

Javits-Wagner-O'Day Act (JWOD)

Enacted in 1938, the Wagner-O'Day Act sought to create employment opportunities for people who are blind by using the vast purchasing power of the federal government. In 1971, under the stewardship of the late Senator Jacob Javits, the employment program was expanded to include people with severe disabilities. That expanded program – called AbilityOne – operates today under the Javits-Wagner-O'Day Act (JWOD).

The AbilityOne program is the largest provider of employment opportunities for those who are either blind or have severe disabilities, employing nearly 45,000 people through more than 600 nonprofit agencies, including Goodwill.

The Problem: Despite advances made since the passage of the Americans with Disabilities Act (ADA), employment of people with severe disabilities has declined over the past decade. Today, 60 to 70 percent of people with disabilities are unemployed. There are not enough employment opportunities for people with severe disabilities and no incentives for employers to hire these workers. While the federal government has enormous purchasing power, studies estimate that less than one-half percent of all procurement dollars go toward contracts that create jobs for workers with severe disabilities.

JWOD and Goodwill Industries: Goodwill Industries provides a broad range of commercial business services to government agencies, such as custodial work, food service, landscaping, manufacturing and document management and destruction. Seventy-eight Goodwill agencies collectively employ more than 7,000 workers to fulfill more than 300 AbilityOne (JWOD) contracts, while offering their AbilityOne workers job coaching and additional skills training. The Goodwill approach creates an important safety net when people with severe disabilities first enter the workforce or job placements at other companies are unsuccessful.

Workers in Goodwill AbilityOne contracts develop skills to increase their independence and become taxpaying citizens with real, meaningful employment. The average wage for Goodwill workers on these contracts is \$9.03 per hour, in addition to health and welfare benefits.

The Solution: Goodwill Industries shares the concerns of policy makers about the abysmal employment rate of people with disabilities, and believes that the AbilityOne program can help alleviate the problem of chronic unemployment for people with severe disabilities. *Any Congressional action should expand employment opportunities for people with severe disabilities and provide incentives for employers to hire these workers.*

Goodwill recommends that Congress amend the JWOD Act to:

- **Increase employment and choice of employment settings within the JWOD program.** Workers should have the ability to choose continued employment in the AbilityOne program or to choose another employment program.
- **Promote, encourage, and develop procurement opportunities through which more jobs are created.** The JWOD Act requires that certain goods and services be set aside for purchase exclusively from AbilityOne program agencies. Unfortunately, contracts are not honored by all federal agencies. Congress should consider ways to strengthen the ability of the Committee for Purchase, which oversees the program, to address non-compliance by federal agencies.
- **Ensure compliance and integrity within the program.** Legislation should clarify that the primary customer is the individual with disability and the Committee for Purchase should ensure compliance with such policies.

About Goodwill: Founded in Boston in 1902, Goodwill Industries trains people for careers in fields such as financial services, computer programming and health care. To pay for its programs, Goodwill sells donated clothes and other household items in more than 2,000 retail stores, and online at www.shopgoodwill.com. The organization also builds revenues, and creates jobs, by contracting with businesses and government to provide a wide range of commercial services. In 2007, Goodwill Industries International reported \$3.2 (b) billion in revenues, and channels 83 percent of its revenues directly into its programs. Last year, more than 1.1 million people benefited from Goodwill's career services.

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