

Time is ripe in Ireland to move from new rhetoric to new policy in disability matters, says OECD

Ireland should turn the Training and Employment Authority FÁS into a one-stop-shop for employment programmes for people with disability and streamline its fragmented benefit system, according to a new OECD report.

This is among the recommendations in *Sickness, Disability and Work: Breaking the Barriers (Vol.3) – Denmark, Ireland, Finland and the Netherlands* that analyses sickness and disability policies and proposes government actions to increase employment levels of people with disability, reduce their high poverty risks and overcome the currently fragmented benefit system.

In Ireland, only one out of three people with disability has a job, one of the lowest shares in the OECD. This low employment rate has changed little over the past decade, despite Ireland's strong job creation, and even fallen over recent years. The share of working-age people receiving long-term sickness and disability payments moved from below OECD average in the 1990s to above average in 2007 and now stands at 6.3% of the labour force.

People with disability also face a very high poverty risk in Ireland: one out of four persons with disability lives with less than half the median income, more than double the share of people without disability.

Ireland has launched initiatives to help people on sickness and disability benefit. It has streamlined the government agencies responsible for most benefit payments, bundled employment services and set a target of increasing the employment rate of people with disability to 45% by 2016. It is also recognising for the first time the importance of inter-agency and inter-departmental cooperation.

These reforms have a lot of potential, the report notes. It remains to be seen how and how fast action will be taken. Identifying and agreeing on common objectives is one thing. The challenge now is to move from the new rhetoric to new policy. To implement the planned changes successfully, the following issues need to be addressed:

1. Currently, employment services are detached from the benefit application process, and the take-up of services is on a voluntary basis and, consequently, very low. Despite a commitment to "mainstream" employment services, most services offered to people with disability are specialist services which often lack proper monitoring.
 - The planned customer-oriented intensive engagement with the Department of Social and Family Affairs upon claim application should include profiling; early identification of support needs; and systematic outcome monitoring. It should be resourced adequately, e.g. more facilitators than projected will be needed.
 - FÁS should be the only focal point for training and active labour market policy and the single point of entry for employers seeking to retain or hire a worker with health problems or disability.
 - Specialist training by private, non-profit providers should be improved by a system of certification. The current annual bulk funding should be partly replaced by outcome-based funding of services.
 - Activation and conditionality approaches to disability payments should be considered, e.g. a mandatory interview process. Further participation requirements may be needed, notably for young benefit claimants.

2. The benefit system remains fragmented and assessment procedures in place to determine eligibility to the various payments differ. Strong work disincentives for people on disability benefits arise from the loss of secondary benefits upon moving into work, especially the Medical Card.
- Responsibility for all long-term health and disability benefits should be transferred to DSFA. Some of the existing payments could be merged – and in the longer run, a single means-tested payment for all people of working age could be aimed for.
 - The untapped employment potential of claimants of long-term payments could be better identified by a more stringent and better developed medical and vocational assessment.
 - Access to health care needs to be improved, e.g. by making the entitlement to a Medical Card independent of benefit status, thus giving people permanent access to the card once assessed as having a disability.
 - Work incentives need to be improved by better promoting existing regulations and by making in-work payments permanent. Also partial return to work should be promoted.
 - To tackle the low level of income of people with disability, adequate cost-of-disability payments need to be considered. Any such payments should be independent of the work status and separate from income support payments.

Journalists can obtain a copy of **Sickness, Disability and Work: Breaking the Barriers (Vol. 3) – Denmark, Ireland, Finland and the Netherlands** by contacting the OECD's [Media Relations Division](#) (tel. +331 4524 9700). For further information, please contact one of the authors in OECD's Directorate of Employment, Labour and Social Affairs: [Christopher Prinz](#) (tel. +331 4524 9483), [Ana Llana Nozal](#) (tel. +331 4524 8527) and [Michael Förster](#) (tel. +331 4524 9280).