



Disability Federation of Ireland Pre-Budget Submission 2025 to the Joint Oireachtas Committee on Social Protection

Disability Federation of Ireland (DFI) is a federation of over 120 member organisations working with people with disabilities to implement the United Nations Convention on the Rights of Persons with Disabilities, UN CRPD. Our vision is an Ireland where people with disabilities are participating fully in all aspects of society.

DFI offers this targeted submission for the consideration of the Joint Oireachtas Committee on Social Protection in the context of Budget 2025. We will soon finalise our more extensive Pre-Budget submission covering all Government Departments, and our detailed Budget 2025 submission to the Department of Social Protection – at time of writing some important inputs, such as the Minimum Essential Standard of Living 2024 recommendations and the EU Commission Country Specific Report, have not yet been published. Thus all recommendations outlined below may be subject to some changes - and we will forward our final Budget submissions onto the Committee once they are published.

UN CRPD Commitments

Ireland's approach to social protection for disabled people should be based on the UN CRPD (ratified in 2018), and in particular:

- Article 28 – which outlines the right to an adequate standard of living and social protection, including the continuous improvement of living conditions, poverty reduction programmes and to state assistance with the extra Cost of Disability.
- Article 27 – which outlines the right to work on an equal basis with others, the right to training, return to work, and reasonable accommodation.

Context: Very High Poverty and Low Employment

As we have recently highlighted to the Committee during our discussion on means-testing (29 May 2024), the current social welfare system is not meeting the needs of people with disabilities and their families. This is clear from the data.

- EU SILC data show while on average 28.8% of the EU population with a disability were at risk of poverty or social exclusion (AROPE) in 2022, Ireland's rate was more than 10% higher, at 39.5%.¹
- The 2023 CSO SILC data show increases in deprivation last year, and an almost static rate of consistent poverty:²
 - 16.5% of people unable to work due to long-standing health problem (disability) live in consistent poverty, compared to the national average of 3.6%.
 - 44.7 % of people unable to work due to long-standing health problem (disability) live in deprivation, unable to afford basic essentials like heating or new clothes.
 - 27.3% of people unable to work due to long-standing health problem (disability) are at risk of poverty, compared to 5.8% of employed people, and 8.8% of those who are retired.

Ireland also performs extremely poorly at EU level on employment. A 2023 European Disability Forum comparative report on employment named Ireland as "leading the hall of shame."³ The report showed that Ireland ranked the lowest in the EU for both its disability employment rates, and its disability employment gap (i.e. the gap between the employment rates of people with and without disabilities).

A recent NDA discussion paper outlines how Ireland's 2022 disability employment gap - 37% - was much higher than the EU average of 21%.⁴ It also highlights Census 2022 data, according to which:

- The employment rate of people with disabilities is 49%, compared to that of those without disabilities of 71%.
- The employment rate of people with disabilities 'to some extent' is 60%.
- The employment rate of people with disabilities 'to a great extent' is 27%.⁵

The Extra Cost of Disability

The Indecon Report on the Cost of Disability (2021) demonstrated that people with disabilities have significant extra costs across areas including mobility, transport, communications, care and assistance services, equipment, aids and appliances, and medicine. As the recent Green Paper

¹ https://ec.europa.eu/eurostat/databrowser/view/hlth_dpe010/default/table?lang=en

² <https://www.cso.ie/en/releasesandpublications/ep/p-silc/surveyonincomeandlivingconditionssilc2023/poverty/>

³ <https://www.edf-feph.org/majority-of-persons-with-disabilities-locked-out-of-quality-employment/>.

⁴ <https://nda.ie/publications/discussion-paper-on-new-disability-employment-targets>, p 4.

