

Spotlight

Disability and Employment in New York City

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Introduction

People with disabilities comprise a significant proportion of New York City's population and labor force. Per the U.S. Census Bureau, nearly one in six New York City residents have a physical or mental health condition that substantially impairs their cognition, movement, vision, hearing, ability to live independently, or ability to take care of personal needs. Among working-age New Yorkers 25 to 55 years old, that figure is about one in thirteen.

Despite their prevalence, people with disabilities have long faced structural barriers to employment including employer discrimination, inadequate accommodations, and inequitable access to social assistance and vocational rehabilitation, among other factors.

In recognition of July as Disability Pride Month—which marks the anniversary of the Americans with Disabilities Act (ADA's) passage into law in 1990—this Spotlight explores the relationship between disability and employment in New York City. Given the focus on employment, we center our analysis around New Yorkers in "prime" working age, which we define as ages 25 to 55.

Using data from the U.S. Census Bureau's American Community Survey (ACS), we find that New Yorkers with disabilities have a significantly lower employment rate than their non-disabled counterparts, and that this rate varies widely by type of disability. Disaggregating by race and gender, the disability employment gap is especially pronounced for Black, Hispanic, and male workers. We also see that workers with disabilities are disproportionately represented in service occupations as well as sales, office, and administrative support roles, while underrepresented in management, business, and financial occupations.

We show that the proportion of New Yorkers with a self-reported disability has grown since the onset of the COVID-19 pandemic, as has their labor force participation rate. The proportion of work-from-home jobs has greatly increased for both disabled and non-disabled New York City workers. Occupational data as well as existing research suggests that while work-from-home opportunities for non-disabled people have largely come from existing jobs, at least some of the growth in work-from-home employment among New Yorkers with disabilities has been driven by those who were previously unemployed or out of the labor force.

Defining disability

We recognize that "disability" encompasses a broad range of conditions, circumstances, and characteristics, and that there is no universally recognized definition for the term. The Americans with Disabilities Act of 1990 (ADA) defines disability as "a physical or mental impairment that substantially limits one or more major life activities," including, but not limited to, "caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, communicating, working, [or] the operation of a major bodily function."

A range of institutions and academics distinguish between two <u>overarching models</u> of disability: the medical model, which frames disability as an impairment or defect in the individual, and the

social model, which frames disability as a limitation to one's full participation in their social or physical environment. The social model of disability therefore centers the environment, and not the individual, as the driver of "disability." In line with this idea, the ADA's definition of disability protects not only those with a major impairment as described above, but also those who have "a record of such an impairment," or are "regarded as having such an impairment" if the individual establishes they have been subjected to prohibited action whether the impairment limits or is perceived to limit a major life activity.

Our Spotlight relies on the American Community Survey—administered by the U.S. Census Bureau—for relevant individual-level data and therefore on its categorization of disability. The ACS measures disability with a set of six questions that ask if the respondent has serious difficulty in any of the following areas: cognitive abilities, ambulatory abilities, independent living, self-care, vision, or hearing. Table 1 provides definitions for each of these disability categories, along with the estimated number and percentage of New York City residents who live with each.¹

It is important to note that disability categories are not mutually exclusive and overlap with one another. Many have difficulty with more than one of the six functional areas which the ACS examines. For example, over two thirds of New Yorkers with an ambulatory difficulty (difficulty with basic physical activities such as walking, climbing stairs, or carrying) also report a self-care difficulty (difficulty taking care of personal needs, such as bathing, dressing, or getting around the home).

Based on the ACS's question structure, for the purposes of this report we use the term "difficulty" interchangeably with "disability," acknowledging that in other contexts distinguishing the two terms may be important.

Table 1. Disability category definitions and incidence rate, New York City residents ages 25-55

