NDA Factsheet 4: Retaining people with a disability in the workforce

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# Disability Factsheet 4: retaining people with a disability in the workforce

## Introduction

Approximately 70% of people of working age acquired their disability after the age of 16 years (Watson and colleagues, 2015). Therefore when we talk of people with a disability and employment we are mainly talking about people with an acquired disability.

People acquire disability due becoming ill, having an accident, or for other reasons. The two most frequent reasons for being out of work in the long-term are musculoskeletal problems (such as back pain), and mental health issues (such as depression and anxiety) (NDA 2011). These two reasons are also the most common causes of disability caused by work (Russell and colleagues 2016). Privalko and colleagues (2019) found that illness and disability was the second most common cause of leaving the workforce early in Ireland. For people with an acquired disability, the disability may come on gradually, while for others it might be more sudden. Some people only experience a disability every so often (episodically).

There is a lot of evidence on effective interventions that help workers stay in work after acquiring a disability (see Ben-Shalom and colleagues 2017 for an annotated bibliography). Interventions include things like providing assistance with interview skills and writing a curriculum vitae, training and apprenticeships or directly creating jobs for the unemployed. These interventions are typically short-term measures which are designed to allow the unemployed to build up work experience and get new skills.

The evidence almost always favours early over late intervention - ideally, before the worker has left the workplace or at least before their contributory benefits stop (NDA 2011).[[1]](#footnote-1)

Successful interventions are particularly associated with providing supports to workers with musculoskeletal conditions (particularly lower back pain), mental health conditions, and other chronic conditions which need the person to stick carefully to their treatment (Stapleton et al. 2015 quoted in Ben-Shalom and colleagues 2017 ). The success of the interventions depends on lots of factors but worker motivation is very important – even more important than the worker’s age or gender in predicting that they will re-engage with their workplace.

Research shows that the success of interventions is much more mixed once a person has left the labour force. Active labour market policies can be effective if governments pay more than ‘lip service’ to them – by this researchers mean that interventions are tailored to the individual and the needs of the local labour markets and not generic interventions. Research indicates that activation measures for unemployed persons with disabilities have a low success rate (Martin 2015).[[2]](#footnote-2)

The lessons coming from the academic evaluations of retention and re-employment is that it is better to catch the individual before quit work. If this cannot be done, the next best solution is for the Government to intervene as soon as possible after they become unemployed and apply for benefits. Any intervention has to be made by Governments in a determined fashion and specific to the individual. (See Hollenbeck 2015 for a discussion of retention interventions.)

Reasonable accommodation can be one intervention to keep a person employed. Reasonable accommodation means that the employer puts in place appropriate measures that meet the needs of the employee with a disability to do their job. What reasonable accommodations consist of will vary by the disability, the job and the individual. These could involve

* rehabilitation services to make the return to work easier
* removing physical barriers so people can better access the workplace and facilities
* ICT support, or
* changed working practices.

In many cases, the person will be capable of continuing to work, provided some simple steps are taken. Often the steps needed to support an employee with an acquired disability to stay in work are very simple, do not take a lot of effort, and may cost little or nothing.[[3]](#footnote-3)

Creating and maintaining an inclusive workplace that promotes and supports diversity is very important in retaining employees who acquire a disability (McAnaney and Wynne, 2016). Studies which look at managing disabilities all agree that early intervention is the single most important tool in helping a person with an acquired disability stay in their job. These interventions include early return to work policies and supports (see Lefever and colleagues 2018). Supporting people to remain in employment when there is a risk that they will leave because of an acquired disability has lots of positives. For example, it has the potential to enhance the quality of life of the individuals and also to reduce payments made through the disability and pensions system (McAnaney and Wynne, 2016).

In this paper, we look at the characteristics of people who have left work and that may need particular policy attention if they are to keep working. We also look at the relationship between different factors that might affect whether they stayed in work or not (these relationships are known as correlations). Correlations cannot tell us the cause of something but they can show where there is a strong relationship between different things and where these ‘move’ together. For example, we cannot be sure that people leave the workplace because of a lack of reasonable accommodations but we do know that there is a relationship between people staying in work and reasonable accommodations being provided.

This paper only looks at people aged 20 to 64.

## Employment, disability and age

The 2016 census collects information on both economic status and disability. This allows us to examine people with and without a disability.

People generally gradually join the workforce through their 20s, work until their late 50s and early 60s, and then retire. You can see this pattern in Graph 1.

