



Employment Trends for People with Disabilities in New York City

Highlights

- According to data from the U.S. Census Bureau, there were 930,100 people with disabilities living in New York City in 2017, representing 11 percent of the total population.
- Nearly half (441,000) were between the ages of 18 and 64, representing 8 percent of the working-age population in New York City.
- A total of 181,600 people with disabilities were in the labor force (155,000 were employed and another 26,600 were seeking employment).
- The number of people with disabilities who were working increased by nearly 19 percent between 2015 and 2017.
- Still, only 35 percent of working-age people with disabilities were employed, less than half the share of those without disabilities (74 percent).
- Although the unemployment rate for people with disabilities fell to 14.7 percent by 2017, it was far higher than the rate for those without disabilities (6.0 percent).
- In total, 65 percent of working-age people with disabilities were either unemployed or not in the labor force, compared with 26 percent for those without disabilities.
- A larger share of workers with disabilities were employed part-time (36 percent) compared to nondisabled workers (27 percent).
- Workers with disabilities earned 20 percent less than nondisabled workers.
- Working-age people with disabilities were more than twice as likely to live in poverty as nondisabled people in New York City.
- Of the 259,400 working-age people with disabilities not in the labor force, nearly two-thirds had at least a high school diploma (one-third had at least some college experience).

According to data from the U.S. Census Bureau, only 41 percent of working-age people with disabilities in New York City were in the labor force in 2017. This includes those who were employed and those who were unemployed but actively seeking employment. In contrast, the labor force participation rate for people without disabilities was nearly twice as high (79 percent).

The number of employed people with disabilities in New York City has increased in recent years as the labor market has tightened. However, there were still 259,400 people in 2017 between the ages of 18 and 64 with disabilities who had not entered the labor force for various reasons.

A report by Accenture, a global professional services firm, found that companies that embrace best practices for employing and supporting more people with disabilities in their work forces have higher profitability and deliver higher returns to shareholders than their peers.¹ The report also noted that hiring people with disabilities has other benefits, including increased innovation, improved productivity and a better work environment.

Comptroller DiNapoli has called on 49 of the largest U.S. companies to participate in the Disability Equality Index. The index is a national benchmarking tool that offers companies an opportunity to receive an objective score on their disability inclusion policies and practices.

In addition, the Comptroller, as Trustee of the State Pension Fund, and other investors (with more than \$1 trillion in combined assets under management) called on their portfolio companies to do more to include people with disabilities. To start, they encouraged companies to analyze their inclusion policies using benchmarking tools such as the Disability Equality Index, and to adopt best practices such as establishing company-wide hiring goals for people with disabilities.

The current job expansion in New York City, which is now in its tenth year, is the largest and longest in history. According to the U.S. Bureau of Labor Statistics (BLS), the citywide unemployment rate has fallen from a recessionary peak of 9.5 percent to 4.1 percent in 2018, the lowest level since at least 1976.

People with disabilities, however, continue to face obstacles to employment. The BLS found that half of all people in the nation with disabilities who were not working reported some type of barrier to employment, including lack of education or training, lack of transportation, the need for accommodations and the person's own disability. For these and other reasons, there is a wide disparity between the labor force participation rates for people with and without disabilities.

The U.S. Census Bureau estimates that there were 930,100 people with disabilities living in New York City in 2017, representing 11 percent of the total population. Nearly half (441,000) were between the ages of 18 and 64, representing 8 percent of the working-age population in New York City.

Overall, 88 percent of working-age people with disabilities in New York City were U.S. citizens. The share who were veterans (2.4 percent) was twice that of the nondisabled population. There were 10,800 veterans with a service-related disability, representing 15 percent of all working-age veterans in New York City.

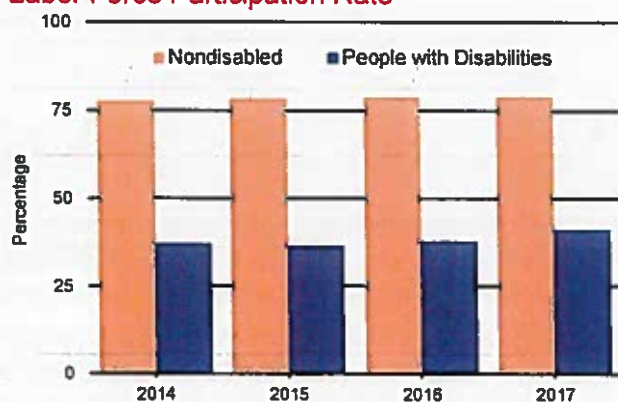
Only 41 percent of people with disabilities in New York City were in the labor force in 2017 (Figure 1), compared to 79 percent for those without disabilities. However, the gap has narrowed slightly since 2014 as the participation rate for people with disabilities has increased at a faster rate than for those without disabilities.

