



## BRIEFING PAPER

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# People with disabilities in employment

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### Contents:

1. **Headline figures**
2. **Characteristics**
3. **Disability employment gap**
4. **Increasing the number of disabled people in work**



# Contents

<b>Summary</b>	<b>3</b>
<b>1. Headline figures</b>	<b>4</b>
1.1 Regional employment data	5
1.2 Employment trend	5
<b>2. Characteristics</b>	<b>7</b>
2.1 Gender	7
Trend over time	7
2.2 Data from the Work, health and disability Green Paper	8
Part-time working	8
Health conditions	8
Employment rate by other characteristics	10
<b>3. Disability employment gap</b>	<b>11</b>
3.1 Recent trend	11
3.2 Long term trend	11
<b>4. Increasing the number of disabled people in work</b>	<b>13</b>

## Summary

### Headline Figures

There were **3.5 million** people of working age (16-64) with disabilities **in employment** between April and June 2017, an employment rate of **49.2%**. The employment rate for people without disabilities was 80.6%.

The employment rate for people with disabilities was 1.3 percentage points higher in April-June 2017 than in the same period in 2016. In this period the number of people with disabilities in employment has risen by 104,000.

**346,000** people with disabilities of working age were **unemployed**. People with disabilities have an unemployment rate of **9.0%**. The unemployment rate for people without disabilities was 3.8%.

**3.8 million** people with disabilities of working age were **economically inactive**. The economic inactivity rate for those with disabilities is **45.9%**. The economic inactivity rate for people without disabilities was 16.2%.

### Employment Gaps

What is commonly referred to as the 'disability employment gap' is the difference in the employment rate of people with disabilities and people without disabilities. People with disabilities had an employment rate **31.3 percentage points lower** than people without disabilities between April and July 2017.

The employment rate for men with disabilities is 50.0%, for women with disabilities the rate is 48.6%.

### Government Policy

The government has reported that finding work for an additional 1% of eligible Employment and Support Allowance claimants in 2018/19 would save £240 million, and provide a boost to the economy of £260 million.

The Conservative Party 2017 manifesto pledged to get *"1 million more people with disabilities into employment over the next ten years"*.

To achieve this goal there would have to be 4.5 million people in employment with disabilities by 2027, a growth of 29% on current levels.

### 'Improving Lives'

In November 2017, the Government set out its strategy on how it intends to get a million more disabled people into employment in the [Improving lives: the future of work, health and disability](#) policy paper.

# 1. Headline figures

There were **3.5 million** people of working age (16-64) with disabilities **in employment** in April-June 2017, an employment rate of **49.2%**. The employment rate for people without disabilities was 80.6%.

The employment rate for people with disabilities was 1.3 percentage points higher in April-June 2017 than in the same period in 2016. In this period the number of people with disabilities in employment has risen by 104,000.

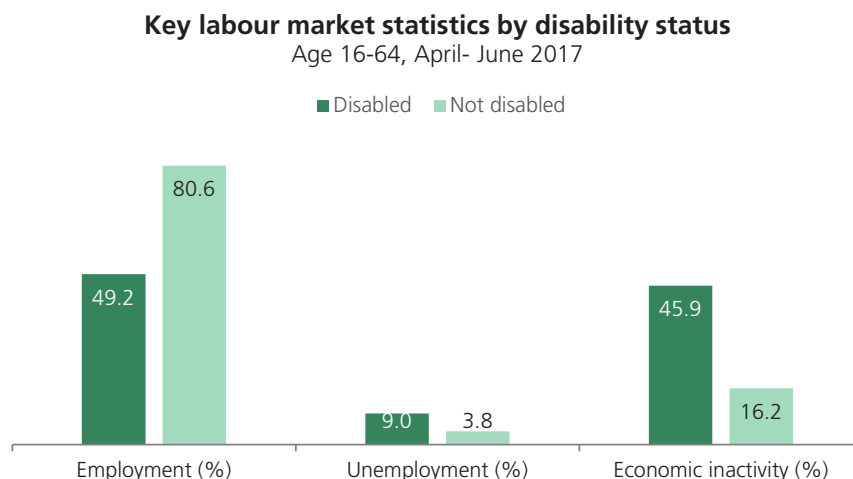
**346,000** people with disabilities of working age were **unemployed**. These people were not in work and were actively seeking work.<sup>1</sup> People with disabilities have an unemployment rate of **9.0%**. The unemployment rate for people without disabilities was 3.8%.