⁵ Op cit, p.11

on Disability Reform acknowledged, the report concluded that the costs it established were “currently not met by existing programmes or by social welfare payments”. The report indicates extra costs in the range of €8,700-€12,300, as well as unaffordable extra costs of €2,706 a year.⁶

Research by Family Carers Ireland and the Vincentian Partnership for Social Justice adds further evidence. Their 2022 report concluded that the core Minimum Essential Standard of Living (MESL) costs for a two-parent household caring for an adolescent with a profound intellectual disability amounts to €752 per week, excluding housing. This is €244 higher than the MESL for a two-parent household with an adolescent child without additional caring and disability needs.⁷

Moreover the Indecon estimates are based on data from 2020 or, in some cases, much earlier years. Asked whether the Cost of Disability had increased in recent years at the Green Paper on Disability Reform Dublin consultation event last November, Indecon replied that there had been significant inflation since the report, and there was “absolutely no doubt” that the figure would have increased as a result. The original Cost of Disability estimate is thus clearly out of date. The Consumer Price Index Inflation Calculator shows inflation of 19.5% from January 2021 to March 2024.⁸ Applying this to the original Indecon estimate, we can see that inflation has likely increased the original estimated range to €10,397 – €15,177.

Requirement to Meet Poverty Reduction Commitments

Ireland has specific and significant disability poverty reduction commitments. The Roadmap for Social Inclusion 2020-2025 commits to “reduce the [disability] AROPE (At Risk of Poverty and Social Exclusion) rate from 36.9%, first to 28.7% (2025) and then to 22.7% (2030)”.

However, the third Progress Report shows that things are in fact getting worse. Ireland’s disability AROPE rate actually increased from 35% in 2020 to 39.5% in 2022.⁹ Ireland also ranks 22nd of the EU 27, even though we are one of the wealthiest European countries - the Roadmap commits to being in the top 10 for disability poverty by 2025. This is one of only two Roadmap indicators where Ireland ranks outside the top 20 EU countries for the third year in a row.

⁶ <https://www.gov.ie/en/publication/1d84e-the-cost-of-disability-in-ireland-research-report/>

⁷ <https://familycarers.ie/news-press-releases/2022/april/new-report-highlights-the-significant-hardship-and-very-real-risk-of-poverty-faced-by-family-carers.>

⁸ <https://visual.cso.ie/?body=entity/cpiccalculator>

⁹ <https://www.gov.ie/pdf?file=https://assets.gov.ie/285231/d3ff6026-1031-4b08-85ef-59da90bdf0d3.pdf#page=null> p. 13.

A key critique of the Roadmap has been that although it gives a measurable poverty reduction target, it does not detail how, and through what actions, this reduction will be achieved. Given that there remain less than two years (and one Budget) left to deliver the Roadmap's targets, urgent corrective action and resources will be required in Budget 2025 to address this failure to reduce disability poverty.

Strong Support to Tackle Disability Poverty

There is very strong public and political support for change, and a mandate for meaningful reform that delivers a dignified, above the poverty line income for all disabled people, along with sufficient support to address the extra Cost of Disability. For instance:

- The Joint Oireachtas Committees on Gender Equality, Disability Matters and Social Protection have all called for social protection rates for disabled people that are above the poverty line.
- Two Dáil motions were unanimously passed in recent years calling for a Cost of Disability payment and other supports.

Also, the 2021 Citizens Assembly called for an improved system of supports for disabled people, their families and carers, including that:

- Disabled people be actively supported and resourced to live independently and have access to person centred financial supports to serve their individual needs.
- The Department of Social Protection set social protection payments and/or supports at a level that lifts people above the poverty line, prevents deprivation and supports an adequate standard of living.¹⁰

While often a focus is put by the State on its limited resources, there is in fact a popular mandate to increase Ireland's tax take in order to take measures to eradicate poverty.¹¹

Progress Can Be Made in Budget 2025

Given that it will take time to make progress on broader social protection reform to support people with disabilities, in the interim action is urgently required to address disability poverty and the extra Cost of Disability. We thus offer the following recommendations **for Budget 2025:**

Poverty and Cost of Disability

To address high disability deprivation and the Cost of Disability:

¹⁰ Recommendations 4-7, p 60, and 10, p 61-62 <https://www.citizensassembly.ie/en/about-the-citizens-assembly/report-of-the-citizens-assembly-on-gender-equality.pdf>

¹¹ 95.6% of citizens said "if necessary, we are also prepared to support and pay higher taxes based on the principle of ability to pay, to make a reality of our recommendations." Question 49, p. 138, op cit.