Source: Census 2016

The percentage of the population in employment increases until middle age and then starts to go down for both people with and without a disability.

For people without a disability the peak for working is aged 35-39. After this age, employment remains relatively stable and starts to fall from the age of 50. For people with a disability the pattern is slightly different – peak employment is reached slightly earlier, between the ages of 30 and 34 and falls slightly faster after that point.

We can compare the employment rates of people with a disability to people without a disability. We call this ‘relative employment rate’. That is, the amount of people with a disability who are employed as a percentage of the amount of people without a disability who are employed. The following graph compares employment rates for men and women with a disability compared to men and women without a disability (graph 2).

Source: Census 2016

If you compare women with a disability to women without a disability, younger women with a disability do relatively well. Women with a disability aged 20 to 24 have a relative employment rate of 66% of that of women without a disability of the same age. This means that for every 3 women aged 20-24 without a disability who are employed, only two women with a disability are employed. However, this falls for older women with a disability. Women with a disability aged 60 to 64 have an employment rate equivalent to just 38% of the rate of women without a disability.

Men with a disability start at a lower rate - 60% for those aged 20-24 and it follows a similar pattern to women with a disability as they get older. Therefore as men and women with a disability age they are less likely to be employed compared to people without a disability. For both genders, the relative employment rates fall almost continually throughout their lives. This means that the older you are, the less likely you are to be working if you have a disability compared to people without a disability.

Because the differences for the younger age groups are smaller, it means that either as people with a disability age they do not feel able to stay working or as people acquire a disability they leave the workforce (or both reasons together). Both highlight the need for appropriate retention policies and reasonable accommodation.

## Reasons for not working

The next graph looks at just those who are unable to work because of permanent sickness or disability (graph 3).[[4]](#footnote-4) The number of people who are unable to work due to permanent sickness or disability is almost entirely made up of people with a disability (some people with long term illness such as cancer or debilitating mental health concerns or may not consider they have a disability). As people get older the number of people who cannot work increases. Also 80% of people who are unable to work due to permanent sickness or disability are people with a disability.

Source: Census 2016

However, not all types of disabilities are equally affected by being unable to work. Graph 4 looks at the relative numbers of people who cannot work because of permanent sickness or disability and the type of disability they report.

Source: Census 2016

The overall percentage of the population who cannot work because of a permanent sickness or disability is 7.1%. It is clear that three groups are above this figure:

1. those with an intellectual disability,
2. those with difficulty in learning, remembering or concentrating, and
3. those with psychological or emotional condition.

The people who are unable to work due to a psychological or emotional condition is 50% more likely to be unable to work due to permanent sickness or disability than the total population.

Graph 4 the percentage of those who are unable to work due to permanent sickness or disability. If absolute numbers are examined (graph 5) it is clear that the largest number of people who cannot work due to permanent sickness or disability are those that have: ‘A condition that substantially limits one or more basic physical activities’. The number of people with a physical disability who are unable to work due to a permanent sickness or disability is similar to other groups until middle age. After the age of 40 the numbers in this category increase dramatically. Half of all people in their 50s who are unable to work due to permanent sickness or disability have a condition that substantially limits one or more basic physical activities.

Source: Census 2016

The census also breaks down economic status by those who are ‘Unemployed having lost or given up previous job’. Of all the people aged 20-64 without a disability 8.6% are unemployed having lost or given up previous job’ for people with a disability it is higher at 12.3% (graph 6).

Source: Census 2016

People with a disability have a much greater probability of being unemployed having lost or given up a job than people without a disability. The gap between the groups is highest between the ages of 35 and 44 and narrows towards retirement age.

If we compare men and women with a disability who are unemployed having lost or given up a job (graph 7) we see that the differences are particularly stark for men with a disability. [[5]](#footnote-5)

Source: Census 2016

Graph 8 shows how likely it is that someone is unemployed having lost or given up a previous job compared to people without a disability. If the chances of being in this category are the same for someone with or without a disability the score would be one. When the lines go above one, it means that you are more likely to be unemployed having lost or given up a previous job compared to people without a disability. When they are below one, it means you are less likely to be in this category compared to people without a disability. For all disabilities, the likelihood of being unemployed having lost or given up a previous job is greater than one. The likelihood rises with middle age and then falls as retirement approaches. The highest relative occurrence are for two groups: persons that have a psychological or emotional condition and persons that have a condition that substantially limits one or more basic physical activities.