**3.8 million** people with disabilities of working age were **economically inactive**. These people were not in work and not looking for work. The economic inactivity rate for those with disabilities is **45.9%**.

People with disabilities were considerably more likely than those without disabilities to be economically inactive. The economic inactivity rate for people without disabilities was 16.2%.

The high rate of economic inactivity, alongside a higher unemployment rate, explains why people with disabilities have a low employment rate. People with disabilities have an **employment rate** that is **31.3 percentage points lower** than that of people without disabilities. This difference is often referred to as the **disability employment gap**. See *section four for details*.

Here the unemployment rate refers to the proportion of people in the relevant group aged 16- 64 who are unemployed, rather than the proportion of the total adult population.



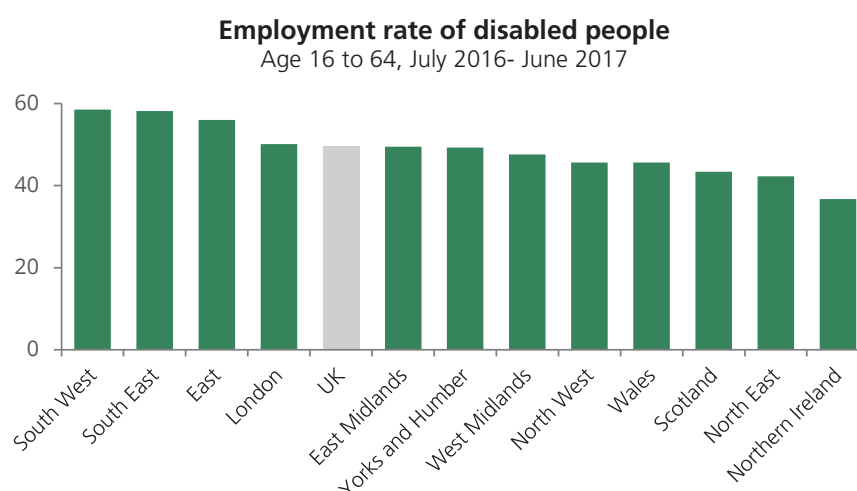
Source: ONS, Labour Market Bulletin, Table A08

<sup>1</sup> Someone is unemployed if they are not in work but are looking for work (having done so at some point during the past four weeks) and are available to start work in the next fortnight.

## 1.1 Regional employment data

Data from the Annual Population Survey shows employment figures for disabled people by region. These statistics use an '[Equality Act core disabled](#)' definition to categorise people as having a disability rather than the Government Statistical Service harmonised definition of disability that is used for national figures. **These figures are therefore not directly comparable to statistics used in the rest of this note.**

Between July 2016 and June 2017 the employment rate was highest for people who were disabled in the South West at 58.5%, and lowest in Northern Ireland at 36.7%. The distribution is largely reflective of the regions where overall employment rates are generally high or low.<sup>2</sup>



Source: ONS, Annual Population Survey, accessed via nomis

Notes: Definition of 'disabled' is different to that used elsewhere in this note. Here it refers to those who are 'Equality Act core disabled'

## 1.2 Employment trend

In April-June 2017, the number of people with disabilities in employment had increased by 104,000 from the same period in 2016, while the employment rate was 1.3 percentage points higher.

Between April to June 2013 and April to June 2017 the number of people with disabilities in employment increased by around 596,000, an increase of 21%. In this period the number of people in employment without disabilities has grown by around 7%.

*These statistics are based on a small numbers of survey respondents. Changes between quarters, or lack thereof, could be down to survey error.*

<sup>2</sup> See Library briefing paper [Labour market statistics: UK regions and countries](#) for details on employment rate by region for the whole population.

## 6 People with disabilities in employment

### People with disabilities in employment

Age 16 to 64

	Employment (millions)	Employment rate (%)
2015 Q2	3.3	45.9
2015 Q3	3.2	45.6
2015 Q4	3.3	46.6
2016 Q1	3.3	46.9
2016 Q2	3.4	47.9
2016 Q3	3.5	48.3
2016 Q4	3.6	49.5
2017 Q1	3.5	49.0
2017 Q2	3.5	49.2

