RESEARCH BRIEF

How has COVID-19 impacted disability employment?

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This research brief is based on a paper by Ari Ne’eman and Nicole Maestas as part of the Disability Inclusive Employment Policy Center.


During COVID-19, people with disabilities disproportionately experienced health consequences associated with COVID-19. However, as a group, people with disabilities saw significant gains in employment and labor force participation. By mid-2022, the disability employment rate was higher than pre-pandemic recession levels. Potential explanations include greater employer acceptance of telework, tighter labor markets and an influx of newly disabled persons with prior labor force attachment.

This contrasts with the experience of people with disabilities in the labor market after previous recessions. For example, after the Great Recession (2007-2009), it took over a decade for the disability employment rate to recover to pre-recession levels.

To investigate the impact of COVID-19 on disability employment, Ari Ne’eman and Nicole Maestas examined employment trends for people with and without disabilities over the course of the pandemic and during the economic recovery that followed using data from the Current Population Survey. To further unpack the issue, the authors examined these trends

KEY FINDINGS

- The employment rate for people with disabilities recovered more quickly than for people without disabilities after the COVID-19 recession.
- By Quarter 2 of 2022, the labor force participation and employment rates of people with disabilities were nearly 4 percentage points higher in than they were prior to the pandemic while they remained below pre-COVID levels for people without disabilities.
- Employment growth for people with disabilities was concentrated in teleworkable, essential, and non-frontline occupations.

DISABILITY INCLUSIVE EMPLOYMENT POLICY REHABILITATION RESEARCH AND TRAINING CENTER (DIEP RRTC)

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They found that this employment growth was heavily concentrated in teleworkable, essential, and non-frontline occupations (which are overlapping categories), with the strongest gains in teleworkable occupations.

To fully understand their findings, we need to define a few terms.

The **labor force participation rate** is calculated as the percentage of the working-age population (defined as ages 18-64 in this study) who is either working or actively seeking work.

The **employment rate or employment-to-population ratio** is the percentage of the population who are currently employed. In this study, Ne’eman and Maestas focus on the “employed-at-work” percentage because, during the pandemic a large number of people were “employed” but not earning a wage because they were waiting to be called back to work.

The **unemployment rate** is the percentage of people in the labor force who are not working and actively looking for work. The unemployment rate is affected by (1) the number of people who are not employed and looking for jobs and (2) the labor force participation rate.

**After sharp declines in employment at the beginning of the pandemic, the employment rate for people with disabilities recovered faster than for those without disabilities.**

The initial phase of the COVID-19 pandemic in Quarter 2, 2020 led to sharp declines in the percentage of persons employed-at-work for both people with and without disabilities. The employment rates for people with and without disabilities recovered at the same pace throughout the second half of 2020, but then disability employment took off at a much faster pace. As the economy began to recover, the employment rate for people with disabilities reached its pre-pandemic level in Quarter 2, 2021 while the employment rate for people without disabilities did not approach its pre-pandemic levels until Quarter 4, 2021.

**By Quarter 2, 2022, the employment rate of people with disabilities was higher than pre-pandemic levels while the employment rate of people without disabilities had not quite fully recovered.**

By Quarter 2, 2022, two years from the start of the COVID-19 recession, the employment rate of people with disabilities had increased by 10 percent from its pre-pandemic level measured in Quarter 1, 2019 (from 29.2% to 32.8%). For perspective, the employment rate of people without disabilities remained slightly lower than the pre-pandemic levels (74.5% compared with 74.0%).

**Employment growth for people with disabilities, throughout the entirety of the pandemic, was concentrated in non-frontline occupations and jobs conducive to telework.**

From Quarter 2, 2021 through Quarter 2, 2022, people with disabilities experienced much faster employment growth in teleworkable occupations compared to people without disabilities. In fact, the employment of people with disabilities in teleworkable occupations outpaced that of nondisabled people by about 18.6 percent over that period. However, in non-teleworkable occupations, the faster employment growth for people with disabilities began much later, only showing up in Quarter 2, 2022 with a 7.4 percent faster growth rate for people with disabilities. People with and without disabilities experienced similar employment outcomes in non-frontline occupations through Quarter 3, 2021. Over the course of the first half of 2022, people with disabilities saw faster employment growth in non-frontline occupations, leading to a 16.9 faster growth rate by Quarter 2, 2022. These occupational categories overlap – for example, many teleworkable occupations are also non-frontline occupations.

