



How COVID-19 is Reshaping the Future of Work for Persons with Disabilities

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The COVID-19 pandemic will undoubtedly change many aspects of human society, not the least of which is our association with work. The realities of the global health crisis are reshaping the concept of the “future of work” in real time. Not only must we consider automation and globalization but also the consequences of the pandemic and the resulting fallout of a service-sector recession. As governments at all levels respond to the pandemic to protect public health and forestall economic disaster, it is important that policy makers and regulators do not overlook the disproportionate impact likely to be felt by the disability community.

In the United States, there are four emerging issues that may have a lasting impact on the social and economic inclusion of persons with disabilities:

- 1) A service-sector recession could further erode the availability of community-based services that support the employment of persons with disabilities;
- 2) Government interventions to help displaced workers with disabilities, or those in a state of poverty, are inadequate;
- 3) Individual responses to near-term interventions could have negative, long-term consequences; and
- 4) Ableism in modern society may continue to widen gaps between groups.

While this is not an exhaustive list of the concerns the disability community may have as a result of a pandemic triggered recession, it is a starting point for anticipating the effects on employment.

Lessons from the past

Persons with disabilities have historically experienced a significantly higher level of disruption as a result of economic crises. During periods of recovery following the last four U.S. recessions, the average employment percentage of persons with disabilities decreased by 9 percent, compared to a 2 percent increase for their nondisabled peers. This trend coincides with significant decreases in the labor market activity rate for persons with disabilities, averaging 11 percent following each recession, and contributed to long-term trends in their detachment from the labor market.¹

Despite the economic expansion since the Great Recession of 2008-2009, persons with disabilities have continued to experience an unemployment rate that is nearly double those of persons without disabilities, and a 15 percent higher incidence of poverty.^{2,3} Prior to the COVID-19 pandemic, there was already reason for concern about the lack of consideration for the disability community in research and policies related to the changing nature of work. Now, with the added dimension of a global health crisis and potential recession, the situation for persons with disabilities calls for increased consideration and action by policy makers.

¹ Kanady, S. M., Graff, H., & Papay, C. (2020). The potential promise of Inclusive Postsecondary Education. *Journal of Inclusive Postsecondary Education*, 2(1). Retrieved from: <https://doi.org/10.13021/jipe.2020.2706>

² Erickson, W., Lee, C., von Schrader, S. (2017). *Disability Statistics from the American Community Survey (ACS)*. Ithaca, NY: Cornell University Yang-Tan Institute (YTI). Retrieved from Cornell University Disability Statistics website: www.disabilitystatistics.org

³ Goodman, N., Morris, M., & Boston, K. (2019). *Financial inequality: disability, race and poverty in America*. National Disability Institute. Retrieved from: <https://www.nationaldisabilityinstitute.org/wp-content/uploads/2019/02/disability-race-poverty-in-america.pdf>

Four emerging issues

The employment ecosystem of the disability community is not simplistic. There are a host of causal relationships that contribute to the outcomes produced through policy, advocacy, education systems and public and nonprofit workforce service providers. There has also been a consistent emphasis on achieving employment outcomes across the private and public sectors. This emphasis reflects the changing societal expectations of inclusion supported by related legislative responses. The complexities of the disability employment ecosystem are further stressed by economic and technological forces that were already influencing significant changes to how, when and where persons engaged with the labor market prior to the pandemic.⁴ Given current events, we must now consider how the near and long-term impacts of COVID-19 will uniquely shape the future of work for persons with disabilities. The following factors reflect initial thoughts on this topic:

1. A service-sector recession could further erode the availability of community-based services that support the employment of persons with disabilities while simultaneously creating a greater need for those services

Many in the disability community rely on local vocational supports provided through an industry of community rehabilitation programs (CRPs). As of the last count, there were approximately 5,000 nonprofit CRPs throughout the country.⁵ These organizations provide a variety of services depending on the service needs of the persons with disabilities in their communities, their individual missions, and the economic opportunities afforded in their local markets. Established in earnest following the de-institutionalization movement of the 1960s, the industry of CRPs has served in a complementary role to the state Vocational Rehabilitation system administered by the Rehabilitation Services Administration under the U.S. Department of Education. Together, CRPs and state Vocational Rehabilitation provide a broad base of services, increasing the capacity that either can provide independently, while also affording employment opportunities for human services professionals.

The operating models of many CRPs have been challenged by changing social sentiment on inclusive employment and service delivery models, impacting the availability of state and federal funding. There has also been an opinion expressed that CRPs offering services under a medicalized model of disability should not also serve as an employer for their beneficiaries, based on a belief that the goals of each are in conflict and do not promote full integration for persons with disabilities in society.

Modern policy frameworks have built on this line of thinking and have created regulatory requirements that fundamentally challenge the sustainability of CRPs, especially those in smaller markets where their services are arguably even more critical.