Source: ONS, Labour Market Bulletin, Table A08

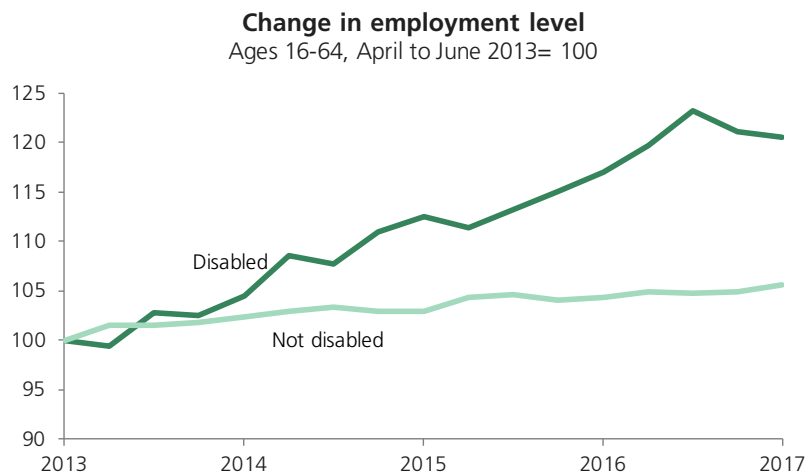
#### Conservative manifesto pledge

The Conservative Party 2017 manifesto pledged to get “1 million more people with disabilities into employment over the next ten years”.<sup>3</sup>

To meet this target there would have to be 4.5 million people in employment with disabilities by 2027, a growth of 29% on current levels.

In the Conservative Party 2015 manifesto, the Government had committed to halving the gap between the employment rates for disabled and non-disabled people. The Work and Pensions Committee reported that this would require an extra 1.2 to 1.5 million disabled people to be in employment.<sup>4 5</sup>

The chart below shows the proportionate change on employment levels since April to June 2013. 100 represents the employment level in April to June 2013 and the lines show how the employment level for each group has changed relative to its April to June 2013 value.



Source: ONS, Labour Market Bulletin, Table A08

<sup>3</sup> Conservative Party, [Forward Together: Our plan for a stronger Britain and a prosperous future](#), p57

<sup>4</sup> The Conservative Party Manifesto 2015, p20

<sup>5</sup> Work and Pensions Committee, [Disability employment gap](#), 30 January 2017

## 2. Characteristics

### 2.1 Gender

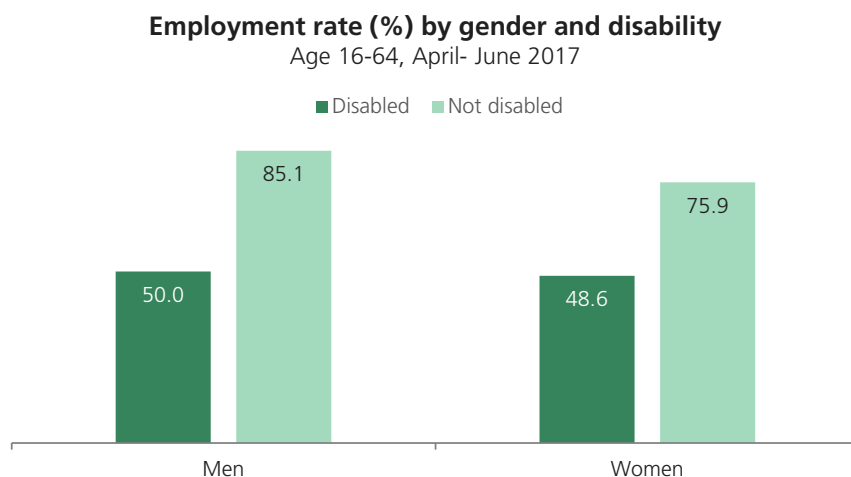
Between April and June 2017 there were around 2 million **women with disabilities** in work, an employment rate of **48.6%**. During the same period there were around 1.5 million **men with disabilities** in work, an employment rate of **50.0%**.

The difference between employment rates for men and women is less for disabled people than it is for those without disabilities.

Between April and June 2017 men without disabilities had an employment rate (85.1%) that was 9.2 percentage points higher than the employment rate of women without disabilities (75.9%).

The gap between the employment rate for women with disabilities and those without was smaller than the equivalent gap for men. The employment rate for women with disabilities was 27.2 percentage points lower than that for women without disabilities, whereas the gap was 35.1 percentage points for men.

There are more women of working age with disabilities than there are men; this explains why women with disabilities have a slightly lower employment rate despite there being more disabled women in work.