Source: Census 2016

When the data is broken down further by gender (graph 9) it is clear that gender differences are hiding how high some of these rates are for men. For instance, in some age groups one in five men with a mental health problem are unemployed having lost or given up a previous job. For men with a physical disability the rates are not as high but it is still one in six men with a physical disability are out of the workforce even though they previously worked.

Source: Census 2016

## Change over time

There have been improvements between 2011 and 2016 for both those ‘Unable to work due to permanent sickness or disability’ and ‘Unemployed having lost or given up previous job’ (table 1).

Table 1: change in selected economic status between 2011 and 2016

| age | 2011  Unable to work due to permanent sickness or disability | 2016  Unable to work due to permanent sickness or disability | 2011  Unemployed having lost or given up previous job | 2016  Unemployed having lost or given up previous job |
| --- | --- | --- | --- | --- |
| 20 - 24 years | 15.3% | 14.9%↓ | 19.3% | 11.6%↓ |
| 25 - 29 years | 19.3% | 18.4%↓ | 19.8% | 15.9%↓ |
| 30 - 34 years | 22.4% | 21.2%↓ | 18.0% | 14.2%↓ |
| 35 - 39 years | 26.5% | 24.2%↓ | 16.7% | 13.7%↓ |
| 40 - 44 years | 31.1% | 29.1%↓ | 15.5% | 13.0%↓ |
| 45 - 49 years | 36.2% | 34.7%↓ | 14.3% | 12.8%↓ |
| 50 - 54 years | 39.7% | 40.0%↑ | 13.4% | 12.1%↓ |
| 55 - 59 years | 43.5% | 43.2%↓ | 11.4% | 11.0%↓ |
| 60 - 64 years | 43.1% | 43.3%↑ | 8.1% | 9.4%↑ |
| 20-64 | 33.2% | 32.4%↓ | 14.3% | 12.3%↓ |

Source: Census 2016

The numbers not working for these reasons have usually improved however if we look at the two disabilities which we have seen are particularly problematic (a condition that substantially limits one or more basic physical activities and a psychological or emotional condition) the picture is more mixed. For both groups the numbers reporting that they are unemployed having lost or given up previous job has fallen a little. For those with a psychological and emotional condition the numbers who are unable to work due to a permanent sickness or disability has also decreased. However for those with a condition that substantially limits one or more basic physical activities the numbers reporting being unable to work due to a permanent sickness or disability has increased.

Table 2: change between 2011 and 2016 in reason for unemployment

|  | Unemployed having lost or given up previous job % 2011 | Unemployed having lost or given up previous job % 2016 | Unable to work due to permanent sickness or disability % 2011 | Unable to work due to permanent sickness or disability % 2016 |
| --- | --- | --- | --- | --- |
| A condition that substantially limits one or more basic physical activities | 11.0 | 10.8↓ | 53.7 | 54.7↑ |
| Psychological or emotional condition | 15.1 | 13.9↓ | 44.5 | 40.4↓ |

Source: Census 2016

A final piece of evidence regarding the importance of these two disabilities is a review of Partial Capacity Benefit (PCB). PCB is designed for people receive Invalidity Pension or Illness Benefit for at least six months and who have some capacity for work. Table 3 lists the top 10 reasons people receive PCB. Physical and mental health issues are consistently listed as common reasons why people are on Partial Capacity Benefit.

Table 3: Top Ten Ailments of PCB Recipients

|  | 2012 | 2013 | 2014 | 2015(Feb) |
| --- | --- | --- | --- | --- |
| 1 | Anxiety/Depression | Anxiety/Depression | Anxiety/Depression | Anxiety/Depression |
| 2 | Cancer | Cancer | Cancer | Cancer |
| 3 | Back/Neck/Rib/Disc | Back/Neck/Rib/Disc | Back/Neck/Rib/Disc | Back/Neck/Rib/Disc |
| 4 | Other Incapacity | Other Incapacity | Other Incapacity | Other Incapacity |
| 5 | Arthritis/Rheumatism/O.A | Arthritis/Rheumatism/O.A | Arthritis/Rheumatism/O.A | Arthritis/Rheumatism/O.A |
| 6 | Multiple Sclerosis | Multiple Sclerosis | Multiple Sclerosis | Multiple Sclerosis |
| 7 | Heart/Coronary Condition | Heart/Coronary Condition | Heart/Coronary Condition | Heart/Coronary Condition |
| 8 | Schizophrenia | Stress | Stroke/Paralysis | Stroke/Paralysis |
| 9 | Stress | Stroke/Paralysis | Fracture/Broken | Stress |
| 10 | Stroke/Paralysis | Schizophrenia | Stress | Leg/Knee/Ankle Injury |

Source: DSP 2015

## Conclusions

This paper has shown that there is a correlation between people who have left the labour force and disability. People with a disability are much more likely be unemployed having lost or given up a job or unable to work due to permanent sickness or disability. This gap increases with age. The gap is also particularly high for two groups – those with physical or mental health issues. Men with these conditions seem to be particularly negatively affected.