Although the BLS is the customary source for unemployment data at the national and state levels, it suggests that researchers use data from the Census Bureau's American Community Survey (ACS) for substate areas (e.g., cities). According to the ACS, the unemployment rate for people with disabilities in New York City peaked at 22.7 percent in 2011 (see Figure 2).

While the unemployment rate for people with disabilities fell to 14.7 percent by 2017, it was far higher than the rate for those without disabilities (6.0 percent). African Americans (18.9 percent) and Hispanics (15.3 percent) with disabilities had higher unemployment rates than Whites (14.3 percent) and Asians (13.4 percent).

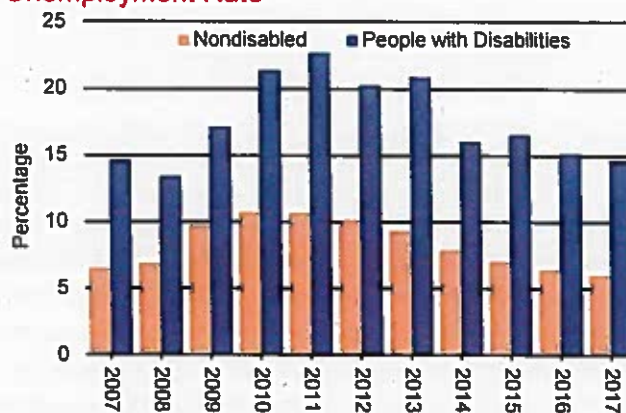
The unemployment rate for people with disabilities between the ages of 18 and 25 was even higher (33 percent). Moreover, while the unemployment rate for nondisabled people was lower in 2017 than its prerecession low (2007), the rate for people with disabilities remained above its prerecession low (2008).

FIGURE 1
Labor Force Participation Rate



Sources: U.S. Census Bureau, American Community Survey 1-Year Estimates; OSC analysis

FIGURE 2
Unemployment Rate



Note: Data for 2007 and 2008 from Public Use Microdata Sample files. Sources: U.S. Census Bureau, American Community Survey 1-Year Estimates; OSC analysis

In 2017, a total of 181,600 working-age people with disabilities were in the labor force. This includes those who were employed (155,000) and those who were unemployed (26,600) but actively seeking employment. In recent years, a growing number of people with disabilities have entered the labor force as the labor market has tightened (see Figure 3).

The number of people with disabilities in the labor force increased by nearly 17 percent between 2015 and 2017. The number who were employed increased even faster (by 19 percent). Still, the share of people with disabilities who were employed (35 percent) was less than half the share of those without disabilities (74 percent).

Of the 259,400 working-age people with disabilities who were not in the labor force, nearly two-thirds (63 percent) had at least a high school diploma. One-third (32 percent) had at least some college experience and a significant share had a bachelor's degree.

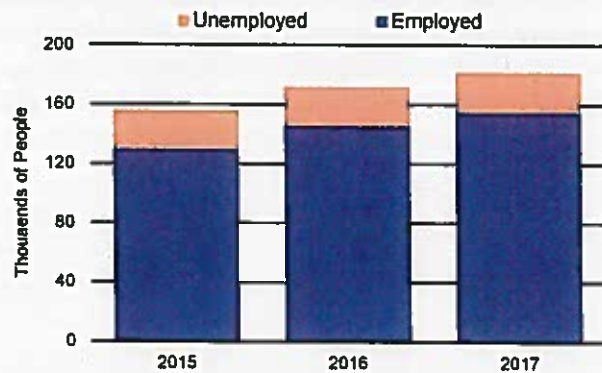
In total, 65 percent of people with disabilities between the ages of 18 and 64 were either unemployed or not in the labor force. (The share rises to 79 percent for those age 16 and over.)

People with disabilities earn less than those without disabilities, although they earn more in New York City than the national and statewide medians (see Figure 4). The median for those with disabilities in the City was \$32,000 in 2017, 20 percent less than those without disabilities.

A larger share of people with disabilities were employed part-time (36 percent) than those without disabilities (27 percent). The median annual earnings for those who worked full-time was \$48,200, more than three times higher than those who worked part-time (\$14,000).