Source: ONS, Labour Market Bulletin, Table A08

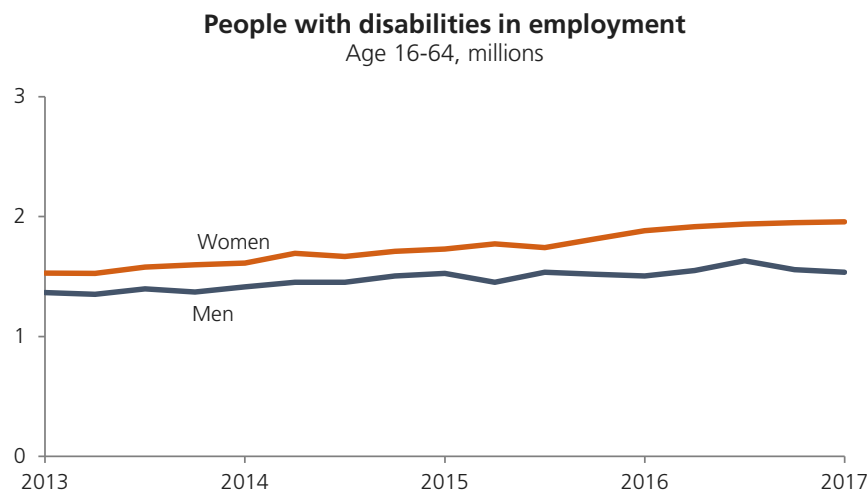
### Trend over time

Over the past year the number of women with disabilities in employment has grown by around 73,000 and the number of men with disabilities in employment has grown by around 33,000.

In the past year the employment rate for women with disabilities has increased by 0.1 percentage points. The employment rate for men with disabilities has increased by 0.7 percentage points.

Over the longer term the number of men and women with disabilities in employment had been growing at a similar rate. Recently estimates for the number of men with disabilities in employment have been more volatile, as you can see by how the line for men is more jagged since 2015.

*These statistics are based on a small numbers of survey respondents. Changes between quarters, or lack thereof, could be down to survey error.*



Source: ONS, Labour Market Bulletin, Table A08

## 2.2 Data from the Work, health and disability Green Paper

In October 2016 the Government published the Green Paper [Work, Health and Disability Green Paper: Improving Lives](#) in which they outlined the package of employment support for people with disabilities, including how the Government envisions the upcoming Work and Health Programme will operate.

Alongside the Green Paper the Government published a data pack which included detailed employment statistics relating to people with disabilities.

This data is sourced from the Office of National Statistics Labour Force Survey and it relates to April to June 2016.

### Part-time working

People with disabilities are more likely to be working part-time than those without disabilities. 24.1% of people with disabilities aged 16-64 were working part-time compared to 36.0% of people without disabilities of the same age.

### Health conditions

Disabled people with multiple health conditions had lower employment rates than those with one health condition. People with one health condition had an employment rate of 60.8%. Disabled people with at least two health conditions had an employment rate of almost nine percentage points lower than those with one condition.

The Work and Health Programme is a welfare-to-work programme which was launched in North West England and Wales in November 2017.

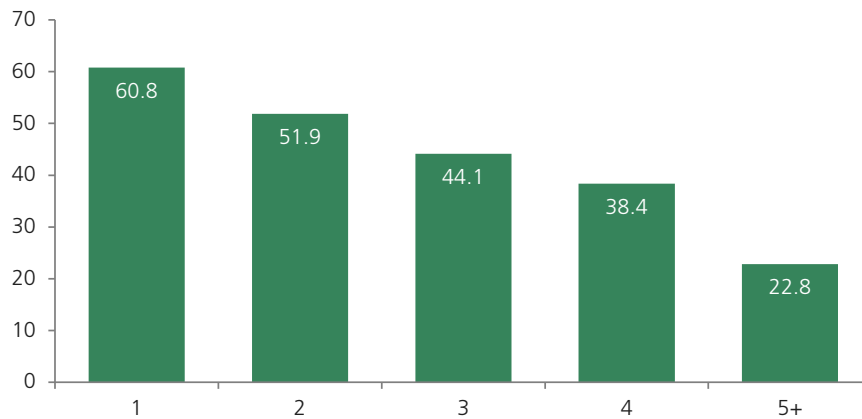
It provides specialised support for those unemployed for over two years and, on a voluntary basis, to those with health conditions or disabilities.

