Assessing the impact of European governments' austerity plans on the rights of people with disabilities

EUROPEAN REPORT

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October 2012

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1. Introduction

1.1 Background and terms of reference

The progress made by many Member States across the EU in introducing positive actions aimed at enhancing the inclusion of people with disabilities slowed and faltered with the onset of the economic crisis in 2008. Since the onset, concerns have been raised by all interested parties that people with disabilities should not be required to pay for the consequences of the economic crisis, not only in terms of increased unemployment but also in terms of reduced income supports, cuts to disability services and withdrawal of resources from disability representative organisations. **A major consequence of such developments is that progress on the rights of people with disabilities as laid out in the UN Convention on the Rights of Persons with Disabilities (UNCRPD) is being put in jeopardy.**

This study set out to examine the evidence at both European and national level of the effect of the economic crisis, and its consequences in terms of austerity measures, on the rights and status of people with disabilities. In particular, it focused on the impact on the delivery of social services and income supports and allowances particularly aimed at people with disabilities. The scope of the study included employment and vocational training measures; inclusive education mechanisms; health and social care services; accessibility, personal assistance and independent living supports; and progress in the promotion and protection of disability rights. Evidence was gathered through a review of European reports and statistics and through six country reports compiled by national correspondents on the basis of documentary evidence and interviews with representatives of people with disabilities, services providers and funders. The UNCRPD and particularly Article 4 provided a framework for synthesising the results of the European and national studies.

The approach adopted involved the production of a European Background Report as an intermediary deliverable which informed the development of a set of templates upon which national correspondents based their documentary research and interviews and structured the national reports The countries included in the study were Greece, Hungary, Ireland, Portugal, Spain and the UK.

The background report presented the results of desk research based on available information sources and databases that contained comparative data on the theme, notably the MISSOC Labour Force Survey and the EU Survey of Income and Living Conditions. The report focused primarily on cash assistance and services but also adopted a wider perspective on progress towards the implementation of UNCRPD. Based on the findings of the background report, guidelines were drafted for the national correspondents. These were accompanied by three semi structured questionnaires designed to capture the views of local authorities or funding agencies, representative organisations of people with disabilities and services providers. National correspondents were required to carry out between two and three interviews with representatives from each of the stakeholder groups.

This report reflects both the findings of the European Background Report and the more in-depth and concrete information from the national reports. The report presents a synthesis of the data gathered at European level and supports this with additional findings extracted from the country studies. Information derived from the country reports prepared for this study is not explicitly referenced in the footnotes. Where concrete examples are presented of how the crisis directly impacted on the lives of people with disabilities, in other countries not surveyed, the appropriate sources are referenced.

1.2 Definition of 'austerity measures'

Most of the countries in the European Union (EU) went, or are going through, a review of their public spending following the economic and financial crisis which started in 2008/2009, which continues to affect European economies today and will most probably do so in the years to come. Many national governments have adopted budget cuts, or are currently in the process of doing so, in order to contain growing public national debts and to anticipate low economic growth. When public spending cuts are at stake, sectors such as social protection (where the pension and health insurance sectors represent the most costly areas), social services, health care and education are the most likely candidates for reductions.

From a fiscal perspective, since 2010, the EU has embarked on a new far-reaching and integrated surveillance system of the Member States. The EU is more than ever closely monitoring the economic performance of the Member States through the stability and convergence programmes while at the same time closely watching how Member States perform in relation to the new Europe 2020 strategy. In this respect, the European Commission has issued clear recommendations addressing the Member States on both their economic policies (including national public debts) and on their National Reform Programmes in which Member States have committed to contribute to the European wide headline targets.

Data analysis and interviews carried out for the background study and the country reports revealed that the impact of the economic crisis on the social sector substantially differs between countries, with some Member States (e.g. Germany, Austria, Scandinavia) facing, at least for the time being, rather fewer budget cuts in social benefits and social services. In four of the countries surveyed for this report it was clear that changes in the social sector directly resulted from austerity measures. This was the case in Greece, Ireland, Spain and Portugal. In the other two countries, Hungary and the UK, the changes identified reflected reforms of their social security and social protection systems. Underpinning these reforms were the need for modernisation and the containment of long term pension costs. **The disability sector is a particular focus of such reforms.**

1.3 Approach and methodology

There have been significant developments in the disability sector at national and international levels over the past twenty years. A particularly significant milestone in this was the UN Convention on the Rights of Persons with Disabilities (UNCRPD) which entered into force on 3 May 2008. To date 119 countries have ratified the Convention and 72 have

ratified its Optional Protocol which means that the UNCRPD has been integrated into their national legislation. The UNCRPD defines persons with disabilities as those who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others (Article 1).

This construal of disability has been embraced by the EU, which ratified the UNCRPD in December 2010, and is reflected in a broadening of perspective from disability as a factor in social exclusion requiring specialised services and supports to include disability as a civil rights issue in which impairment is conceived as an individual difference similar to gender or ethnicity that can result in discrimination and the denial of rights.

The EU addresses disability through a set of parallel strands of action. On the one hand, within the EURO 2020, the Integrated Guidelines for Growth and Jobs and the ESF regulations, people with disabilities have been mainstreamed as a priority group along with other groups that are vulnerable in the labour market. On the other hand, the EU is committed to promoting the rights of people with disabilities to full participation in society.

The annex to the Integrated Guidelines for Growth and Employment specified that particular attention must be paid to significantly reducing employment gaps for people at a disadvantage, including people with disabilities in line with national targets. The Guidelines also referred to other important mechanisms including individually based solutions, reasonable accommodation, corporate social responsibility, access to mainstream training and education, addressing special learning needs and creating accessible and inclusive learning opportunities.

The Communication on Situation of disabled people in the European Union: the European Action Plan 2008- 2009[1] can provide a background to this study. It reflected the European commitment to ensure that people with disabilities were able to access their rights. It highlighted the strong correlation between disability and ageing, disproportionate exclusion of persons with disabilities from the labour market and the particularly disadvantaged position of women with disabilities. **It expressed serious concern at the level of labour market exclusion of persons with disabilities, not only from the perspective of equal opportunities but also from an economic imperative to make the most of the untapped potential of disabled people.** People with learning or intellectual disabilities in the labour market were given specific mention.

It proposed a range of mechanisms which could make a difference between a person with a disability being active in the labour market and being dependent on social welfare, including creating new jobs (e.g. to meet the increasing demands of an ageing population), and it proposed a comprehensive approach to increase the employment rate of people with disabilities.

There was an emphasis on personal assistance and workplace adaptations taking into consideration the needs of people with disabilities in open employment as one element of flexibility and security in the labour market[2]. This was viewed as a way to assist job seekers

[1] Communication from the Commission to the Council, The European Parliament, The European Economic and Social Committee and the Committee of the Regions: Situation of disabled people in the European Union: the European Action Plan 2008-2009 COM(2007) 738 final of the 26th November 2007.
[2] COM (2007) final: More and better jobs through flexibility and security,

entering the market for the first time to access employment and to help those who were in employment to retain their jobs or to redeploy to another position.

The current EU level mechanism for promoting progress in the UNCRPD is the European Disability Strategy 2010-2020 which addresses Accessibility, Participation, Equality, Employment, Education and Training, Social Protection Health and External Action. The High Level Group on Disability has reported on progress in the implementation of the UNCRPD[3] [4]. The second report noted that while there was a wide degree of variation in the stages of implementation and different practices across Member States, there was nonetheless evidence that all had intensified their efforts in the implementation process.

It also highlighted the extent to which Member States had expressed a desire for actions in support of the development of a common approach, including engaging in mutual learning in order to benefit from existing solutions and the development of joint initiatives and coordinating processes particularly in areas where there is shared responsibility between the Member States and the EU. In such cases there is the possibility of establishing a common working forum to generate approaches and solutions that can be shared by those with responsibility for the deployment of the Treaty at all levels. One area within the remit of such a forum was the development of training and awareness raising programmes about rights and redress, and the fostering of leadership skills among people with disabilities so that they can better contribute to the implementation and monitoring process at national and European levels.

Member States agreed to report on progress in seven priority areas: accessibility, legal capacity and access to justice, independent living, voting rights, monitoring mechanisms and the empowerment of people with disabilities. Member States agreed to work through a range of common actions. These included sharing good practice and information exchange on legislation, guidelines and measures through thematic conferences, expert working groups and structured dialogue with civil society. In addition to a special role for the European Disability Forum, there was a strong emphasis on the involvement of people with disabilities in the shared process, the empowerment of representative organisations of people with disabilities and the preparation of persons with disabilities to play a role at EU level.

The core content of common actions revolved around exploring common challenges facing Member States and sharing existing and possible solutions. Among the main topics addressed were setting minimum standards, agreeing common rules and procedures, developing common reporting formats, indicators and comparable and systematic data collection.

The European Disability Strategy 2010-2020 and the UNCRPD are the two primary points of reference adopted for this study which documents the impact of austerity measures on the rights of persons with disabilities using four distinct perspectives. These are:

- Social services for people with disabilities;
- Disability-related social security benefits;

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http://ec.europa.eu/employment_social/news/2007/jun/flexicurity_en.pdf

[3] First Disability High Level Group Report on the implementation of the UN Convention on the Rights of Persons with Disabilities, 2008, http://ec.europa.eu/social/main.jsp?catId=431&langId=en

[4] Second Disability High Level Group Report on the implementation of the UN Convention on the Rights of Persons with Disabilities, 2009, http://ec.europa.eu/social/main.jsp?catId=431&langId=en

- Progress in implementing the UNCRPD and the protection of rights at EU and Member State levels
- The impact of economic crisis and austerity measures on specific articles of the UNCRPD.

Chapter 2 describes the macroeconomic context and presents evidence relating to the deteriorating situation of persons with disabilities in terms of labour market exclusion, access to an adequate standard of living, the mental health impact and its influence on public opinion and attitudes. Chapters 3 and 4 set out the evidence for the impact of the crisis on social services and disability-related social security benefits respectively. Chapter 5 provides an overview of evidence of the impact of the crisis on the implementation of the UNCRPD and summarises the findings of the study in terms of specific articles of the Convention.

2. Macroeconomic context

2.1 Introduction

The previous chapter set out the terms of reference for this study and described the approach and methodology adopted. The current chapter addresses the background macroeconomic conditions and describes the way in which the economic crisis has impacted negatively on the participation of people with disabilities in the labour market, their access to an adequate standard of living, the impact of the crisis on mental health and how it has adversely influenced on public opinion and attitudes to disability. It also presents the perspectives of representative organisations and international agencies on the crisis and its implications for people with disabilities.

Chapter 3 summarises the evidence of the impact of the crisis on social services in general and on specific services including employment and vocational rehabilitation, health and social care, independent living, education and vocational training services. It reviews a range of austerity measures including direct budget cuts, reduced funding for non-governmental social service providers, staff reductions and shortages, decreased direct payments, the withdrawal of financial support to representative organisations of people with disabilities and the postponement or cancellation of planned investments. It presents the evidence for structural changes in the social services sector such as the decentralisation of responsibilities to under resourced local governments, the discontinuation of services, the move from cash to in-kind benefits and the consequent increase in inequalities. The impact of the crisis on service delivery mechanism are described in terms of the merger or discontinuation of services, increased outsourcing and privatisation, more stringent tendering requirements, increased pressure on staff, cuts in staff training, reduced investment in research and innovation, the growing uncertainty for private providers, rising waiting lists, more stringent eligibility conditions, quality risks and the standardisation of services, the reversion to more institutional services solutions and the application of the medical model , the pressure on mainstreaming and the implications for independent living.

Chapter 4 addresses the impact of the crisis on disability-related social security benefits such as direct cuts in amounts paid, the non-indexation of benefits, changed non-contributory period conditions, social security deductions from benefits, increased user charges and delayed payments. It describes the way in which entitlement for benefits have been changed in terms of longer qualifying periods, more stringent means testing, revised disability assessment procedures and increased level of need required for eligibility. It also reviews the impact of the crisis on financial incentives and supports for job seekers with disabilities and employers who recruit workers with disabilities.

Chapter 5 provides an overview of evidence of the impact of the crisis on the implementation of the UNCRPD and summarises the findings of the study in terms of specific articles including equality and non-discrimination (Art. 5), accessibility (Art. 9), independent living (Art. 19), personal mobility (Art. 20), education (Art. 24), health (Art. 25), habilitation and

rehabilitation (Art. 26), work and employment (Art. 27), adequate standard of living (Art. 28) and participation in public and political life (Art 29b).

2.2 The economic crisis – status as of May 2012

The economic crisis, which occurred first in 2008-2009, appeared to be resolving itself during the first half of 2010. Instead the economic turmoil has continued to strongly persist throughout 2011 and to date in 2012.

Economic figures for 2011 and the first half of 2012 demonstrate a further slowdown and even contraction of some of the national economies. The economic growth of the EU recorded a poor 0.1% growth rate for the last quarter of 2011 and the prospects for 2012 are grim[5]. The Commission's forecast for March 2012 revised the EU GDP growth rate forecast down to 0.0% in the current year.

Public deficits are reaching alarming levels with 9 Member States exceeding the 80% of GDP level at the end of 2011. Amongst them are the big four: France, Germany, Italy and the U.K.

Unemployment rates are peaking with a 10.2% overall unemployment and an unprecedented 22.4% youth unemployment rate recorded in February 2012. Compared to the 2008 pre-crisis figures, these figures represent an increase of 3.1% and 6.4% respectively.

The economic crisis is affecting a growing number of EU countries. National governments are forced to take drastic austerity measures and initiate far reaching public budget cuts and/or raise tax income. Ireland, Greece and Portugal were perhaps the first and hardest hit, resulting in the widely debated EU/IMF bail-out agreements. Italy and Spain followed shortly but other countries such as Belgium, Bulgaria, Cyprus, Czech Republic, Estonia, France, Hungary, Latvia, Lithuania, The Netherlands, Poland, Slovenia, Slovak Republic, Romania and the U.K. are also being exposed, though to a varying extent.

A few Member States appear to have been able to contain the worst effects of the crisis such as Austria, Denmark, Finland, Germany and Sweden, although most of these governments have started (or announced) austerity measures as well. Most recent indicators demonstrate that these countries may become increasingly exposed to the negative consequences of the economic crisis in the months ahead.

In short, the economic crisis has affected the entire EU and its 500 million citizens and brought about a clear division (and even divide) between Member State affected by the crisis and those that have more or less coped. The gaps between the countries and especially regions in the EU in terms of employment, poverty and living standards are widening fast.

Compared to 2008, overall employment rates fell in the EU by 1.9 pps on average[6]. Only a few countries recorded an increase of employment rates during the same reference period such as Belgium, Germany, Sweden, Malta, Austria and Poland. In all the other 21 Member States the employment rate decreased and in some of them with percentages above the 10% such as Ireland, Greece, Latvia, Spain and Bulgaria.

[5] See also the EU Annual Growth Survey for 2012.
[6] Eurostat, Employment Rates statistics

24.6 million people in the EU were unemployed as of February 2012 or 1.9 million more than a year previously. 18 out of the 27 Member States recorded increases in their unemployment rates[7] whereas another 8 countries[8] noted decreases over the past year (though with rather low rates of between -0.6% in Germany and Finland and -0.1% in Sweden and, since early 2012, with slowing trends).

The gap between the EU Member States in terms of unemployment rates continues to widen, with a difference of 19.4 pps between Austria (4.2%) and Spain (23.6%).

The rise in the unemployment rate has affected more adults (up by 9.2% in the last year) than youngsters (up by 5% during the last year) though the youth unemployment remains significantly higher as compared with the general figures for unemployed of working age.

Youth unemployment has reached unprecedented levels, 22.4% in April 2012 or 6.4% more than in 2008. The share of young people who are neither in employment nor in education or training (NEET) has reached 14.3% (third quarter 2011) as compared to 12.5% in 2008 or an increase of 1.8%.[9]

At the end of 2011, the long term unemployed represented about 43% of the unemployed across the EU. Compared to the 2008 figures long term unemployment in 2011 increased in all Member States with the exception of only two Member States: Denmark and Luxembourg.

Long term unemployment increased by almost 60% in the EU over the 2008-2011 reference period. Slovakia, Spain, Greece, Ireland, Latvia and Lithuania recorded long term unemployment levels above 8% for 2011[10].

2.3 Measuring the impact of the economic crisis

2.3.1 Introduction

The cause-effect relationship between the economic crisis, the related austerity and fiscal consolidation measures and their impact on the social and the disability sectors is not always clear-cut. In some of the Member States the effects are more directly connected with austerity measures. They are often much more drastic and already demonstrating profound impacts in the social and disability sectors and daily lives of the citizens often to the detriment of the most vulnerable. This is most evident in the Member States that were subject to EU-IMF bail-out agreements (Ireland, Greece, Portugal, Latvia) and in Member States that (more recently) suffered from increasingly high public deficits, sky-rocketing unemployment figures and negative economic prospects (Spain, Italy, Hungary, Romania, Slovak Republic).

[7] European Commission, Monthly Labour Market Fact sheet, April 2012
[8] Latvia, Estonia, Lithuania, Germany, Finland, Austria, Czech Republic and Sweden. Malta recorded a zero change.
[9] EU Employment and Social Situation Quarterly Review – March 2012
[10] Eurostat Long term unemployment statistics updated on 18.04.2011

Other Member States have also taken austerity measures, though to varying degrees these have not been overtly linked with the crisis. Reforms in public sector systems such as social protection and health care are being implemented throughout the EU but they often are publicly justified by the objective of creating more sustainable and accessible systems. These reforms were sometimes already planned prior to the crisis, in some countries they were initiated by new governments that have taken office recently. The crisis has in these countries functioned as a catalyst or accelerator for change and often the reforms have gone further than what was originally planned.

