

DISABILITY AND EMPLOYMENT

POLICY PAPER



OVERVIEW

“ In Ireland, a person with a disability is just over half as likely to be employed as a non-disabled peer² ”

People with disabilities are significantly under-represented in Ireland’s workforce. Despite legislation on equality in the workplace, people with disabilities do not experience the same access to employment opportunities as their counterparts without disabilities for various reasons.

Despite the period of sustained economic growth in Ireland over the last decade which saw unemployment rates fall to circa 5%, outcomes for people with disabilities have been slow to change. While the employment rates vary across countries, across the world a person with a disability is less likely to be employed than one without a disability¹. In Ireland, a person with a disability is just over half as likely to be employed as a non-disabled peer², with 36.5% of people (aged 15-64) with a disability at work, compared to 72.8% of people without a disability³. Furthermore, Ireland’s rate of employment amongst people with disabilities, was half the European average⁴ and the gap between the employment rate of people with and without disabilities was also the second widest in the EU.

For many people with disabilities, finding and sustaining work is a challenge, starting from the guidance received during education about subjects and careers, through to the availability of opportunities. Furthermore, about 70% of working-age people with a disability or chronic illness have acquired that disability during their lifetime.

¹ Heymann, Stein, & de Elvira Moreno, 2014, p.4

² CSO, 2016

³ <http://nda.ie/Resources/Factsheets/NDA-Factsheet-2-Employment/NDA-Factsheet-2-Employment-Briefing-Information1.pdf>

⁴ 2017 European Commission Country Report

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The UN Convention on the Rights of People with Disabilities looks at disability from a social model perspective as opposed to the outdated medical model. The social model of disability believes that it is societal, attitudinal and structural barriers which make the individual disabled as opposed to a medical condition. This model requires society to look at itself and how it creates accessible and equitable employment for all, through structures and attitudes.

There are substantial costs to individuals and to society associated with the under-representation in employment of people with disabilities. Employment is positive for health, for income, for social status and for relationships. It is integral to the social inclusion and economic welfare of people with disabilities. The European Disability Forum's Human Rights Report (4th edition) ranked Ireland fifth worst (of the 28 Member States examined) when it came to the increase in the risk of poverty and social exclusion where 38% of disabled people were at risk of poverty or social inclusion.

Employment is a core tenet of independent living, a central part of most adults lives and for many people a key part of their identity. As such the lack of employment is excluding many people with disabilities from being part of this fundamental opportunity and from being part of a wider community. It is essential we examine the focus and direction of expenditure of public funds in this area to identify where the priorities are and whether changes in approach could yield better economic and societal outcomes for individuals, employers and wider society.

1. Number of people with disability in Ireland

643,131 people self-reported having at least one disability in the 2016 Census. That is 13.5% of the population and is across all age groups, including those younger and older than working age.

This means that more than one in every seven people in Ireland has a disability. This was a small increase on the 2011 Census where 13% of the population self-identified as having a disability.

Table 1: Number of people reporting disability and frequency of disability type

Disability Type	Number of people reporting disability per 2016 census	Frequency of disability type among reports*
Total persons with a disability	643,131	N/A
Other disability, including chronic illness	296,783	46.1%
A condition that substantially limits one or more basic physical activities	262,818	40.9%
Difficulty in participating in other activities	229,397	35.7%
Difficulty in working or attending school/college	210,639	32.8%
Difficulty in going outside home alone	184,945	28.8%
Difficulty in learning, remembering or concentrating	156,968	24.4%
Difficulty in dressing, bathing or getting around inside the home	140,366	21.8%
Psychological or emotional condition	123,515	19.2%
Deafness or a serious hearing impairment	103,676	16.1%
An intellectual disability	66,611	10.4%
Blindness or a serious vision impairment	54,810	8.5%

*Will not sum to 100% given possibility of reporting more than one disability per person

Most commonly reported disability was ‘other’, including chronic illness’ followed by ‘A condition that substantially limits one or more basic physical activities’. However, if we just look at people aged 20-64 (approximately of working age), there are 331,145 with a disability - 11.8% of that age group has a disability.

2. Barriers to employment for people with disabilities and employers

Research finds a range of barriers or obstacles to employment experienced by individuals with disabilities and potential employers. Some of the typical cited include:

For a person with a disability

- Loss of medical card
- Cost of assistive technology can make it prohibitive for individuals to take up employment. While Make Work Pay committed to review the access to or affordability of necessary aids, appliances and assistive technology required it is not apparent whether this has occurred and what if any adjustments will be made.