The Library's briefing paper [Work and Health Programme](#) gives a detailed overview of the programme



**Employment rate (%) by number of health conditions**

Age 16-64, April- June 2016



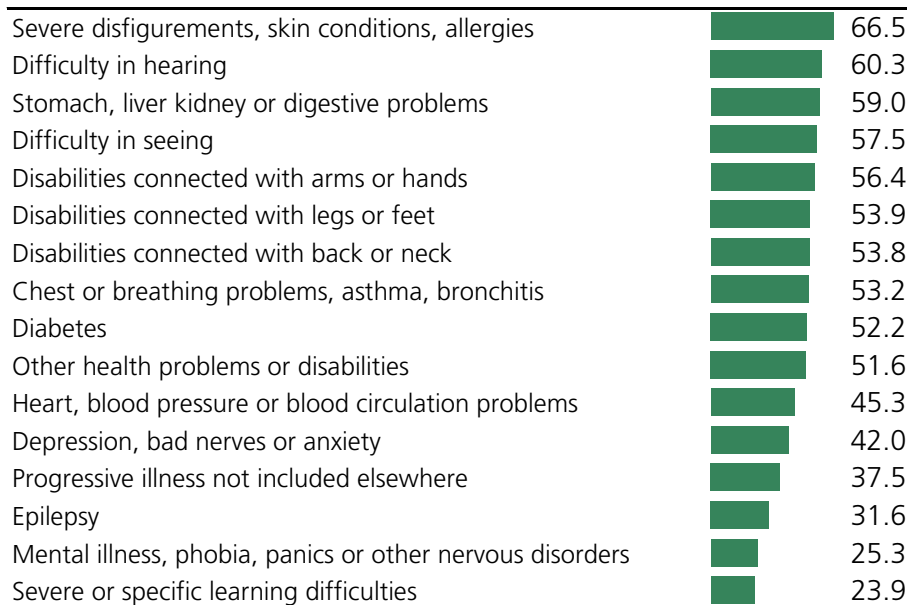
Source: Department of Work and Pensions and Department of Health, Work, health and disability green paper: data pack

The type of health condition also had a large impact on the employment rate of disabled people. People with mental health conditions and learning difficulties had the lowest employment rates whilst those with disfigurements, hearing and sight problems, and digestive problems had higher employment rates.

For all health conditions people with disabilities had lower employment rates than those without disabilities. The highest employment rate for a health condition group (severe disfigurements, skin conditions and allergies) was still 13.6 percentage points below the equivalent figure for non-disabled working age adults.

**Employment (%) of people with disabilities by health condition**

Age 16-64, April- June 2016



Source: Department of Work and Pensions and Department of Health, Work, health and disability green paper: data pack

## Employment rate by other characteristics

### Age

- The employment rate was highest for people with disabilities aged 25 to 49 (56.4%)
- The employment rate was lowest for people with disabilities aged 16- 24 (38.2%).
- The gap between the employment rate of disabled people aged 16-24 and that non-disabled people aged 16-24 was the smallest of any age band, at 18.3 percentage points.
- The gap between the employment rate of the disabled and non-disabled population was largest for workers aged 50-64, at 39.8 percentage points.

### Qualifications

- The employment rate was highest for disabled people with a degree (or equivalent) at (71.7%)
- The employment rate was lowest for those without a qualification (17.0%)
- People with disabilities whose highest level of qualification was GCSEs had an employment rate of 45.6%.

## 3. Disability employment gap

The 'disability employment gap' is the difference in the employment rate of people with disabilities and people without disabilities. In April to July 2017 the gap was **31.3 percentage points**.

### 3.1 Recent trend

Over the last two years the disability employment gap has reduced by 1.9 percentage points. This has been because the employment rate for people with disabilities has been rising faster than the employment rate for people without disabilities.