**Through the end of 2021 and beginning of 2022, differential employment growth that disabled people experienced was concentrated in essential jobs.**

From the beginning of the pandemic through Quarter 3, 2021, there was no significant difference in the employment trends in essential jobs for people with disabilities and people without disabilities. Beginning in Quarter 4, 2021, however, people with disabilities...
experienced faster growth in essential employment compared to people without disabilities. This trend continued through Quarter 2, 2022. In fact, the growth in essential employment for people with disabilities exceeded that for people without disabilities by approximately 14.1 percent from Quarter 1, 2019 to Quarter 2, 2022.

The increased employment rate is a result of more people with disabilities participating in the labor market.

The employment rate is calculated as the number of people who are employed as a percent of the total population. As a result, the rate is affected by labor force participation (the number of people in the labor market) and the unemployment rate (among those in the labor market, how many are not currently employed).

The Ne’eman and Maestas paper found that the increased employment rate of people with disabilities since pre-pandemic levels was driven by increased labor force participation among people with disabilities rather than decreased unemployment. This is important because it may indicate that people with disabilities, rather than being discouraged about the possibility of finding an appropriate job, believe that, in the post-pandemic economy, job opportunities exist.

It is important to note that the number of people in the Current Population Survey (CPS) reporting a disability increased over the course of the pandemic. This may be the result of an increased incidence of disability caused by long COVID or delayed medical care, or it may indicate that people with mild conditions were more likely to report their condition as a disability on the survey. Either way, this suggests that the increase in employment might be the result of a change in the composition of the disability population to include a larger portion who are already working or have more social and professional capital and greater attachment to the labor force rather than an actual increase in job opportunities for people with disabilities. However, the fact that the faster pace of disabled employment growth is concentrated in teleworkable occupations suggests that structural changes to the economy as a result of COVID likely also play a role. Future research will help understand what is driving the faster rate of job growth for people with disabilities.

Overall

The population of people with disabilities experienced greater employment gains as the economy recovered following the COVID-19 recession compared to nondisabled people. At the tail end of 2021 and during the first half of 2022, employment growth for people with disabilities outpaced that of people without disabilities. The rapid growth for disability employment was concentrated in occupations that were essential, non-frontline and teleworkable.
If this trend is sustained, it suggests the possibility of returning to the pre-COVID-19 steady increases in disability employment. It may also indicate that the shift towards remote work may present opportunities for a long-awaited improvement in disability employment outcomes post-COVID-19.

**Recommendations for Policy and/or Practice**

With the increased awareness, familiarity and understanding of remote environments for work, employees with disabilities may be able to reap the benefits of telework more effectively than before the pandemic. Although it has long been considered a reasonable accommodation under disability law, the pandemic has created an awareness of technology that make remote environments feasible. Individual workplaces must carry these learnings beyond the pandemic. Disabled people ought to carry on these trends to ensure their increased participation in the labor force is long-term. Both parties, along with policymakers and other stakeholders, must seek and create ways to continue enhancing inclusion of people with disabilities in the American workforce. Through additional policy guidance and monitoring of employer behavior, the Equal Employment Opportunity Commission (EEOC) could encourage employer support of telework as a reasonable accommodation for individuals with long COVID and others with disabilities.

**Data and Methods**

This brief is based on a peer reviewed study *How has COVID-19 impacted disability employment?* by Ari Ne’eman and Nicole Maestas published in 2022 in *Disability and Health Journal*. The authors analyzed data from the Current Population Survey from Q1 2019 to Q2 2022. The survey identifies disability based on six questions.

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