secure, several practitioners have noted. These jobs include food service support, waiters/waitresses, retail, and day labor; employment characterized by high staff turnover, minimal training and shift work.

Still, many make what they can of these opportunities. Practitioners note that clients interview for positions advertised with a specific hourly wage and work schedule, and negotiate by underbidding the wage rate and working the least desired shifts. Because offenders need to work to meet the obligations of their release or to secure finances for housing or daily living, anecdotal evidence indicates they are willing to accept any offer.

Practitioners acknowledge that some employers are open to hiring ex-offenders for reasons that include:

- Cost: they will work for less money
- Attitude: they are seemingly more appreciative of the job opportunity.
- On-going staff needs: many of the low-paying, less desirable jobs have high staff turnover.

While these individuals can find employment in churning entry-level, low-wage jobs, they still must compete with former welfare recipients, students, and some over-qualified applicants for

those jobs as the economy slumps. The reentering prisoner faces additional barriers that include the need for ongoing training and education, childcare, transportation services, and the distance between better jobs and the low-income neighborhoods where most will live.

Effective Interventions

Even in this labor market the Heldrich Center has identified ex-offenders who have been successful gaining employment with companies providing living wages and benefits. In Middlesex County, ex-offenders have secured employment at Rutgers University, the Hyatt, St. Peter's Hospital, CDG (civic development group), Target and A&P Supermarket, with an average salary of \$12-13 per hour, working a forty-hour week.

Caseworkers and practitioners identify a number of patterns important to the assessment of how to provide effective assistance to this population. Intermediaries who assist ex-offenders on securing employment do so with little systemic support from the workforce investment system. They operate in informal networks to assist their clients. Intensive job development with direct solicitation of employers appears to be the most effective means to secure jobs for their clients. Many have developed their job search assistance skills on their own, out of necessity. Job placement is a secondary job requirement for many of these practitioners. Despite the challenges they face, most are committed to helping their clients find and maintain employment.

Conclusion and Research Recommendations

As the labor market demand for workers softens, ex-offenders face increased barriers to employment and career growth. While based on anecdotal analysis individuals released from incarceration have secured employment, more data needs to be collected and analyzed to assess the real impact of incarceration on employment and earnings in New Jersey.

A necessary first step for designing public policy strategies to address the growing need for reentry employment is to analyze available information to quantify and analyze the current pattern of ex-offender employment and earnings in New Jersey. Cross-matching state Unemployment Insurance wage records with Department of Corrections release and location information, would allow us to know important information such as:

- Employment patterns of returning offenders;
- Average earnings of those employed;
- Job retention patterns;
- Industry employment patterns of ex-offenders.

These outcomes could be examined further to determine whether particular groups of reentering offenders have higher or lower outcomes than others. For example, labor market outcomes can be examined by a variety of other characteristics such as:

- age at release from prison
- length of incarceration
- length of parole period
- reason for incarceration
- number of previous convictions
- participation in work release program, drug re-habilitation, halfway-house
- participation in occupational skills training
- gender
- education level
- race
- geographic area

Additionally, because of the recent downturn in the economy, outcomes can be examined over time. Re-employment rates for those who left prison in the late 1990s could be compared to the re-employment rates for those that left prison after 2000. These evaluations would ultimately help keep state policy makers informed about the labor market outcomes of those who receive occupational training assistance and adult literacy training from the state.

The State Employment and Training Commission (SETC) is the statutory body that could be charged with conducting this research. Their Corrections Education Task Force was the first state entity analysis of ex-offender employment issues in more than a decade.

Based on feedback from practitioners, another area for immediate action could be to provide professional development in job development and career facilitation to the staff of government and non-government organizations providing services to reentering offenders. The skills, knowledge, and tools available in the workforce investment system could improve ex-offender service staff's ability to assist their clients in their job search and career development.

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NJ Department of Corrections <http://www.state.nj.us/corrections/>

NJ Department of Labor <http://www.state.nj.us/labor/index.html>

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