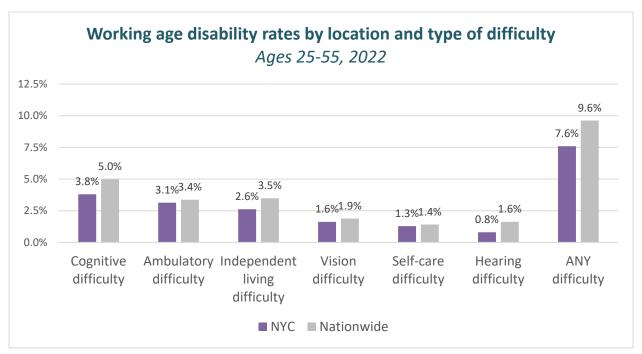
Difficulty	Definition ("Whether the respondent has")	Number of NYC residents age 25-55 with difficulty (2022)	Percent of NYC residents age 25-55 with difficulty (2022)
Cognitive	cognitive difficulties (such as learning, remembering, concentrating, or making decisions) because of a physical, mental, or emotional condition.	138,916	3.8%
Ambulatory	a condition that substantially limits one or more basic physical activities, such as walking, climbing stairs, reaching, lifting, or carrying.	114,708	3.1%
Independent living	any physical, mental, or emotional condition lasting six months or more that makes it difficult or impossible to perform basic activities outside the home alone. This does not include temporary health problems, such as broken bones.	95,839	2.6%
Vision	is blind or has serious difficulty seeing even with corrective lenses.	59,194	1.6%
Self-care	any physical or mental health condition that has lasted at least 6 months and makes it difficult for them to take care of their own personal needs, such as bathing, dressing, or getting around inside the home. This does not include temporary health conditions, such as broken bones or pregnancies.	47,001	1.3%
Hearing	is deaf or has serious difficulty hearing.	29,207	0.8%
Any difficulty	Any of the above	277,747	7.6%

Source: IPUMS USA, American Community Survey

Disability and employment in New York City

New York City has a lower incidence of disability among the working-age population than the United States as a whole. Chart 1 shows that while 9.6 percent of working-age people nationwide report having any of the six difficulties described in the ACS, that figure is only 7.6 percent in New York City. Cognitive difficulty represents the most prevalent form of disability, while hearing difficulty is the least prevalent.

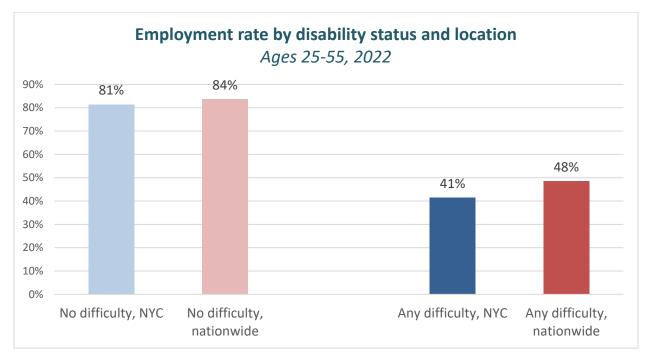
Chart 1



Source: American Community Survey

But while New York City's disability incidence rates are below that of the United States, employment outcomes in New York tend to be worse for those who are disabled. Chart 2 depicts the rate of employment among both non-disabled and disabled working-age New Yorkers relative to their counterparts nationwide. Only 41 percent of disabled working-age New Yorkers are employed, compared with 48 percent across the United States—a difference of seven percentage points. This is significantly larger than the three percentage point gap in employment for non-disabled people between New York and the United States.

Chart 2

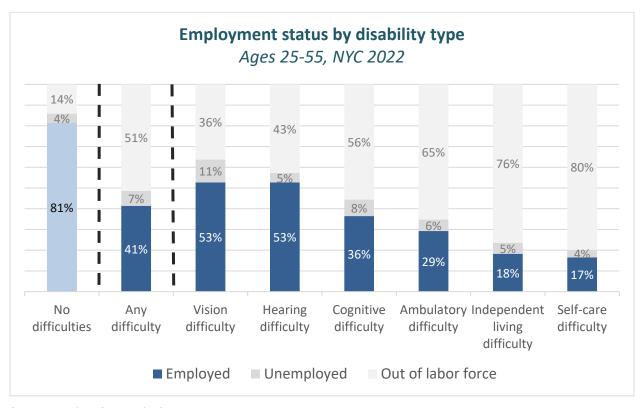


Disabled workers are also more likely to work part time and have a lower median income than their non-disabled counterparts. In New York City, 26 percent of employed workers with disabilities aged 25-55 worked less than 35 hours per week in 2022, compared with 15 percent of non-disabled workers. Nationwide, these figures were 22 percent and 13 percent, respectively.

Among full-time workers in New York City, the median individual wage and salary income for those with disabilities was \$55,000, compared to \$62,000 for those without a disability. Nationwide, these figures were \$45,000 and \$54,000, respectively—a slightly larger disability income gap.

