Testimony on Disability and Employment before the
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Lisa Schur, Ph.D., J.D.
Professor, School of Management and Labor Relations
Co-director, Program for Disability Research
Rutgers University
Senior Fellow, Burton Blatt Institute, Syracuse University

Thank you, Senator Murray and Senator Burr, for inviting me to speak before this committee. I am pleased to talk to all of the Senators on this committee, and to share what I know about disability and employment. I have researched, written, and taught about disability and employment issues for over 20 years.

Currently I am Co-PI of the Employer Disability Practices Center (EDPC) at Rutgers University, which is funded by a 5-year grant from the National Institute on Disability, Independent Living, and Rehabilitation Research (NIDILRR) of the U.S. Department of Health and Human Services. In this center we work with colleagues at Syracuse’s Burton Blatt Institute, Indiana, and Harvard Universities, and companies that are members of the National Organization on Disability (NOD) and Disability:IN, to conduct and disseminate rigorous research on employer policies and practices that facilitate employment for people with disabilities. I am also a Co-PI of the Disability Inclusive Employment Policy (DIEP) Center funded by a 5-year grant from NIDILRR and based at Syracuse University’s Burton Blatt Institute with partners at Harvard and Rutgers. This center is focused on how public policies affect employment opportunities for people with disabilities.

I was asked to provide an overview of the barriers and challenges to employment faced by people with disabilities, as well as the challenges going forward in the wake of the pandemic, and what policies and practices may hold promise for increasing employment opportunities for people with disabilities. I have structured my testimony by providing summary comments in bold followed by a brief explanation and reference to research findings.

1. **Employment continues to remain very low among working-age people with disabilities compared to those without disabilities.**

   First the bad news: the employment report released last Friday, February 4, 2022, showed that among people of working age (16-64), 34.9% of men with disabilities and 32.8% of women with disabilities, were employed in January 2022. These levels are less than half the employment rates of men and women without disabilities (75.6% and 65.5% respectively). The large disability gaps are consistent with results from leading data sources on this topic.

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1 Table A-6, Employment status of the civilian population by sex, age, and disability status, not seasonally adjusted - 2022 M01 Results (bls.gov), accessed 2-4-22.
The low employment numbers do not reflect a lack of interest in employment among people with disabilities, since their unemployment rate—representing those actively looking for work or awaiting recall from layoff—was twice that of those without disabilities (11.4% and 7.9% for men and women with disabilities respectively, compared to 4.5% and 4.0% among those without disabilities).

Due in large part to lower employment and earnings, working-age people with disabilities are more than twice as likely to live in poverty as those without disabilities (24.4% compared to 9.7%). The low employment levels also have important social and psychological effects by limiting social contact, feelings of efficacy, and civic and political engagement (Schur et al. 2013).

2. Employment of people with disabilities declined for several years following the Great Recession of 2008-2010, but there was progress starting in 2014 up to the pandemic, and during the pandemic recovery.

As shown in Figure 1, the employment rate of people with disabilities declined from 2009 to 2014, while the rates for men and women without disabilities remained stable or increased. A critical factor in this decline was the 2008-2010 “Great Recession” which led to a substantial increase in Social Security Disability Insurance (SSDI) applications and enrollment through 2012 (Maestas et al. 2021). (SSDI is recognized as having disincentive effects for regaining employment for some people with disabilities, as reviewed below).

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2 Calculated using microdata from the Census Bureau’s 2020 American Community Survey data.
3 The annual averages were generated from Table A-6, Employment status of the civilian population by sex, age, and disability status, not seasonally adjusted (bls.gov) on 2-4-22. The U.S. Bureau of Labor Statistics (BLS) began collecting disability data using consistent measures in June 2008.
From 2014 to 2019, however, employment increased faster for both men and women with disabilities than for those without disabilities. This increase is not yet well researched. But the trend likely is due to strong labor demand during this period—well recognized as having especially beneficial effects for members of historically disadvantaged groups (Cherry and Rodgers 2000)—and to policy changes. In our DIEP center, Dr. Nicole Maestas and her team at Harvard are investigating the possible role of several related policy changes:

1) expansion of ACA health insurance creating health improvements among people with disabilities, especially among people with mental health diagnoses;
2) improvements in state policies regarding access to long-term services and supports;
3) “Employment First” programs by state vocational rehabilitation policies; and
4) changes in state-level policies on access to Medicaid through Supplemental Security Income (SSI).