Likewise **it is noteworthy that the usual time gap between initiating austerity measures and recording real impacts on the social and disability sectors has been overtaken by the urgency and volume of interventions in some of the Member States.** Depending on the capacity to temporarily address increasing demands and pressures on public social protection expenditures or to maintain people in the labour markets, this time lapse appears to be approaching its end, implying that the full social impact has still to materialise in the absence of substantial economic growth.

It is also important to draw attention to **the absence of proper indicators for measuring social impacts including those that concern the lives of persons with disabilities.** Unlike that which is being implemented across the EU with regard to (un)employment monitoring, there is no systematic and continuously updated information gathering, let alone statistical information, available on the status of persons with disabilities. Monitoring of poverty developments for instance happens but has been to date always based on data collected from past years reflecting situations that may already have been overtaken by most recent developments.

Finally, measuring impact would require a proper insight into the future needs and demands for social services. All EU Member States have acknowledged the fact that societal developments are such that more social and health services will be needed in the future for a structurally growing group of users. Proper forecasts and systematic monitoring of future needs is not being undertaken. Slashing services or cutting expenditures now may not only imply that short term increases in service needs, triggered by the crisis won't be met, it implicitly means that the gap between levels of services and the demands is rapidly widening year on year. **The longer term result of this widening gap may specifically be to the detriment of ageing people with disabilities and other peoples with disabilities who have been traditionally less well catered for, such as persons in need of high level support, including persons with intellectual disabilities and mental health conditions**.

2.3.2 The impact of the crisis: perspectives of representative organisations of people with disabilities and international agencies

Representative organisations of people with disabilities and a number of international agencies have been closely monitoring the impact of the economic crisis on people with disabilities over the course of the last four years. A brief overview of these reports and position papers can serve as a backdrop to the current study. The **European Disability Forum (EDF)** has consistently raised concerns about the potential impact of the economic crisis on European Citizens with disabilities**.** In 2008, it issued a call to all European

institutions and Member States to ensure that people with disabilities were not required to pay for the consequences of the economic crisis in terms of reduced income and benefits, restricted job opportunities or cuts to disability representative organisations. In support of its position it referred to reductions in supports and benefits in many countries including Ireland, Hungary, Sweden and Italy[11].

Similar concerns were raised by **the ILO** which convened a discussion on people with disabilities in times of economic crisis in 2009[12]. This noted many reports of increased unemployment for people with disabilities, reduced expenditure on public employment programmes and the impact of shrinking markets for goods produced by enterprises specifically employing people with disabilities. It suggested that those in need of health and rehabilitation were among the most vulnerable in times of crisis.

In the same year**, the OECD** carried out a thematic review of the impact of policies, initiatives and institutional reforms in response to increasing numbers of sickness and disability benefit claimants in 13 jurisdictions[13]. It concluded that prior to the crisis the key challenges facing people with health problems or disabilities which were likely to be exacerbated by the economic downturn included restricted labour market participation, insufficient income in their households, reliance on permanent disability benefits and increasing mental health problems. These trends were resulting in significant increase in the costs of sickness and disability benefit schemes.

In May 2010, EDF passed an emergency resolution reaffirming its positions and reiterating its concern that the economic and political crisis in Europe was threatening people with disabilities of all ages and their families. It called on Member States and EU institutions to engage with disability representative organisations to explore cost effective solutions which did not impact on quality of life and rights and to develop concrete inclusion measures[14].

One potential implication of the economic crisis raised was that disability targeted measures would be postponed or have reduced in priority. In particular, the case of employment services where the overall increase in unemployment figures placed pressure on job placement resources was emphasised[15]. A review of National Reform Programmes (NRPs) in EU Member States, carried out by **the Academic Network of European Disability Experts** (**ANED)**, identified a number of themes. There was no overall pattern in the way people with disabilities were addressed. There was little change in the employment status of people with disabilities or in approaches to promoting social inclusion in a number of Member States including Ireland, Romania and Slovenia. In some Member States, such as Belgium, France, Cyprus and Spain, there were indications of increased or planned investment in measures that could impact positively on the social inclusion of people with

[11] EDF Statement issued in November 2008
http://www.edf-feph.org/Page_Generale.asp?DocID=13874&thebloc=19538
[12] ILO, November 2009, People with disabilities in times of economic crisis, ILO panel discussion, Geneva
http://www.ilo.org/skills/events/WCMS_115119/lang--en/index.htm
[13] OECD (2009) Keeping on track in the economic downturn ; Background paper OECD High-Level Forum on Sickness, Disability and Work, Stockholm, 14-15 May 2009 Organisation for Economic Cooperation and Development, available at http://www.oecd.org/dataoecd/42/15/42699911.pdf
[14] EDF (2010) EDF Resolution on the Economic Crisis in Europe
http://www.eud.eu/uploads/EDF%20emergency%20resolution%209%20May%202010%20on%20economic%20crisis.pdf
[15] Priestly, M and Roulstone, A., Targeting and mainstreaming disability in the 2008-2010 National Reform Programmes for Growth and Jobs, Academic Network of European Disability Experts, Human European Consultancy and Centre for Disability Studies – Leeds University, 2009

disabilities. In some cases these were specifically targeted and in other cases they were measures designed to stimulate growth. In contrast, in other Member States, there was evidence that the priority of disability within NRPs was de-emphasised or that service or funding had been frozen or reduced, e.g. Austria, Poland, Lithuania and Latvia or that disability was not addressed explicitly in objectives e.g. Bulgaria.

Discernible or potential impacts of the economic crisis were identified in Italy, Sweden and the Netherlands in terms of increased disability pension claims and threats to disability employment initiatives by social and mainstream employers. In the UK, reform measures already in process such as changes to disability assessment procedures and eligibility criteria and the reduction in sheltered work opportunities were considered to represent a challenge during the economic downturn.

In 2010, ANED invited its country teams to submit brief reports on employment and recent developments. Teams were asked to provide an assessment of the way in which economic conditions were affecting people with disabilities[16]. Based on these reports ANED concluded that unemployment and inactivity rates remained high and employment remained significantly below the EU2020 target. This was considered to be a particular challenge for young people with disabilities. Substantial gaps in relative poverty rates were identified in a number of countries between families with a member with a disability and those without.

ANED noted that in the early stages of the economic crisis disability benefits and subsidies lessened the impact of job losses. However, where data was available it was ambiguous and it was difficult to extract data on trends. Nevertheless, it was possible to conclude that reduced disability allowances and actions on accessibility were an element of austerity measures and that people with mental health difficulties, intellectual disabilities or in need of high level support and elderly people with disabilities were most vulnerable to cutbacks. Women with disabilities were also more vulnerable.

It was also noted that the economic crisis had contributed to the intensification of measures which were in process prior to its onset such as the redesign of disability pensions and the changing eligibility criteria and assessment procedures.

While some positive policy developments were identified, these were not specifically targeted at protecting people with disabilities from the effects of the economic crisis. Overall, despite some instances where long-term benefits were increased, the general trend was to freeze or reduce benefits, including the withdrawal of financial supports for the procurement of medication or equipment, particularly for people assessed as having less severe conditions.

The report concluded that it was important to gain a perspective on how people with disabilities were likely to be impacted by both generic austerity measures and cuts to disability specific supports and services. Particular concern was expressed about the effect of austerity measures on local authority budgets and the impact of this on their capacity to provide local services.

[16] ANED, – Academic Network of European Disability Expert, 2010 Annual Activity Report Human European Consultancy and Centre for Disability Studies – Leeds University, 2010

There was general concern about the potential negative impact of austerity measures on opportunities for living independently in the community[17] and in particular, the withdrawal of community based services such as personal assistance or reliance on existing segregated, institutional options[18]. Such a development was viewed as contrary to the obligation on the majority of Member States who have ratified the UNCRPD and in a range of EU commitments to promote quality community services, independent living and transition from institutional care[19].

The **Network for Independent Living (ENIL)** cited a number of instances, even in Member States which had been leaders in promoting independent living, where people with disabilities have had their personal assistant hours reduced and where local authorities had ceased offering support services. In other Member States, people had to endure substantial periods on waiting lists for personal assistance services, cuts in the level of pensions and community based services. ENIL received reports from members in many Member States, including some that have been at the forefront in promoting the right to independent living, that many disabled people had their personal assistance hours cut and local support services were being closed down. In the UK the Independent Living Fund, which supports more than 21,000 people with high support needs, is closed to new applicants and will be eliminated by 2015. In Sweden there have been changes in the assessment of the needs of people with disabilities, which have resulted in less hours of personal assistance being granted In Flanders (Belgium), waiting lists for necessary support are effectively indefinite with over 5,500 people waiting for a Personal Assistance Budget. In Ireland 21% of people registered with the National Physical and Sensory Database were waiting to be assessed for personal assistance and support services[20].

In 2010, **the European Parliament** adopted a resolution on the mobility and inclusion of persons with disabilities and the European Disability Strategy 2010-2020[21]. The resolution expressed concern that austerity measures were resulting in decreased services for persons with disabilities and a restriction in social inclusion projects. On the basis that the poverty rate of persons with disabilities was 70% higher than that within the general population, it called on Member States to safeguard social protection for people with disabilities by refraining from unwarranted cuts in social protection in forming their austerity responses to the economic crisis. It emphasised the objectives of the new European Disability Strategy 2010-2020 (EDS) and the use of European Structural Funds to promote accessibility and inclusion and called for a the reduction of the co-financing rate for organisations of people with disabilities to 10% of the value of the projects implemented by them. It suggested that accessibility of goods and services could be promoted through mandatory accessibility selection criteria in European public procurement procedures.

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[17] ENIL, Proposal for a Resolution of the European Parliament on the effect of cuts in public spending on persons with disabilities in the European Union, Spain, 2011

[18] COM(2010) 636 final

[19] Resolution of the Council of the European union and the representatives of the Governments of the Member States, meeting within the Council of 17 March 2008 on the situation of persons with disabilities in the European Union (2008/C 75/01)

[20] ENIL Proposal for a Resolution of the European Parliament on the effect of cuts in public spending on persons with disabilities in the European Union: Background note, September 2011 http://media.fd2011.enil.eu/2011/09/Background_paper_Resolution.doc

[21] 2010/2272(INI) - 25/10/2011 Text adopted by Parliament, single reading, http://www.europarl.europa.eu/oeil/popups/summary.do?id=1173008&t=d&l=en

It called for measures to ensure the involvement of people with disabilities in designing and reviewing all measures which impact upon them and for the EC to guarantee adequate financial support for EU level disability representative organisations to support their contribution to policy making, the implementation of legislation and other decision-making processes which impact on people with disabilities.

It emphasised the need for a greater investment in gathering accurate and up to date data on the status of people with disabilities and disability services including residential supports and options and for the EC to enhance the processes of monitoring and promoting cooperation and exchange of good practice.

The need for more flexibility in employment regulation, legislation and policies was noted as a means of promoting greater and more sustainable labour market participation on the part of people with disabilities. It particularly referred to mechanisms which were customised to the needs of each type of disability including plans and vocational guidance which should be made available immediately people registered as job seekers.

Finally, it called for increased investment in education and training systems to reduce the very high drop-out rates on the part of people with disabilities, which have significant implications for social and employment exclusion and poverty, including enhanced policies; the introduction of individual learning supports; effective and alternative VET options customised to the needs and strengths of learners with disabilities; and inclusive education to guarantee universal access to education at all levels for learners with disabilities. It also proposed that adequate support for rehabilitation services in the fields of health, education, training, employment and tools for independent living and accessible transport are made available.

In June 2011, the **European Disability Forum (EDF)** established an on-line observatory to monitor the impact of the crisis on people with disabilities. Individuals and organisations can log on to the EDF website and provide feedback on four questions relating to the national, regional or local consequences for people with disabilities, the nature of austerity measures being implemented, the impact of the crisis on societal perceptions of disability and any measures taken to protect people with disabilities from the negative consequences of the crisis.[22] During an event to mark the European Day of Persons with Disabilities in December 2011, a report compiled by the EDF Observatory was referenced which documented the ways in which austerity measures were impacting on the rights of persons with disabilities including reductions in disability allowances, having to undergo reassessments of disability status, cuts in services and negative impacts on the capacity of disability representative organisations to champion the interests of their members[23]. Specific reference was made to developments in the UK and the Netherlands where personal budget schemes were being cut, withdrawal of funding for supported employment in Spain and the fragmentation of mental health services in Greece.

The event highlighted complaints received by the European Network for Independent Living from a wide range of Member States including Sweden, the Netherlands, UK, Belgium, Bulgaria, Slovenia, Italy, Spain, Portugal, Ireland and Greece over the intervening years

[22] EDF Observatory on the Crisis http://www.edf-feph.org/Page_Generale.asp?DocID=13854&thebloc=13856
[23] Europe's way out of the crisis: the disability rights perspective.

since the UNCRPD came into force.[24] Many complaints were about welfare systems in which reforms and cuts in public expenditure had occurred. A number of trends were identified including the reassessment of disability eligibility, cuts in disability allowances and benefits and reductions in local authority budgets. Further, reduced funding for disability representative organisations and the absence of consultation with these organisations, in contravention of Article 33 of the UNCRPD, were highlighted. This is discussed further in Section 5.2 of this report.

More recently, ENIL launched a revised proposal for a resolution of the European Parliament on the effect of cuts in public spending on persons with disabilities in the European Union which is supported by a broad range of NGO's committed to equality and social inclusion for a range of groups[25]. The primary concerns include the disproportionate burden of the cost of the economic crisis that people with disabilities have to bear in terms of the limitations imposed on their independence by cuts to personal assistance and direct payments and increased reliance on institutional care. It called on the European Parliament to stress the rights of people with disabilities; reaffirm the European Union's commitment to social inclusion; recommend measures to reinforce the rights of people with disabilities as specified by the UNCRPD; support the continued commitment to the transition of people with disabilities in institutional care to community living; and to call on Member States to pull back from cuts in funding for community based services and to develop a national deinstitutionalisation strategy in line with commitment under the UNCRPD.

This was followed up with a hearing in the European Parliament in support of its resolution[26]. In addition to reiterating measures described above, evidence of austerity measures being implemented from a number of other Member States were presented including disability reassessments in Greece, cuts in disability allowances and assistance in Italy and Ireland and reductions in support hours and support for Centres of Independent Living in many countries.

Other concerns were raised about the risk of re-institutionalisation of residential and health services. In Ireland, the 'community employment scheme' which was a critical factor for CILs in employing personal assistants was cut by 66%. In Bulgaria, spending on institutional services far outweighed that assigned to community living and in the current economic situation this was unlikely to change. An overview of the impact of the crisis based on responses to the EDF Observatory confirmed much of the evidence presented in this report. It indicated that reassessment of disability status, cuts in allowances, increased taxes, reduced local authority spending, reduced support for disability representative organisations were taking place without any consultation with those who were most affected in contravention of commitments under the UNCRPD.

In January 2012, the **European Association of Service Providers for Persons with Disabilities** carried out a survey of its members and received responses covering 18

[24] Evans, J., Rights and Responsibilities or Cuts and Social Exclusion, Presented at Europe's Way out of the Crisis: The Disability Rights Perspective - European Day Conference for People with Disabilities, 2011
[25] http://enil.eu/2012/01/enil-launches-proposal-for-a-new-resolution-of-the-european-parliament/
[26] ENIL, Hearing in the European Parliament, February 2012, Defend the Right of Independent Living – How the EU's austerity policy is undermining the lives of people with disabilities. Available at: http://bambuser.com/v/2354621

countries representing all regions of the EU and some candidate countries[27]. A majority of respondents reported that the economic crisis was impacting on annual disability plans and programmes, operational programmes relevant to service providers to persons with disabilities and long term disability strategies where these were in place. Substantial cuts in public spending on social services were reported in 2011 and further cuts planned for 2012. A majority of respondents expressed the view that budgets were negatively impacting on sustainability, variety, quality of services and was increasing the risk that programme will revert to institutional solutions.

The main aspects on which the downturn was impacting included reductions in resources, decreases in benefits, reduced salaries and increased unemployment rates. The sectors which were rated as being most severely affected were employment and social support. Education and health care were also rated as being significantly impacted upon. Specific effects reported included reduced funding for core public and non-governmental social services, delayed payments and innovative projects; greater difficulty in obtaining private sponsorship and funding; downgraded staff conditions in terms of pay cuts, redundancies and increased job insecurity; reduced service quality such as increased ratio of clients to staff, reduced hours of services or services being temporarily closed down; and greater difficulty on the part of persons with disabilities in accessing services as a result of more stringent eligibility criteria for services; cuts in direct payments and the reduced capacity of service users to pay for their services out of their own income. Many respondents believed that EU structural funds could ease the situations but pointed to many difficulties in accessing such funds through national programmes.

In March 2012, **the European Agency for Fundamental Rights** warned against the potential for the economic crisis to progressively erode the advances that have been made in establishing, and promoting, the rights of persons with disabilities through cuts in public spending and reduced services and support[28]. It issued a statement referring to reports of the '*extremely negative effects*' of austerity measures on people with disabilities, despite reassurances from European institutions that they would be safeguarded, which called for Member States to make sure that responses to the economic crisis do not undermine the rights of persons with disabilities[29].

In April 2012, the EDF along with a broad coalition of EU level NGOs, representing older people, disability and women amongst others, highlighted the potential risk to existing conditionalities in the regulations of the European Structural Funds in relation to non-discrimination, genders equality and disability in current proposals[30]. In May 2012, EDF adopted a resolution on a human rights way out of the crisis[31].