#### Disability employment gap

	Employment Rate (%)		Disability Employment Gap
	People with disabilities	People without disabilities	
2015 Q2	45.9	79.2	33.3
2015 Q3	45.6	80.2	34.5
2015 Q4	46.7	80.3	33.6
2016 Q1	46.9	79.9	33.1
2016 Q2	47.9	80.1	32.2
2016 Q3	48.3	80.5	32.2
2016 Q4	49.5	80.3	30.8
2017 Q1	49.0	80.2	31.2
2017 Q2	49.2	80.6	31.4

Source: ONS, Labour Market Bulletin, Table A08

### 3.2 Long term trend

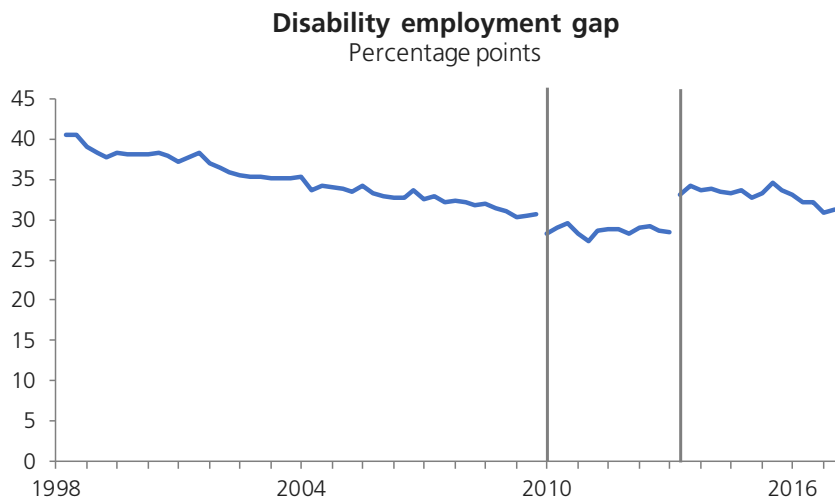
Data is available back to 1998, however data for the second quarter of 2013 onwards are not directly comparable with earlier data. This is because there were changes in the disability questions within the Labour Force Survey questionnaire. There were similar changes at the start of 2010.

There was a gradual fall in the disability employment gap between 1998 and 2010. This was driven by an increase in the employment rate for disabled people up to 2008, but then by a fall in the employment rate for non-disabled people in 2008 and 2009.

The 2015 Conservative Party manifesto included an aim to halve the disability employment gap. The gap was 32.7% points at the time the manifesto was published.

Their 2017 manifesto replaced this with a pledge to increase the number of disabled people in work by 1 million.

## 12 People with disabilities in employment



**Source:** ONS, Labour Market Bulletin, Table A08

**Notes:**

Estimates from 2010 onwards, and 2013 onwards, are not directly comparable with those for earlier years. This is due to a rewording of the LFS questionnaire in January 2010 (which led to higher estimates of the number of people with a disability or long-term health problem) and another rewording in April 2013.

1998-2013, data refer to men aged 16-64 and women aged 16-59. Rate is calculated as difference in employment rate between people with disabilities that limit their day-to-day activities and the rest of the population.

2013-2016, data refer to all people aged 16-64. Rate is calculated as difference in employment rate between people who are disabled according to Government Statistical Service harmonised standard definition of disability and rest of the population.

## 4. Increasing the number of disabled people in work

In the Conservative 2017 manifesto, the Government pledged to increase the number of disabled people in work by a million over the next ten years.<sup>6</sup>

The government has reported that finding work for an additional 1% of eligible Employment and Support Allowance claimants in 2018/19 would save £240 million, and provide a boost to the economy of £260 million.<sup>7</sup>

### 4.1 Government policies to get people with disabilities back into work

In the 2017 conservative party manifesto, the government states that it will:

Harness the opportunities of flexible working and the digital economy to generate jobs for those whose disability make traditional work difficult...

Give employers the advice and support they need to hire and retrain disabled people...

Legislate to give unemployed disabled claimants or those with a health condition personalised and tailored employment support

In November 2017, the Government set out its strategy on how it intends to get a million more disabled people into employment in the [Improving lives: the future of work, health and disability](#) White Paper. The strategy is partly based on supporting disabled people and people with long-term health conditions to find work, but also to provide investment to support these people to stay in work.

This document includes a review of the consultation that followed the publication of the [Improving Lives Green Paper](#) in October 2016.

The main policies and proposals relating to employment support are explained in brief below, although this is not an exhaustive list.