- Bring in a Cost of Disability payment, starting at €40 a week, for disabled people. Initially to be rolled out to all those in receipt of a disability-related social protection payment. Similar to Child Benefit, this should be a universal non-taxable payment.
- Additional to the above, increase disability social protection payments sufficiently to make up the spending power lost due to inflation since 2020 - as per the forthcoming 2024 recommendations of the MESL Research Centre.¹²
- Retain the 'Disability Support Grant' paid in recent years. Make this an annual payment to people receiving a disability social protection payment, with two payments of €500 across the year.

Employment and Income Disregards

To address structural barriers to employment, and increase employment rates for people with disabilities:

- Increase the income disregard for disability social protection payments by at minimum €25, to reach €190.
- Increase the upper earnings disregard limit to €400.
- Roll out the new Reasonable Accommodation Fund and provide sufficient funding for its operation in 2025. Report on its usage, impact and funding drawdown annually and review it regularly towards continuous improvement.
- Increase the rate of the Wage Subsidy Scheme (WSS) to 65% of National Minimum Wage, and make financial provision in Budget 2025 to act on the recommendations of disability organisations to the WSS review.
- Develop stronger measures and policies to support self-employed disabled people, including addressing inconsistencies regarding social protection, employment supports and income assessment etc.

Means Testing and Secondary Benefits

To ensure that disabled people do not experience cliff edges due to employment income, savings or living with others:

- Increase the general weekly means disregard to €20.
- If bringing in a Working Age Payment model, increase the threshold included in the Green Paper on Disability Reform substantially - bringing it in line with, or above, the Working Family Payment threshold.
- Change criteria for the medical card and other entitlements such as the free travel scheme to link them to medical need and disability status, rather than means-testing.

¹² The MESL 2024 recommendations are due to be published on 18th June 2024.

- Only a disabled person's income and means should be assessed, not their family member, partner or anyone else they live with.
- Increase the Disability Allowance capital disregard to €100,000.¹³
- Assess the cost of means-testing and consider a move to universal payments,¹⁴ or at minimum bring in a much higher household income cut off.
- Develop tapered supports and partial rates for people just above cut-off rates, to mitigate cliff edges.

Disability Proofing and Benchmarking to MESL

To disability proof budgetary choices and ensure targeted impact:

- Ensure all budget decisions are subject to equality, gender and poverty proofing, specifically assessing their impact on disabled people, with the Cost of Disability a priority consideration. Given the high poverty levels of disabled people, ensure Budget 2025 actions have a strong and permanent impact, significantly reducing disability poverty.
- Commit to benchmarking our social protection system to the cost of a Minimum Essential Standard of Living, to ensure everyone has enough to live a decent and dignified life. Factor in the Cost of Disability if and when benchmarking occurs.

To Take the Reform Agenda Forward

To make progress on much-needed positive reform, and to ensure there is a strategic and targeted approach to combatting poverty and addressing Cost of Disability, Ireland should also:

- Develop a specific poverty reduction strategy for disabled people, given their disproportionately high poverty rates and the Roadmap for Social Inclusion commitments. Lay out the steps and actions to be taken annually to deliver the poverty reduction targets, and allocate sufficient funding to deliver them.
- Develop and resource a three year cross-departmental Action Plan on Cost of Disability, co-designed with disabled people and disability organisations. A series of actions, timelines and measurable targets which are reported annually are necessary.

¹³ This disregard has not been reviewed since 2007.

¹⁴ See for example <https://www.familycarers.ie/media/3113/towards-a-participation-income-for-family-carers.pdf> and https://data.oireachtas.ie/ie/oireachtas/parliamentaryBudgetOffice/2023/2023-05-30_costing-analysis-on-abolishing-the-means-test-for-the-carer-s-allowance_en.pdf



DFI's vision

An Ireland where people with disabilities are participating fully in all aspects of society.



DFI's mission

DFI is a federation of member organisations working with people with disabilities to implement the UN CRPD and ensure their equal participation in society.



Four-year goal

Member organisations are actively involved in DFI, working to implement the UN CRPD and to achieve the equal participation of people with disabilities in society.

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