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[27] Gauthier, H. and Bertana, I., Inclusion is the solution, not the enemy: EASPD Survey on the impact of the crisis on the disability sector, European Association of Service Providers for Persons with Disabilities, 2012. Available at: http://www.easpd.eu/Home/tabid/2575/ctl/ArticleView/mid/9315/articleId/191/Inclusion-is-the-solution-not-the-enemy.aspx?SkinSrc=/Portals/easpd/Skins/easpd/NoRight

[28] http://fra.europa.eu/fraWebsite/disability/infocus11_0212_en.htm

[29] EDF Media Release, March 2012, http://www.edf-feph.org/Page_Generale.asp?DocID=13855&thebloc=29483

[30] Joint statement on important provisions under threat in council discussions on the Structural funds legislative package for 2014-2020, available at http://www.e-include.eu/en/news/1088-joint-statement-on-the-threat-in-the-discussion-on-the-structural-funds-legislative-package

[31] http://www.adaptbulletin.eu/docs/EDF_resolution_human_rights.pdf

In conclusion, **there is a broad consensus within the disability community that people with disabilities are bearing the brunt of austerity measures.** This view is shared by a number of international agencies including the ILO, the WHO, the European Agency for Fundamental Rights and the European Parliament. Concerns are based on feedback from the majority of EU Member States; even those that have coped relatively well with the economic crisis.

2.4 Employment and disability in 2012

The ANED 2010 study revealed that the average employment rate for people with disabilities in the EU in 2008 was 45.2% compared to 73.7 % for persons without disability or a difference of 28.5%. The employment rate of persons with disabilities was below 50% in 17 of the Member States and particularly low (below 40%) in Romania (29%), Hungary (31%), Poland (31.6%), Ireland (33.1%), Greece (34.3%), Czech Republic (37%), Bulgaria (37.7%) and Belgium (38.5%).

The unemployment rate for persons with disabilities was in 2008 more than double the equivalent for persons without disabilities (16.5% as opposed to 7.2%). The Irish National Census indicated that a person with a disability was 2.5 times less likely to be employed than a person without a disability. The estimate of representative organisations of people with disabilities is that 70% of people with disabilities in Ireland are either unemployed or economically inactive. A study in public sector employment carried out by the National Disability Authority (2009-2010) identified a 10% decrease in the employment of workers with disabilities compared to a 4% decrease in the non-disabled workforce.

In the UK employment figures for people with disabilities were not affected. The employment gap between disabled and non-disabled had narrowed between 2005 and 2009 from 33.5% to 30.3%. It is not clear if this is the result of an increase in employment for people with disabilities or that the employment rate of those without disabilities dropped more steeply. The Spanish Labour Force Survey (2008-2010) recorded an increase in unemployment for people with disabilities of 43% (16.3% to 23.3%). The equivalent increase for non-disabled people was 78% from 11.3% to 20.1%.

In Spain a Survey of Dependency, Personal Autonomy and Dependency in 2008 documented that the activity rate for people with disabilities was 25.5% compared a rate of 75.2% for the general workforce. The Labour Force Survey (2008-2010) reported a greater impact on the employment of males with disabilities and on 16-24 year olds with disabilities for whom unemployment rate increased from 42.6% to 50.2%.

In Hungary, a survey carried out in 2011 found that the employment rate of people with altered work capacity in the 18-64 year age range was 18%, the unemployment rate was 25% and the activity rate was 24%. The equivalent figures of the general population were 61% in employment 10% registered as unemployed and activity rate of 68%. 38% of households with a member with altered capacity were jobless compared to 16% for those without a member with altered capacity.

The most recent figures available on the employment status of people with disabilities in Portugal relate to 2007. These indicate that activity rates for people with disabilities were

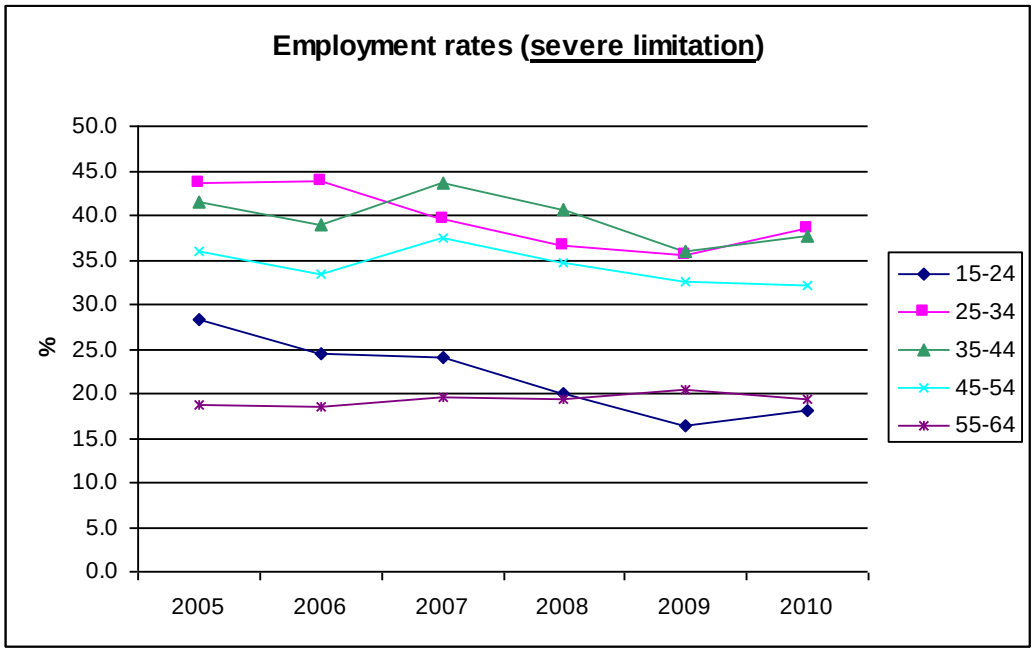
50% lower than the general workforce and unemployment rate were double those for people without disabilities. 1.2% of employees in private companies with over 100 workers had a disability. The equivalent figure for the public sector was less than 1% and most employees had acquired their disability after recruitment.

In the preparation of this report, the publicly available EU-SILC data on the Eurostat website was analysed. Disability is not directly recorded in the data so data on those reporting 'self-perceived limitations in daily activities - activity limitation for at least the past 6 months' were used as a proxy for disability. The data present the percentage of people reporting limitations amongst the total population in particular age groups and amongst the employed in particular age groups. The data were analysed separately for people reporting severe limitations and those reporting some limitations.

The employment rates for those with severe limitations between 2005 and 2010 are presented in Figure 1 and the rates for people with some limitation are presented in Figure 2.

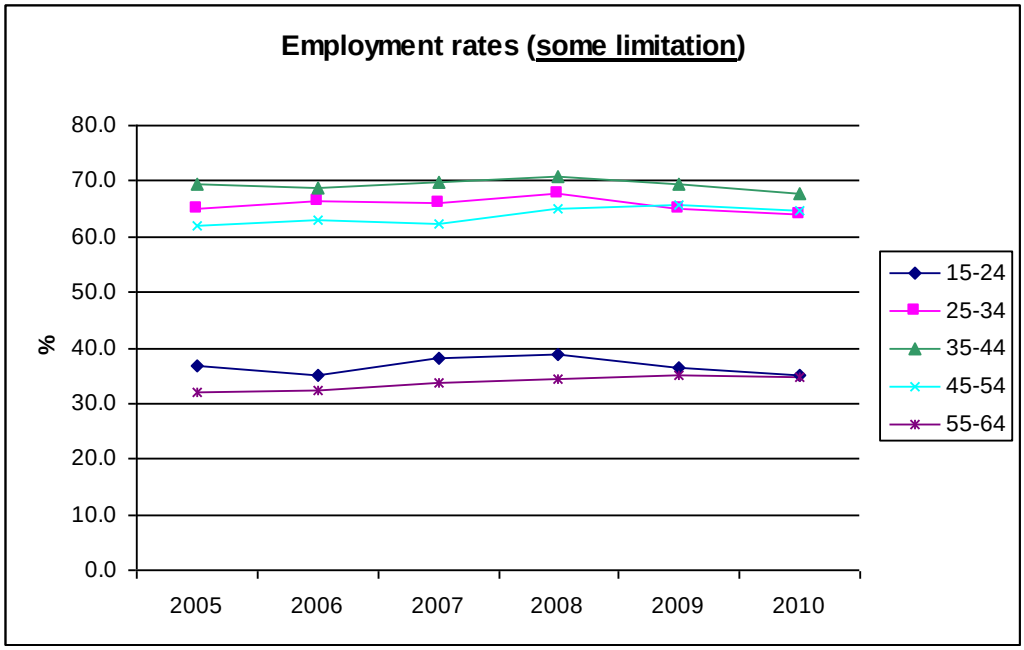
The impact of the economic crisis on the employment rates of people with severe limitations is evident. Between 2008 and 2009 a significant decrease was recorded for people of all ages apart from those in the 55-64 year age range who were already at a very low level. Prior to 2007 a downward trend in the employment rate of young people with severe limitations (15-24 years) was already perceptible. This was exacerbated between 2007 and 2009. A small increase was recorded in 2010 but the rate was still well below the rate in 2005. People with severe limitations in the 45-54 year age range also experienced a significant drop in employment, a trend which continued in 2010. Employment rates for those in the 25-34 and 35-44 year age range also dropped but recovered in 2010. They were still below levels in 2007. The trends for people reporting some limitation in daily activities indicate that the impact of the crisis was less severe.

Figure 1: Employment rates of people reporting severe limitations in daily activities 2005-2010



The EU-SILC data provide strong evidence that during the years of the economic crisis there has been a significant decrease in the employment rates of the majority of people with severe disabilities.

Figure 2: Employment rates of people reporting some limitations in daily activities 2005-2010



While there was some increase for those in the 25-44 year age range, employment rates are still below pre-crisis levels. Young people with disabilities and those in later middle age have been most significantly impacted in terms of employment.

At least in the initial stages of the economic crisis there was evidence that it was impacting on the lives of persons with disabilities in terms of their employment status comparatively more than on the lives of the general population of working age. It is fair to conclude that the recent overall 2012 figures on employment and unemployment rates (especially those concerned with long term and structural unemployment) in the EU are affecting persons with disabilities disproportionately when compared to the general population of working age. **With the exception of a few Member States, labour market participation of persons with disabilities seems to have generally decreased in the EU and it is likely that the extent is larger than for persons without disabilities**. A similar reasoning applies with regard to the unemployment status of persons with disabilities and to increasing rates of economic inactivity on the part of persons with disabilities.

Employment figures are only one indicator of the labour market status of people with disabilities. **There is evidence that people with disabilities are more likely to be on temporary contracts and to be paid lower wages than their non-disabled counterparts.** In Spain the National Observatory of Disability (OED) noted an increase in temporary contracts for workers with disabilities. A secondary data analysis carried out in 2010 in Portugal reviewed data from the National Health Survey 2001; European Household Panel

1995 and 2001; EU Survey of Income and Living Conditions 2007. The conclusions of this analysis found that people with disabilities were more economically insecure. It indicated that the average income of people without disabilities was 37% higher than people with disabilities. The main source of income for people with disabilities was from disability pensions and the average additional costs associated with having a disability was between €4,000-€24,000.

2.5 Poverty and disability

Unlike employment related indicators, statistics on poverty have not yet been systematically made available for 2011 and are usually from 2010 or from earlier years. The main study undertaken by Eurostat dates back from 2010[32] and is based on data sources from preceding years. As a consequence the real poverty indicators relevant for 2011 and 2012 are not available, making it difficult to draw evidence based conclusions, based on comparable statistical information, on the impact of the crisis on poverty.

When comparing the available statistics on poverty such as the number of people at risk of poverty and social exclusion between 2008 and 2010[33], it appears at first sight that there was an improvement recorded in the two year reference period with an average decrease of people at risk of poverty of 1.46% in the EU. Within the EU-12 an even more significant decrease of 4.73% was recorded for the same reference period.

However, in some of the EU countries including Ireland (+26.16%), Lithuania (+21.01%), Denmark (+21.27%), Spain (+11.35%), Cyprus (+8.11%), Hungary (+6.03%) and Malta (+5.10%), the at risk of poverty rates have sharply increased between 2008 and 2010, showing a deteriorating poverty situation in the countries concerned when compared to the pre-crisis situation.

Of further interest is the fact that when compared to 2009 levels, the at-risk-of-poverty rate increased in 2010 by 1.73% for the entire EU. Apart from the above listed countries, Slovakia, the U.K. and France noted significant increases in the-at-risk-of-poverty of 5.1%, 5.0% and 4.85% respectively between 2009 and 2010.

This seems to indicate that at the beginning of the crisis in late 2008 and 2009, countries were able to cope more or less and absorb the negative consequences on poverty, but as time elapsed the real effects on poverty have surfaced. The initial cushioning of the effects are attributed to stretchable social protection systems. In countries with more developed social protection systems, the poverty increases were better absorbed than in countries with lesser and tighter social protection coverage[34].

It is possible to discern growing disparities between the regions in the EU in relation to poverty (at risk of poverty rate). In the Prague region, about 7% of the local population lives

[32] Eurostat, Income and Living conditions in Europe, 2010
[33] Eurostat, People at risk of poverty or social inclusion
[34] See also Frazer Hugh and Marlier Eric, Summary Report on the social impact of the crisis and developments in the light of fiscal consolidation measures, EU Network of independent experts on social inclusion, February 2011

at risk of poverty which is 6 times smaller than in the Severen region in Bulgaria where 1 resident out of 2 lives at risk of poverty[35].

The available, but not that recent, statistics on the proportion of people living at risk of poverty consequently point to a gradual but determined impact of the crisis on poverty in the entire EU with the exception of a very few Member States like Germany and Austria. It is likely that the poverty data for 2011 and 2012 will confirm this trend and that taking into account the economic downturn of 2011 and the forecasts for 2012, poverty levels in the EU will rise further.

This tendency and the negative effect of the crisis on poverty are more clearly detectable in the available statistics on the number of people living in households with very low work intensity. The EU on average recorded an 11.11% increase in the two years between 2008 and 2010. Only Germany, Romania, Poland, Austria, Bulgaria, Czech Republic and Cyprus recorded an improvement. In all other 20 EU Member States the share of people living in jobless households rose, with some striking figures like for Latvia (+139.22%), Lithuania (+80.39%).[36]

According to the recent 2010 pan-European ANED study, which is based on the EU-SILC statistics[37], people with disabilities face a much higher risk of poverty than persons without disabilities. **More than 1 out of 5 persons with disabilities are at risk of poverty in the EU (21.1%) as compared to 14.9 % for persons without disabilities or a difference of 6.2 pps. The situation of women is worse compared to men for both women with disabilities and without disabilities.**

The higher risk of poverty for persons with disabilities is present in all Member States without exception. Only in a very few Member States is the at risk of poverty rate for persons with disability slightly higher than for persons without disability (or less than a 4% difference): Czech Republic (3.2%), Denmark (0.5%), Hungary (0.7%), Luxembourg (1.5%), Poland (1.2%), Romania (2.9%), Sweden, (3.6%) and the Slovak Republic (1.2%).

In the following 11 countries, persons with disabilities have more than 25% chance of being at risk of poverty: Bulgaria, Cyprus, Estonia, Greece, Spain, Finland, Lithuania, Latvia, Portugal, Slovenia and the U.K. and the gaps between the situation of persons with and without disabilities vary between 8.6% in Greece and 22.9 pps in Latvia.

In the UK the poverty rate, specified as 1/60th of median household income (2005-2011) increased slightly but not significantly between 2005 and 2011 (about 1%). However people with disabilities were overrepresented amongst those living in consistent poverty (2005-2008) (11% compared to 7% for people without disabilities. This was attributed to higher unemployment, a greater proportion of people with disabilities in part-time jobs and fuel poverty.

According to the QNHS, household income fell by 14% between 2005-2011 in Ireland. Overall poverty rates increased from 14.1% (2009) to 15.8% (2010). People with disabilities

[35] Eurostat, People at risk of poverty per NUTS region; updated as of 16.04.2012
[36] Eurostat data on people living in households with very low work intensity by age and gender
[37] Grammenos Stefanos, IDEE, indicators of disability equality in Europe, ANED 2010 Task 4 preliminary list of comparative indicator items, ANED, the Academic Network of European Disability experts, CESEP ASBL, December 2010. The data are based on EU-SILC Cross sectional UDB 2008, rev.1, August 2010

were more than twice as likely to be poor and the consistent poverty rate for people with disabilities or health problems, 13%, was the second highest rate. Unemployed people had the highest rate at 15.2%. The deprivation level for people with disabilities, as measured in terms of not being able to do at least 2 of the following: heat home; buy a warm coat or new clothes; eat meat or fish every second day, was 42%. This was the highest for any group (2009-2010).

Poverty rates in Ireland are exacerbated by a number of direct and indirect taxes including increases in income tax, an increase in the VAT rate from 19%-23% and the introduction of a flat rate household charge.

In Spain, the income of people with disabilities has remained at pre-crisis levels but prices are higher and thus spending power has been reduced.

In Hungary a survey of the status of people with disabilities carried out in 2011 indicated that people registered as having altered work capacity had income levels 10-15% less than the general population, the proportion who were income poor was 20% compared to 15% for people without altered capacity. 40% experienced material deprivation. The equivalent rate for people without altered capacity was 23%. A quarter of people with altered capacity were housing poor.

Whereas few information sources on poverty indicators for the years 2011 and 2012 are available, there is evidence confirming that the general at risk of poverty rates in the EU are on the rise since 2010. The trend of increasing poverty is likely to continue throughout this year and beyond. Persons with disabilities are significantly more affected by increased poverty indicators than persons without disabilities.

