

Disability and Income

Almost half of people with disabilities incur extra costs due to illness or disability¹

The extra cost of living with a disability, estimated to be €207 per week², is an added burden for many people with disabilities and their families. Substantial costs are incurred due to spending on essential living supports such as heating, travel costs, mobility aids, and home adaptations. This money is taken from people's savings and incomes, with some individuals forced to take out loans to meet these costs.³

Disabled people experience high levels of consistent poverty (almost 13% compared to 2% of those at work)⁴

Due to insufficient income, many people with disabilities have difficulty with basic provisions such as food or the ability to have adequate heating. Households headed by people with a disability are twice as likely to experience unemployment as other households.⁵

The link between disability, household joblessness, and poverty is insidious. It leaves people with disabilities with inadequate housing, nutrition, and health supports. This places them at risk of developing physical health problems. Poverty can also contribute to mental health difficulties for people, due to increased stress, isolation, and other social effects.

Disability Allowance, Blind Pension, Invalidity Pension, and carer allowance were cut by an average of 8% from 2009

People with disabilities can face serious systematic barriers to accessing employment

opportunities and earning an independent income, with many people with disabilities dependent on social welfare as their only source of income. The fact that over half of the household income for adults with a disability comes from social transfers is indicative of the underlying inequality of our society.⁶

Furthermore, current government payments are not providing sufficient financial assistance for people with disabilities to obtain adequate living standards or to obtain supports for their meaningful participation within Irish society.

Many essential supplementary benefits, such as the Free Travel Scheme and Household Benefits Package, have been cut. This has been coupled with the introduction of new charges and taxes, such as the Universal Social Charge and Water Charges, which have reduced disposable income for many. The mean equivalised disposable income for people not at work due to illness or disability was €14,824 compared to €26,619 for those at work⁷. This represents a 14% drop since 2009 compared to an 8% drop for those at work.

Budgetary decisions have failed to take inflation into account

Consumer Price Index (CPI) data from December 2015 suggests that since 2010 average prices have increased by 5.8%. The failure to increase social welfare payments means, in effect, a cut in the real value of these payments.

The vast majority of those who care for people with disabilities are women⁸, and 89.5% of carers are unpaid⁹

Despite the increased rate of disability with age, a low proportion of family support payments is paid to the carers of those over 50. Less than half of all carer's allowances and benefits are paid to these carers.

¹ National Poll carried out for the Disability Federation of Ireland by Ireach Insights in October 2015.

² Cullinan, J., Gannon, B. and Lyons, S. (2008) Estimating the Economic Cost of Disability in Ireland. ESRI

³ National Poll carried out for the Disability Federation of Ireland by Ireach Insights in October 2015.

⁴ CSO (2015) (SILC) 2014, Table 2. www.cso.ie

⁵ Work and Poverty in Ireland: An Analysis of CSO Survey on Income and Living Conditions 2004-2010 ESRI.

⁶ <http://www.welfare.ie/en/downloads/STandPABrief2013.pdf>

⁷ CSO (2015) (SILC) 2014. Table 1 (f) www.cso.ie

⁸ National Economic and Social Council (NESC) (2014) Jobless Households: An Exploration of the Issues, Dublin: NESC, p.37.

⁹ Yumiko, K. et al. (2012) Profile of Community Dwelling Older People with Disability and their Caregivers in Ireland.

Adequate Income for all

Ensure all people with disabilities have an adequate income that supports them to live with dignity in accordance with their human rights

People must be guaranteed an adequate income to live with dignity until such time as the systems that monitor poverty and deprivation are updated to ensure that account is taken of the true cost of living with a disability. The standard of living for adults with disabilities should be above the poverty line and should reflect the basic cost of living and the costs associated with accommodating a disability.

Increase disability payments by €20 per week as an interim measure

The government need to deliver concrete actions to address the cost of disability. Increasing disability payments by €20 would be an initial measure in recognition of the cost of living with a disability and to help support the income needs of people with disabilities. Increased disability payments would alleviate the real risk of people with disabilities and their families living in poverty.

Introduce tax credits to support people with disabilities to earn an adequate income

A disability tax credit would be similar to the existing Blind person's tax credit. This would also align with the Comprehensive Employment Strategy objective that 'Work must pay' for people with disabilities. In addition, it has been demonstrated that tax credits help to improve equality as well as lower the marginal tax rate, especially for lower-paid workers.

Supplementary benefits such as Household Benefits Package and Free Travel Scheme must be protected

Supplementary benefits are essential in offsetting the added cost of disability. Supplementary benefits must be protected and bolstered to reflect growing need to pay

for medical, transport, and living costs that must be met. This is especially pertinent in the context of the continual decline in the provision of services for people with disabilities.

ERSI data suggests that secondary payments play a significant role in encouraging people to take up employment.¹⁰ For example, retaining medical card when transitioning from welfare to work.

75% of Irish people agree that medical cards should be made available to people based on need, not income¹¹

This demonstrates that the majority of Irish people agree that supports for people with disabilities should be protected. Social welfare payments also must reflect the increasing cost of living. Budgetary decisions must also recognise the impact of inflation

Income entitlements of carers must also be recognised

Social welfare supports for people with disabilities must also be extended to their carers. The restoration of the Respite Care Grant in Budget 2016 went some way to support those caring for people with disabilities. Payments for carers must be safeguarded and reflect the vital contribution that they make.

Adequate income for all: Key Benefits

- ✓ Decreased risk of physical health problems that are associated with poverty
- ✓ Reduced social effects of poverty including isolation and loneliness that may contribute to mental health problems
- ✓ Recognising that disabled people are valuable consumers and contributors to the economy by providing extra revenue to businesses

¹⁰ Callan et al. (2012). Work incentives: new evidence for Ireland.

¹¹ National Poll carried out for the Disability Federation of Ireland by Ireach Insights in October 2015.