



An Roinn Coimirce Sóisialaí  
Department of Social Protection

# Review of the Wage Subsidy Scheme (WSS)

## Written Submission Form

June 2023

## Public Consultation on Wage Subsidy Scheme

The Department of Social Protection is running a public consultation on the review of the Wage Subsidy Scheme until 5pm Friday 21 July.

We invite people with disabilities, employers, representative groups, and the public to give their views using the short survey or a written submission.

Links to complete the surveys and written submissions online are available at [www.gov.ie/WSSReview](http://www.gov.ie/WSSReview)

If the online submission is not accessible to you, you can do one of the following:

- download this submission template, print it, and return it to the postal address below.
- download this submission template, save it, and return it to the email address below. Please put “WSS Consultation” in the subject line.

### Where to send your submission

Post: WSS Review  
Disability and Carers Policy Unit  
Floor Four  
Áras Mhic Dhiarmada  
Store Street  
Dublin 1  
D01 WY03

Email: [DCPolicyConsultation@welfare.ie](mailto:DCPolicyConsultation@welfare.ie)

Phone: 01 704 3606

# Review of the Wage Subsidy Scheme for People with Disabilities

The views and experiences of organisations, representatives, and individuals are needed to successfully review the Wage Subsidy Scheme for People with Disabilities. You can share your thoughts with us through this written submission form.

The Wage Subsidy Scheme aims to enable disabled people to become self-sufficient in the open labour market by encouraging private sector employers to hire people with disabilities.

**About the scheme:** Sometimes, regardless of a person's ability to do a job, the nature of their disability can restrict the employee's productivity in comparison with other staff. In such situations the Wage Subsidy Scheme for disabled people allows the employer to claim a wage subsidy.

Please answer the following six questions to contribute to the review of the Wage Subsidy Scheme.

Please limit your answers for questions 3-6 to 500 words.

## Written Submission Template

Question	Your answer
<b>Question 1:</b>  <b>Name of person or organisation</b>	<b>Citizens Information Board</b>
<b>Question 2</b>  <b>Who is making this submission?</b> <ul style="list-style-type: none"><li>• <b>Disabled Person's Organisation</b></li><li>• <b>Disability representative organisation</b></li><li>• <b>Employer representative organisation</b></li><li>• <b>An individual</b></li></ul>	Statutory Agency

Question	Your answer
<p><b>Question 3</b></p> <p><b>The Wage Subsidy Scheme aims to incentivise employers to employ more people with disabilities.</b></p> <p><b>In your experience is the scheme achieving that aim?</b></p>	<p>The Wage Subsidy Scheme Subsidy Scheme (WSS) has clearly provided beneficial employment opportunities for 2,600 workers to date and has enabled employers to run their business effectively without loss of productivity. It has many positive elements: a) it provides a greater incentive for private sector employers to hire disabled people, b) it requires that disabled people earn the going rate for the job; and c) it helps to ensure that disabled people can become members of the workforce on an equal basis with others. The scheme has significant potential for expansion.</p> <p>CIB-funded services regularly highlight barriers and difficulties that people with disabilities continue to face in accessing and in retaining work. The rights of people with disabilities to equal opportunities in the labour force are often not afforded sufficient importance, resulting in higher rates of unemployment and increased risk of poverty among people with disabilities. This continues to be the case despite several important targeted initiatives in recent years, including the WSS.</p> <p>A high proportion, almost 50,000 queries (over 6% in 2022), of all queries to Citizens Information Services relate to employment matters. Fourteen percent (54,659) of all callers to CISs in 2022 had specific needs identified by information providers. Specific needs include diverse types of disabilities, as well as problems with language and literacy. Queries to CISs also suggest that a proportion of persons with a disability, who do engage with various activation services, experience these as low-paid, unskilled, precarious employment. This situation undoubtedly impacts negatively on the potential of the WSS to increase employment rates among disabled people.</p> <p>There are several relevant factors that should inform the Review of the WSS:</p> <ul style="list-style-type: none"> <li>• The costs to the exchequer of supporting disabled people to start and remain in employment are minor compared to the value to disabled people themselves in terms of enabling their social inclusion and self-sufficiency as well as the value to employers of having a diverse workforce.</li> <li>• Ireland has a poor record in employing people with intellectual or physical disabilities in the main labour force – this needs to change and a wider application of the WSS can</li> </ul>