A longitudinal study carried out in the UK in 2012 with a small group of people with disabilities estimated that people with disabilities and their carers had experienced a **reduction in income of over €600 m (£500 million) in the two years after the emergency budget in 2010 and predicted further cuts of over €11bn (£9bn) by 2015**.

On the basis of this evidence it is legitimate to conclude that **the economic crisis has had a greater impact on the standard of living of persons with disabilities compared to the general population.**

2.6 Mental health impact of the crisis

Concerns were also raised that the economic crisis has the potential to exacerbate disability particularly in terms of its impact on people's mental health. The link between deteriorating economic conditions and increases in poverty rates, inequalities and social conditions is well documented. Young adults, women and people with low qualifications are singled out as being at greater risk.

In 2011, the World Health Organisation issued a report into the impact of the economic crisis on mental health[38]. The link between deteriorating economic conditions and increases in poverty rates, inequalities and social conditions were seen to be at the core of mental health risks. About 30% of new disability benefit claims were on the basis of mental health conditions and this is rising in many EU Member States. The OECD mental health and work project published a report that set out clearly the challenges and potential responses to the burgeoning problem of mental ill-health[39]. At any one moment, around 20% of the working-age population is experiencing a clinically significant mental health problem and lifetime prevalence has been estimate to rise to 50%.

In the same year, the Irish Mental Health Commission published an overview of the evidence of mental health and negative economic conditions[40]. It highlighted the harmful stress effects of high personal debt, reduced property values and changes to benefits and support services. It concluded that cuts in staffing levels in mental health services were having a greater impact on community based services. Several interrelated trends were emphasised including poverty, unemployment debt, childhood mental health problems and suicide.

Research carried out by the University of Glasgow amongst General Practitioners in some of the most socio-economically deprived areas of the UK concluded that there is a growing recognition of the impact of the crisis on both people in work and the unemployed population[41]. Those who are still employed face increased workplace stress in terms of extra workload as a result of staff cuts, deteriorating personal relationships at home and at work and job insecurity. People who have lost their jobs have trouble making ends meet and coping with debt. There has been a noticeable increase in referrals to psychiatric services and in prescriptions for psychotropic medication. Many people resort to self-medicating using alcohol and illicit drugs. The general health implications of these behaviours are not only about the immediate negative impact of drug and alcohol misuse on mental and physical health, it is also about the potential long terms health implications as many people are reluctant to take time off work to access appropriate treatment due to job insecurity.

In Ireland, the Human Cost report, carried out by the Mental Commission in 2011, provided an overview of the **evidence that austerity measures were having a negative impact on mental health**[42]. It documented that higher personal debts coupled with a dramatic drop in property values resulted in people in negative equity. With regard to people with disabilities in particular, it found that the changes in the benefit structure and state supports have been to the detriment of people on low incomes. It stated:

"The reality is that an increasing number of people are suffering stress and anxiety as a result of the recession. We cannot ignore the fact that the economic slowdown is having an affect on our mental health and consequently there will be greater demand for mental health services. Coping with unemployment, debt and poverty understandably puts pressures on

[38] WHO (2011) Impact of economic crises on mental health, WHO Regional Office for Europe, Denmark http://www.euro.who.int/__data/assets/pdf_file/0008/134999/e94837.pdf

[39] OECD (2011) Sick on the Job: Myths and Realities about Mental Health and Work http://www.oecd.org/document/20/0,3746,en_2649_33933_38887124_1_1_1_1,00.html

[40] Mental Health Commission (2011) The Human Cost - An overview of the evidence on economic adversity and mental health and recommendations for action http://www.mhcirl.ie/News_Events/HCPaper.pdf

[41] http://www.gla.ac.uk/media/media_232766_en.pdf

[42] Human cost An overview of the evidence on economic adversity and mental health and recommendations for action, Mental Health Commission September 2011 Cited in the Irish Country Report

individuals and families, and as a society, we must recognise this and try in whatever way we can to support people through the crisis."

Calls to financial and mental health telephone help lines have increased substantially since the onset of the crisis and the suicide rate in Ireland jumped 24% increased from 424 in 2008 to 527 in 2009. This documented increase in mental health problems needs to be viewed in the context of a 14% reduction in Mental Health Service staff.

While no systematic data were available in Hungary, higher levels of hopelessness and aggression was reported in people seeking legal counselling. Even people without disabilities were seeking advice from the services. It is also important to note that people with psychosocial impairments are not covered by the disability support system in Hungary.

2.7 Opinion and public attitudes

In a context of intense cuts and the search for savings that prevails in many countries, people with disabilities are first victims of stereotypes. They are increasingly finger-pointed by media and society as a weight for the common budget and become the usual scapegoat for States deficits. Words like scroungers are increasingly used in media terminology. Research carried out in UK showed that people largely over-estimated the level of fraud made by people with disabilities, justifying their estimations by references to newspapers.[43]

A 2012 survey (25) by the National Disability Authority in Ireland revealed that attitudes towards people with disabilities had deteriorated since a previous study carried out prior to the economic crisis[44]. It is a matter of great concern from an inclusive education perspective that 20% of respondents indicated that they would object if a child with an intellectual disability was placed in their own child's classroom compared to 8% in 2006. Other troubling findings included the fact that 61% of respondents held the view that people are not able to participate in society because of their disabilities and not as a result of environmental barriers. Between 2006 and 2011, the figure for those who answered that "it is society which disables people" by creating barriers for them fell from 62% to 57%. Further evidence from this national survey shows that 44% of individuals believe that people with disabilities are treated fairly in society.

[43] Bad News for Disabled People: How the newspapers are reporting disability, Strathclyde Centre for Disability Research and Glasgow Media Unit, University of Glasgow, citied in the UK Country Report
[44] Hardening of attitudes towards people with disabilities, National Disability Authority http://www.nda.ie/website/nda/cntmgmtnew.nsf/0/BC383A4E141B19838025799F00413084?OpenDocument, cited in the Ireland Country Report

3. The impact of the crisis on social services

3.1 Introduction

Chapter 1 set out the terms of reference for this study and described the approach and methodology adopted. Chapter 2 addressed the background macroeconomic conditions and describes the way in which the economic crisis has impacted negatively on the participation of people with disabilities in the labour market, their access to an adequate standard of living, the impact of the crisis on mental health and how it has adversely influenced on public opinion and attitudes to disability. It also presented the perspectives of representative organisations and international agencies on the crisis and its implications for people with disabilities.

This chapter summarises the evidence of the impact of the crisis on social services in general and on specific services including employment and vocational rehabilitation, health and social care, independent living, education and vocational training services. It reviews a range of austerity measures including direct budget cuts, reduced funding for non-governmental social service providers, staff reductions and shortages, decreased direct payments, the withdrawal of financial support to representative organisations of people with disabilities and the postponement or cancellation of planned investments. It presents the evidence for structural changes in the social services sector such as the decentralisation of responsibilities to under resourced local governments, the discontinuation of services, the move from cash to in-kind benefits and the consequent increase in inequalities. The impact of the crisis on service delivery mechanism are described in terms of the merger or discontinuation of services, increased outsourcing and privatisation, more stringent tendering requirements, increased pressure on staff, cuts in staff training, reduced investment in research and innovation, the growing uncertainty for private providers, rising waiting lists, more stringent eligibility conditions, quality risks and the standardisation of services, the reversion to more institutional services solutions and the application of the medical model , the pressure on mainstreaming and the implications for independent living.

Chapter 4 addresses the impact of the crisis on disability-related social security benefits such as direct cuts in amounts paid, the non-indexation of benefits, changed non-contributory period conditions, social security deductions from benefits, increased user charges and delayed payments. It describes the way in which entitlement for benefits have been changed in terms of longer qualifying periods, more stringent means testing, revised disability assessment procedures and increased level of need required for eligibility. It also reviews the impact of the crisis on financial incentives and supports for job seekers with disabilities and employers who recruit workers with disabilities.

Chapter 5 provides an overview of evidence of the impact of the crisis on the implementation of the UNCRPD and summarises the findings of the study in terms of specific articles including equality and non-discrimination (Art. 5), accessibility (Art. 9), independent living (Art. 19), personal mobility (Art. 20), education (Art. 24), health (Art. 25), habilitation and

rehabilitation (Art. 26), work and employment (Art. 27), adequate standard of living (Art. 28) and participation in public and political life (Art 29b).

A broad scope has been applied in this review of the impact of the crisis on social services for people with disabilities. The term 'social services' has been taken to include employment and vocational rehabilitation services, education and vocational training services, health and social care services and the more typical personal social services.

Recent comparative literature on the social impact of the economic crisis in EU Member States and more particularly on the impact of the crisis on the social services sector is relatively sparse. Reports that focus on social services for people with disabilities are particularly scarce.

Many policy documents including some at EU level acknowledge that the crisis in many of the Member States has already triggered considerable and adverse social consequences. They refer mainly to the impact on levels of (long term structural) unemployment and on (child) poverty[45]. Most recent EU policy documents seem to anticipate a further deterioration of the social impact due to the prolonged economic crisis and pessimistic economic forecasts.

In a review of the 2011 National Reform Programmes (NRP), produced by all Member States under the First European Semester and recommendations for the year 2012, the European Council and Commission set as one of the five priorities for Member States to address the social consequences of the economic crisis. The recommendations, however, seem to accept that Member States need to tackle economic stability and limit further deterioration of the public finances in the first place and only as a secondary priority to seek the implementation of the national targets that incorporate the common EU headline targets on employment, poverty reduction and school drop outs[46] in national agendas through the NRP. In other words, the EU seems to promote the idea that the prime goal of the Member States is to contain public deficits and implicitly accepts thereby that Member States defer their efforts to actively implement policies that reduce poverty and, to a lesser extent, policies that increase employment.

It is important to note in this context that the Commission reported late 2011 already that in spite of the agreed EU headline targets on Employment and Poverty for 2020, the combined commitments from the Member States under the 2011 NRP would fall short of achieving the EU objectives. Whereas, in relation to employment the difference between the envisaged headline target and joint commitment is small (headline target 75% - joint commitment about 74.3%), the situation regarding poverty is strikingly different. EU Member States have in their 2011 NRP committed to only 60% of the EU headline target, leaving 8 million poor Europeans unattended to in spite of the Europe 2020 objective. People with disabilities are particularly affected as they are confronted with higher at risk of poverty rates than people without disabilities.

[45] See for instance the March 2012 Quarterly EU Employment and Social Situation Review: the Review reports on a rising share of children at risk of poverty. Children appear to be more affected than the rest of the population as they are living in households headed by working age adults who were directly hit by the rising unemployment. Child poverty is on the rise in 18 Member states between 2008 and 2010 including in countries as Germany, France and Denmark. As with most data on poverty the figures are based on the 2008-2010 period and more recent data are not (yet) available.

[46] The Europe 2020 strategy sets out the following 'social' headline targets : employment rate of 75%, poverty reduction by 25% or 20 million individuals and a school drop out rate of below 10%.

In its February 2011 Report[47], the EU Independent Social Inclusion Expert Network noted a deepening of the impact of the crisis but with wide variation across the Member States. Present 2012 study reveals that **a growing number of Member States are being forced to cut in their public spending on social, health and education services thereby affecting people with disabilities disproportionally**.

The Report of the Inclusion Network made reference to the unavailability of statistical information and the absence of systematic monitoring of the social impacts by national governments especially in the areas of poverty and social exclusion. The current study reveals that **the absence of up-to-date statistics on poverty, social services and disability is persistently being reported as the principal obstacle for an adequate monitoring of the social impacts of the austerity measures in the Member States**. The information and data in the Member States are fragmented, outdated, not recorded or not made public, which makes an accurate analysis of the country situation difficult and a cross-country comparison almost impossible.

The network reported on the time lag between the occurrence of the crisis and its effective impact on people's lives as one of the reasons that the real social impact has yet to be seen and is expected to further materialise in the years to come. The present study confirms this trend. The most drastic cuts affecting the social services sector in the Member States appear to have been initiated recently, in 2011 and 2012 and countries report on further planned austerity measures in the social services area. The real effects and impact of these recent and additional measures will only be noted in the years to come.

The Report of the social inclusion network lists a series of measures that have occurred in Member States, though it doesn't give country specific details[48], such as cut backs in income and employment support schemes, cuts in social services and increases in direct and indirect taxes such as VAT, the latter particularly hitting the poor among which people with disabilities.

The report indicates that, at least for the countries that have suffered from the economic crisis, a negative overall effect on social services can be noted but that at the time of writing (February 2011 on inputs of September 2009), it was too early to assess the full impact of the crisis on the public (social) services.

The report indicates some general trends that have occurred in a number of Member States:

- ***Cuts in health, social and education public expenditures***

  Reduced expenditure in the public social, health and education services, as part of fiscal consolidation or austerity measures is the most direct and tangible intervention identified. The consequent potential negative impact on the availability and accessibility of the services and on the quality of the services concerned was noted. Direct public spending cuts in the social, health and education sectors has occurred in a considerable number of Member States. Job cuts and salary decreases in addition to other types of budget cuts were also reported.

[47] Frazer Hugh and Marlier Eric, Social Impact of the crisis and developments in the light of the fiscal consolidation measures, the EU network of independent experts on social inclusion, February 2011. The Report is based on (unavailable) country reports produced in autumn 2010.
[48] The research team approached the network for obtaining the country reports but the request was declined.

- ***Growing demand for social services, which were not accompanied by increased resources***

  Member States reported increased numbers of beneficiaries for both cash benefits and social services and a higher number of applications for emergency social services. This increasing demand for social services was not matched by additional budgetary measures with the result that greater needs are to be addressed with the same or reduced financial resources.

The report was pitched at a general level and does not allow for country by country comparisons or for a detailed analysis of the nature of the austerity measures and their impact on the general social services sector nor on specific social services.

The current study which was carried out in the course of 2012 builds further on the report of the EU Independent Social Inclusion Expert network and attempts to explore more recent comparative and national sources. The aim was to further map the effects that the austerity measures have already had in the area of social services and more in particular on the lives of persons with disabilities and their families.

3.2 General impact on the social services sector

The ways in which social protection and social services are regulated, organised and provided across the EU Member States[49] diverge widely. The social protection (including social security) and social services sectors are traditionally policy areas that are governed by the well-known *'subsidiarity'* principle that is enshrined in the EU Treaties. They are basically national competences and the EU is prevented from interfering. As a consequence we have effectively 27 national 'social' systems that have historically evolved within national societal contexts and which are characterised by extremely large disparities in material and personal coverage, benefit and service levels and delivery mechanisms.

While the national contributory and non-contributory social protection (or 'social security') schemes providing for cash benefits are covered in the following section of this report[50], the social protection systems of most Member States also contain cash transfers to vulnerable groups, including people with disabilities that are fully, or partially, financed by local authorities from their own local budgets. Apart from these 'monetary' benefits, local authorities often[51] provide for in kind benefits through the direct provision of certain goods or vouchers or through other means like price reductions or subsidies on public services. These benefits are often means-tested and take the income situation of the applicant or the family into account. They are sometimes allocated in a discretionary way leaving room for decision making to the local authority.

[49] See study on social services of general interest, European Commission, Directorate General Employment, Social Affairs and Inclusion, October 2011, available at http://ec.europa.eu/social/main.jsp?catId=794&langId=en
[50] See also Analytical Support on the socio-economic impact of social Protection Reform, ASISP, synthesis report on pension reforms, health care and long term care reforms, October 2011.
[51] There is a shifting trend to provide more in-kind benefits and services as opposed to cash benefits.

Social services,[52] on the other hand, encompass a wide range of services such as child and social care services, employment and labour market integration services, vocational assessment and rehabilitation services, home care services, housing services, etc. Social services are often connected with the health, education and vocational training services. Their scope and nature vary from country to country but most often (public) social services are largely financed out of general public taxation, regulated at a more decentralised level, often at regional level, and provided at lower levels of government by either local public providers or by private providers that are identified through public procurement.

It is at the level of the local authorities, in those Member states where this system of provision is in place, that one can often detect an institutional link between the provision of the non-contributory cash and in-kind benefits, between the latter and the social services, and between the social, health and education services for the most vulnerable groups in society. Decreased local authority financing has in most countries a direct impact on social services spending, which constitutes a considerable part of the local budget.

3.2.1 Public budget cuts in the 'social sector'

The austerity and fiscal consolidation measures EU governments have introduced are primarily aimed at reducing public spending. Social protection and health care spending represent a considerable part of the public expenditures in the EU[53] [54]. Measures aimed at public spending cuts are therefore likely to impact on social protection and health care expenditures.

The available reports and data examined under present study confirm that the austerity measures in Member States have impacted on social security and health care spending and, to a lesser extent or with more diversity among the Member States, also on education and employment support services. Social services on the other hand appear to be the hardest hit. This is affecting people with disabilities disproportionally.

This chapter provides an overview of the cuts with specific attention to a wide variety of social services[55]. It is of necessity a general summary as data sources remain scarce and there is few comparative statistics available. When countries are referred to with regard to some actions or trends, it does not mean that the action or the trend is absent in other Member States but merely that no information was found to confirm its existence.

On the basis of the available literature and reports consulted, public budget cuts affecting the ***wider social protection systems*** have been initiated and recorded in most of the Member States. In terms of social security, old age pension policies have received most public attention and public pension systems are under review in most Member States. This is often

[52] A definition of social services of general interest is provided for in the Communication from the Commission on Implementing the Community Lisbon programme: Social services of general interest in the European Union, April 2006, COM(2006)177 final.