However, the progress was wiped out by the onset of the COVID pandemic in 2020. Looking more closely at monthly employment changes during the pandemic, Figure 2 shows that the employment rate of women with disabilities dropped more than that of women without disabilities, while the drops were equivalent for men with and without disabilities. The initial declines were especially large for Black and Latinx women with disabilities, and Latinx men with disabilities (Schur et al. 2022). By January 2022, however, men and women with disabilities were more likely to be employed than before the pandemic, while those without disabilities were no more likely to be employed than before the pandemic.

While thorough analysis has not yet been completed, the increase in employment among people with disabilities, over the 2014-2019 period and during the pandemic recovery, strongly suggest two complementary interpretations:
1) Strong labor markets are especially good for people with disabilities, helping overcome employer reluctance to hire them (as reviewed below), and

2) Employers may be increasingly willing to make workplace accommodations for employees with disabilities, including provisions for telework and other more flexible arrangements that can particularly benefit workers with disabilities (Schur et al. 2020).

3. The increase in telework was smaller among workers with disabilities during the pandemic, but the pandemic may have a “silver lining” for people with disabilities over time from increased opportunities for telework and workplace restructuring.

Telework can benefit many workers with disabilities who find it difficult or costly to commute, or who require extra job flexibility. Before the pandemic, workers with disabilities were more likely than those without disabilities to work from home (Schur et al. 2020). This is even though workers with disabilities disproportionately tend to be in blue-collar and service jobs that cannot be done at home—only 34% of employees with disabilities were in “teleworkable” occupations before the pandemic, compared to 40% of employees without disabilities.

When the full shock of the pandemic hit, workers with disabilities were left behind in the rapid expansion of telework, due to their underrepresentation in teleworkable jobs (Kruse et al. 2022). This is illustrated below in an analysis of Bureau of Labor Statistics (BLS) data on the percent of workers who did work at home due to the pandemic, using questions asked on the monthly employment survey starting in May 2020. Figure 3 shows pandemic-related telework was initially lower among workers with disabilities. As the pandemic progressed, however, the rates of pandemic-related telework have converged and the disability gap has closed.

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**Figure 3: Telework Specifically Due to the Pandemic**

<table>
<thead>
<tr>
<th>Month</th>
<th>No disability</th>
<th>Disability</th>
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<tbody>
<tr>
<td>May 2020</td>
<td>35.8%</td>
<td>11.0%</td>
</tr>
<tr>
<td>Jun 2020</td>
<td>31.7%</td>
<td>11.0%</td>
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<tr>
<td>Jul 2020</td>
<td>29.5%</td>
<td>11.0%</td>
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<tr>
<td>Aug 2020</td>
<td>28.0%</td>
<td>10.0%</td>
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<tr>
<td>Sep 2020</td>
<td>27.5%</td>
<td>10.0%</td>
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<tr>
<td>Oct 2020</td>
<td>27.0%</td>
<td>10.0%</td>
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<tr>
<td>Nov 2020</td>
<td>26.5%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Dec 2020</td>
<td>26.0%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Jan 2021</td>
<td>25.5%</td>
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<tr>
<td>Feb 2021</td>
<td>25.0%</td>
<td>10.0%</td>
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<tr>
<td>Mar 2021</td>
<td>24.5%</td>
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<tr>
<td>Apr 2021</td>
<td>24.0%</td>
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<tr>
<td>May 2021</td>
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<tr>
<td>Jun 2021</td>
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<tr>
<td>Jul 2021</td>
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<tr>
<td>Aug 2021</td>
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<td>Sep 2021</td>
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4 Based on analysis of microdata from the Current Population Survey.
Despite current similar rates of pandemic-related telework between people with and without disabilities, whether an occupation is teleworkable is an important factor in job growth among workers with disabilities. Dr. Maestas finds that the recent employment gains among people with disabilities, shown in Figure 2, were especially strong in occupations that are teleworkable (Ne’eman and Maestas 2022).

The pandemic may ultimately have a “silver lining” for people with disabilities if it causes employers to be more accepting of working from home, and to rethink the structure of workplaces in a way that increases other types of accommodations (Kurtzberg & Ameri, in press). Telework, however, is not a panacea: people with disabilities appear to be paid less when teleworking, and may run the risk of being “out of sight, out of mind” in receiving fair pay, workplace accommodations, and equal opportunities for promotions (Schur et al. 2020).5

4. People with disabilities face more difficulties in obtaining jobs.

The challenges faced by people with disabilities in finding jobs include personal, employer, labor market, and social factors. These include:

- **Employer discrimination and reluctance to hire**: Field experiments based on applications to actual job openings show that employers are significantly less likely to express interest in qualified job applicants with disabilities even when their resumes are identical to those of applicants without disabilities, and the disabilities are irrelevant to job performance (Ameri et al. 2018, Baert 2018; Lippens et al 2021). The reluctance to hire is particularly high among small employers not covered by the ADA (Ameri et al. 2018).

