

The general hypotheses are: (1) that participants in the WE and T Program will spend more relatively and absolutely than the applicants for the program for the "developmentally significant" class of expenditures; and (2) that participants in the WE and T Program will spend relatively less than the applicants for the program for the "developmentally related," and "probably not developmentally significant" classes of expenditure.⁴²

CHAPTER II.—METHODOLOGY

INTRODUCTION

A cross-sectional approach was utilized, comparing the differences in levels of expenditure among various categories by fifty applicants for, and fifty participants in, the Work Experience and Training Program. Data were needed on monthly expenditures; the survey method which depends upon recall was not sufficiently accurate for gathering such data. The absence of existing data on monthly expenditures of participants prior to their inclusion in the WE and T Program necessitated a cross-sectional approach based upon a comparison of applicants for, and participants in, the WE and T Program.

Expenditures were categorized as either: (1) developmentally significant; (2) developmentally related; or (3) probably not developmentally significant. By utilizing a cross-sectional approach, it was possible to compare expenditures of participants in the WE and T Program with those of the applicants for the WE and T Program within these various expenditure categories.

These categories reflected the author's judgments regarding those items of expenditure which could, on the basis of present knowledge, be classified as contributing, in varying degrees to the future development of the family members to become economically self-sufficient.¹

Chi square and "t" tests were utilized to test various hypotheses regarding expenditures within these categories. Income elasticities of demand were calculated for various categories of expenditure. Multiple regression analysis was utilized to test if differences in any particular characteristics of the participants were associated with differences in magnitudes of expenditures for various categories.

SAMPLING PROCEDURE

Of the 19 counties in the Work Experience and Training Program in Kentucky in the autumn of 1966, the initial nine entered the program in January 1965, and the latter ten in July 1965.² The nine counties initially in the program were not included in the sample in order to concentrate upon the expenditures of participants in their first year in the WE and T Program. Most participants in the latter 10 counties were known to have been in the program less than one year. The program began in the late summer of 1965, and this survey was done in autumn of 1966. Of these remaining 10 counties, Knox County was excluded because the University of Kentucky had committed itself to a substantial research undertaking there. From the remaining nine counties, three were randomly chosen: Clay, Magoffin and Owsley.

A random sampling of 50 applicants for, and fifty participants in, the WE and T Program was made in these three counties. The sample size was determined by the time and resources available for interviewing. These 50 observations were apportioned among the three counties in proportion to their respective quotas for the WE and T Program which were based upon estimates of the degree of unemployment within each county by the Kentucky Department of Economic Security. Clay County had a WE and T quota of 330; Magoffin, 190; and Owsley, 150; therefore, Clay had 25 paired observations; Magoffin, 14; and Owsley, 11.

INTERVIEWING TECHNIQUE

Each of the 50 applicants for, and participants in, the WE and T Program was interviewed initially in the latter part of September 1966. They were asked to keep a record of expenses for the month of October. Carefully constructed and tested, but simple forms were provided for this purpose. Each interviewee was given a detailed explanation of the record form and the categories of expenditure. The initial interview averaged about 45 minutes duration. In early November, the

⁴² The various income classifications are defined in Chapter III.

¹ See Chapter III for further discussion of these categories.

² See Table I.1 for a listing of counties where the WE and T Program was operating in 1966.