Disaggregating disability employment data in New York City reveals that employment rates vary widely by disability type. Of the six categories of disability defined in the ACS, employment is highest among those with vision and hearing difficulties, at around 53 percent each. It is lowest among those with independent living and self-care difficulties, at just 18 and 17 percent, respectively.

Chart 3



(A note on terminology: "unemployed" refers to workers who are out of work and looking for work. "Out of labor force" and "not in labor market" refer to those who are neither working nor seeking work.)

The simplest explanation for these discrepancies would be that some disabilities simply present a greater impediment to employment than others. For example, it might be easier for someone with a hearing disability to hold an office job than it is for someone who has difficulty with basic self-care activities.

Employer attitudes offer another possible explanation for the discrepancies. Research suggests employers stigmatize certain forms of disability more than others, believing it would be easier to hire someone with a readily understood physical disability over someone with a mental health disability. Above, these same studies tend to find that employers rank blindness among the most difficult forms of disability to accommodate—meaning employer attitudes are unlikely to explain why people with vision difficulties show the highest rate of employment across disability categories.

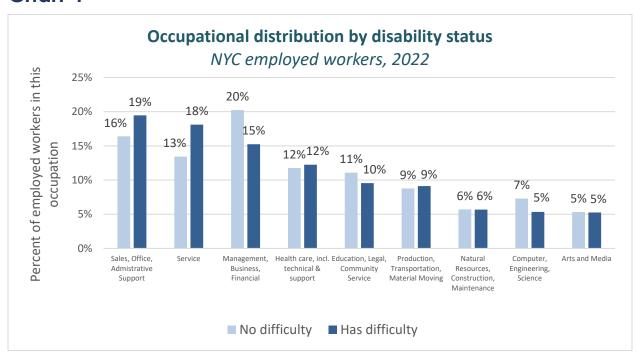
Other factors likely contribute to differential levels of employment across disability type. According to some researchers, the higher rate of employment among those with a hearing difficulty compared to other disability types may be explained by the fact that hearing loss tends to progress with age. This means that people with hearing difficulties will have more often

entered the workforce before the onset of their disability, and would therefore be more likely to remain employed compared to someone who enters working age with a pre-existing disability.⁴ The same line of reasoning could apply to those with vision difficulties.

Different qualifications for and rules around public assistance may also impact employment outcomes. For example, the <u>Social Security Administration</u> states that Congress tailored the Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) programs "specifically to make it easier for people who are blind to go to work," and that "these special rules apply only to people who are blind." Most critically, the income threshold above which one loses their Social Security disability benefits is significantly higher for blindness than for other disabilities, meaning people with vision difficulty may be more likely to seek or maintain employment without worrying about losing their disability benefits.

Chart 4 looks at occupational mixes among disabled and non-disabled workers. We see that people with disabilities are underrepresented in management, business, and financial occupations, and overrepresented in service occupations as well as sales, office, and administrative support roles.

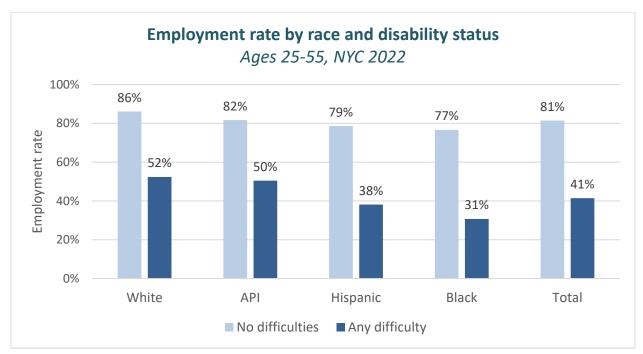
Chart 4



Source: American Community Survey

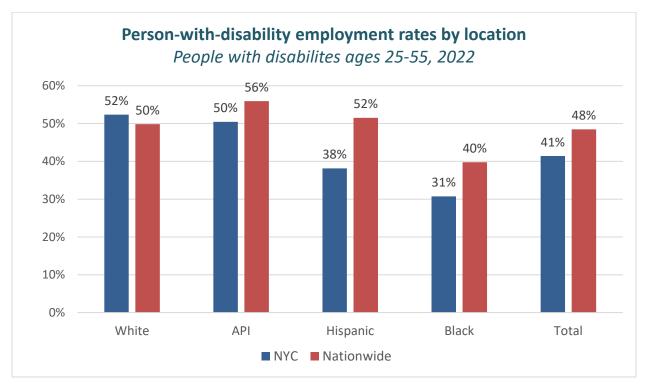
Chart 5 disaggregates disability employment by race and ethnicity, revealing that employment outcomes are notably worse for Black and Hispanic people with disabilities compared to their white and Asian and Pacific Islander (API) counterparts.