[53] Social protection spending counts for 26% of GDP on average in the EU. Data from Eurostat at http://epp.eurostat.ec.europa.eu/

[54] Health care spending represents on average 9% of GDP throughout the EU. Bartosz Przywara, 'Projecting future health care expenditure at European Level: drivers, methodology and main results', Economic Papers 417, July 2010, European Commission

[55] 'Social services' in present chapter encompasses the 4 categories that we have used in the last section of this chapter

aimed at raising pensionable ages and containing the growing expenditures. But the austerity measures have also affected the wider spectrum of national social protection systems and included changes in the health care insurance and unemployment insurance schemes. In some Member States reforms were introduced that profoundly changed the social security schemes targeting persons with disabilities.

Whereas fiscal consolidation measures in social protection in most Member States seem to have been oriented firstly or primarily towards pension policies, ***health care systems*** in Member States also seem to have been subject to cost cutting measures though in a less pronounced way[56]. Rationalisation of health care expenditures in attempts to create more sustainable health care systems, as a consequence of reforms and/or as a direct consequence of the crisis, have taken various forms such as the privatisation of health care providers, increased co-payment levels and changes in the reimbursement mechanisms, amongst others. Cuts in health care spending have been reported in Member States such as Greece, France, Ireland, Latvia, Portugal, Romania and the UK but also in Member States that have been less affected by the crisis, such as Austria and Germany where the political agenda in recent years has included rationalisation of health expenditures. People with disabilities face on average higher medical care costs than people without disabilities. Austerity measures in the health care domain are therefore likely to have a disproportionate impact on the lives of people with disabilities.

The ***education sector*** has been targeted by austerity measures most often in the Member States that have suffered most from the economic crisis. Public sector staff and/or wages have been curtailed in Greece and Spain where large additional spending cuts were announced in May 2012. The measures taken do not only concern public education personnel in terms of their numbers and salaries but also increased tuition fees, larger classes with more pupils/students, more teaching hours per individual staff and the reduction of training for the education sector personnel. Cutting in public budgets for mainstream education and/or for special school education for children with disabilities and for vocational training for young adults with disabilities has occurred in a series of Member states often -but not only- those that have suffered mostly from the crisis such as Greece, Portugal, Spain and Ireland. It is clear that these austerity measures can have a serious impact on the equal opportunities and lives of children and young adults with disabilities.

The wider ***social services sector*** has, in many Member States, been affected by serious cuts in public expenditures[57]. **The extent of the cuts appears to have been far more drastic than in what regards the social security, health care and education systems**, though the situation appears to be different from country to country. In Denmark, Germany, Sweden, Finland and to a lesser extent also in Austria, Belgium and France cuts in the social services sector seem to have been relatively limited, although even in these countries

[56] Horstmann Sabine, Synthesis Report 2011, ASISP, October 2011, available at http://www.socialprotection.eu/, in 'publications'

[57] Updated reports, records and statistics on social services provision are not systematically available at EU level. The unavailability of such statistics/data has been claimed to be a major impediment for cross-country research and comparison in many policy documents and independent reports. Trying to obtain reliable data is particularly challenging because of the fact that in many Member States social services are (regulated,) financed and/or provided at decentralised levels of government being it at regional and/or local authority level. Data and information on local authority budget cuts in the social services area need therefore to be obtained directly from local information sources.

growing demands for social services and a deteriorating financial status of the local authorities are being reported.

Recent reports[58] -including all country reports produced under present study - confirm that public social services financing and provision is being very seriously curtailed in Member States such as the Baltic states, Bulgaria, Greece, Hungary, Ireland, Italy[59], Portugal, Romania, Spain and the UK[60].

The public budget cuts in the social services sector have taken *various shapes* and have been implemented through *various means*.

The curtailing of 'national' budgetary allocations for social services

This is often achieved by means of downsizing the levels of financing allocated to the lower levels of government. It is the most direct type of intervention in the available reports. The drastic reduction of the local budget allocations for social (care) spending in Italy and the UK are notable. Decreasing budget allocations earmarked for social care and services to lower authorities will inevitably have an impact on the levels and volume of social services that are provided to the communities and persons with disabilities, one of the main categories of beneficiaries.

In the UK, there has been an unprecedented 28 % cut (40% if inflation is taken into account) in the grants for local authorities and a decrease of 14% (25% allowing for inflation) of the local authorities spending power[61]. Special grants previously allocated to the most deprived authorities, which have been hardest hit by these measures, have been curtailed. Such authorities are confronted with a loss of up to 28% in their spending power or about the double of the average. A Demos Report carried out on behalf of a national organisation for people with disabilities concluded that 81% of the local authorities will be required to limit their funding support to those with substantial or critical needs[62].

In Spain, local authorities report decreases in their financing levels between 2,3% and 5%.

In Portugal an overall cut of public budgets for 2012 of 5% was reported which includes the social sector;
A 23% cut in public spending including on social services has been reported in Ireland, 85% through staff cuts and 15% through cuts in salary packages for professionals.

In Greece, the central budget of the Ministry of Health is expected to be cut with an additional €1,6 billion under the new series of austerity measures announced for 2013.

[58] ASISP reports 2011, available at http://www.socialprotection.eu/
[59] The Italy 2011 ASISP Report notes a decrease of 79% of public spending in state financing of social care and assistance between 2008-2011 and expects that by 2013 the cut as compared to 2008 will amount to 89%. The same report mentions furthermore the abolishment of the National Fund for Dependent People, which was created in 2007. The Fund had an overall financial capacity of €400 million in 2008.
[60] The UK 2011 ASISP report indicates a decrease in local government spending for the next 4 years of 27%, which will have a negative impact on social care provision as the latter (comprised of adult social care and service for children) represents between 40-60% of the local budgets. The Report mentions sources that indicate cutbacks of 23% in social care services spending over the same reference period
[61] The source of information is the A Joseph Rowntree Foundation Report
[62] Destination unknown Summer 2012, Claudia Wood, DEMOS/SCOPE

In Hungary, funding for social care, day care and residential care services decreased substantially between 2008 and 2011.

Decreasing *financing and funding possibilities for private social services* sector

Reductions in the funding allocated to not for profit non governmental and for profit providers have been reported in most Member States. This had an impact on the volume and the level of these services. The partial or complete closure of some social services has been reported, often in more rural areas of the country (Greece, Romania, Portugal, and Ireland), mergers between different services and the re-organisation of the services by decreasing number of opening hours or days of certain services.

Funding for service providers has decreased in Spain where one agency faced a 7,5% reduction compared to the previous year, and another experienced a decrease of 25% of its funding through public contracts. A 15% decrease in local funding of non governmental agencies that are working with people with disabilities was confirmed by one local authority.

In Portugal, decreased funding levels for service providers were reported to be a consistent trend over the last 4 years. Between 2009 and 2011 public expenditures on professional rehabilitation for people with disabilities (including assessment, training, follow-up, self and supported employment and the provision of technical aids during employment) had been reduced by 62% with a reduction of more than 26% of participants. Providers of early intervention services for children with disabilities saw their monthly allocation of funding reduced from 240 EUR to 160 EUR per child, resulting in staff cutting, reduction of the average duration of the intervention services and compromising the quality of the services.

In Ireland reductions of between 15%-23% in direct funding to social service providers was reported.

Government funding through the prefectures for not for profit service providers has severely decreased in Greece. All not for profit providers of services to people with disabilities which were interviewed for present study reported on very drastic cuts in their financial income from public sources. One agency reported a 66% reduction of public funding while another reported on a decrease in public funding of 50% with an additional 20% announced for 2013. The Home Help care programmes which were extensively developed by the local authorities over the past 2 decades are breaking down as a consequence of the funding cuts.

In Hungary, public funding for residential services for psychiatric patients decreased between 2008 and 2011 with 15%.

***Direct staffing (costs) cuts* in the *public* social and health services sector**

Another area in which the austerity measures aimed at public expenditure containment have intervened is in the 'white sector' (health and social sector) jobs[63]. Whereas a few countries report little or no changes in the staffing levels in the social and health services sectors such

[63] Personnel cuts have also occurred in the private social services sector (not for profit non governmental and for profit organisations) but they are indirectly the consequence of public budget cuts as the private sector reports decreasing funding and contracts which results in closing/reducing of services and their levels.

as Belgium, Germany, Finland and France, a large majority of Member States seems to have been confronted already with personnel cuts in varying ways. Some countries such as Greece, Hungary, Ireland, Italy, Portugal, and Romania have been particularly affected whereas in Spain the reduction of staff in the social services seems thus far to have been more or less contained.

In countries where a substantial part of the social services is provided by the public sector, direct staffing (cost) reductions of public servants have been introduced. Downsizing the public sector workforce is not only happening in the *public administration* at national, regional and/or local level but also among the *professional*s working directly in the public social and health care services with the service users.

Staffing (costs) cuts in the public social services systems have materialised in different ways:

- Direct cuts in staffing levels through[64]
    - Redundancies;
    - Introduction of early retirement schemes, partial employment schemes and/or (technical) unemployment schemes;
    - Reduction of employment positions;
    - Recruitment freezes;
    - Not replacing staff who are entering old age pension schemes, whose temporary contracts have ended, etc.;
    - Introduction of more temporary contracts instead of permanent contracts.

Under the local authority austerity cuts in the U.K., voluntary redundancy and early retirement schemes were introduced. One local authority representative indicated that under these schemes about 400 staff had left in the last 2 years. Another local authority reported that their social work department lost 65 of their staff.

In Ireland, there has been a complete recruitment embargo for three on-going years on recruiting staff in public services including the social services sector.

- Cuts in Salary
    - Direct cutting of salary packages, such as in Greece, Ireland, Spain and Romania where a salary decrease of 25% of all personnel in the public sector was imposed;
    - Freeze in pay rises, no pay increments, no remuneration for overtime
    - Skipping the automatic 'indexation' or corrective mechanism which is periodically taken into account in wage policies in order to take into account price inflation;
    - Changing the corrective mechanism that is periodically taken into account in wage policies, such as in the UK.

[64] The focus group with service providers in the disability field organised as part of the current study in spring 2012 confirmed that in the non-governmental sector, jobs disappeared and salaries were sliced in Greece, Ireland and Portugal.

In Greece, income of civil servants, including in the social sector, have been cut by 40% since 2010 and a 50% cut in benefit levels for civil servants working in the Ministries is announced. A unified pay scale for all civil servants is planned to be introduced and the reduction of the 13th and 14th month salary discussed. Not for profit service providers in Greece report salary decreases between 10% and 25%. The service providers furthermore report on delays in the payments of the wages for the staff for periods between 2 and 5 months.

In the UK pay rises were frozen in the public social sector, no pay increments paid out and no annual inflationary pay increases applied as a consequence of the austerity measures and reduction of the local authorities' budgets for social care.

In Spain salaries of professionals have been decreased by 5%.

The *staffing cuts* in the health and social care sectors are remarkable for several reasons:

- Most Member States reported that demand for staff is growing as a consequence of the economic crisis due to the increase in the number of clients needing both emergency support and more structural poverty-related support services;
- All Member States reported on the structural shortage of professionals in the social, care and health sectors due to the ageing process;
- All Member states widely acknowledged that white sector staff shortages pose a challenge that requires urgent and structural responses[65].

It is noteworthy that in many countries salary levels in these white sector jobs are already very low. Of interest in this regard are reports from the UK where the white sector typically is a minimum wage sector where personnel work at the lowest salary levels. Moreover, there is indication of a growing in-poverty work incidence amongst social care staff.

Less information is available on the job cuts and salary decreases for the personnel in the *private* (or the non-governmental) social sector. It is nevertheless clear that the decrease and downsizing of the services in the non-governmental sector has a direct impact on the number of professionals and other staff available to provide services. These trends have occurred in Bulgaria, Greece, Ireland, Portugal, Romania and also Spain.

Structural staff shortages

Among the causes of structural staff shortages, which have been observed in all Member States, are low payment levels and unattractive working conditions.

Some of the newer Member States (Bulgaria, Estonia, Hungary, Latvia, Lithuania and Romania) report on large staff shortages in the health and social sectors caused by large emigration flows of the professionals and the very low local salary levels. **The white sector brain drain from these countries in times of crisis is likely to increase further**. The already considerable gap between supply and demand for white sector professionals is likely

[65] Interesting in this regard is that EU policy documents point at the need to fill in vacancies in white sector jobs as one of the roads to achieve the Europe 2020 strategy

to widen further due to the ageing of the local population and growing needs for professionals.

Direct payments to people with disabilities

Decreases have also been reported in the *direct payment and personal budget schemes which are designed to provide people with disabilities* the possibility to purchase the services they require to enhance independent living[66].

Over the past decade, several Member States have introduced personal budget schemes that allow disabled people to take control over their own care and to choose to continue to live in their communities rather than in residential care.

Over a number of years, cuts have been reported in these budget schemes in several countries and even their complete closure in some cases.

In December 2010, the UK Government announced that the Independent Living Fund (ILF), set up as a national resource in 1988 with the goal to enable people with severe disabilities to live independent lives in their community rather than in residential care, will be permanently closed for new applications. Payments to existing users are to continue until 2015. The Fund, which operated as a trust, had a financial capacity of around € 335 million[67]. In March 212 a joint parliamentary committee produced an alarming report on the implementation of the right to independent living for persons with disabilities and concluded that the recent reforms initiated by the government risk leaving persons with disabilities without the right to independent living[68]. The closure of the Independent Living Fund, reduction of housing benefits, transformation of the Disability Living Allowance into a Personal Independence Payment and restrictions in eligibility conditions for social care support have the potential to impact harmfully on people with disabilities. The report explicitly mentioned that the combined development may push persons with disabilities out of their homes and local communities back into residential care.

The personalisation agenda which was introduced by the previous government is still upheld by the current government and heralded as being instrumental in improving more personalised care for people with disabilities. However personal budgets have been cut up to 40% according to data obtained from the National Centre for Independent Living.

"We are seeing some quite horrific figures, which really bear no relation to the reduction of funding that the local authorities are getting". "It doesn't look transparent to me and I think local authorities need to come clean and explain service users and their staff, who I think are being put in an impossible situation, exactly what the rationale is because I don't understand it".

In 2011 the Dutch Government decided to drastically decrease the personal budget scheme (*Persoonsgebonden Budget, PGB*) as of January 2012. New customers who are assessed as being in need of extramural (as opposed to residential) care no longer qualify for a personal budget. As a result, 90% of those recipients in 2011 would have lost their PGB by

[66] Personal budget schemes do not exist in 5 of the 6 countries that were taken in present study : Greece, Hungary, Ireland, Spain and Portugal. Only the U.K has a personal budget scheme for people with disabilities.
[67] Figures for 2007
[68] House of Lords and House of Commons, Joint Committee on Human Rights, Implementation of the right of disabled people to independent living, 1 March 2012

2014[69]. It should, however, be noted that in the budget pact concluded by parties united in the so-called Kunduz-coalition in late April 2012 (following the fall of the Government a week earlier), cuts in the PGB scheme were reversed by EUR 150 million. Similarly in Ireland, cuts are affecting the number of personal assistance hours granted[70].

The personal assistance budget *(Persoonlijk Assistentiebudget, PAB)* of the Flemish community of Belgium has faced waiting lists since its inception in 1999. Since then, the waiting lists have grown every single year, to reach 5,644 persons end 2011[71]. This exceeds by 300% the number of PAB-holders[72].

The reduction and cutting of personal budgets limits the free choice of persons with disabilities to independently form their own opinion and decide on which services to purchase. Changing personal budget schemes into the provision of in kind benefits or services appears to be a setback in acknowledging the rights of persons with disabilities as enshrined in the UNCRPD.

Financing of representative organisations for persons with disability

While not directly involved in service provision, reduced funding to disability representative organisations is nevertheless another example of budget cuts that concern the disability sector and may impact on the lives of persons with disabilities as they impact on the information, advisory and advocacy services for persons with disabilities.

A 20% decrease of financing of disability organisations in a particular autonomous region was reported in Spain.

In Portugal a 30% decrease in public funding between 2011 and 2012 for disability organisations was imposed.

In Hungary, national associations representing people with disabilities will receive between 10-15% less funding from the national budget for the year 2013.

Planned investments are being stopped and/or postponed

Budget cuts have also resulted in the deferral and cancellation of planned initiatives.

In Spain earlier investment plans aimed at improving the accessibility of public buildings, services and transport have been virtually paralysed.

In summary, the social services sector has been hit particularly hard in most Member States by austerity measures with the exception of a few countries that have been able to more or less cope and contain the negative effects of the crisis thus far. The reduction of local budget allocations for social services delivery from central government resources is the most

[69] European Network on Independent Living, ENIL, Proposal for a Resolution of the European Parliament on the effect of cuts in public spending on persons with disabilities in the European Union, Background note, September 2011.
[70] *Ibid*.
[71] http://www.10jaarpab.be/rapport/standvanzaken/
[72] VAPH, Zorgrapport 30 November 2011, available at http://www.vaph.be/vlafo/view/nl/4777109-Zesmaandelijks+rapport++vraag+en+aanbod+zorg+voor+personen+met+een+handicap.html.

tangible austerity measure that is being enforced in many of the Member States, and not only in Member States that have suffered most severely from the crisis. Almost all countries, including those that are more economically robust, are experiencing severe challenges with local authority budgets, which are also being allocated greater responsibilities in social services provision.

The public budget cuts in the social services sector have, in many Member States, already led to a decrease in the volume and levels of social services in both public and private service provision. Access to social services for vulnerable groups appears to have been considerably reduced as fewer services (levels) are available as compared to the pre-crisis situation. Services have to operate with less staff for a growing group of people who develop a need for such services as a consequence of the crisis. This must be viewed against an overall background of increasing demands due to ageing societies and higher occurrence of various forms of disability that goes together with the ageing process.

