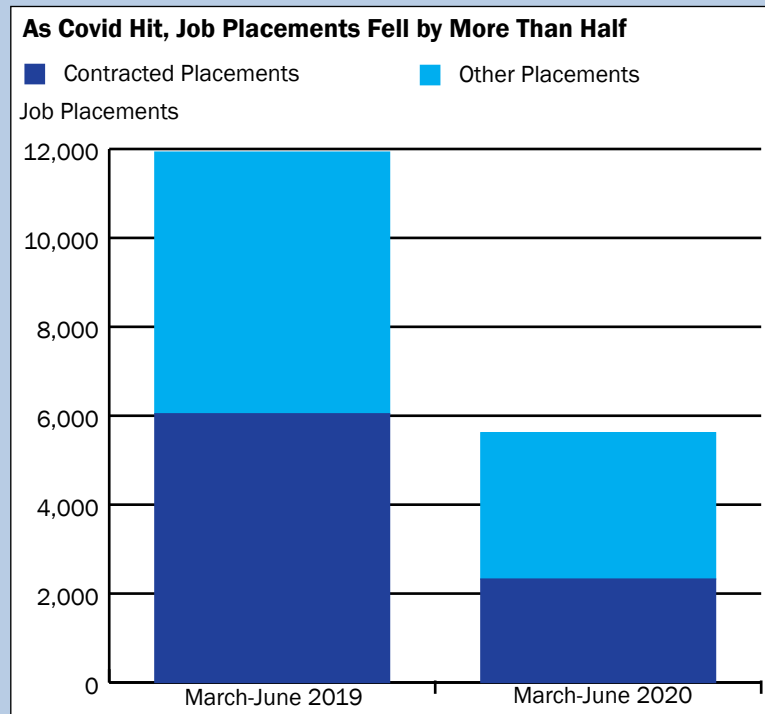


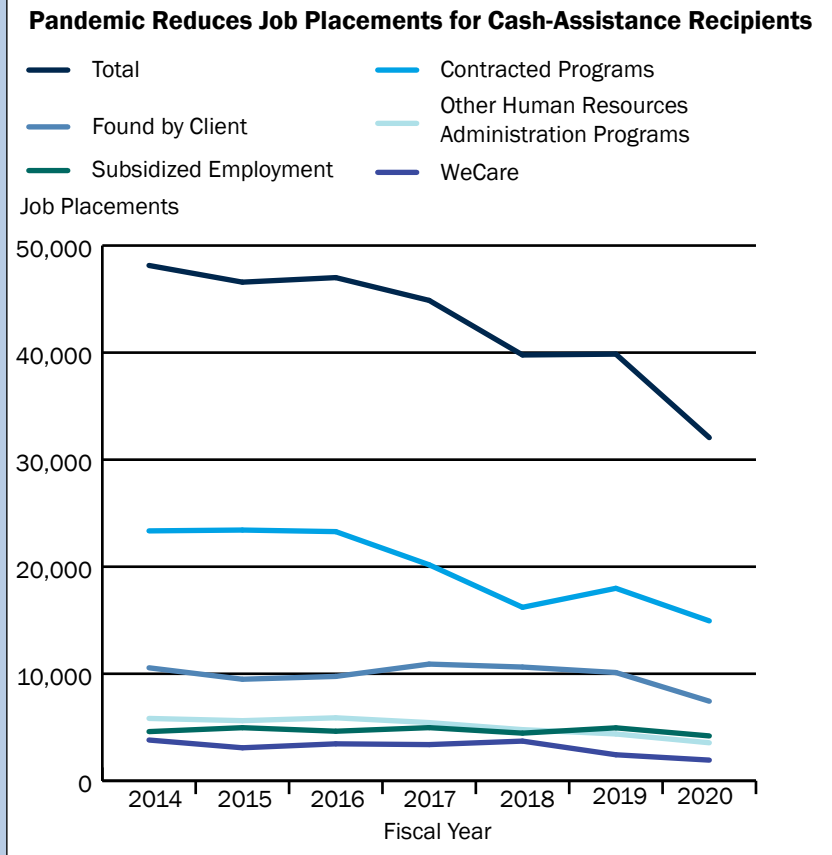
What Impact Has the Pandemic Had on Job Placements for Cash-Assistance Recipients?

In April 2017 the city's Human Resources Administration implemented new contracts for organizations providing employment services for cash-assistance recipients who are able to work. (For more information, see [here](#).) In addition to the contracted employment programs, the Human Resources Administration offers cash-assistance clients help obtaining jobs through other programs, including WeCARE (Wellness, Comprehensive Assessment, Rehabilitation and Employment), a program designed to help individuals overcome medical and/or mental health barriers to employment; subsidized employment; and programs to address substance abuse and the needs of clients with HIV/AIDS. With the city experiencing steep pandemic-related job losses, how were efforts to help cash-assistance recipients find jobs affected?



- The pandemic-related shutdowns that began in March led to the temporary suspension of employment programs and a sharp drop in placement activity. The loss of nearly 900,000 jobs in first two quarters of calendar year 2020 made all forms of job placement more difficult.
- From March through June 2020, contracted placements decreased by 62 percent, and overall placements by 53 percent, compared with a year earlier.

- Following the phase in of new employment vendors, contracted placements decreased by 30 percent from fiscal year 2016 through 2018. The downward trend reversed in 2019, with placements rising by 11 percent to reach 17,983. Although contracted placements continued to grow during the first eight months of 2020, the onset of the pandemic led to a 17 percent decline in placements for the year as a whole.
- There were decreases in each of the other employment programs as well. WeCARE job placements, which had already fallen in 2019 due to the transition to new WeCARE contracts, dropped by 20 percent from 2,433 in 2019 to 1,935 in 2020. Similarly, placements into subsidized employment and other Human Resources Administration programs declined by 15 percent and 19 percent, respectively.
- The worsening job market also led to a 26 percent reduction in the number of cash-assistance clients who found jobs on their own, from 10,115 to 7,437.
- Taken together, job placements decreased by 20 percent in 2020, from 39,857 to 32,059. This reduced flow of cash-assistance recipients into jobs has contributed to the recent increase in the city's public-assistance rolls.



Share on



Prepared by Paul Lopatto
New York City Independent Budget Office