Chart 5.A



This discrepancy is more severe in New York City than in the rest of the country, as shown in Chart 5.B. While in New York only 31 percent of Black working-age people with disabilities are employed, nationwide that figure is 40 percent. Similarly, while 38 percent of Hispanic workingage New Yorkers with disabilities are employed, the national rate is 52 percent.

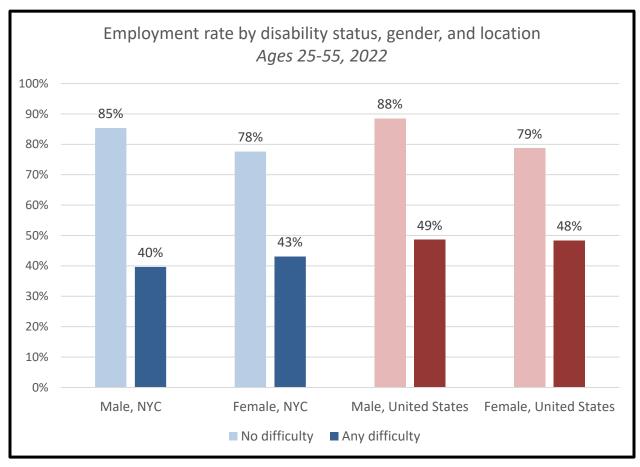
Chart 5.B



The disability employment gap is less prominent for women than it is for men. Chart 6 shows that among working age men in New York City, 40 percent of those with disabilities are employed compared with 85 percent of those without—a 45 percentage point gap. Among working age women, on the other hand, the respective figures are 43 percent and 78 percent—a substantially smaller gap of 35 percentage points. In other words, men appear to bear a greater disability employment "penalty" than do women.

This discrepancy is also visible at the national level albeit less pronounced. While disabled men have a marginally higher employment rate than disabled women nationwide, the disability employment gap is significantly larger for men (39 percentage points) than it is for women (31 percentage points).

Chart 6



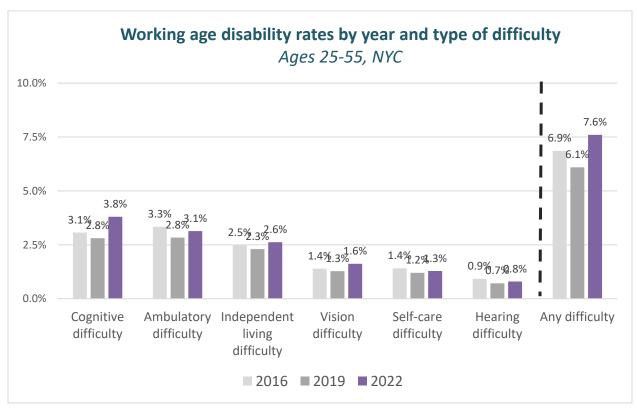
The fact that disabled men face a greater employment "penalty" than do disabled women may come from differential occupational distribution. Occupational gender disparities for disabled New Yorkers closely mirror those of non-disabled workers. More specifically, men are overrepresented in production, transportation, and material moving as well as natural resources, construction, and maintenance occupations—both of which have a relatively low proportion of disabled workers. That is, men tend to work in occupations in which they may be more likely to lose employment should they become disabled.

The New York City disabled workforce before and after the onset of COVID-19

In this section we explore how key aspects of disability employment in New York City have shifted in relation to the years prior to the onset of the COVID-19 pandemic.

Chart 7 compares disability rates among working age New Yorkers in 2022 to those in 2019 and 2016. The proportion of respondents reporting any disability increased from 6.1 percent to 7.6 percent between 2019 and 2022, a nearly 25 percent increase over the 2019 share.

Chart 7



Source: American Community Survey

This trend was also apparent nationally, though to a lesser degree: between 2019 and 2022, the nationwide disability rate increased from 9.0 to 9.6 percent.