Staff reduction in the social sector clearly impacts on service delivery and on the availability and access to social services. Less staff are available to deliver for the same or increased number of clients and the specialisation of staff is becoming devalued. These trends undoubtedly affect the quality of the social services.

Smaller social services and services operating in more rural and more deprived areas appear to have been affected most by the austerity measures. This raises questions on the geographical spread of the social impact of the crisis. Areas which often were already 'under-serviced' are getting stripped of social services. Beneficiaries residing in more isolated regions are left with less or no access to the social services they previously had access to.

People with disabilities have particularly been affected by decreasing social service levels. They have been hit more severely in that services which specifically are targeting the needs of persons with disabilities have been curtailed significantly by the austerity measures and limits of public financing. Labour intensive schemes such as personal assistant services for people with disabilities are increasingly under pressure. Moreover, in countries where independent living has been developed, there seems to be a recent set back in that financial allowances promoting independent living are being curtailed or even terminated.

3.2.2 Trends at macro level and structural changes in the social services sector

The social services sector in most of the EU Member States is undergoing far going changes. The budget cuts described in the previous section reveal that there is less funding available and that the volume and accessibility of social services has decreased. Most recent and planned austerity measures are likely to cut further in the social service provision.

Member States on the other hand report on a **widening gap between the needs and the available social services**. The causes for the increasing needs are multifold. Some are directly related to the crisis like the increase of applications for social support due to economic hardship, for emergency support and mental health services. Other causes are rooted in societal changes and related to the ageing process and the occurrence of new types of disabilities amongst the elderly but also among the general population and children.

This section highlights some tendencies that can be identified at macro level some of which have affected the structural organisation of the social services.

3.2.2.1 Accelerated decentralisation to under-resourced local governments

Some Member States, such as Greece, and Romania, seem to have recently entered into new or accelerated waves of decentralisation of social, and sometimes health services, transferring responsibilities to lower levels of government.

The available reports indicate at the same time that the local authority levels are experiencing *very severe financial circumstances* and have insufficient resources to take over the responsibilities for the financing and provision of the social services. These trends of fast-track decentralisation without the financial backing/resources at lower levels of government have undoubtedly an immediate effect on the current and future availability and provision of social services for vulnerable groups including for people with disabilities. Reports directly point to the far-reaching consequences for the beneficiaries who are depending on social services and who as a consequence of the economic crisis and absence of public financing at local level, have no longer access to social services.

The very precarious financial situation of local governments in Italy has been reported. **Local governments, which are the main long term care providers, are being forced to suspend/close services as a result of severe cuts in the state funding** for social and long term care. In Greece, reports mention that services that were established prior to the crisis, often with ESF support, have not become integrated into the local authority service packages as was originally intended and that national funding for the integration of these services was withdrawn.

Decentralisation often seems to create additional *regional or local disparities* in social service provision and regional/local discrepancies in the quality of the social services. The growing gap in social service provision between the regions and local authorities is not only notable in the Member States that have most suffered from the crisis but also in those that have coped relatively well. Regional disparities in social service provision appear to be a growing trend across the EU.

With regard to quality assurance, reports reveal that quality concerns, for example in the long term care sector[73], are a key concern in many Member States, often triggered by growing disparities in the quality of service provision resulting from decentralisation. Nevertheless, many reports refer to a lack of indicators for assessing quality and of coherent approaches to quality assessment, particularly in countries where decentralisation is combined with high levels of informal and privately paid care such as in Italy and Greece.

The trend of increased decentralisation that has occurred in some of the countries in parallel or as a consequence of the crisis seems to point at a central concern that in spite of the very poor financial situation of the local authorities, they are increasingly becoming the main funder of social services in the EU Member States. The weak status of local government finances is reported in almost all Member States including in the Nordic countries, which

[73] Germany, Finland, Ireland, Iceland and Luxembourg are among the countries that report on increased attention to quality assessment predominantly focused to institutional care (nursing homes) but sometimes also to home care.

traditionally have long histories with local self-government and social service provision through the municipalities and local authorities.

The consequence of this decentralisation move combined with insufficient financing capacities at lower levels of government has pushed the social services sector to the verge of collapse in those Member States where the sector was not yet developed at the time that the crisis set in. Public and private social services have vanished in many instances. The situation is particularly worrisome in more rural and remote areas and in the territories of poorer local authorities. Romania and Bulgaria but also South European Member States including Greece, Portugal and Spain are witnessing alarming levels of setbacks in social service provision and growing regional disparities.

In Hungary, the social services sector reform currently on-going is characterised by an opposite trend with increased centralisation of powers. The new government announced for 2013 the abolishment of the county levels of administration which were local self-governments and which were entrusted with the specialised social services. The latter are replaced by county institution maintenance centres that are under the direct control of central government structures. A new governance level will be revitalised from the seventies (small regions or the 'jaras') which will be allotted with some responsibilities in social care provision. At the same time, hospitals and clinics operating under the previous county administrations are scheduled to become nationalised.

3.2.2.2 Postponement of pre-crisis reform plans in disability/social services

The economic crisis and fiscal consolidation measures have not only led to public budget cuts but also to Government decisions (national, regional and local level) to abandon, postpone or contain public sector reforms that would cost money in the short run. Whereas in the areas of social protection (both cash contributory and non-contributory benefits), social services and health care, the main interventions were focussed on cutting costs and increasing efficiency, interventions in the long term care sector seem often to have consisted mainly of the shelving of earlier planned reforms or in deferring new policy initiatives in spite of a general consensus among policy makers and stakeholders that action is required.

In 2010-2011, discussions on national policy reforms and changes in the LTC sector, which are generally considered as necessary in the rapidly ageing societies throughout the entire EU, have been postponed in many of the Member States in Central and Southern Europe as a direct consequence of the economic crisis and the lack of sufficient public resources[74]. In other countries, such as France and Poland, similar trends have occurred where the introduction of social insurance based schemes for long term care were abandoned[75] [76].

Long term care is in most Member States financed by means of a combination of public and private resources with a growing share of the latter. This requires either complete or partial financing from public resources. The lack of sufficient resources as a consequence of the crisis has been systematically raised as the main reason for postponing action in the sector. The failure to push reforms forward in a context where the gap between the demand and

[74] Horstmann Sabine, Synthesis Report 2011, ASISP, October 2011, available at http://www.socialprotection.eu/, in 'publications'

[75] Germany, Luxembourg, Flanders and the Netherlands are countries/regions where long term care is partially financed out of social contribution schemes.

[76] In Slovenia, the discussion on introducing a long term care insurance seems to be still on-going.

supply of services and between those who can and those who cannot afford to pay their share for the services is widening is particularly a key concern for persons with disabilities in need of long term care services.

There is also an indication that *national reform strategies* or plans in the disability sector have come to a standstill or were slowed down as a consequence of the crisis and the lack of availability of public funds. Reforms inspired by the UNCRPD that were initiated before the crisis have in several Member States such as Spain, Portugal and Ireland resulted in legislative changes but the legislation has in many instances not been put into effect.

Larger de-institutionalisation plans in the disability sector have been abandoned in Bulgaria and Romania[77].

In Ireland pre-crisis reforms which aimed at an increased and improved alignment of national disability policies with the UNCPD objectives have been delayed, abandoned or not put into practice. Legislation has sometimes been adopted, such as the Education for Persons with Special Educational Needs Act (EPSEN) in 2004, but not put into effect. In spite of the government's strong commitment to inclusive education for children with disabilities, many of the legislative initiatives have been postponed due to the crisis. Plans for the Advocacy Service for people with disabilities have been postponed, as have elements of the 2005 Disability Act. The multi annual investment programme for disability support services has been halted. In 2009, The National Carers Strategy was abandoned as a consequence of the crisis.

In Portugal a pilot project on the introduction of personal budgets for people with disabilities which was planned to be rolled out in 2011 has not yet materialised and it is likely that it won't be launched in the near future.

Plans and programmes aimed at accessibility improvements and barrier elimination have reportedly been halted by most local authorities in Spain. At the same time Spain recently adopted new legislation promoting the rights of persons with disabilities. This legislation has not yet been implemented.

In Hungary, de-institutionalisation plans for large residential care facilities have not been put into practice. The reasons are reportedly not directly related to the economic crisis. In spite of adopted policies and legislation promoting more community based services as opposed to institution based care, most of the public funding including about €79 million from ESF financing was channelled to residential institutions as opposed to creating community based services.

In Greece the large de-institutionalisation programme for mental health 'Psyhargo' has been dismantled as a direct consequence of the economic crisis.

Chapter 5 examines the extent to which national implementation plans for the UNCRPD have been implemented in a timely and adequate manner by the EU national governments[78]. It reports on delays and/or changes to original planning which have occurred in the course of

[77] As to Romania, it has been reported that the deinstitutionalisation was stopped when Romania entered the EU and that it was as such not the direct result of the economic crisis

[78] It appears that in the 2011 National Reform Programmes of the EU Member States under the Europe 2020 strategy only Germany makes reference to the implementation of the UNCRPD.

2011 ad 2012 as a consequence of the lack of financial means. The first report of Portugal on the implementation of the UNCRPD was due in December 2011 but was not yet published in summer 2012.

The economic crisis has put a halt to many social policy reforms that were planned or initiated in the Member States including initiatives that are relevant to greater adherence to the UNCRPD principles such as increased independent living, access to community based services, de-institutionalisation and increased mainstreaming for people with disabilities.

In some countries such as Portugal, **legislative and policy reforms that were initiated prior to the crisis and which aimed at implementing the UNCRPD, have been abandoned due to a lack of resources,** in addition to far-reaching changes in the financing of the services. This has in some instances led to a situation where children and young adults with disabilities are far worse off than before these reforms were initiated. Reforms of the inclusive education services and the early intervention programmes, which were inspired by the UNCRPD have in reality severely impacted on the lives and rights of children with disability.

3.2.2.3 Discontinuation of services established previously with ESF funding

Some sources, such as the Greek ASISP Report (2011), reveal that prior to the crisis the social services sector developed with large financial support from the ESF. Many new, often more specialised and innovative, services were opened reaching out to vulnerable groups whose needs were previously not being met. Services, such as day care centres, home care services for elderly and persons with disabilities, vocational training and rehabilitation services, were created with EU support but often in a fragmented way, with precarious employment contracts for staff, and insufficiently embedded into existing institutional frameworks and lacking a connection with other existing services.

The economic crisis and budget cuts resulted first in the reduction of national and local co-financing capacities of public authorities and subsequently, after completion of the ESF projects, in a discontinuation of the funding and closing of the services concerned.

The ESF, especially in the latest programming cycle of 2007-2013, has been considered and used by many Member States to promote the active inclusion of vulnerable persons including persons with disabilities. ESF funding facilitated innovative projects that otherwise would not have materialised. Challenges in the absorption of ESF financing have been reported in Bulgaria and Romania and the issue of the co-financing capacities especially from the poorer local authorities and smaller non governmental agencies has been raised. In September 2012, Romanian NGOs, many of which are social service providers, formed a coalition in order to campaign against the huge delays in payments from ESF funding from the government. The delays in payment have resulted in collapses of small scale providers and closures of services.

The discontinuation of social services that were set up with ESF co-financing raises many fundamental questions. The rules for co-financing may need to be revisited especially given the context that local authorities are widely being recorded as being in a weak financial position and in which they are being allocated more responsibilities for the financing and provision of the services throughout the EU.

The sustainability of local services as opposed to the mainstreaming of ideas must be an issue of serious reflection for those currently drafting the regulations for the forthcoming ESF. Whereas the ESF definitely proved to be an adequate vehicle to establish new types of services in many of the Member States, the longer term sustainability of these services has proven to be one of the weaker parts of the scheme. ESF procedures seem to contribute to a wider fragmentation of social services that have life cycles as short as the period of their ESF financing without achieving its goals in terms of generalising good ideas throughout the EU.

3.2.2.4 Moving from cash to in-kind benefits and services

Based on the available reports it occurs that cash payments, whether they are embedded in social insurance based schemes, in non contributory schemes or in typically social assistance type of benefit schemes, are being curtailed or abandoned. They are often being replaced by new ones with changed eligibility conditions and payment levels. Chapter 4 provides examples of how cash benefit levels in social protection schemes have been changed and of social protection cash benefit schemes that have been replaced by new ones, often with stricter qualifying conditions. Cash benefits for persons with disabilities have been affected in several Member States.

More difficult to detect is how cash transfers are gradually being replaced by in-kind benefits or the direct provision of goods and services. Local authorities that are in many of the Member States confronted with high pressures on local budget spending seem to opt increasingly for in-kind benefits or for provision of services as opposed to direct payments.

In Hungary, the government announced a reduction of the funding for the social assistance benefits in cash by €54 million in order to allocate the resources to basic social services.

3.2.2.5 Increased inequalities

Available sources indicated that in many Member States there is an increase or a persistently high level of inequalities in access to health and social services[79]. In the area of health care, national reports cited inequalities in terms of differences in the quality of care provision between the public and the private providers, better access for higher income groups to private health services (Germany, Finland, France, Italy, Portugal, U.K.), inequalities in access to education (Netherlands, Malta) and, as previously mentioned, regional disparities, in larger Member States often between the urban and rural parts of the country.

A particular issue is the phenomenon of informal (under the table) payments that are reported to exist in health care systems in Lithuania, Romania, and the Slovak Republic and which prevent low income families from accessing health care on an equal basis with the better off. High out of the pocket expenses and private payments are reported in Italy to be the reason why 1.5 million people had to relinquish services to meet their health and long term care needs. An estimated 2.6% of the population suffered impoverishment due to costs associated with long term care services.

[79] Horstmann Sabine, Synthesis Report 2011, ASISP, October 2011, available at http://www.socialprotection.eu/, in 'publications'

Growing inequalities in terms of access to social services have been reported in all country studies undertaken in present research. In the UK, growing disparities between the wealthy and more deprived local authorities as a consequence of the budget cuts in social care financing to local authorities have been reported. Compared to the more wealthy ones, deprived local authorities are disproportionally affected by the budgetary interventions. As a consequence fewer service users residing in deprived parts of the country will have access to fewer services. This trend is particularly worrisome for people with disabilities who are living in the more deprived localities.

In Portugal, Greece, Spain and Hungary a similar growing gap in access to services between the urban and more rural areas was evident. Historically, social services were locally fragmented and unevenly spread throughout these countries. In the years before the crisis, many new services were established, often with the financial support from the ESF, and the gap between rural and urban areas gradually narrowed. Improvements were noted in what regards the availability and accessibility of services for people with disabilities in remoter areas. The crisis and austerity measures seem however to have completely reversed the progress that was made and in some of the countries this even led to a complete collapse of services for people with disabilities in rural parts of the country. The cutting of transport allowances for people with disabilities to reach the social and health services in distant cities and urban areas combined with long waiting lists for assessment and access to the services have undoubtedly severely impacted on the lives of people with disabilities who are living in rural areas.

In Hungary, 'rehabilitation' has recently been given a new definition. Rehabilitation is currently not any longer referring to the life long process enabling people with disabilities for independent living and social integration but rather to a method for qualifying people with altered working capacity who are no longer entitled to the disability pension system after its fundamental reform.

The crisis and related austerity measures have undoubtedly led to **growing inequalities in access** to social services **between persons with different income levels** and capacities but also **between different vulnerable groups**. **People with disabilities are among the first to be affected. People with intellectual disabilities and those suffering from mental health conditions are the hardest hit**. **Children with disabilities are increasingly and disproportionally affected by the austerity measures in some of the Member States**. The gaps in access to services **between rural and more urbanised areas** seem to be growing, creating additional regional disparities in cohesion within the Member States themselves and also across the EU.

3.2.3 The impact of the crisis on service delivery mechanisms

Social services systems and structures are under pressure in the EU and **far reaching reforms are being initiated**. In some countries, such as in the UK and Hungary, structural reforms have been announced as being part of modernisation plans or have been inspired by new political views on social policies. In countries that have suffered most from the economic crisis, reforms are often less about politically motivated reform but about

confronting the consequence of drastic austerity cuts, at times even in contradiction of new legislative and policy initiatives, such as in Greece, Portugal, Spain and Ireland.

Public spending constraints and cuts due to the economic crisis have in all countries concerned impacted on the volume and functioning of the social services, on the number and functioning of the providers and on the lives of the service users, including people with disabilities.

This section presents some trends related to the social service delivery mechanisms, which have occurred in EU Member States. They relate to the availability of social services, the funding mechanisms for social service provision, the functioning of the services and providers and to some fundamental changes in disability policy approaches.

The trends that have been identified are all directly or indirectly relevant to the lives of people with disabilities.

3.2.3.1 Contraction, termination and merger of services

The *closure* of social services is probably one of the most immediate and tangible effects of the crisis. The closure of services has been recorded in all Member States that have introduced austerity measures affecting the social sector and appears to have affected both the public as non governmental social service provision, particularly in poorer and more rural regions.

Many of the Eastern and South European Member States such as Bulgaria, Greece, Hungary and Romania reported a **devastating impact on the non-governmental social services sector** where many organisations have suspended or terminated their activities. The closure of non governmental social services must be viewed in conjunction with decreasing volumes of social services provided by the public sector.

Closures have been reported in all 6 country reports that were produced for this study. Closures were primarily attributed to public spending cuts for social services. In the UK considerable numbers of sheltered workshops and supported employment services have recently been closed. Similarly, in Greece, Hungary, Ireland, Spain and Portugal the termination or collapse of providers and services were reported.

In Hungary, the number of community based service providers decreased between 2008 and 2011 from 258 to 207 or a reduction of 20%.