With the onset of the pandemic and a potential service-sector recession, the longevity of CRPs and the service models they offer may be at greater risk. Despite a recognition as critical businesses serving their communities by states issuing shelter in place orders, some CRPs have discontinued rehabilitation and employment services support groups of individuals with disabilities in a single location.^{6,7,8} This is both in recognition of the need to follow

⁴ Kanady, S., Missimer, K. & Muncie, M. (2020). An inclusive future of work: a systems approach. SourceAmerica. Retrieved from: <http://sourceamerica.org/future-of-work/systems-approach>

⁵ Haines, K., Domin, D., & Butterworth, J. (2013). The 2010-2011 National Survey of Community Rehabilitation Providers: Estimating the Number of Community Rehabilitation Providers in the United States. Institute for Community Inclusion. Research to Practice Brief Issue No. 54. Retrieved from: https://www.communityinclusion.org/article.php?article_id=354

⁶ New York State Government. (2020). Guidance for determining whether a business enterprise is subject to a workforce reduction under recent executive orders. Retrieved from: <https://esd.ny.gov/guidance-executive-order-2026>

⁷ Washington State Coronavirus Response (COVID-19). (2020). What's open and closed: essential businesses. Retrieved from: <https://coronavirus.wa.gov/whats-open-and-closed/essential-business>

⁸ Megan, K. (2020). During COVID-19, disabled adults lack services and supports. The Connecticut Mirror. Retrieved from: <https://ctmirror.org/2020/04/01/during-covid-19-disabled-adults-lack-services-and-supports/>

social distancing guidelines, but also because many individuals served by CRPs may have underlying health conditions, increasing their vulnerability to COVID-19.

In the short-term, persons with disabilities who rely on CRPs for self-care and employment supports may have reduced or a total loss of services. There is also an economic impact on CRPs because a disruption to services means an inability to receive funding. The long-term effects could be the continued erosion of local services as some CRPs may not endure a recession because they are a component of local service economies. This could increase job losses for persons with disabilities, human services professionals and place further strain on caregivers. Additionally, mounting concerns about exposure for individuals with underlying health conditions in close proximity may factor into continued pressure for holistic changes to service delivery and employment models. As we reflect on the potential outcomes of the pandemic for CRPs, we should learn from the unintended consequences of the de-institutionalization movement. Among other concerns, the closure of CRPs will significantly compound job losses for persons with disabilities and may exacerbate trends in their total detachment from the labor market.

2. Government interventions to help displaced workers with disabilities, or those in a state of poverty, are inadequate

As an initial intervention, the Coronavirus Aid, Relief, and Economic Security Act (CARES) Act offers short-term economic relief for displaced workers but fails to address the variety of challenges likely to impact the disability community. This includes the reality that many persons with disabilities are unlikely to receive economic impact rebate checks and the additional stress placed on caregivers by discounting adults with disabilities as eligible dependents. Though both situations are not wholly unique to the disability community, they are compounding factors when considering historical cycles of displacement following crises and capacity limitations on CRPs as a result of the pandemic.

Despite a correction in the guidance of who is eligible for economic impact payments, which now includes those on Social Security and Supplemental Security Income (SSI), the CARES Act fails to provide automatic economic relief for up to 1.6 million persons with disabilities. Approximately 26 percent of persons with disabilities 18-64, or 5.3 million individuals, have an annual income less than \$15,000.^{9,10} Of the 5.3 million individuals, approximately 3.7 million receive SSI.¹¹ The remaining 1.6 million individuals fall within an income range that does not require tax filings, which means they will have to take an additional action to receive the impact payment. This situation applies to those with a gross annual income below \$12,200; the exact number of persons with disabilities in that situation is not readily available. The requirement for additional action on the part of individuals with low income raises practical concerns with how effectively this information will be broadcast, individual capacity to complete the required forms especially if they have never been required to do so in the past or have limited experience with technology, and the ability of federal systems to process this information and issue payments to those who may need it the most.

A more straightforward, but no less concerning issue with the CARES Act is the failure to recognize the eligibility of adults with disabilities as qualifying dependents. In addition to the scaled economic impact payments available to individuals or joint filers, the CARES act provides an additional \$500 per dependent under 17 years old. This omits adults with disabilities who are supported by caregivers and have or will face a variety of barriers to personal

⁹ Goodman, N., O'Day, B., & Morris, M. (2017). Financial capabilities of adults with disabilities. National Disability Institute & FINRA Investor Education Foundation. Retrieved from: <https://www.nationaldisabilityinstitute.org/wp-content/uploads/2019/01/ndi-finra-report-2017.pdf>