Question	Your answer
	<p data-bbox="579 304 911 338">contribute to this change.</p> <ul data-bbox="531 383 1385 1429" style="list-style-type: none"> <li data-bbox="531 383 1385 533">• The focus in the WSS on the need to prove productivity shortfalls may have the unintended consequence of undermining the skill sets of people with disabilities and their potential contribution.</li> <li data-bbox="531 577 1385 728">• Since there is a distinct social advantage to employing disabled people, there is a compelling argument that employers should be actively supported to hire disabled people without a need to prove a productivity shortfall.</li> <li data-bbox="531 772 1385 891">• Research shows that many employers are unaware of the WSS and, indeed, of other state supports for employing disabled people – this information deficit needs to be rectified.</li> <li data-bbox="531 936 1385 1198">• A key point is that the WSS rate is not linked to the statutory minimum wage. In considering the value of the WSS, it is important to note that when the scheme was introduced, the rate of payment represented about 70% of the minimum wage but now represents only 55%; this issue will become more relevant as a result of the promised move to a Living Wage for all workers.</li> <li data-bbox="531 1243 1385 1429">• There may be a lack of understanding among some employers about disability and misconceptions about what disabled people can and cannot do. Indeed, some employers may presume a lack of ability in areas unaffected by a person’s specific disability.</li> </ul> <p data-bbox="483 1503 1385 1653">While this review of the WSS is important and timely, it is important that the scheme and any reviews thereof are integrated with reviews of ancillary schemes, including the Reasonable Accommodation Fund.</p>

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<p><b>Question 4</b></p> <p><b>The Wage Subsidy Scheme also aims to enable disabled people to become self-sufficient in the open labour market.</b></p> <p><b>In your experience is the scheme achieving that aim?</b></p>	<p>While more research would be required in order to explore the extent to which the WSS contributes to self-sufficiency for disabled people in the open labour market, the overall situation remains that, despite a range of supports for both employees and employers in recent years, people with disabilities continue to face significant barriers in relation to securing and retaining employment.</p> <p>While the WSS has the potential to broaden and increase the participation of people with disabilities in the workforce with resulting benefits for employees, employers, and society, it needs to be borne in mind that the WSS does not operate in isolation from other complementary schemes and incentives. There is a need to ensure that other employment-enabling and supporting measures dovetail with the assistance offered by the WSS. Particular attention is needed to how the WSS integrates with and complements the Reasonable Accommodation Fund, the EmployAbility Service, and the role of Intreo.</p> <p>International research shows that the longer a person is away from work, the harder it is to re-enter the labour market. Therefore, the immediate targeting of supports, including the WSS and the Reasonable Accommodation Fund are particularly important in this regard. The WSS should be specifically targeted to ensure that the experience and skills of people who acquire a disability are not lost to an employer and that those workers can retain their employment status.</p> <p>While the EmployAbility service providers achieve results for many people with a disability in supporting their progression into employment, work experience or further training, it is likely that a substantial cohort of people with disabilities, especially those already in jobs, do not engage with these services, and are, therefore, less well prepared for the task of seeking employment or career progression.</p> <p>Many disabled people may not be aware that there are a range of supports for employers who recruit a person with a disability which may be relevant to their situation and, even when they do know, may be hesitant to avail of it because of concern about the reinstatement of their benefits if the work was only short-term.</p> <p>There is a need to explore further the potential of the WSS in the context of supporting people with diverse types of disability, be that physical, sensory, an intellectual disability, and those experiencing</p>

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	<p>mental health difficulties in the workplace. This is an area where further research and analysis of the experience to date is required.</p> <p>The WSS will only be fully effective to the extent that social and structural barriers to disabled people taking up work are eliminated. Progress has been made in recent years in addressing such barriers in the context of the Comprehensive Employment Strategy for people with disabilities, the Make Work Pay initiative and smoothing of work/welfare traps. However, some barriers continue to exist relating to the additional cost of disability. For example, the loss of a Carer's Allowance payment to a family if a person with a disability takes up work may function as a disincentive.</p>



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<p><b>Question 5</b></p> <p><b>Are there any changes that you would suggest that would incentivise more employers to use the scheme?</b></p>	<p>Research shows that a large majority of employers are not sufficiently aware of the public supports available to them (<a href="https://www.oecd-ilibrary.org/sites/3b372019-en/index.html?itemId=/content/component/3b372019-en#figure-d1e13766">https://www.oecd-ilibrary.org/sites/3b372019-en/index.html?itemId=/content/component/3b372019-en#figure-d1e13766</a>). This research also shows that two in three employers reported never having been advised on how to better integrate workers with disabilities.</p> <p>Another survey also points to the non-awareness of many companies of the availability of public supports such as the WSS. (<a href="https://www.ahead.ie/userfiles/files/AHEAD_Employer_Attitudes_Survey_June2021.pdf">https://www.ahead.ie/userfiles/files/AHEAD_Employer_Attitudes_Survey_June2021.pdf</a>)</p> <p>This research showed that, while 37% of larger companies have targeted recruitment aimed at people with a disability, only a quarter have a specific resource group for those with a disability. However, this survey notes that about three in four large companies have an inclusion and diversity strategy and most of these strategies (79%) include a special focus on persons with disabilities and that two-thirds of survey respondents said that they provide disability awareness training, although in most cases only occasionally. In addition, the take-up of the Disability Awareness Support Scheme by employers is low.</p> <p>The following issues need to be addressed:</p> <ul style="list-style-type: none"> <li>• It is likely that many SMEs may not be able to support even a minimum number of disabled people who require additional supports.</li> <li>• There is a lack of awareness of the WSS amongst employers, this results in jobs that could potentially be supported through the Scheme not being offered to disabled people.</li> <li>• Disabled people who are considering self-employment cannot avail of the WSS – there are disabled people with various skills (including entrepreneurial skills) who may not be able to accept a job as a paid employee, (e.g., because of transport) but who can work successfully in a self-employed capacity.</li> </ul>