#### Personal Support Package

One of the key announcements in the *Improving Lives Green Paper* was a new Personal Support Package, and this was rolled out from April 2017 onwards. The initiative offers tailored employment support, which Jobcentre Plus work coaches will help disabled people and people with health conditions to access.<sup>8</sup>

The initiative will provide the following support:

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<sup>6</sup> [Parliamentary Question 3585](#), Answered on the 11<sup>th</sup> July 2017

<sup>7</sup> DWP, [Improving lives: the future of work, health and disability](#), 30 November 2017, p6

<sup>8</sup> DWP, [March 2017: Touchbase edition 119](#)

## 14 People with disabilities in employment

- 200 **Community Partners** will be recruited into Jobcentres who will provide expert knowledge of disability, and support work coaches and Disability Employment Advisers.
- 102 **Small Employer Advisers** will be recruited and will raise awareness with small employers of the support available to them when employing a person with a long-term health condition or disability.
- An extra 1,000 **Mental Health Support Service** places will be provided. This provides 6 months of support to start a new job as part of the Access to Work scheme.
- Extra places were funded on the **Work Choice** scheme.

Extra funding will also be provided to the **Flexible Support Fund (FSF)**. The FSF is the main mechanism to providing tailored support and gives Jobcentre Plus Districts greater freedom to tailor back-to-work support to individual and local need. Working within local guidelines and priorities, Jobcentre Plus advisers have discretion to decide how to help individuals move closer to or into work.<sup>9</sup>

New **training for work coaches** has been introduced since the Green Paper as part of the Health and Work Conversation. Further steps will be taken to improve the working relationships that work coaches form with their customers.<sup>10</sup>

300 **Disability Employment Advisers** have been recruited to work alongside work coaches to provide additional professional expertise and local knowledge of mental health conditions.<sup>11</sup>

The Department for Work and Pensions will work with 9 Local Authorities on a pilot of a **Local Supported Employment** scheme. This will support people with a learning difficulty or autism.<sup>12</sup>

### Work and Health Programme

The Work and Health Programme is an employment support programme which was launched in North West England and Wales in November 2017. The programme will roll out across the rest of England during early 2018.<sup>13</sup>

The Programme provides support to help people find and keep a job. It is available, on a voluntary basis, to those with health conditions or disabilities, and to various groups of vulnerable people.

It will also provide support to those who have been unemployed for over two years, and it will be compulsory for this group.

The Work and Health Programme will replace the [Work Programme](#) and [Work Choice schemes](#).<sup>14</sup>

The Health and Work conversation takes place between a work coach and new people claiming Employment Support Allowance. It focuses on what they can do, rather than what they cannot do.

<sup>9</sup> House of Commons Library Briefing Paper, [Jobcentre Plus Flexible Support Fund](#), October 2016

<sup>10</sup> DWP/DoH, [Improving lives: the future of work, health and disability](#), pp 16-18

<sup>11</sup> Ibid, p 55

<sup>12</sup> DWP, [December 2017: Touchbase edition 123](#)

<sup>13</sup> DWP, [New Employment Programme begins in England and Wales](#), November 2017

<sup>14</sup> HM Treasury, [Spending Review and Autumn Statement 2015](#), p89

Referrals to the current Work Programme ended on 1 April 2017. Work Choice has closed for new applications in all regions of Wales and England except London, where applications can be made until 1 February 2018.<sup>15 16</sup>

Further information on this programme is available in the Library Briefing Note Work and Health Programme.

### More complex needs

Support for those with the greatest needs and in the most complex situations is provided through [Specialist Employability Support](#) (SES). The Government is currently exploring the best options to provide this support after SES contracts end in October 2018.<sup>17</sup>

The White Paper also discussed support for those who are furthest from the labour market: those in the Support Group. People in this group are likely to be severely limited in what they can do as a consequence of their illness or disability, and are unlikely to volunteer for employment support.

The Government started to research the needs of customers in the Support Group in October 2017, and are testing different voluntary engagement methods. A larger trial is planned for late 2018.<sup>18</sup>

### Young People

Proposals in the White Paper specifically targeted at young people include:

- A voluntary supported work experience programme for young people with a limited capability for work is currently being tested.<sup>19</sup>
- Increasing the number of supported internships aimed at young people with an Education, Health and Care plan.<sup>20</sup>
- There will be a cross-government approach to increase support for young people with health conditions or disabilities. The [Green Paper on Children and Young People's Mental Health](#) considers how mental health support can be improved.<sup>21</sup>

### Apprenticeships

In Autumn 2017 changes were made to the regular English and maths requirements for people with a learning difficulty or disability, in response to the report from the [Maynard Taskforce](#). The expectation is that this will make apprenticeships more accessible to disabled people. The Government is continuing to explore how it can support employers to increase the number of apprenticeships accessible to people with a

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<sup>15</sup> Gov.uk, [Help with moving from benefits to work](#)

