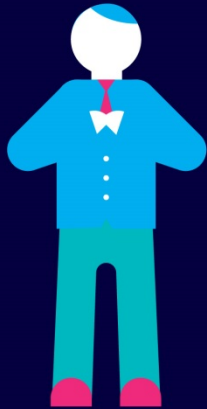


Make Work Pay



Frances Ruane

ISPA, 23 Nov 2017



Format of Presentation

- Policy Context and Key Statistics
- Approach and Methodology
- Guiding Principles
- International and Irish Evidence
- Findings
- Recommendations
- Progress to date

Policy Context

Comprehensive Employment Strategy for People with Disabilities 2015-2024



Six Strategic Priorities



Strategic Priority 3 “Make Work Pay”



Focus is on financial issues facing individuals

Key Statistics for Ireland

- Employment rate of those with disabilities is only half of that of able-bodied people
- About 250,000 people in Ireland are on an illness or disability payment
 - Most are single, or do not claim for dependants
- Over 130,000 on Disability Allowance (DA)
 - Increase of 30,000 in recent years
 - 10 percent of DA recipients work
 - More would work if conditions were right

Composition of the Cross-Departmental* Group

- Independent Chair
- Independent experts – Tony McCashin, Michael Collins, Eithne Fitzgerald
- DEASP personnel – coordination/analysis
- Representatives from D/J&E, D/Health, D/BEI, D/ES, D/PER, D/TTS, D/Housing
- Representatives from CIB, NDA, HSE, Rev Commissioners

DEASP: A Key Owner

Group's Approach and Methodology



Guiding Principles for System

1. Person focused
2. Simple and transparent
3. Fair
4. Promotes early intervention*
5. Cost-effective and efficient

International Evidence

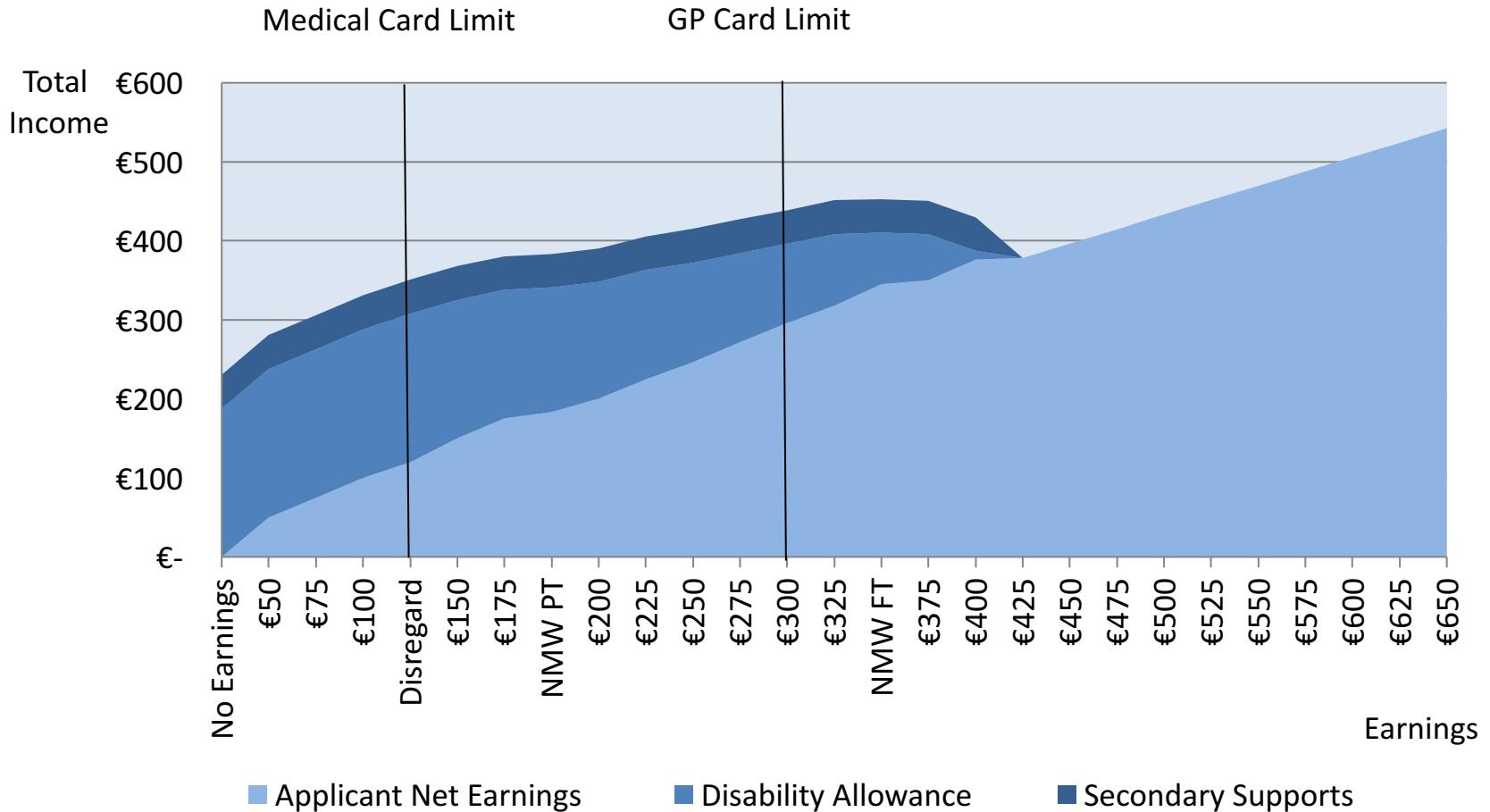
No stand-out approach internationally, but