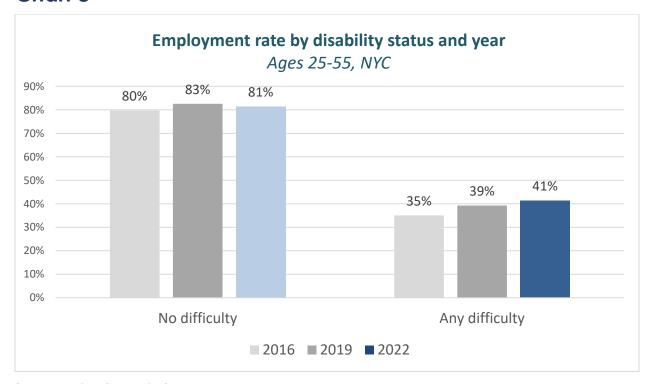
Most prominently, the rate of cognitive difficulties among working age New Yorkers increased from 2.8 percent to 3.8 percent between 2019 and 2022—an 35 percent increase in the incidence rate.

These data are consistent with our understanding of long COVID and the fact that New York City was especially hard hit in the early days of the pandemic. According to the <u>Federal Reserve Bank of New York</u>, the pandemic created "close to one million newly disabled workers" across the

United States, the "majority of which deal with fatigue and brain fog"—explaining the fact that cognitive difficulty rates (both in New York and nationwide) grew more than those of any other disability.

The Federal Reserve study also finds that many newly disabled workers "appear to be continuing to participate in the labor market." This implies that some of the post-pandemic growth in disability employment—seen in Chart 8—came not only from previously disabled individuals who entered the labor force, but also from previously non-disabled workers who "entered" the disabled labor force via long COVID.

Chart 8

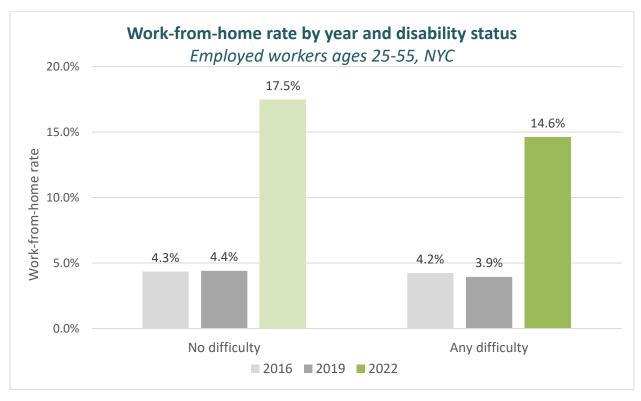


Source: American Community Survey

The employment rate among working-age, disabled New Yorkers increased from 39 to 41 percent between 2019 and 2022, continuing a trend from 2016. The fact that the disability employment rate grew during this period while non-disabled employment stayed roughly the same suggests that people with disabilities likely disproportionately benefitted from tight labor market environments in 2019 and 2022.⁶

Another plausible factor behind the growth in disability employment since the start of the pandemic is the increase in remote work opportunities. Chart 9 depicts the percentage of employed, working-age New Yorkers who worked from home in 2016, 2019, and 2022, separated by disability status.

Chart 9



Notable in this chart is the fact that the work-from-home rate grew less for disabled workers than it did for non-disabled workers since the start of the pandemic. This may seem counterintuitive, as one might expect that disabled workers benefitted most significantly from the rise of remote work opportunities.

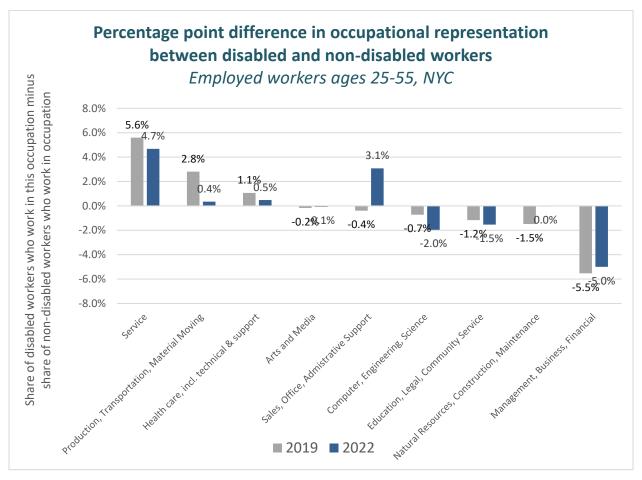
However, these two ideas are not necessarily in contradiction. When considering Chart 9 in combination with the fact that the disability employment rate has grown, while the non-disabled employment rate has stayed about the same, it suggests that among non-disabled workers the rise in work-from-home opportunities came mostly from the conversion of existing jobs into remote status. For workers with disabilities, on the other hand, at least some of the work-from-home growth came from new entrants into the labor force.

