

# After Expected Decline Under New Employment Services Contracts, Are Job Placements Now Increasing for Cash Assistance Recipients?

In April 2017 the city’s Human Resources Administration implemented new employment services contracts for cash assistance recipients who are able to work. The new contracts, which replaced employment contracts dating from the Bloomberg Administration, place more emphasis on the needs of individual clients, while providing specialized services for youth and other groups with specific needs. Under the new contracts, providers are expected to stress education and training in individual client plans (see this IBO [report](#) for more details) and as a result there was a decline in placements.

Along with the contracted employment programs, the Human Resources Administration offers cash assistance recipients job aid through several other programs: WeCARE (Wellness, Comprehensive Assessment, Rehabilitation and Employment), designed to help individuals overcome medical and/or mental health barriers to employment; subsidized employment; and programs to address substance abuse treatment and the needs of clients with HIV/AIDS. In addition, a substantial number of cash assistance recipients report that they have found jobs on their own. We have tracked the changes in job placements since fiscal year 2014.

- The phase-in of the new employment vendors resulted in a 30 percent decrease in job placements by the contracted programs, from 23,278 in fiscal year 2016—the last full year under the old contracts—to 16,208 in 2018. While the number of contracted placements increased by 11 percent in 2019 to 17,983, placements by the new contractors remained 23 percent below the 2016 figure—even as the number of cash assistance recipients remained relatively flat over the period.
- Despite last year’s increase in contractor placements, the overall number of cash assistance recipients placed into jobs remained flat at 39,856 in 2019 compared with 39,779 in 2018. There were decreases in WeCARE job placements from 3,710 to 2,433, in the number of clients who reported finding jobs on their own from 10,627 to 10,115, and in other programs from 4,780 to 4,376.
- Conversely, the number of clients placed into jobs through subsidized employment increased from 4,454 in 2018 to 4,949 in 2019. Subsidized employment includes the Human Resources Administration’s job-training programs in collaboration with other city agencies such as parks and sanitation, as well as some private-sector jobs where subsidies are provided to employers by diverting client’s cash assistance grants.