- Prohibitive rules on retention of benefits versus the number of working hours - this can lead to the fear of loss of other services making the safer option not to engage.
- Fear of not requalifying for benefit if the job does not work out or the individual circumstances disimprove.
- Worry and self-consciousness of placing a burden on the employer to obtain grant(s).
- Unfair burden placed on individual to ensure the employer is applying for grants.
- Facing stereotypes about people with disabilities which can impact confidence.
- Environmental or attitudinal barriers of others around them.

For a potential employer

- Lack of awareness of disability or perception of what may be involved in reasonable accommodation and concerns over costs.
- Fear of legal liability/making a mistake and ending up down a litigious route.
- Concerns about potential risks of employing a person with a disability.
- Lack of knowledge of the challenges within existing company policies and procedures for people with disabilities to navigate.
- Lack of knowledge how to proceed to proactively attract, recruit and retain a person with a disability.

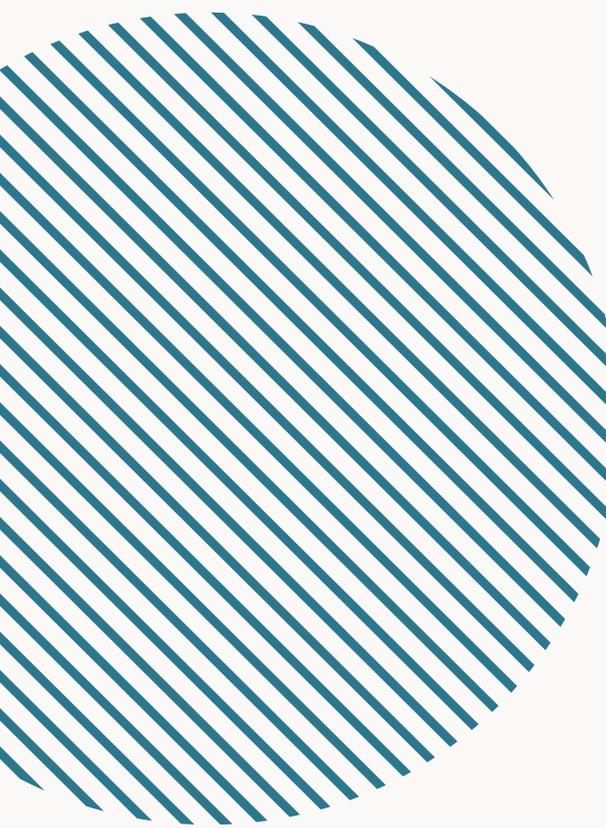
Many grants only provide assistance at a certain stage to individuals such as new recruits instead of existing employees such as those returning to work with reduced productivity levels. Ideally, a number of hours support should be available for any key employee communications or meetings when required or further development and training which can be key to retaining and progressing within a job.

Many employers have also encountered challenges in accessing the current supports provided by the Department of Social Protection and report their lack of relevance for the modern workplace.

Challenges within the grants available include:

- Public sector employers cannot claim these grants which may mean that individuals with disabilities in the public sector are not enabled to work to their full capacity.
- Many grants only provide assistance at a certain stage to individuals such as new recruits instead of continuous in work supports. Ideally, a number of hours support should be available for any key employee communications or meetings when required or further development and training which can be key to retaining and progressing within a job.

- Others such as the Personal Reader Grant funds the recruitment of an individual for work-related reading however, blind and visually impaired people tend to use assistive technology for support.
- All grants have been reported as being administratively burdensome (requiring up to four lengthy soft copy forms per grant), time consuming and resulting in delays of six to eight weeks for individuals and employers alike.
- The Disability Awareness Training Grant is offered to employers who state that they have an employee with a disability and requires an explanation be provided for having the training where there is not an employee with a disability. Not all employees disclose disability and employers should be encouraged to engage in this training irrespective of the current status of employees with disabilities. The application process is time consuming, with initial contact with your Intreo office required to obtain an application form.
- The onus is on the employer to apply for grant support expecting them to employ and pay a person with a disability who is unable to take up the offered work until their supports are in place which can take a number of weeks. Particularly for SME's this is a prohibitive approach.
- The person with the disability has to apply for the same supports each time they change job, even if their needs have not changed. While the terms and conditions of the Workplace Equipment and Adaptation Grant state that the person with a disability retains ownership of the equipment, it can be problematic if the assistive technology has been incorporated into the premises or standard equipment of the employer.