Still, this does not explain why work-from-home increased *less* for disabled workers than for their non-disabled peers. This discrepancy likely comes from the fact that disabled workers are disproportionately represented in service professions— "such as food preparation and service, groundskeeping and maintenance, and roles in production, transportation, and material handling"—which cannot be performed remotely.⁷

Indeed, a 2023 study from the Economic Innovation Groups finds that when controlling education, occupation, industry, and individual characteristics, "a worker who reports any disability is 2.4 [percentage points] more likely to be fully remote than an otherwise similar worker."⁸

Chart 10 plots the level of disabled over-/under-representation across occupational categories. Consistent with the story above, we see that people with disabilities remained overrepresented in service occupations in 2022, albeit to a slightly lesser degree than in 2019. In 2019, 21.7 percent of disabled workers were in a service occupation, compared to 16.1 percent of non-disabled workers—a 5.6 percentage point difference. In 2022, these figures shifted to 18.1 percent and 13.4 percent respectively, a 4.7 percentage point difference.

Chart 10



Source: American Community Survey

On the other end of the chart, the underrepresentation of disabled workers in management, business, and financial occupations persisted into 2022, but to a slightly smaller degree, shifting from a 5.5 percentage point gap in 2019 to a 5.0 percentage point gap in 2022.

The most notable shift in disability representation occurred among sales, office, and administrative support occupations. In 2019, disabled workers were about proportionately represented in these occupations compared to their non-disabled peers—around 17 percent of workers in both groups. But in 2022, while non-disabled workers remained in sales, office, and administrative support occupations at a similar rate, the proportion of disabled workers in these occupations increased from 16.9 percent to 19.5 percent.

Conclusion

A substantial share of New Yorkers live with a disability. Many of these individuals want to work and are able to work. But 34 years after the passage of the Americans with Disabilities Act, employment remains out of reach for many. The disability employment rate in New York City is half that of non-disabled New Yorkers. Outcomes are even worse for people with disabilities who are Black, Hispanic, or male, as well as those living with a cognitive, ambulatory, independent living, or self-care disability. Disabled workers tend to be overrepresented in service jobs, while underrepresented in management, business, and financial roles.

These disparities have lessened slightly since the onset of the COVID-19 pandemic, which both increased the number of individuals living with a disability (possibly a result of long Covid) and opened up new work-from-home opportunities in many professions. A greater share of people with disabilities have entered the labor force. Still, serious discrepancies remain, and it is the responsibility of all New Yorkers to work toward more equitable economic outcomes for those living with a disability.

Acknowledgements

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Endnotes

¹ While the ACS provides the most robust set of demographic, socioeconomic, and disability-related data on New York City residents, it is not the only source of disability data. Research suggests the ACS tends to undercount the incidence of disability relative other national surveys like the Survey of Income and Program Participation (SIPP) and the National Health Interview Survey (NHIS).

² Goodman et al. (2024): *Perceptions and Bias of Small Business Leaders in Employing People with Different Types of Disabilities*. https://doi.org/10.1007/s10926-024-10201-2

³ Gilbride et al. (2000): *Employers' attitudes toward hiring persons with disabilities and vocational rehabilitation service.* http://hdl.handle.net/2092/417

⁴ See Boman et al. (2015): *Employment opportunities for persons with different types of disability*. https://doi.org/10.1016/j.alter.2014.11.003

⁵ Data from American Community Survey.

⁶ This trend is also apparent nationally, as "people with disabilities are disproportionately benefiting from the rapid recovery from the initial economic contraction at the start of the pandemic." See Ne'eman and Maestas (2023): How has COVID-19 impacted disability employment? https://doi.org/10.1016/j.dhjo.2022.101429

⁷ See the 2024 report <u>Creating Pathways to Remote Work Opportunities for Workers with Disabilities</u> from WorkRise, a research network hosted by the Urban Institute.

⁸ Full vs. Hybrid: Examining the Consequences of How Americans Work Remotely





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