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# City's meager funding for human services workforce makes hiring challenges 'bigger and bigger,' advocate says

Budget cuts to New York City's social services agencies and insufficient investments in the nonprofit workforce could deteriorate an already-strained welfare system, eroding health and economic support for vulnerable New Yorkers, advocates say.

The city's **\$107 billion** finalized budget included \$2.5 billion in new spending, and the City Council said it restored many of the cuts that Mayor Eric Adams included in his budget proposal released back in April. But compared to last year's budget, the 2024 plan included significant cuts to social services agencies totaling more than \$860 million, according to a report released late last week by the Federation of Protestant Welfare Agencies, an advocacy group based in the Financial District.

Notably, the Department of Health and Mental Hygiene received \$757 million less than it did during the last fiscal year—an approximately 26% cut. The health department will receive \$2.2 billion in the city budget in the coming fiscal year.

Other agencies that received cuts include the Department for Small Business Services, the Department for the Aging and the Department of Social Services, among others. The Department of Youth and Community Development and the Department for Homeless Services both received an increased allocation from the 2023 fiscal year, the report said.

Jennifer Jones Austin, CEO and executive director of FPWA, said that the social services cuts will hit low-income New Yorkers the hardest.

"When we have to 'balance the budget,' and we do it by taking services and funding away from those who would benefit most from them, we actually exacerbate the problems rather than minimizing them," Jones Austin said.

In addition to cuts to city agencies, the 2024 budget also included less funding for contracted human services workers than advocates hoped for—leaving community-based organizations in a tough place to provide competitive compensation for workers, Jones Austin added.

The city budget allocated a total of \$100 million to enhance wages of around 125,000 contracted human services workers in the 2024 fiscal year, adding \$40 million to the baseline of \$60 million. The fiscal plan also added \$50 million in the following year—bringing the total for human service worker wages to \$150 million by 2025.

The final allocation to human services workers in the city budget was far less than the [6.5% cost-of-living adjustment](#) that advocates called for leading up to the budget vote. Compared to wage increases in the city's agreements with municipal workers represented by the Federation of Teachers, District Council 37 and the New York Police Department—all of which received billions in funding—funding for human service workers was minimal, the report said.

Jones Austin said that the funding allocated to the human services workers could result in a \$600 annual increase on average, including the funding that will start in 2025.

Advocates say that these wage increases are often not enough to recruit and retain workers. Kathryn Haslanger, CEO of the Jewish Association Serving the Aging, an organization that provides social services to older New Yorkers, said that it has been increasingly difficult to fill vacancies at the organization because of compensation.

“With salaries at this level and with increases this modest, the challenge of recruiting and hanging on to people who can do this hard work just gets bigger and bigger,” Haslanger told Crain's. As workers leave human services jobs, the burden falls on remaining employees to pick up the slack—and ultimately, creates gaps in services to the community, she said.

Haslanger said that after last year's allocation of \$60 million for human services workers, JASA received a portion of the funding that allowed it to provide raises of around 2% to staff. With this year's \$40 million budget allocation, that bump will likely be less than that, she said.

A representative from City Hall did not respond to a request for comment as of publication time.

—Amanda D'Ambrosio

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