Such obstacles could limit the likelihood of people with disabilities participating in the open labour market or prevent an employer from engaging an individual with disabilities in the workplace. However, while many of these challenges are real, others are perceptions that could be dispelled through greater awareness raising or sign-posting to supports. Some others will require reform in the policies and practices within government supports and awarding mechanisms or within organisational practices.

3. Income supports vs Employment supports

Many people with disabilities avail of income supports, in part due to the fact that many are not in employment and thus lack an income from work. Supports may also be required for additional costs faced by many people with disabilities such as specific equipment, care, travel, hospital and medical expenses, as well as additional services such as physiotherapy. These supports may be administered through a range of different schemes, grants or allowances.

- In 2019 the state was spending in the range of €11,400-€12,500 per recipient of income supports for those with a disability (see Table 2 for main supports).
- The number of recipients of disability allowance in particular have been consistently increasing since 2012, with spending on the scheme increasing 57% between 2012 and 2019.
- Disability allowance on its own, accounted for 8% of total social welfare expenditure for 2019.

Table 2: Expenditure on disability income supports

Scheme	2019 total spend	2019 number of recipients	Average spend per recipient (incl. payments for qualified adults and children)
Disability Allowance	€1,705,970,000	146,755	€11,625
Invalidity Pension	€728,110,000	58,168	€12,517
Blind Pension	€12,970,000	1,136	€11,417
Total	€2,447,050,000	206,059	N/A

Source: DEASP 'Statistical information on social welfare services' 2019 Annual report

When we examine the employment supports for people with disabilities there is a real difference in the investment levels.

- In 2019, the state spent just 2.4c on these employment supports (see Table 3) for every €1 it spent on direct income supports for people with disabilities (disability allowance, invalidity pension and blind pension).
- This is before considering provision of additional benefits and payments such as GP card, travel card etc.

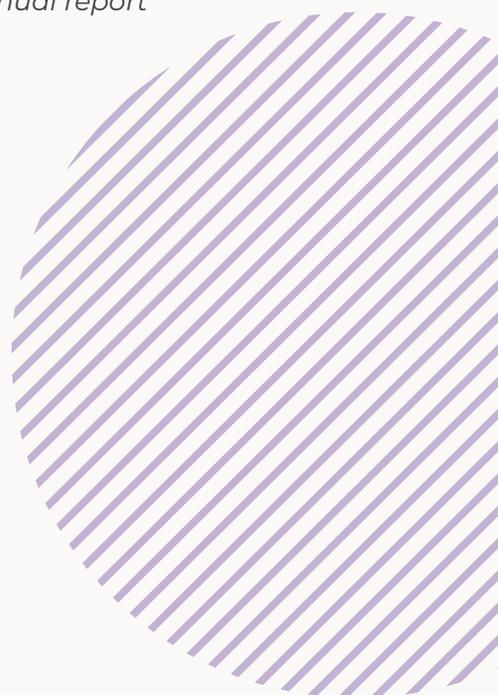


Table 3: Expenditure on employment supports

Scheme	2019 total spend
Wage subsidy scheme	€23,810,000
Partial capacity benefit	€21,110,000
Employability service	€9,100,000
Pre-activation for people with Disabilities	€4,600,000
Disability activation and employment supports	€440,000
Total	€59,060,000

Source: DEASP ‘Statistical information on social welfare services’ 2019 Annual report

Clearly, there is scope to reap significant benefits, both social and fiscal, through expanding employment supports for those with disabilities.

The two cases highlighted illustrate the impact for an individual in receipt of payments moving into employment. In these example cases, which look at disability allowance and the invalidity pension, the hypothetical person with a disability moving into work and off the disability allowance or the invalidity pension would also have a higher weekly income than if they remained on the payments.

Illustrative example 1 – Disability Allowance

Not working

- Oisín meets the means test requirements and is in receipt of disability allowance. As a single person with no dependants, he receives a disability allowance payment of €203 a week or €10,556 annually, which is untaxed.

In work

- Oisín receives employment supports under strand 1 of the wage subsidy scheme and earns the national average salary of €40,283, working 39 hours a week. Due to Oisín’s receipt of partial capacity benefit and full-time hours, his employer receives the maximum wage subsidy of €10,748 annually.
- At this salary, Oisín is above the threshold for any disability allowance payment and also pays €5,753 in income tax, PRSI and USC.
- This results in a net benefit to the state of €5,561:
(Disability allowance saving + Income tax paid)-wage subsidy
(€10,556 + €5,753) -€10,748 = €5,561
- This means that Oisín or his employer could be receiving over €5,000 in additional employment supports e.g. workplace equipment or adaptation grant, and still result in net savings for the state.