It is striking to note that in some countries such as in Greece, Spain and Romania, social service providers were forced to close down as a consequence of delayed payments from public authorities. In Romania, for example, providers were only paying the social security contributions of their staff without paying out the salaries for several consecutive months. Other providers have collapsed as a consequence of delayed payments from public authorities which often operated with ESF money. In Spain several service providers have collapsed due to serious delays in payments from public authorities facing cash shortage, for example in Valencia and Andalusia. In Greece providers report delays in payments from public authorities of more than 1 year. Social service providers have collapsed as they could not any longer advance on the wages of their staff.

Mergers of different services and/or centres, which were accompanied by internal re-organisation, often leading to staff reductions and downsizing of the services, have also been reported. Mergers often happen to the detriment of the smaller services and those located in more rural areas.

The *contraction of social services* has taken many forms ranging from the full dismantling of entire centres and services to the termination of small service units. The volume of services has been restricted to the absolute minimum provision of services in residential care institutions. Opening hours/days in day care facilities have been reduced and the duration of the service provision has been shortened.

It goes without saying that these developments have an immediate implication for the service users who are increasingly confronted with reduced service packages or denied access to services. **Service users in many cases are being returned to the care of their families, voluntary support mechanisms or institutional care.**

3.2.3.2 Increased 'privatisation' or outsourcing of social services

There is a growing trend of privatisation or externalisation of public social services or the transfer of previously recognised public service obligations out of the public systems towards non-public for profit and not for profit agencies. This trend has been reported on in Hungary and Romania, for example,[80] and similar trends are noted also in Ireland, Greece and Portugal.

The UK seems to have embarked in a similar direction with regard to long term care services[81]. A widening and strengthening of the private social care sector within the learning difficulties sector has been noted in the UK where less than 10% of care was in State hands in 2011.

In the health care domain, it is possible to observe similar though less pronounced trends, for example health services and even hospitals are being prepared for privatisation in countries like Poland and Slovakia. Increased privatisation or outsourcing of social services, in itself, may or may not be a positive development and welcomed or disapproved by policy makers and/or wider stakeholders[82]. Privatisation is often promoted as part of modernisation plans for the public sector aimed at increased efficiency of service provision or the consequence of a policy to increase competition between service providers and to rely thereby on the procurement of the services.

Available information sources, however, seem to point to a rather different dimension of the phenomenon. The financial capacities of local authorities are constrained to such a high degree in many of the Member States that it is no longer a question of providing the services internally or through external providers but more a matter of the economic feasibility of the services themselves. Social services for the most vulnerable and services, which are unlikely

[80] ASISP reports 2011, available at http://www.socialprotection.eu/

[81] The U.K. 2011 ASISP report mentions that 'hence it seems very likely that access to long term care will be restricted to many areas in the near future' and that according to a recent study (Forder/Fernandez 2010) 'the reduction in public support would prompt people to pay privately for care and/or seek informal care' raising serious equity questions as poorer parts of the population will be the losers.

[82] Reference can here be made to the Communications from the European Parliament expressing concerns about the growing tendency to privatise social services delivery.

to be of interest to commercial and not-for profit providers, seem as a consequence to be drastically reduced and even closed due to a lack of financing.

The growing privatisation trend may consequently have **adverse consequences for the most vulnerable groups with complex needs, including many people with disabilities**. The interests of competing private service provides in such services is likely to be low and as a result the burden of service provision may be shifted back to the families of the service users in terms of both the partial financing and even provision of these services.

In the UK, this trend is evident in the provision of employment services for people with disabilities. The recently introduced Work Choice programme has led to situations where people with disabilities who have the highest chance for labour market integration are being preferred for intake by the providers and severely disabled people being disregarded.

In Ireland there is a growing trend to outsource social and educational services to for profit providers which unlike the not for profit organisations pay minimum wages to their staff and are often only providing the basic services in absence of minimum standards governing service provision.

3.2.3.3 Increased and more demanding tendering of services

Alongside the trend of an increased externalisation and privatisation of social services, some Member States have introduced or reviewed the purchasing and acquisition mechanisms that are being implemented by the public contracting authorities.

Reference can be made in this context to the EU 2004 Procurement Directives which offer Member States the possibility to reserve markets exclusively for sheltered workshops provided that a national law has been adopted for that purpose and on condition that at least 50% of the staff of the sheltered workshops are people with disabilities. Some Member States have made use of this option, whereas others have not. In the case where a Member State applies the provision of the Directive, competition between sheltered workshops has to be ensured.

Sheltered workshops, both in Member States that have and in those that have not made use of this facility as well as other for profit and not for profit service providers have reported on recent changes in the tendering approaches that public authorities are currently adhering to in their purchasing policies. Tender specifications are reported to have become more cumbersome and more demanding in terms of results to be achieved and in terms of the performance requirements in comparison to previous times. More or higher outputs are expected and payment levels have substantially decreased.

The increased focus on performance in the public procurement process has contributed to positive results in some cases in that service providers have been forced to assess their own performance and reflect on organisational improvements.

However, service providers for persons with disabilities in countries such as Ireland, Portugal and the Netherlands reported that technical specification requirements have evolved to the extent that they negatively impact on flexibility and inhibiting the introduction of innovative approaches and ultimately putting at risk the quality, and person centred nature, of service delivery.

In the UK, increased complexities in tendering for services, which are more time and resource consuming for the applicant organisations than before are impacting on the providers. A similar trend is noted in Ireland.

3.2.3.4 Increased pressure on staff

Several reports indicate that as a consequence of staffing cuts combined with equal or higher demands and needs, fewer professionals are doing more. Fewer individualised time is available for the service users, working hours are becoming longer and pressures on staff have increased. These developments are impacting on the quality of the services.

A survey of members of a social care network in the UK undertaken by the Guardian revealed that 93% of professional social care staff indicated that their jobs were expected to become even more difficult as a direct result of the planned further budget cuts.

In Portugal, the growing demands on fewer staff among service providers, higher work pressures and increased risks of burn-outs were reported.

Similar findings are reported in Ireland where fewer professionals work longer hours, overtime is not compensated and increased number of staff is reported sick.

In Greece, the public mental health services are in complete disarray. Residential care services lack basic goods and supplies like foodstuff, basic medicines, toilet paper, bed sheets and electricity. Reports have appeared that staff is paying for the food of the service users in residential care services. The pressures on staff specifically in the health care domain where hospitals and primary health services are virtually paralysed are extremely high. A medical doctor of one general hospital committed suicide in front of the television cameras because of the financial problems and working conditions at the hospital.

3.2.3.5 Cuts in training and continuing professional development

The continuing professional development and training of the staff in the social services sector, and in other similar areas such as health care and education, seems to be one of the first areas where cuts have been made in both the public and the private systems.

Serious cuts in staff training and professional development budgets among the social service providers have been reported in several Member States.

In Ireland budgets for staff training and professional development have been re-oriented towards service provision. Service providers report in addition that there is no staff available to cover for people going out on training.

In Spain service providers report a shift from external to internal training programmes.

This development is worrisome and contradictory to the European policy goals enshrined in so many EU strategies, not least in the Europe 2020 strategy. Abolishing training and educational programmes for professionals and other staff of the providers will not only affect the personal professional development of the individuals concerned, but also is likely to have an impact on the quality of service provision. Specialised and customised services, which are very relevant to clients with disabilities, are becoming increasingly jeopardised. In combination with the tendency to downgrade the working conditions of staff, i.e. lowering of

salaries, more precarious and temporary work contracts, increasing workloads, etc., the removal or drastic reduction of training opportunities will certainly have a negative effect on the competence and performance of staff and impact the service users in terms of service quality.

3.2.3.6 Decreased investment in research, development and innovation

Innovation, research and development are other areas where austerity measures have impacted. This trend is also placing the Europe 2020 strategic goals and headline targets, concerned with an innovative Union, at risk.

Project financing for the development of innovative services for persons with disabilities has been withdrawn in Austria. Private providers also indicated a reduction in their research and development activities, one of the first departments to be affected by the economic situation of an organisation.

Decreased investments in research were reported in Scotland and in Ireland where levels of research and innovation among service providers were being reduced, as delivering the necessary services was prioritised.

Research and development, as well as innovation, are critical for the disability sector. The design for all and accessibility spear points of the UNCRPD presupposes improvements in methodologies, tools and instruments, buildings and infrastructure, equipment and consumables, ICT and assistive technologies, which can only be achieved if the necessary research and development activities are undertaken and sufficient resources are reserved for these purposes.

Reduced research initiatives may put the further development and implementation of new, more innovative services for people with disabilities in jeopardy with significant implications for narrowing the gap between services for persons with and without disabilities. **Without the necessary research effort and funding, the position of persons with disabilities on the long road to full equality in society is being progressively pushed back in time.**

3.2.3.7 Growing uncertainty for the private providers

There was compelling evidence of the growing uncertainties and insecurities that many service providers have experienced throughout the prolonged period of economic crisis. The uncertainty is reflected in different dimensions but appear to be all related to the volatility of financing prospects such as:

- A general uncertainty related to the next years/future public funding;
- An uncertainty related to the other sources of financing from private sources;
- Uncertainty among staff about future jobs;

As discussed previously, financing in general, including direct State subsidies for the non governmental sector, has declined in many Member States. Several reports indicated that it is not entirely clear if further cuts will be implemented in the future and what their volume will be. Bulgaria, Croatia, but also Austria, indicated substantial decreases in subsidies to non governmental organisations. Further, in many countries service providers are recording a

steep decline in their income from sources other than public funding. Fund raising and private donations are down in countries like Austria.

Uncertainty about the future makes service planning very difficult. The planning of services, which is a critical step in defining the scope and nature of service provision for service users, appears to be at risk. This development is of particular concern to the disability sector where service planning and assessments are most critical and a necessary condition for delivering positive outcomes.

The uncertainty of social service providers has in some countries also been the result of drastic changes in policies and legislation. In the U.K., Hungary and Portugal far reaching **legislative changes relevant to social services have led to enormous confusion and lack of clarity**. In Hungary, there is on-going unclarity on whether the scheme providing subsidies to employers who employ people with disabilities will be maintained implying that about 37.000 jobs are at risk. Several employers have started to lay off people with disabilities. At the same time, confusion is existing as to whether the government will maintain its contracts with 21 companies that provide protected work places and contracts were only extended with an additional month during summer 2012.

3.2.3.8 Waiting lists

Increasing waiting lists and longer waiting periods were reported for social, health and sometimes also for educational services in Member States.

In Portugal waiting lists are on the rise as a result of growing demands for services especially for long term care and for day care services for persons with disabilities.

In Hungary people are reported to have to wait for years before getting access to the social services they require especially in residential care settings. The estimated number of people waiting for general residential care services is 15.000 while for special residential centres for people with disabilities and psychiatric patients, the estimated number is around 2.100 for the year 2011. According to the available figures people with disabilities have to wait significantly longer before having access than people applying for general residential care services.

In Ireland waiting lists for social, health and educational services have sharply increased. More than 25% of people with physical or sensory disabilities are waitlisted for either access to assessment services or to personal assistance and support services. One organisation representing people with mobility impairments indicated that there is a current unmet need of over 520.000 hours per annum for personal assistant services for people with physical and sensory disabilities.

“During the years of prosperity there was a waiting list of approximately 2.000 people with intellectual disabilities for residential care, now the number has risen to 4.000”.

Hospital waiting lists are also growing in Ireland with 178.000 people waiting on an outpatient list. In the education area, one out of four young adults with an intellectual disability or with autism who left secondary school in June 2012 had no further education, training or day care service scheduled for September 2012.

In Greece, waiting times for appointments with general practitioners are exceeding three months. Appointments are often cancelled by the medical doctor, which is resulting in even longer waiting periods. People with disabilities who are depending on medical prescriptions are forced to pay for the medicines from their own budget. Waiting times for radiotherapy services in public hospitals are exceeding three months.

An estimated number of 60.000 people with disabilities are currently waitlisted in Greece in order to get access to their disability assessment and receive the disability certification at the few specialised Disability Certification Centres. The waiting times for getting access to the assessment services are up to eight months.

3.2.3.9 Tightening eligibility conditions to care and services

Another mechanism resulting in reduced support and services is the alteration of eligibility requirements.

In the UK eligibility conditions for social care for people with disabilities are being reconsidered by many of the local authorities. The introduction of the Personal Independent Payment as a substitute for the Disability Living Allowance will result in over 400.000 people losing eligibility.

The eligibility conditions for personal assistant services have been tightened in Ireland resulting in decreasing personal assistant hours for many of the service users. Eligibility conditions have also been restricted in the education sector where access to resource teachers and learning support services has been reduced impacting seriously on children with mild learning difficulties.

As a result of newly introduced rules in the health care system in Greece, general practitioners are not allowed to prescribe more than 3 medicines per prescription and per day. People with disabilities or with severe diseases who need to take many medicines on a daily basis are forced to get more than one appointment with the doctor and spend waiting time to obtain the necessary prescriptions.

As a consequence of a new code for the classification of disability, young people with disabilities who are over 18 years of age are no longer entitled to special therapies such as speech therapy and physio-ergo therapy whereas also for youngsters below 18 years of age the eligibility criteria have become stricter.

The home care programme in Greece has, since its establishment in 2006, been continuously confronted with financial challenges. It only served people with the highest support needs and could hardly be seen as an adequate mechanism accessible to all on equal grounds. **Due to a further tightening of the eligibility conditions, people with disabilities who live independently or who live with working family members have in practice been excluded since 2010.**

3.2.3.10 Lowering of quality standards for social services

As a consequence of growing demand and postponement of investments due to the lack of financial resources, admission criteria are being changed and quality standards for some services are being lowered.

In March 2012, new legislation in Portugal changed the minimum dimensions of the bedrooms and increased maximum number of residents per bedroom for residential care services for elderly. Further regulations are in preparation governing residential care facilities for people with disabilities. This type of changes directly impact on the lives of the service users in terms of their privacy and access to quality care.

A drop in quality standards of care in the health sector in Ireland was also reported where patient outcomes are being compromised as a result of shortage of staff, increased patient dependency and delays in accessing treatment.

3.2.3.11 Increased responsibilities of families and end users in the financing and provision of services

Of particular interest is the trend that can be noted in countries such as Bulgaria, Greece, Italy, Hungary, Spain, Portugal and Romania to re-allocate or reconsider family responsibilities in the provision of (social) care. It is notable that it is in those countries where social care was traditionally already largely conceived of as being provided by family members and informal carers, that recent policy changes are occurring which are redefining the responsibilities between the public system and the private/family arrangements.

Hungary's new Constitution adopted in spring of 2011, for example, explicitly allocated prime responsibility for the individual well-being to the individual and the family and clearly specifies that the state has only a secondary responsibility[83].

At the same time, there is a growing incapacity of families to bear the costs for the care concerned through private income. Increasingly, families, as well as the dependent people are being confronted with exclusion from access to proper social and health care as a result.

The growing role of the family and end-users of social services in the financing and provision of the services is a trend that seems not to be limited solely to the countries of the South and Eastern parts of the EU. A similar trend is evident in other Member States where social service system developments appear to increasingly allocate financing and provision responsibilities to the families and end users.

The DEMOS published in summer 2012 in the UK identified that as a consequence of the 2010 Emergency Budget, people with disabilities and their carers experienced a drop in income of £500m (€618m) which in combination with a severe cutting of services and other financial benefits for people with disabilities has already resulted in a situation where people with disabilities and their carers are now responsible for paying a greater proportion of the costs of services. The financial pressure on people with disabilities and their carers has led to additional hardship, a decline of the mental health of people with disabilities and increased pressures on informal carers.

3.2.3.12 Increased standardisation of care and less person centred and individualised services

[83] The Hungarian Constitution of 18 April 2011 also states that the State may but is not obliged to provide income security, which in fact is going against the EU 2008 Active Inclusion Recommendation that States should have minimum income support schemes for those who cannot become integrated into the labour market and have the right to a decent living.

Service providers in Ireland, Portugal and the Netherlands reported on growing trends that providers are forced into more standardised services as a consequence of the crisis, growing competition and an increased use of tendering[84]. Technical specifications and tendering procedures often reduce the possibility for flexible solutions. Requirements have been tightened and more service outputs are expected for less money. As a result service delivery mechanisms and processes have become more uniform with a consequent reduction in person-centred services and planning. There is a great concern that processing service users more rapidly will have a substantive impact on service outcomes for individual users. More service users have to be served in less time and with less funding shifting the emphasis away from customised services.

Shorter periods of service have also been reported in the rehabilitation sector in the Netherlands. Whereas previously, a client's rehabilitation was oriented towards enabling them to live independently, nowadays there is a trend to organise the rehabilitation process up to the point that the service user can be taken into care in a nursing home. The services are being curtailed in order to meet the demands of a growing number of clients but at the cost of changing the ultimate goal of the service from independent living to preparing the user for institutional care.

Increased standardisation in social care and less person centred care has been reported in the UK, Ireland, Portugal, Greece and Spain.

The shift away from personalised services for individual clients towards more standardised minimum services is undoubtedly a pattern that is economically inspired but it directly undermines the fundamental cornerstone of living independently and being included into the community enshrined in the UNCPRD.

3.2.3.13 Back to more institutionalised care

It is noteworthy that in quite a few Member States there are indications that as a consequence of the crisis, there is a growing tendency to use institutionalised social services. The argument for economies of scale is used to justify mergers of services and centres but also for the building of new institutions of certain sizes and capacities. The economic dimension is becoming an increasingly important criterion for selecting the scale/size of services and priority is assigned to maximising the number of clients that can be served. Connected to this is the selection of the location of service centres which often favours larger cities and urban areas for residential care initiatives over smaller community based living in rural areas and small communities or towns, which are closer to the person's home.