- Perceived disincentives affect behaviour, whether they are real or not
- Response to better financial incentives is generally positive but small – not enough on their own
- Young, better educated, more recently-employed are most likely to respond to incentives
- Early intervention is critical as those long-term out-of-work rarely take up employment

Irish Evidence – Research and Consultation

- Review of wide range of research sources
- Profiling of Disability Population
 - Identification of Representative Cases**
 - Detailed analysis of real financial decisions faced
- Consultation with stakeholder groups
 - round-table meeting
 - submissions based on questionnaire

Example**: Income Profile and Thresholds for Single DA Recipient with No Dependants



Findings: Ireland's incentives are broadly in line with international norms

- Work for most people with disabilities pays better than being on welfare alone **but**
 - Family income may fall if young people get a job
 - Work is less attractive for people with families
 - Loss of other benefits at low earnings is a problem
- People who combine welfare and work tend to keep weekly earnings at or below level necessary to maintain benefits

Findings: Positive Interest in Work

- Those who have returned to work are very positive about their experience
- One third of DA recipients not currently working express an interest in a job in the right circumstances
- Part-time work likely to be preferred for health and stamina reasons
- Consequently people are likely to stay in welfare system
- **But there are perceived barriers ..**

Key Barriers Identified

- Risk of Losing the Medical Card when earning over €120
- Loss of Transport Supports creates problems
- Current system is complex – hard to calculate whether taking a job is financially worthwhile
- Perception of difficulties in getting back to benefits if job does not work out

Recommendations

- 24 Recommendations under four headings
 - Reconfiguring the system of payments and supports to ensure that work pays
 - Promoting early intervention
 - Communicating effectively that work pays
 - Future proofing
- Specific timelines set for each
- Responsible departments/agencies identified

Reconfiguring the System of Payments and Supports

- Raise substantially the Medical Card earnings disregard for people on DA or PCB
- Allow retention of Free Travel Pass for 3 years
- Review transport supports in relation to work
- Fast-track reinstatement of benefits/medical card if employment does not work out
- Give assurance that inquiring about work will not trigger a review of your disability payment

Promoting Early Intervention

- Apply principle of Early Intervention to all schemes
 - Implement PCB review recommendations
 - Offer Case Officer support to those seeking work
- Reconfigure DA for young people to support preparation for work
 - Raise age for DA to 18, following consultation
 - Explore reform options to focus support for 18-22 year olds on education, training, social inclusion

Communicating that Work Pays

- Set up a basic ready reckoner
- Develop a proactive communication strategy
- Give clear user-friendly information
- Partner with disability organisations
- Get relevant state agencies, service providers to work together through formalising protocols

Future Proofing

- Formally proof all new schemes and reforms to ensure they support the option to work
- Review DA earnings disregards regularly
- At least every five years, review policies on income and other supports from ‘work perspective’
- Strengthen capacity to track and evaluate progress
- Report annually on progress with recommendations and outcomes achieved

Launch and Government Response

- Launch by three Ministers in April
- Supportive response and buy in to address the medical card issue
- Only part of the overall CES
- Recognition that issue is much wider than DEASP

DEASP Recommendations

Progress so far ...

- Senior officials group progressing protocols, capacity of Intreo offices, etc.
- Free travel pass – already implemented
- Protocols re enquiries about work and return to payments (if job does not work out) are at advanced stage for DA and under discussion for IP/PCB
- Process of consultation underway re promoting early intervention and developing better systems for young people with expected completion in Q1 2018.

Other Areas

Progress so far ...

- D/Health has given commitment to review MC earnings disregard by end 2017
- Dropping condition that employment be "rehabilitative" is accepted and in current Bill before the Oireachtas
- Taoiseach – reference to importance of assisting People with Disabilities having employment options at Enterprise strategy conference, 6 November 2017
- Where you stand depends on where you have sat!