



## **INCLUSION IRELAND**

**Submission to the Advisory Group on Tax and Social Welfare on proposed changes to entitlement to Disability Allowance and Domiciliary Care Allowance**

**February, 2011**

## **Inclusion Ireland**

Founded in 1961, Inclusion Ireland is the national organisation advocating for the rights of people with an intellectual disability. Our vision is one of people with an intellectual disability living and participating in their community with equal rights as citizens to live the life of their choice to their fullest potential.

## **Submission**

- Inclusion Ireland believes there is need for reform of Disability Allowance, which must include a cost of disability analysis. Any review must be done in consultation with people with disabilities and their families.
- Inclusion Ireland believes that ending the payment of the Disability Allowance to 16 yrs without putting in place an allowance to offset the true cost of disability or careful analysis of its impact will affect young people with more severe disabilities and their families the most.
- The value for money review of the disability allowance scheme (2009) proposed removing entitlement to disability allowance (DA) from young disabled adults. At that time, Inclusion Ireland was of the view that the removal of DA payment to this group should not take place in the absence of an analysis of its impact.<sup>1</sup>
- Inclusion Ireland suggested that an appropriate cost of care allowance be developed which would focus on individual assessed need and will not act as a disincentive to young people accessing the workforce. We strongly recommended that any proposed changes should be notified well in advance and proper consultation.
- Throughout 2011, Inclusion Ireland, through its participation on the Disability Stakeholders Group (DSG), met with departmental officials in an attempt to agree a DSG/DSP pre-budget proposal for the Minister. During these meetings, the Department signalled its intention to reform entitlement to DA and DCA. The DSG members insisted that no reform could occur without a detailed proposal and wider consultation. No detailed proposal was put forward by Departmental officials and no DSG/DSP consensus could be reached.
- In its pre-budget submission to the Department of Social Protection in September 2011, Inclusion Ireland recommended that an agreed system to assess degree of disability and associated costs may be of use in the event of the qualifying age for DA being raised to 18 years, as with other social welfare schemes. Options should be developed to enable such change to take place with the least possible impact on young people and the household in which they live.
- The proportion of people with a disability in employment has remained relatively unchanged from 2003 to 2009 - between 5 and 6% of the total workforce (ESRI, 2011). According to the CSO, Survey on Income and Living Conditions, 43% of persons unemployed due to an illness or

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<sup>1</sup> Inclusion Ireland submission on the value for money review of the disability allowance scheme (May, 2009)

disability experience two or more types of enforced deprivation. Deprivation is measured by not being able to do at least two of the following: heat their home; buy a warm coat or new clothes or not afford to eat meat or fish at least every second day. 13% of persons unemployed due to illness or disability experience consistent poverty. What these findings tell us is that people with a disability are considerably more likely to be unemployed and experiencing poverty than any other social group.<sup>2</sup>

- Government has stated that the change to the age eligibility criteria for Disability Allowance was to bring it in line with Jobseekers Allowance - such thinking shows a total lack of understanding of the support needs of people with a disability, disregards the additional costs associated with disability. New claimants of Disability Allowance aged below 25 will have their payment reduced from €188 per week to €100 for people aged 18 to 21 and to €144 per week for people aged 22 to 24, resulting in a crude cut of €4,576 a year for people aged 18 to 21, and €2,288 a year for people aged 22 to 24.
- The introduction of a Cost of Disability Payment to acknowledge that many people with disabilities have additional costs has been called for by Inclusion Ireland and other organisations over the years.
- The strong work disincentive for people with disabilities arising from the extra costs of accessing work such as extra transport costs, as well as the loss of secondary benefits, chiefly the medical card, is well known.
- In summary, Inclusion Ireland believes there is need for reform of disability payments to young persons. However, any proposals must include a cost of disability analysis.
- Any proposals for reform of disability payments to young disabled people should be published to enable meaningful consultation

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<sup>2</sup> CSO, Survey on Income and Living Conditions, Preliminary Results, November 2011, Dublin