These findings are correlations – women and especially men with these conditions are much more likely to have exited the workforce. What we cannot show is that they exited the workforce because of the onset of these conditions. To understand the dynamics better, we would need to examine time series data that showed when the person acquired a disability and link this to a change in employment status. However, a recent study by Privalko and colleagues (2019) found that people gave illness and disability as the second most common reason for leaving the workforce early.

As far back as 2008 the OECD criticised Ireland for poor coordination of polices towards people with a disability to enter employment and to be retained in employment upon acquiring a disability (OECD 2008). McAnaney and Wynne (2016) summarised the recommendations that had been made to improve vocational rehabilitation in Ireland:

* “Reduce the inflow into sickness and disability benefits by recognising that sick leave is the most frequent route into disability benefit
* Intervene early at the point at which people encounter the welfare system for the first time with activation measures
* Introduce early intervention to avoid health conditions developing into more serious problems, potentially resulting in a disability benefit claim
* Use profiling to reduce inflow into the systems by establishing claimants’ employment status and work capacity at around 12 weeks based on the potential for job retention, redeployment or early retirement
* Introduce employment assessment into procedures for qualifying for income support and a systematic referral to employment services to increase the activation options
* Provide vocational and occupational guidance as part of the qualification procedure for income support
* Raise employment rates for people with acquired disabilities by identifying and assisting them when they are not regularly employed, or unemployed but do not have a disability designation
* Support people to develop an individualised plan to gain or retain employment
* Actively engage employers in the retention of long-term absent workers
* Raise employers’ awareness of the support available to assist in job retention
* Introduce incentives for employers to engage in active recruitment and to retain employees who acquire a disability” (page 63)

McAnaney and Wynne (2016) added to these recommendations the need to refocus payments to stop people leaving work.

The recommendations from previous studies are still relevant to what is needed to improve the current Irish system in order to support people with acquired disabilities to stay in their jobs, return to work or find alternative employment. Appendix 1 lists the supports that are available to people who acquire a disability. However apart from some supports to help workplaces re-orientate themselves when a person acquires a disability and some grants to refit the workplace there are no direct supports for the individual to retain them in the workplace. All the support kicks in once a person has left the workplace, little is available for the employee prior to leaving the workplace.

The easiest way to increase the employment rate of people with a disability is to keep them in employment when they acquire a disability. They have work experience, they are known to an employer, and they have employment skills. However, retaining these employees will relies on them being given the correct supports to retrain or the correct incentives to remain working.

Despite the Irish employment rate having recovered since the recession the disability employment gap is still a central challenge for our society. This challenge is not a new one, and successive governments have engaged with the policy landscape to improve the position of people with a disability in the labour market. However, so far these have only made modest improvements to overall employment outcomes. More needs to be done to assist people who have a lifelong disability to enter the labour market and to retain people who acquire a disability in the labour market. International research shows that the longer you are away from work the harder it is to re-enter the labour market. Therefore, the focus must be on immediate, flexible support so that when a person acquires a disability they are helped to stay linked with the labour market.

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# Appendix 1: Irelands support for employment for people with a disability

## DEASP Intreo Service

Jobseekers (including jobseekers with disabilities) who seek support from their local Intreo Centre, will have a meeting arranged with a case officer with a view to agreeing a suitable personal progression plan in order to access the full range of employment supports available with a view to them achieving their employment ambitions.

## Local Employment Service

The Department contracts for the provision of the Local Employment Service (LES) with 22 organisations. The LES provide a local gateway, or access point, to the full range of services and facilities that are available to help jobseekers, including jobseekers with disabilities, to enter or return to employment.

## EmployAbility Service.

The Department has contracts for the provision of the EmployAbility Service with 24 companies. This is a specialist employment service designed to improve employment outcomes for jobseekers with a disability. The service includes the provision of dedicated job coach support as well as both pre-employment and in employment support and assistance.