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	<ul style="list-style-type: none"> <li>• The stipulation for a minimum of 21 hours employment per week may exclude people who may be eligible from taking up the Scheme.</li> </ul> <p>The following measures should be considered:</p> <ul style="list-style-type: none"> <li>• Allowing employers to access the Employer PRSI Exemption Scheme along with the WSS.</li> <li>• Proactively promoting the WSS through various media channels nationally and locally to employers and to people with disabilities.</li> <li>• Ensuring that there is full integration between the operation of the WSS and the Reasonable Accommodation Fund.</li> <li>• Establishing a nationwide “Job Shadow” scheme to encourage participation of employers in work-placements for people with disabilities.</li> <li>• Linking WSS funding applications for small and medium enterprises to participation in Disability Awareness &amp; Diversity training.</li> </ul> <p>Employers, especially those with small staff numbers and limited management resources, may perceive the employment of persons with disabilities as involving a much-increased management or administrative burden. The provision, to all employers, of an additional subsidy for employing workers with a disability, regardless of numbers employed under the scheme, would function as a small but attractive incentive to engage with prospective employees who have a disability.</p> <p>The WSS is only available for employees who are less than 12 months in a job and is designed to increase hiring rather than retaining people who acquire a disability – while the DSP Employee Retention Grant Scheme provides supports to employers to retain an employee who acquires a disability, it does not provide for ongoing top-up of wages as does the WSS.</p>

Question	Your answer
<p><b>Question 6</b></p> <p><b>Are there any changes that you would suggest that would encourage more potential employees onto the scheme?</b></p>	<p>A central issue is that many disabled people require the <i>de facto</i> support of a Personal Assistant (PA) to conduct their work. Current provision for PA hours is insufficient and this matter needs to be addressed if the WSS is to be effective. Increased funding for Personal Assistant hours is essential to optimise the potential of the WSS.</p> <p>The emerging reality of home working will have significant and positive knock-on effects for people with disabilities in the workforce. This will present new challenges for employers as well as opportunities to access a hitherto significantly untapped talent pool by adopting a wider geographic approach to recruitment. It is reasonable to suggest that remote working options will require some reconfiguration of the employment supports that are available, including the WSS, to enable people to make the necessary adaptations to enable home working.</p> <p>A 2022 report by the DETE, <a href="https://enterprise.gov.ie/en/publications/publication-files/an-evaluation-of-the-impacts-of-remote-working.pdf">https://enterprise.gov.ie/en/publications/publication-files/an-evaluation-of-the-impacts-of-remote-working.pdf</a> shows that 34% of jobs disabled people currently do could be done from home. Further research and analysis would be beneficial in exploring the potential of remote working for disabled people. Such analysis should include how the WSS, and the Reasonable Accommodation Fund could be implemented in such a scenario.</p> <p>There is a need to engage employers more actively through their representative groups (IBEC and ISME) in identifying and addressing the employment support needs of disabled people. There is a need for more discussion on the interface between supporting employees with a disability, retaining employees who acquire a disability and the needs of employers who must run a business and deliver a service to an appropriate standard.</p> <p>The WSS is part of a suite of supports to increase participation in employment by disabled people which are designed to give effect to the <i>Comprehensive Employment Strategy for People with Disabilities</i>. The review of the scheme, therefore, needs to be contextualised accordingly.</p> <p>The following should be considered:</p> <ul style="list-style-type: none"> <li>• A targeted awareness raising programme to educate both the public generally and employers about the challenges and</li> </ul>

Question	Your answer
	<p>benefits of recruiting from potential employees who have a disability, and to draw attention to the financial supports that are available.</p> <ul style="list-style-type: none"> <li>• A parallel awareness raising campaign needs to be aimed at people with disabilities through multiple media channels and support groups to ensure that people know what employment supports are available.</li> <li>• Consideration should be given to the provision of grant aid to employers, initially through a pilot scheme, aimed at supporting them to make their premises 'disabled-friendly' in the broadest sense of the term.</li> <li>• Preliminary grants aimed at encouraging employers to conduct 'disabled-friendly' audits could form a first step in this proposed action.</li> <li>• The reduction of the minimum employment commitment from 21 to 15 hours per week should be considered with provision for people on shorter or reduced-hour contracts to avail of the scheme.</li> <li>• It is suggested that WSS assessments might focus more strongly on the capacity-building of both employers and employees with a particular focus on fixed milestones and target dates.</li> <li>• There may be potential for more engagement between Intreo and employers at local level in respect of ensuring that employers are fully informed about the wide range of supports that are available.</li> </ul>