While some employers fear the cost of workplace accommodations in hiring workers with disabilities (Kaye et al. 2011, Bonaccio et al. 2020, Ameri & Kurtzberg 2022), the large majority of accommodations cost little or nothing, and co-workers tend to respond positively when an employee is accommodated (Schartz et al. 2006, Solovieva et al. 2011, Schur et al. 2014). About half of workers who would benefit from accommodations do not receive them (Maestas et al. 2019).

- **Low education and training levels**: Education is linked to higher employment rates. Only 17.0% of people with disabilities age 25-64 had bachelor’s or graduate degrees in 2020, compared to 39.1% of people without disabilities.6 Lower education does not fully account for their low employment levels, as even college graduates with disabilities have significantly lower employment rates than college graduates without disabilities (57% compared to 84%). Training levels also appear low: only 1.5% of

5 Some types of jobs, however, will never become teleworkable, including many blue-collar and service jobs that are disproportionately held by people with disabilities. This places a limit on the potential of people with disabilities to benefit from telework unless they can obtain the skills, training, and opportunities to move into new occupations.

6 Calculated using microdata from the Census Bureau’s 2020 American Community Survey data.
people in apprenticeship programs were identified with a disability in 2021 (Goodman et al. 2021).

- Extra costs of work combined with lack of access to assistive technology and long-term services and supports: Many people with disabilities lack access to accessible transportation to get to jobs (Black 2020), and workers may need assistive technologies, home care, job coaches, or other supports to help them engage in productive work.

- Disincentives from disability income programs: Disincentives from the SSDI and Supplemental Security Income (SSI) programs play a role in the low employment of people with disabilities (Bound & Waidmann 2002, Chen & Van der Klaauw 2008). These programs are not, however, a factor for the majority of working-age people with disabilities, as less than one-third reported receiving any SSDI or SSI in 2020. In addition, the employment rate continues to be significantly lower among people with disabilities when focusing only on people who do not receive any SSDI or SSI.\(^7\)

- Strong labor markets appear to greatly reduce SSDI applications (Maestas et al. 2021), and help explain increasing exit rates from the SSDI and SSI programs over the 2014-2019 period when disability employment was improving as described above (Maestas 2022).

- Social isolation: People with disabilities are more likely to live alone, and travel and socialize less, which reduces their social networks and connections that can lead to jobs (Kessler Foundation and National Organization on Disability 2010, Schur et al. 2013, Brumbaugh 2018).

- Social stigma: There is a well-documented continuing history of stigma and prejudice against people with disabilities, which may reinforce social isolation (Blanck et al. 2021, Jackson-Best & Edwards 2018, Muzzatti 2008, Scior 2011, Thompson et al. 2011, Yuker 1988). As noted above, disability stigma may make employers reluctant to hire people with disabilities, and lead some people with disabilities to be reluctant to pursue jobs and other activities outside the home.

5. While two initial studies blamed the ADA for a decline in employment of people with disabilities, subsequent studies found little or no long-term negative effect, and possible positive effects of state anti-discrimination laws.

Because the ADA requires that employers pay for the reasonable costs of workplace accommodations, initial critiques of the law blamed it for a decline in the employment rate of people with disabilities (Acemoglu & Angrist 2001, Deleire 2000). However, subsequent studies find no decline when other measures and techniques are considered

\(^7\) 28.0% of working-age people with disabilities received SSDI or SSI in 2020. The employment rate among those not receiving SSDI or SSI was 48.3% among people with disabilities and 75.5% among people without disabilities. Calculated using microdata from the Census Bureau’s 2020 American Community Survey data.
(Kruse & Schur 2003, Beegle & Stock 2003, Houtenville & Burkhauser 2004, Hotchkiss 2003, 2004, Donohue et al. 2011), and demonstrate that any potential ADA-related decrease in employment was temporary (Jolls 2004). Recent studies of state disability anti-discrimination state laws also find either no or positive effects on the employment of people with disabilities (Button 2018, Ameri et al. 2018, Neumark et al. 2017).

