Remote Work and Employment among People with Disabilities

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Introduction¹

People with disabilities have a remarkably low employment rate compared to the rest of the population. In the United States, the country analyzed in this study, only 32 percent of individuals with a disability were employed at the end of 2019, while the corresponding figure for those without a disability was 77 percent. This employment gap has existed for decades and is not unique to the United States. In Sweden, the employment gap exceeds 30 percentage points. This is particularly problematic since the group of people with disabilities aged 18–64 constitutes a large share of the population.

A possible explanation is that people with disabilities can work but are not provided the accommodations and support that make it possible. The COVID-19 pandemic offered a unique opportunity to test this hypothesis.

Since the outbreak of the pandemic in the spring of 2020, remote work has become significantly more common. This marked a transformative change in the organization and flexibility of work, as many companies expanded the possibilities for working remotely for all their employees. Hence, employers' increased acceptance of remote work unintentionally created new employment opportunities for people with disabilities and advanced the UN's 2030 Agenda goal of making jobs more accessible to everyone.

At the same time as remote work became increasingly common, employment among people with disabilities rose markedly—by around 14 percent—a break in the trend after decades of persistently low levels (see Figure 1). In this report, we examine whether there is a causal link between the possibility of working from home and the increased employment among people with disabilities.

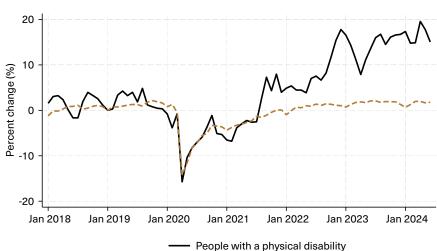


Figure 1. Change in Employment Rate Before and After the Pandemic (Relative to January 2019) for People with a Physical Disability and People with No Disability, United States, 2018–2024.

Note: Current Population Survey (CPS).

--- People with no disability

I. This report is based on Bloom, Dahl, and Rooth (forthcoming), which has been accepted for publication in *American Economic Review: Insight*.

Empirical results

Our empirical analysis is conducted at the occupational level and takes advantage of the fact that remote work varied significantly between occupations before and after COVID. Using U.S. labor market statistics (CPS and ACS) and detailed occupational data, we show that a one-percentage-point increase in the share of workers *without* a disability who work remotely within an occupation leads to roughly a one-percent increase in the number of full-time employed individuals *with* disabilities. Up to 85 percent of the total employment increase can be explained by the rapid expansion of remote work.

Conclusions and policy implications

In summary, our analyses show that remote work offers a concrete tool for improving labor market outcomes for people with disabilities. Commuting and working conditions can be particularly challenging for this group, and remote work has made working life easier for people with disabilities.

Is this finding also relevant for Sweden? It appears so. The group of individuals with a disability that limits their ability to work amounts to over 500,000 people of working age, and the employment rate in this group is low and has remained so for a long time. This group also reports that the measures which would help them perform a job are clearly linked to the possibility of working remotely, such as flexible working hours, work pace, and/or tasks (Statistics Sweden, 2025).

Our recommendations are:

- I. Encourage public and private employers to continue hybrid work as a tool for workplace flexibility and accessibility.
- The Swedish Work Environment Authority and the Swedish Equality
 Ombudsman (DO) should provide guidance that facilitates remote
 work for people with disabilities (for example, as a reasonable accommodation).
- 3. Ensure that digital infrastructure and tools become accessible and usable for people with various types of disabilities.
- 4. Allow increased flexibility through remote work as employees age, in order to reduce the number who permanently leave working life. Transitions to disability benefits late in life are strongly associated with disability onset.
- 5. Introduce measures that create greater flexibility in work organization within occupations that currently do not allow for remote work. This is particularly important given the current labor shortages in health and social care, where people with disabilities could represent an important addition to the workforce.

Finally, before the pandemic, few believed that remote work would become an accommodation measure used on a large scale. For Sweden and other countries that wish to improve labor market inclusion for people with disabilities, this may represent an important piece of the puzzle. However, it is also essential to find additional ways of organizing work that make work-

places more flexibly designed and accessible for all. In this regard, both the Swedish Work Environment Authority and the Swedish Equality Ombudsman have important roles to play.

References

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