## AHEAD (Support For Graduates With Disabilities)

The Department contracts AHEAD (Association for Higher Education Access and Disability) to deliver the Willing Able Mentoring (WAM) and ‘Get Ahead’ programmes. These programmes provide supports for graduates with disabilities seeking to enter the workforce.

## Ability

The ‘Ability’ programme is co-funded by the Irish Exchequer and the EU's ESF Programme for Employability, Inclusion and Learning Operational Programme (PEIL, 2014 – 20). Under this programme funding has been provided, through Pobal, for 27 organisations to support young people (aged 15-29) with disabilities in their transition into further education or employment.

## Employment Supports for Employers:

## Wage Subsidy Scheme

The Wage Subsidy Scheme is targeted at private sector employers and is aimed at encouraging the employment of people with disabilities through the provision of financial incentives (a wage subsidy). The subsidy is delivered in three strands:

- Strand I subsidy is a general subsidy for any productivity shortfall in excess of 20% for a person with a disability, in comparison to a colleague without a disability. An employee must work for a minimum of 21 hours per week up to a maximum of 39 subsidised hours per week. The rate of subsidy is €5.30 per hour and the amount of the subsidy is based on the number of hours worked.

- Strand II subsidy is payable when an employer employs three or more people with a disability who are supported by a WSS Strand I payment. Strand II is intended to cover the additional supervisory, management and other work based costs relating to these employees. This top-up payment is a percentage of the Strand I subsidy and is based on the overall number of employees with a disability employed under Strand I. It ranges from an additional 10% of wage subsidy for 3 to 6 employees with a disability to a maximum of 50% of wage subsidy for 23+ employees with a disability.

- Strand III subsidy enables employers who employ 30 or more workers with a disability on the Wage Subsidy Scheme to be eligible for a grant of up to €30,000 per year towards the expense of employing an Employment Assistance Officer to support these employees.

## Reasonable Accommodation Fund

The Reasonable Accommodation Fund (RAF) assists both jobseekers with disabilities and employers to enable a person with a disability / impairment to enter / re-enter employment by providing a range of grants. The fund is comprised of:

## Employee Retention Grant

The purpose of the Employee Retention Grant Scheme is to assist employers to retain employees who acquire a disability by providing funding to:

- Identify accommodation and/or training to enable the employee to remain in his/her current position; or

- Re-train the employee so that s/he can take up another position within the company.

## Workplace Equipment / Adaptation Grant

Where a person with a disability has been offered employment or is in employment, and requires a more accessible workplace or adapted equipment to do the job, s/he or the employer may be able to get a grant towards the costs of adapting premises or equipment. A maximum grant of €6,350 is available towards the cost of adaptations to premises or equipment.

## Disability Awareness Training Support Scheme

The Disability Awareness Training Support Scheme provides funding so that employers can buy in Disability Awareness Training for their staff. The purpose of the training is to deliver clear and accurate information about disability and to address questions or concerns that employers and employees may have about working with and supporting a colleague with disabilities.

1. Illness Benefit, depending on entitlements, is paid for a maximum of 2 years. [↑](#footnote-ref-1)
2. In slight contrast a meta analysis of active labour market programmes highlighted that active labour market programmes are particularly beneficial for ‘disadvantaged’ participants. (Card and colleagues 2018) Disadvantaged are defined by a ‘low labour market attachment individuals’ which typically means low skills and little history of employment. It is unclear how much crossover there is between disadvantaged and disabled clients and it is possible that people with a disability would gain disproportionally from an active labour market programme if this were done in more than in a ‘lip service’ manner. [↑](#footnote-ref-2)
3. Tatiana and colleagues found the median cost was zero – meaning most accommodations did not cost anything (2009) [↑](#footnote-ref-3)
4. The 2016 Census asked the question ‘How would you describe your present principal status?’ There were 8 possible answers to this: 1 Working for payment or profit, 2 Looking for first regular job, 3 Unemployed, 4 Student or pupil, 5 Looking after home/family, 6 Retired from employment, 7 Unable to work due to permanent sickness or disability, 8 Other, write in. This paper will follow the Census wording and refer to people who marked the 7th box as people who are unable to work due to permanent sickness or disability. [↑](#footnote-ref-4)
5. Men and women are concentrated into different occupations – the finding that men are more likely to be unemployed having lost or given up a job could reflect that the occupations that men tend to work in are more difficult to work in if you acquire a disability. Privalko and colleagues (2019) find that controlling for sector and occupation the gender differences become non-significant. [↑](#footnote-ref-5)