¹⁰ Erickson, W., Lee, C., von Schrader, S. (2017). Disability Statistics from the American Community Survey (ACS). Ithaca, NY: Cornell University Yang-Tan Institute (YTI). Retrieved from Cornell University Disability Statistics website: www.disabilitystatistics.org

¹¹ Ibid.

independence.¹² Potentially, as many as 11.9 million may not qualify for an additional \$500 payment for their caregiver(s).¹³

While this may not seem like a significant hardship to some, the real issue is the existing infrastructure that fails to recognize the challenge caregivers and persons with disabilities jointly face during times of economic crisis. In this wholly new scenario of a global pandemic, much consideration is being given to the impact on families and the impact of school system closures. There are parallels that should be recognized for persons with disabilities who have lost access to critical supports or have faced long-term barriers to employment. In both situations, the limitations on who will qualify for economic impact payments and those recognized as qualifying dependents, the well-intended actions of the government fail to adequately address the realities of the disability community.

3. Individual responses to near-term interventions could have negative, long-term consequences

Another important aspect of the CARES Act is the enhancement of unemployment insurance (UI) coverage for displaced workers. In addition to standard unemployment payments, averaging \$387 per week, the CARES Act established the Federal Pandemic Unemployment Compensation (FPUC) program for qualifying individuals.¹⁴ The FPUC provides an additional \$600 per week for unemployment claims ending on or before July 31, 2020.

While standard UI benefits in most states provide 26 weeks of coverage, with some provisions to extend based on current economic circumstances, the FPUC program allows up to 13 weeks of additional coverage.¹⁵

Combined, the average UI payment and the increase allotted under FPUC creates a scenario where persons on unemployment stand to make more than workers in low-wage jobs.¹⁶ Because basic UI benefits replace up to half of an individual's average earnings, someone making at or below \$15 per hour prior to going on unemployment will receive more per week than if they remained employed (disregarding benefits and other considerations). While there are many positive effects intended by this intervention, the generosity of the FPUC program may encourage persons to leave their employment situation to take advantage of a higher relative income in the near term resulting in long-term consequences.

When put into context, approximately 57 percent of persons with disabilities 18-64 have annual incomes below \$35,000.¹⁷ This means up to 11.6 million persons could stand to earn more per week through UI and the FPUC program if their average earnings while employed were less than \$16.82 per hour, a rate more than double the

¹² Parrott, S., Stone, C., Huang, C., Leachman, M., Bailey, P., Aron-Dine, A., Dean, S., & Pavetti, L. (2020). CARES Act includes essential measures to respond to public health, economic crises, but more will be needed. Center on Budget and Policy Priorities. Retrieved from: <https://www.cbpp.org/research/economy/cares-act-includes-essential-measures-to-respond-to-public-health-economic-crises>

¹³ Ibid. Note: Calculated by subtracting the number of people employed and number of people not working but actively looking for work from the total number of persons with disabilities 18-64 to establish an estimate.

¹⁴ The Center for Budget and Policy Priorities. (2020). Policy basics: Unemployment Insurance – The federal-state unemployment insurance (UI) system helps people who have lost their jobs and are eligible for benefits by temporarily replacing part of their wages. Retrieved from: <https://www.cbpp.org/research/economy/policy-basics-unemployment-insurance>

¹⁵ United States Department of Labor. (2020). News release: U.S. Department of Labor announces new CARES Act guidance on unemployment insurance for states in response to COVID-19 crisis. Retrieved from: <https://www.dol.gov/newsroom/releases/eta/eta20200402-0>

¹⁶ Anderson, P.M., & Levine, P. (2020). The unemployed and essential low-wage workers after the CARES Act. ECONOfact. Retrieved from: <https://econofact.org/the-unemployed-and-essential-low-wage-workers-after-the-cares-act>

¹⁷ Goodman, N., O'Day, B., & Morris, M. (2017). Financial capabilities of adults with disabilities. National Disability Institute & FINRA Investor Education Foundation. Retrieved from: <https://www.nationaldisabilityinstitute.org/wp-content/uploads/2019/01/ndi-finra-report-2017.pdf>

Federal minimum wage. It is also possible that low-wage service jobs will be most adversely affected by the COVID-19 recession, creating a scarcity of opportunities and increased competition amongst workers.

Based on the historic employment trends following economic crises, persons with disabilities will not fare any better if another recession takes place. Persons with disabilities routinely face barriers due to lower levels of educational attainment, higher degrees of poverty, an association with jobs that are routine and low-skilled, and social identity-based discrimination.¹⁸ Also, a recession is likely to accelerate the adoption of automation by companies as they face pressure to remain profitable.¹⁹ Arguably, automation may create as many new types of jobs as it replaces, but competition for those jobs and the access to upskilling programs are likely to create additional barriers for many persons with disabilities. Therefore, those who elect to leave employment now are highly unlikely to find a new job following the discontinuance of the FPUC program and, potentially, for an extended period if the U.S. economy enters a deep recession.