In addition, Oisín’s weekly disposable income increases from €203 to €612.

Illustrative example 2 – Invalidity Pension

Not working

- Sam had been working prior to developing a disability and meets the PRSI contribution requirements to receive the invalidity pension. She is single with two full-rate qualifying children over 12 and so receives a weekly payment of €284.50. Her annual payments under the scheme amount to €15,522. She pays no income tax, as her income tax liability is less than her credits and the payment is not liable for PRSI or USC.

In work

- Sam moves from the invalidity pension to the partial capacity benefit payment, for which she is assessed as moderately incapacitated, and starts a new job. She receives a weekly payment of €194.25 under the scheme, including the increase for 2 qualified children over 12. The annual payment in employment supports from the partial capacity benefit payment is €10,101.
- Savings to the state from the transition to partial capacity benefit from invalidity pension is €5,421:
 $€15,522 - €10,101 = €5,421$ meaning over €5,000 in additional employment supports could be made available while still resulting in a net saving for the state.
- From work, Sam now earns the minimum wage of €10.20 and works 20 hours a week. Her net weekly earning is €204. Including her partial capacity benefit payment, her weekly disposable income is now €398.2, an increase of €113.7 over her weekly payment on the invalidity pension.

In addition, in both cases when the hypothetical person moved into work and off income supports, the savings to the State was circa €5,000. This means that these people with disabilities could be given an additional €5,000 in supports in the workplace and the state would still be making marginal savings.

This could have a significant positive outcome for the individual in terms of their economic outcomes, achievement of social inclusion, the psychosocial benefits on mental health and wellbeing; the incidence of poverty and isolation and the overall greater integration into participation in society. The knock-on effects for the economy associated with the reduction of a reliance on supports and easing of the costs of economic dependency as well as the associated outcomes of having individuals gainfully employed including individual tax and spending.

4. Recommendations for action

Far greater investment in evidence-based employment supports is warranted to benefit individuals with disability, the economy and society.

In addition, it would be useful to:

- **Rework and update current grants** e.g.
 - Personal Reader Grants should allow for assistive technology.
 - Disability Awareness Training Scheme should be open to all employers without identifying an employee with a disability or be provided free to all employers through state funded trainers e.g. through state funded projects or not for profit organisations. This would remove the need for an application process.
 - The Wage Subsidy Scheme is outdated and focuses on the medical model of disability. The terminology is off putting to both employers and people with disabilities. It also fails to take into consideration people with disabilities who are capable of working to the same level as non-disabled peers but at reduced hours e.g. time needed to set up personal equipment, meaning an 11am work start instead of 9am etc.
- **Amalgamate all the current disability supports** into one grant that will cover an employee's needs as achieved by the UK's *Access to Work* scheme.
- **Create an online application platform** for all grants and supports, ensuring full accessibility.
- **Remove the onus from the employer to apply for grant support** and empower the jobseeker with a disability to seek work with their supports already in place.
- **Provide €15m to extend personal assistant supports** available for persons with a physical disability who work on certain schemes (e.g. CE schemes) to persons in other forms of employment.
- **Increase the Subsidy Scheme for persons with a disability** from its current level at 55% of the minimum wage to 70% of the minimum wage level and index it to future increases.
- **Remove the threshold of 21.5 hours work per week** required to access the Subsidy Scheme for persons with a disability - this would enable people with disabilities who may work from 5 to 15 hours per week to access part-time employment.
- **Introduce an Access Employment Programme** for people with disabilities. This programme will subsidise a paid work placement with an employer for up to 6 months. It will be applicable to long-term unemployed members of the disabled community who need work experience and to upskill to start or restart their employment journey. This will encourage employers to create opportunities for people with disabilities. The model will be similar to the Work Experience Placement Programme, allowing the jobseeker to retain their full benefits for the duration of the fixed term placement.