<sup>16</sup> Gov.uk, [Work Choice](#)

<sup>17</sup> DWP/DoH, Improving lives: the future of work, health and disability, p 19

<sup>18</sup> Ibid, pp 22-23

<sup>19</sup> DWP/DoH, Improving lives: the future of work, health and disability, p 58

<sup>20</sup> Ibid, p 21

<sup>21</sup> Ibid, p 47

disability, and whether the funding system is working for apprentices with a learning difficulty or a disability.<sup>22</sup>

### Continuing schemes

Existing employment schemes and initiatives that will continue to operate include:

- [Disability Confident](#) aims to help organisations “improve how they attract, recruit and retain disabled workers”. In the White Paper, the Government reports that it intends to increase the reach and effectiveness of this scheme.
- [Access to Work](#) provides support to meet the needs of disabled people in the workplace. In the White Paper, the Government states this scheme “will be significantly enhanced over the next year”.
- [Fit for Work](#) offers free, expert and impartial advice to anyone looking for help with issues around health and work. The White Paper reports that this scheme has had very low take-up, and that the current model of Occupational Health provision does not meet the needs of employers or individuals. The Government intends to appoint an Expert Working Group on occupational health to explore the “fundamental issues” in this area, and produce a strategy for future reform by 2019/2020.
- [New Enterprise Allowance](#) helps disabled people start or develop their own business. In the White Paper the government reports that it is going to carry out research into the barriers that disabled people may experience in self-employment.

### Other areas of support

Other announcements in the White Paper include:

- A consultation on potential changes to the Statutory Sick Pay system, with the aim of having a system that supports more flexible working, and helps people return to work after they have been unwell.<sup>23</sup>
- Reform of the Work Capability Assessment to offer an improved customer experience of the assessment process and to provide more personalised support and services. Add box explaining what this assessment is.<sup>24</sup>
- The introduction of a programme of work to support action to encourage people to stay healthy. Part of this programme is the development of a series of [toolkits](#) that look to help employers support the mental and physical health of their employees.<sup>25</sup>
- The development of tools that will raise the profile of work as a health outcome, and to help support healthcare professionals in addressing health needs and barriers to work. This is based on the understanding that good work is good for health.<sup>26</sup>

The Work Capability Assessment is the process for assessing Employment and Support Allowance and Universal Credit claimants' capability for work.

<sup>22</sup> Ibid, p 60

<sup>23</sup> DWP/DoH, Improving lives: the future of work, health and disability, pp 31-32

<sup>24</sup> Ibid, pp 21-22

<sup>25</sup> Ibid, pp 35-36

<sup>26</sup> Ibid, 36-37



## 4.2 Assistance needed to support disabled people in work

As part of the [Equality Act 2010](#), employers must make **reasonable adjustments** to support disabled job applicants and employees. As stated in the Department for Work and Pensions (DWP) guidance:

This means ensuring disabled people can overcome any substantial disadvantages they may have doing their jobs and progressing in work.

The DWP has published guidance on [Employing disabled people and people with health conditions](#). It states that:

- The costs of making reasonable adjustments to accommodate disabled employees are often low.
- The benefits of retaining an experienced, skilled employee who has acquired an impairment are usually greater than recruiting and training new staff.

Reasonable adjustments that are included in the guidance and on the gov.uk page [Reasonable adjustments for workers with disabilities or health conditions](#) are:

- Making changes to a disabled person's working pattern. Allow those who have become disabled to make a phased return to work.
- Doing things another way, such as allowing someone with social anxiety disorder to have their own desk instead of hot-desking, or allowing someone with a wheelchair to work on the ground floor.
- Providing training or mentoring. This will include training to non-disabled workers on how they can be more inclusive to disabled people.
- Either employing a support worker to assist a disabled worker, or arrange for a colleague to assist them with certain tasks.
- Making alterations to premises, like installing a ramp for a wheelchair user or an audio-visual fire alarm for a deaf person.
- Ensuring that information is provided in accessible formats, for example in Braille or on audio tape.
- Modifying or acquiring equipment, such as special keyboards for those with arthritis.
- Changing the recruitment process. Modify procedures for testing or assessment to ensure they don't disadvantage people with particular disabilities.
- Allowing extra time during selection tests.

[Access to Work](#) funding can be applied for towards the cost of making such reasonable adjustments.

The [Equality and Human Rights Commission](#) has provided [Examples of reasonable adjustments in practice](#).

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