6. **Employed people with disabilities face disparities, including lower average pay and greater job insecurity.**

- **Lower pay:** Employees with disabilities earn, on average, significantly less per year than those without disabilities after accounting for productive characteristics such as education and job experience (Kruse et al. 2018 Schur et al. 2020). The pay gaps are reduced but continue to exist in occupations where particular disabilities should not impair productivity. Union representation reduces but does not eliminate the disability pay gap (Ameri et al. 2019).

- **Fewer benefits:** Employees with disabilities are less likely than those without disabilities to receive employer-provided benefits such as pensions and health insurance (Hallock et al. 2021, Schur & Kruse 2021).

- **Increased risk of layoff:** Employees with disabilities are more likely than those without disabilities to be laid off by employers when times are bad, and report greater job insecurity (Mitra and Kruse 2016, Schur et al. 2009, Schur et al. 2017).

- **Greater likelihood of contingent employment:** Consistent with their lower job security, workers with disabilities are more likely to be in contingent jobs such as temporary employment, on-call, and contract work (Schur and Kruse 2021, Harpur & Blanck 2020). Such jobs can be a good fit for workers who desire extra flexibility due to medical and other needs, but others may be forced into such jobs due to a lack of access to standard employment. Survey data indicate that workers with disabilities are more likely than those without disabilities to feel constrained to a temporary job, and to want and search for a non-contingent job (Schur and Kruse 2021).

- **Unwelcoming corporate cultures:** In some companies workers with disabilities must contend with negative attitudes from supervisors and co-workers that limit career growth and the quality of their work life, as well as with structural barriers in workplace policies (Ren et al. 2008, Schur et al. 2005, 2017). The disparities are linked to lower average job satisfaction among workers with disabilities, although they have similar levels of organizational commitment and turnover intention as workers without disabilities (Schur et al. 2017). Inclusive workplace cultures make a difference: In worksites where employees agree the company is fair and responsive to all employees, employees with disabilities have especially high job satisfaction, company loyalty, willingness to work hard, and turnover intention as employees without disabilities (Schur et al. 2009).
7. **Employer policies can help increase employment opportunities for people with disabilities.**

There are policies and practices employers can pursue to increase the hiring, retention, training, engagement, and career progression of people with disabilities. In our new Employer Disability Practices Center funded by NIDILRR we are collaborating with leading employers in the NOD and Disability:IN networks to evaluate employer best practices using experimental, quasi-experimental, and qualitative methods. Employer policies and practices are critical in ensuring people with disabilities are part of a workplace culture of inclusion (Ball et al. 2005, Schur et al. 2005, Blanck, Hyseni, & Wise 2021, Burke et al. 2013, Dimoff & Kelloway 2019, Hanisch et al. 2016, Kaye et al. 2011, Von Schrader et al. 2014).

Examples of promising employer policies and practices that we are exploring include:

- Strong visible commitment from the top of the organization (Araten-Bergman, 2016);
- Inclusion of disability in DEI (diversity, equity, and inclusion) initiatives, including supplier diversity policies (Ball et al. 2005);
- Targeted recruitment efforts and inclusive language in job ads and company messages, as opposed to language that simply complies with legal requirements;
- Disability training for managers and employees aimed at creating an inclusive climate to encourage self-disclosure, requests for accommodations, and effective responses to accommodation requests; and
- Centralized accommodations funds to reduce financial burdens on company divisions and departments;

8. **Public policies also play an essential role in the employment of people with disabilities.**

Working with our partners at the Syracuse Burton Blatt Institute and Harvard, our Disability Inclusive Employment Policies Center funded by NIDILRR seeks to add to new research on effective public policies. There is a range of policies that affect employment of people with disabilities, and I will not address them all. I will simply point to a few that deserve attention in the next few years:

- Encourage a strong labor market with low unemployment, which appears to be especially important in the employment progress of people with disabilities both in the 2014-2019 period and in the recent pandemic recovery;
- Ensure that people with disabilities have full access to apprenticeship and other training programs;
- Provide additional Home and Community Based Services (HCBS) funding dedicated for employment support, which can pay for job coaches, personal care attendants and assistive technology that allow an individual with a disability to secure and maintain employment;
- Ensure that entrepreneurs with disabilities have access to resources and training to start and maintain disability-owned business enterprises;
• Work with federal contractors to ensure they meet their goal under Section 503 of the Rehabilitation Act to have at least 7% of their employees be people with disabilities. This should include more education to employers on how to better identify, support and recruit individuals with disabilities; and
• Work to move people with disabilities into competitive integrated employment while phasing out FLSA section 14C subminimum wage certificates.

Thank you for the opportunity to present this testimony.

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