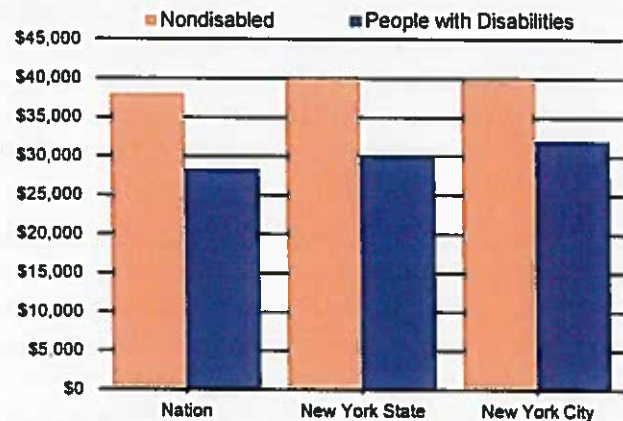
Overall, 34 percent of working-age people with disabilities live in poverty in New York City (see Figure 5), a higher share than in the nation (26 percent) and New York State (30 percent), and more than twice the share for those without disabilities in New York City (14 percent).

FIGURE 3
People with Disabilities in the Labor Force in NYC



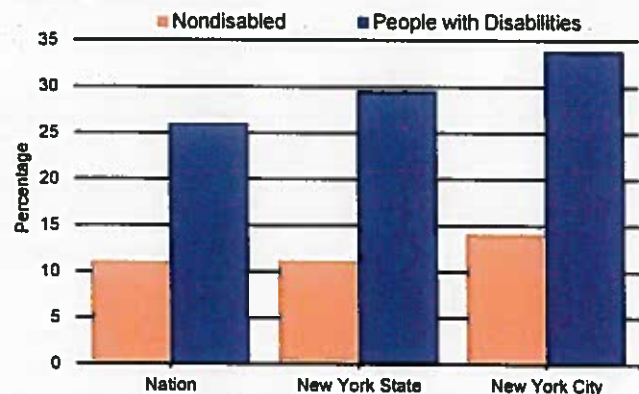
Source: U.S. Census Bureau, American Community Survey 1-Year Estimates; OSC analysis

FIGURE 4
Median Earnings in 2017



Sources: U.S. Census Bureau, American Community Survey 1-Year Public Use Microdata Sample; OSC analysis

FIGURE 5
Poverty Rate in 2017



Sources: U.S. Census Bureau, American Community Survey 1-Year Estimates; OSC analysis

Resources

Federal Government

The federal government has several programs to help people with disabilities find employment. Many are run in conjunction with state agencies.

<https://www.usa.gov/disability-jobs-education>

The Office of Disability Employment Policy

promotes policies and coordinates with employers and all levels of government to increase workplace success for people with disabilities.

New York State

The New York State Education Department's Office of Adult Career and Continuing Education Services-Vocational Rehabilitation helps people with disabilities obtain and retain employment and achieve independent living conditions within the wider community. The office also serves as a gateway for prospective employers looking to hire individuals with disabilities.

Through the 55-b and 55-c programs, New York State seeks to place qualified individuals and veterans with disabilities in entry-level State jobs.

<https://www.cs.ny.gov/rp55/>

The State Commission for the Blind serves the employment needs of the visually impaired.

Achieving a Better Life Experience (ABLE) accounts are tax-advantaged accounts similar to the Section 529 qualified tuition program. ABLE accounts allow those with disabilities to save for qualified disability expenses without the risk of losing their benefits from assistance programs like Supplemental Security Income (SSI) and Medicaid. ABLE accounts give earnings the ability to grow tax-deferred, and allow savings to be withdrawn tax-free for qualified expenses related to an eligible individual's disability. NY ABLE is administered by the New York State Comptroller.

Any person can contribute to an ABLE account. The maximum allowable contribution is \$15,000 per year, although ABLE account owners who earn income can make additional contributions. An individual is allowed to receive SSI benefits along with an ABLE account as long as the ABLE account balance does not exceed \$100,000. If the balance exceeds the limit, SSI benefits will be suspended until the balance moves below the limit. Eligible individuals continue to be eligible for Medicaid regardless of their account balance.

New York City

The Mayor's Office for People with Disabilities coordinates all of the City's agencies that serve the needs of people with disabilities. The Office also aids the Department of Citywide Administrative Services (DCAS) in managing the 55-a program, which allows qualified individuals with disabilities to be appointed to competitive civil service positions without taking an exam.

NYC: ATWORK is designed to build partnerships and expand coalitions by connecting people with disabilities who are unemployed or under-employed to meaningful, living-wage jobs across the five boroughs. This initiative focuses on creating a centralized pipeline of talented candidates, including transitioning youth, college students and recipients of State vocational rehabilitation services.

Nonprofit Organizations

The National Organization on Disability focuses on increasing employment opportunities for Americans with disabilities who are not employed, and recognizes companies that are leading disability employers. The American Association of People with Disabilities, a national advocacy organization, also helps people with disabilities find professional careers with leading employers. The National Disability Institute is focused on the financial health and wellness of people with disabilities.

¹ Accenture, *Getting to Equal: The Disability Inclusion Advantage*, 2018.