4. Ableism in modern society may continue to widen gaps between groups

The underlying factor influencing the employment levels of persons with disabilities, the higher level of impact they experience during economic crises, and the consideration they receive through government interventions reflects pervasive ableism. Society often fails to assign the same level of value to persons with disabilities as the nondisabled majority. This is an unfortunate reality that manifests in many ways, often through unintentional actions or a general lack of consideration for the lived experience of diverse groups who face barriers to economic and social inclusion.

Most concerning is the way ableism is appearing in response to the pandemic. Beyond the possibility that 1.6 million persons with disabilities may not receive economic impact payments, or the effect of discounting adults with disabilities eligibility as qualifying dependents to increase the financial relief for their caregivers; there are life and death decisions being made about who has access to priority care as the world grapples with COVID-19.

Though illegal in the United States, there have been examples of medical rationing in other countries that have experienced significant outbreaks of COVID-19. This practice entails prioritizing care and resources for persons that are assumed to benefit more from treatment rather than individuals with pre-existing health conditions, such as the impacts of a diverse range of disabilities. As health care systems worldwide have been overwhelmed by the magnitude of the pandemic, it would be unreasonable to believe the provision of care and related supplies would accommodate the needs of all. However, as a society we must ensure that our inherent biases, to include ableism, do not become a discriminating factor in the provision of care. The same psychology that underpins medical rationing contributes to other forms of structural violence experienced by persons with disabilities, including a lack of consideration in labor and economic policies meant to benefit the majority of citizens.

If a recession occurs, and the potential consequences identified become reality, there could be a significant increase in the level of poverty experienced by the disability community and a corresponding reliance on federal benefits programs. These outcomes have historically contributed to the stigma and discrimination associated with persons with disabilities and contribute to a vicious cycle of social and economic exclusion. Recovery from a recession is measured in years. It took 10 years of economic expansion and an unprecedented level of unemployment for broad recognition among employers of the virtues of hiring persons with disabilities.²⁰ Much of that progress is in serious jeopardy as a result of COVID-19.

¹⁸ Kanady, S. (2018). The future of work and the disability community. SourceAmerica. Retrieved from: http://sourceamerica.org/sites/default/files/report/files/2018_socialenterprisefuture_report_final_hires_ada_1.pdf

¹⁹ Muro, M., Maxim, R., & Whiton, J. (2020). The robots are ready as the COVID-19 recession spreads. The Brookings Institution. Retrieved from: <https://www.brookings.edu/blog/the-avenue/2020/03/24/the-robots-are-ready-as-the-covid-19-recession-spreads/>

²⁰ Kanady, S. & Maiden, B. (2019). It's always the right time to hire a person with a disability. Medium. Retrieved from: <https://medium.com/@shanekanadywfd/its-always-the-right-time-to-hire-a-person-with-a-disability-4d50c7a0b5d7>

Conclusion

Economic experts are warning of the onset of a global recession.^{21,22,23} There will be changes to how persons engage each other, their level of comfort with returning to old routines and the ramifications this could have for a variety of industries and public institutions. There will be immediate job losses reported frequently through media outlets and some groups will feel the impact more severely. There may even be brief periods of recovery that are dampened by additional waves of outbreaks as medical interventions are deployed. The full magnitude will not be understood for several years as we reflect on levels sustained increases to unemployment, the fluctuations in financial markets, and impact on poverty worldwide.

The discussion on the future of work is being reshaped as we are pushed into mandatory telework, increased reliance on technology and a greater understanding of the fragility of traditional service-sector jobs. There is reason to be concerned about the long-term impacts that will be felt by the disability community. If we do not adopt a more inclusive perspective on the labor market and recognize the inherent value and contributions of the community, any progress achieved during the intervening ten years is likely to be lost. We can hope that there will be positive consequences in response to the chaos and tragedy of the current situation – but they will not take place without purposeful action by policymakers to swiftly address the unique issues facing the disability community.

²¹ World Trade Organization. (2020). Trade set to plunge as COVID-19 pandemic upends global economy. Retrieved from: https://www.wto.org/english/news_e/pres20_e/pr855_e.htm

²² International Monetary Fund. (2020). Confronting the crisis: priorities for the global economy. Retrieved from: <https://www.imf.org/en/News/Articles/2020/04/07/sp040920-SMs2020-Curtain-Raiser>

²³ National Association for Business Economics. (2020). COVID-19 drags U.S. economy into recession: NABE panel expects GDP declines in Q1 and Q2 2020, but upticks in Q3 and Q4. Retrieved from: <https://files.constantcontact.com/668faa28001/765a4afd-4ed3-4ea0-b98b-ae631771042b.pdf>