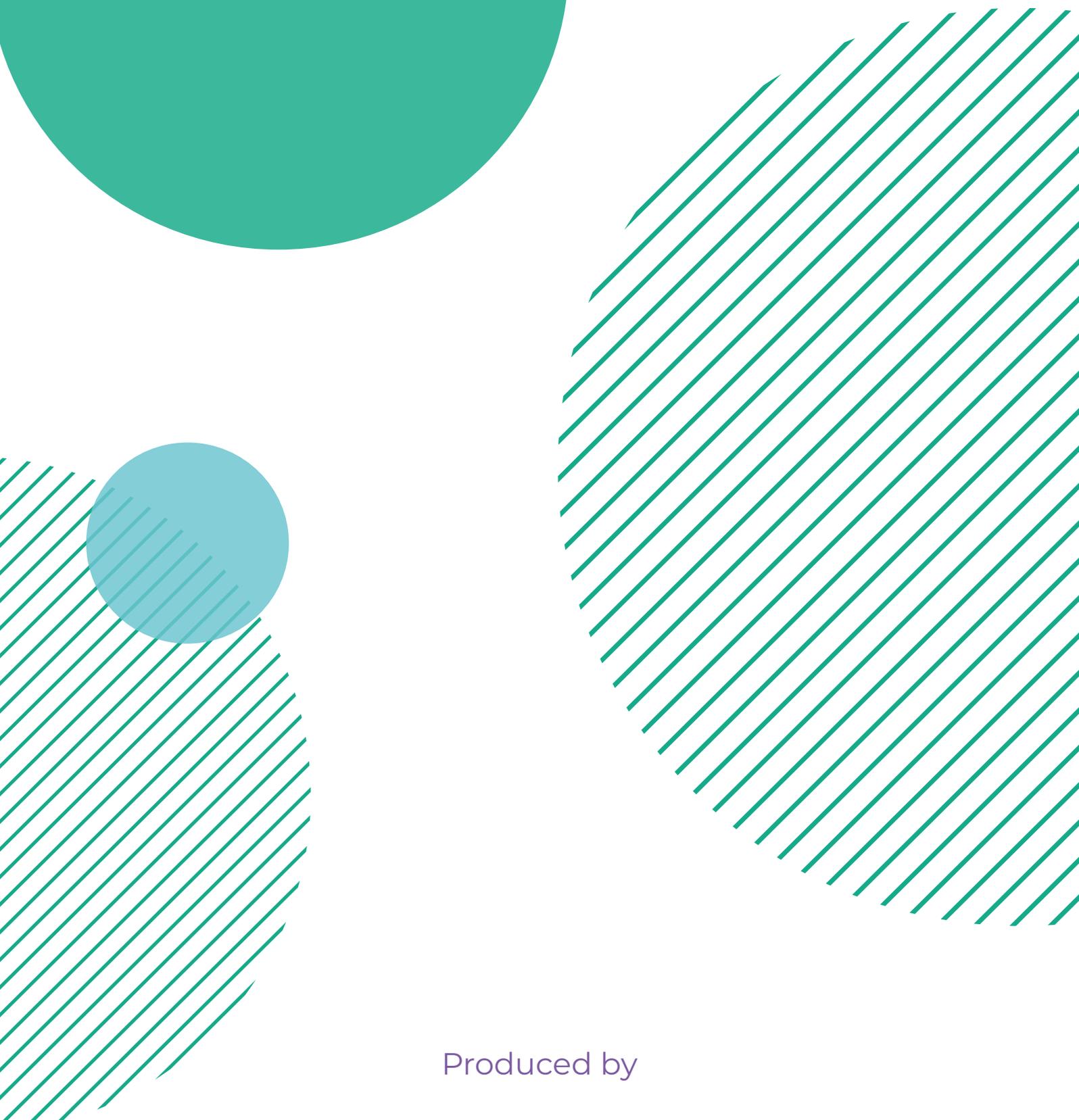
CONCLUSION

Improving employment opportunities for people with disability is a critical element for enhancing the quality of life for individuals, their families and carers, but there are also substantial gains for the broader economy.

Further initiatives by government and business will be necessary to achieve a significant improvement in labour market outcomes for people with disability. More needs to be done to address employer concerns and provide relevant, effective and appropriate programmes to assist people with disability.

To achieve this requires a sea change in attitudes and perceptions around disability and instead of “othering” people, making the necessary changes to ensure we have an equitable society for all. We need to take a collaborative approach across both the public and private sector to ensure that the necessary changes are made and that the essential supports follow the individual.

A whole of government approach will be essential to this as the current siloed approach ensures that issues can fall between the span of different areas and fails members of our existing and potential workforce from fulfilling their potential.



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