A similar trend is occurring with regard to the deinstitutionalisation of large institutions in central European countries. Romania reported that the deinstitutionalisation process of residential institutions for persons with disabilities, which at the time of accession was a conditionality for EU membership, has been halted. This is also the case in Bulgaria where until recently the matter of deinstitutionalisation was high on the public and political agenda but seems to have lost priority. Reports indicated that in daily practice institutionalisation has been re-established as the service solution of choice.

[84] Results from the focus group held under present study in spring 2012

In spite of an increase in previous years of people with disabilities who are living independently in Ireland, there is a recent trend of people moving back into institutional care because of their low and decreasing income. **People with disabilities cannot afford to pay for the costs that go along with independent living**. There are cases reported of people who had secured own housing but who lacked sufficient resources to pay for the necessary additional personal assistant hours and for the costs related to the adaptation of their house. Due to restrictive rules on budget spending, some state financing was available to support residential care services but it could not be used for spending on independent living solutions.

A different form of re-institutionalisation has been reported in Portugal. In absence of new investments due to the crisis, existing residential care services are taking in more residents than before following legislative changes that have increased the maximum number of residents per bedroom or reduced the square meters per resident in residential care.

In spite of legislation from 1993 which called upon the building of group homes with more individualised services for the service users, the transition from an institution oriented care system towards more community based services has never been put in practice. Residential care for elderly and people with disabilities remained in reality the service solution for many dependent people in spite of the substantial waiting periods. More than 12% of the residents had to wait for more than a year according to available statistics though one interviewed person estimated it to be between 2 and 3 years. In residential care for people with mental disabilities, 24% of residents had to wait for more than a year. It is striking though that according to local studies 30% of the residents in the general institutional care stem are capable of living independently if basic community would been available.

In short, whereas for many years institutionalised care was considered the solution of last resort and ultimately very costly, there is recently a discernible change towards more institutionalisation as opposed to the more personalised, smaller scale and community based services that are promulgated by the UNCRPD.

3.2.3.14 Back to the medical model

The social model has over the last 20 years been promulgated as the key direction for social services delivery mechanisms, putting the person with a disability at the centre of the environment and organising a continuum of social services matched to the individual client's capacities and perspectives. The social model intrinsically implies a multidisciplinary approach towards assessment and service provision. Teams of professionals work on solutions, service users are actively involved throughout the entire process and individualised rehabilitation plans are the guiding tools accompanying the process.

Information received from professionals active in some Member States pointed to a determined change of direction towards more mechanical and standardised assessment and service provision procedures and mechanisms involving less staff. The shortage of financial means and increased performance requirements force providers to increasingly depart from staff intensive activities and services.

In some countries the strict medical model and medical assessment by commissions of medical doctors is being openly suggested as the old but best way to cope with the pressures of time and number of clients.

A recent Value For Money Study reported that disability services in Ireland are not only just located and funded by the health system, but that the service provision is still strongly influenced by the professionalised model with an emphasis on the medical diagnosis during the assessment and leaving the decision on the scope of the service package mainly to the health and social care professionals limiting thereby the involvement of the service users.

In Greece the centres for community social integration are being merged with the local hospitals. This is viewed as a return to a medical approach towards rehabilitation services as it is expected that the social inclusion oriented approach of the community social integration centres will disappear.

3.2.3.15 Pressures on mainstreaming and cutting resources for inclusion

Mainstreaming of children with disabilities in general schools is viewed by many EU governments as one of the mechanisms to promote social inclusion. Countries which traditionally had segregated special education systems for children with disabilities have over the past years entered into policy reforms that aim at reducing special schools and promoting mainstream schooling.

Successful mainstreaming requires adequate strategies and sufficient funding for various measures in support of children with disabilities and their teachers in mainstream schools. Attending mainstream schools needs to be carefully prepared with the child and hosting school personnel. Sufficient and adequate accompanying measures need to be taken during periods of school attendance.

Due to a better diagnosis and greater awareness among parents in the EU, there are increasingly more children with learning and mild forms of mental disabilities who are in need of support services while attending schools.

There are many reports of reduced financing for supporting services accompanying mainstreaming projects in EU Member States. Some countries have suspended earlier plans to promote and implement mainstreaming in education for children with disabilities as a consequence of the budgetary crisis.

There are furthermore also reports from Member States on **failed mainstreaming initiatives**. This has resulted in increased numbers of children with disabilities who are dropping out of mainstream schools, sometimes without having any alternative and an increased numbers of children with disabilities who are denied access to mainstream schools due to budgetary constraints. Also notable is that in some Member states there is a **trend of shifting back to the special school approach in segregated settings**.

A noteworthy observation from experts in some of the Member States is that mainstreaming has led to a decreasing focus on disability issues. Mainstreaming, in other words, led to a lowering of the salience of, and emphasis on, disability specific concerns. Persons with disabilities are being conceived as simply another category of disadvantaged people. Policy attention has shifted towards the aggregated group of vulnerable individuals and families.

In Spain the number of children with disabilities who are referred to special schools instead of mainstream education is on the rise.

The segregated special schools were closed by law in Portugal in order to promote mainstream school attendance by children with disabilities. However, the budget reserved for supporting mainstream education was subsequently severely cut.

The resource teaching time for children with learning difficulties in Ireland has been reduced by 5% this year following a 10% cut during the previous year. Due to the capping of the funding allocated to mainstream support services, there are increasing numbers of children with disabilities who are turned away from mainstream schools because the latter have no financial means to support the mainstreaming.

In Greece, only 9% of all children with disabilities attend special education schools, out of which 90% complete only primary schools. The majority of children with disabilities are either attending classes or schools in regular mainstream schools but the principal problem remains that the mainstream curriculum has not taken into account the disability dimension or not having access to education at all. 33% of children with intellectual disabilities attending mainstream education were treated with the same mainstream education curriculum and approach without any adaptation or special support, while the needs of another 22,3% of children were not catered for at all. 180.000 children with disabilities are estimated to be excluded from education. The proportion of young people with disabilities who leave school early is 23,5% or four times higher than children without disabilities.

The example of Portugal is striking where after a well-intended closure of the special schools and forced mainstreaming for children with disabilities inspired by the UNCRPD, subsequent budget cuts directly affected the support services required for successful mainstreaming. As a result many of the the children and mainstream schools are without adequate support. Children with disabilities are worse off than before the reform and drop-out rates are increasing.

3.2.3.16 Dependent living?

Measures to promote independent living for persons with disabilities are definitely one of the principal mechanisms to promote equal rights and access to all public and private sectors. Some Member States have in varying ways initiated schemes that promote independent living for persons with disabilities through mechanisms such as personal budgets and the setting up of independent living units with various forms of supports and services.

The ultimate **objective of promoting and ensuring independent living for persons with disabilities seems to have been seriously affected by austerity measures** introduced by many EU Member States and by changing the focus towards more institutionalised care. The increased role of families in the financing and provision of care services and the lowering or removal of financial supports directly allocated to persons with disabilities in the form of personal budgets has contributed significantly to this.

In Ireland, there is no personal budget scheme for people with disabilities in place though government has committed to introduce it. People with disabilities who live independently report increasing difficulties to cope and there are reports on an increased number of people who move back into residential services or who are dependent on care provided by the family. Personal assistance hours, transportation allowances and training courses were cut. No environmental control devices have been sanctioned in the last 2 years.

In Spain, local authorities report substantial cuts in budgets for independent living and community inclusion in terms of supports, services, facilities and direct payments as well as a reduction on new investments. Currently the law on the promotion of personal autonomy and care for dependent persons is under review which is likely to result in higher co-payment levels and an increased number of persons who will be included into the list of persons who are subject to co-payment requirements. The changes envisaged will also result in a lower coverage of primary caregivers who may lose their entitlements to financial support. Autonomous regions will be allowed to make further cuts.

3.3 Impact on specific services for people with disabilities

The previous sections have concentrated on the impact of the austerity measures, budget cuts and structural changes in the service delivery mechanisms on social services in general terms.

This section reports on the implications of the economic crisis on specific social services for people with disabilities. The social services have been grouped into 4 categories: employment services and vocational rehabilitation services, health and social care services, independent living services and education and vocational training services.

3.2.1 Employment and vocational rehabilitation services

Public spending cuts in employment services and particularly in employment services for people with disabilities are not widely or systematically reported on in the EU Member States. The rising unemployment rates as a direct consequence of the economic crisis, especially amongst youngsters, are widely covered in public debate and undoubtedly a primary concern for many EU governments. Supporting people to obtain and remain in work are acknowledged as key 'social' priorities under the Europe 2020 strategy. Bringing vulnerable groups including people with disabilities into the labour market is an important part, if not a necessary condition for achieving the joint employment and poverty targets of the Europe 2020 strategy.

For these reasons, cutting public spending on employment services would not appear to be a priority measure that governments would consider first under their austerity plans. Cutting expenditures on employment creation and active labour market measures, on training and labour market integration would contradict policy priorities and would be definitely negatively received by the general public.

The few national sources that are available do, however, provide strong **evidence of a reduction in labour market participation of persons with disabilities since the onset of the crisis.** These developments confirm the growing general unemployment trend that is disproportionally affecting people with disabilities across the EU.

There is currently no systematic data collection and monitoring of (un)employment rates of people with disabilities throughout the EU unlike what is the case for the general workforce.

Monthly statistics on employment of people of working age are produced which include a gender and age dimension.

From different national sources, it appears that the **open labour market participation of people with disabilities is decreasing** and that people with disabilities are experiencing increasing difficulties in finding or maintaining their jobs. In some countries, such as in Romania and the U.K, people with disabilities are reportedly the first to be laid off by their employers in times of economic crisis[85].

A study commissioned by the National Disability Authority in Ireland found that people with disabilities were disproportionally affected by the decline in public sector employment after the introduction of the moratorium on recruitment in the public sector in 2009. The number of public sector employees with disabilities decreased by almost 10% compared to the 4% drop in overall public sector employment.

In spite of pre-crisis legislation promoting employment of people with disabilities in the public sector in Greece as well as the established 5% quota for public service employment of people with disabilities, no new effective entrants have been recorded since 2008.

This confirms the specific vulnerability of people with disabilities who are employed in the open labour market. **Economic slowdown and company restructuring are impacting faster and disproportionately on employees with disabilities** compared to the general work force and to employees without disabilities. Higher incidences of lay-offs and a bigger risk of being made redundant demonstrate the much more precarious and volatile open labour market participation for people with disabilities as compared to the general population of working age. As a consequence people with disabilities are disproportionally confronted with career interruptions, employment related income discontinuation, loss or interruptions in social security records and lower access to company based social protection schemes. This adds up the fact that they are also often facing an increased and often repeated recourse to employment re-integration programmes and schemes[86].

Of interest in this regard are the countries that have job quota systems for people with disabilities. Whereas generally speaking some progress in terms of the total number of employed people with disabilities has been reported in the early years of the crisis in France[87] and Portugal, the job quota ceilings have never been met in practice. Little information is available on more recent developments in 2011 and the first half of 2012 in the countries concerned. In Greece, companies with over 50 staff are obliged to reserve at least 8% of the job vacancies to people with disabilities. Research from 2007 demonstrated that only 20% of companies met these requirements. Since 1998, there is a 5% quota for all vacancies in public services for vulnerable groups including for people with disabilities. However, since 2008 no person with disabilities has been effectively employed in the public service. In Hungary, companies employing more than 25 staff are obliged to reserve 5%

[85] EASPD, European Association of Service Providers for Persons with Disabilities, Inputs on the financial crisis and its effects on social services or people with disabilities, October 2010

[86] The precarious employment situation persons with disabilities are experiencing across their life cycles often worsens with ageing, pointing at an ever widening gap between persons with and without disabilities in labour market participation throughout their job careers and life cycles.

[87] France reports good progress in achieving quota in the private sector but challenges remain in the public sector. For both a 6% job quota is established. See European Foundation for the Improvement of Living and Working Conditions, National Report France: Active inclusion of young people with disabilities or health problems, to be published in 2012.

quota of jobs for employees with disabilities in return of wage subsidies but the scheme is reported to be under heavy pressure and is currently at risk of becoming eliminated. One of the main questions, therefore, is whether, and to what extent, austerity measures are impacting on the levels of employment for persons with disabilities in the countries where these job quotas have been established. It appears from the available sources that the quota have not had any effective influence in ensuring or maintaining labour market participation of people with disabilities but on the contrary, that these instruments could not prevent disproportionally decreasing employment rates for people with disabilities as compared to the general workforce. The countries with job quotas have usually measures in place that allow employers to opt-out and pay a financial compensation in case the quota is not met. In France, earlier plans to increase the financial contribution from companies that failed to meet the job quota were abandoned as a consequence of the economic crisis.

Few information sources from Member States revealed direct cuts in employment services for job seekers in general or for persons with disabilities who are out of work in particular. There are nevertheless recent reports that indicate cuts in public expenditures on employment generating, labour market integration actions and vocational rehabilitation services, which are affecting people with disabilities.

Budget **cuts in the training programmes targeting people with disabilities** and provided through the National Employment Agency have been reported in Austria. Other austerity measures in Austria included the termination of innovative project funding for projects that aim at bringing persons with disabilities into the open labour market resulting in the suspension or closure of these projects.

In the UK, the Workstep programme was replaced by the Work choice Programme in 2010. The Workstep programme supported employees with disabilities and their employers by providing wage subsidies and/or job coaches and employment support services. The new Work Choice programme, currently the main employment programme for people with disabilities, directs its financing at eight contracted providers on the basis of performance or target based criteria i.e. providers receive the majority of funding only when a person with disability remains in employment. The first reports of the Work Choice programme are indicating that less than 14% of the participants secure a job position and that the sustainability of the job outcomes are even lower. It is striking that the new scheme is working predominantly with people with disabilities who are closest to the labour market and that people with significant disabilities are at a disadvantage as providers are not encouraged to take them on.

The previous Work Step programme allowed many providers, a majority of whom were dependent on local authorities for more than 50% of their funding through the Work Step grants, to include aspects of supported employment in their employment programmes for persons with disabilities. The termination of the Workstep programme has definitely impacted on the volume of supported employment services and is already producing effects for the providers who see their funding and staffing levels cut.

Sheltered employment[88] **services are in many countries under heavy pressure** as they are often, almost exclusively, dependent on public financial resources, very often with a large part of the funding from lower levels of government. Member States, such as France and Germany, reported that sheltered workshops are still the main employing agents of persons with disabilities. As a consequence of the economic crisis there has been a drop in demand for services and supplies that are produced by the sheltered workshops, and usually purchased by other companies, public sector and the wider public. Consequently, they have substantially less contracts and often face empty order books with the result that they have less trading income at their disposal. In these countries it appears that the business of sheltered workshops has seriously shrunk though this would not necessarily imply that fewer people with disabilities are working in the sheltered workshops concerned. Some countries have tried to maintain employment levels in the sheltered workshops (France and Germany) whereas in other countries, like in the region of Flanders for example, employment in sheltered workshop decreased.

Other Member States report on high job losses for a considerable number of people with disabilities as a result of reduced production and substantial decrease in the number of sheltered workshops through closures and mergers.

29 sheltered workshops were closed in the UK during 2008, resulting in job losses for 1.700 workers with disabilities. Examples include B-Line Industris in Hull, Speedwell Enterprise in Slough, Sherwood Industries in Nottighamshire, Bolmoor industries in Bolton and Blindcraft Industries in Edinburgh which provided employment for people with disabilities for over 200 years. A follow up survey of these workers revealed that 74% were on welfare benefits and, of the remaining 26% who had found alternative work, only 5% had found work on equal or better terms.

The government has announced its intention to close another 27 sheltered companies operated by Remploy and another 9 are also being at risk. The decision will make another estimated 1.400 employees with disabilities lose their job.

In Spain, the number of employment contracts of people with disabilities in Special Employment Centres (sheltered employment) does not seem to have been affected by the crisis and the number of Centres even increased between 2007 and 2010. After a decrease in the second half of 2008, employment contracts for people with disabilities rose until the end of 2011. The main change that has occurred concerns an increase of temporary contracts as opposed to permanent contracts for people with disabilities who are employed at the Special Employment Centres.

In Ireland, sheltered employment workshops have been closed but no figures are available on whether these closures were due to austerity measures or a realignment of services.

In Greece, sheltered workshops are severely suffering from the economic crisis and austerity measures. Most of them are underfinanced and several have already closed down as a consequence of drying funding lines.

[88] Some Member States have made use of the EU 2004 Public Procurement Directives possibility to reserve part of the public procurement market exclusively for sheltered workshops like Belgium, Bulgaria, France, Spain but not Sweden.

In summer 2012, sheltered workshops in Hungary were reported to be at risk of becoming barred from funding and the situation remained very unclear.

The area of ***supported employment*** **appears to also be seriously affected by public budget cuts**. Some Member States indicate decreasing support to employers who employ people with disabilities such as in Flanders (Belgium) and Austria where financial support mechanisms for employers who engage persons with disabilities are being curtailed.

One consequence of the replacement of the Workstep programme by the Work Choice Programme in the UK has been the elimination of the wage subsidies for employers who recruit people with disabilities.

A similar decision was taken in Portugal where the previously existing incentives for employers to engage persons with disabilities such as the Compensation Allowance, the allowance for personal integration and the Integration Prize were stopped.

In Greece, the national policy programme for promoting the employment of people with disabilities was abandoned in 2008. The programme provided subsidies for employers during the first three years of employing a person with a disability by means of paying a lump sum of €25 per day of work. Employers were required to sustain a fourth year of employment in return at their own cost. The programme equally provided for subsidies for work place adjustments up to 90% of the cost and with a maximum ceiling of €2.500. In third instance, subsidies were also provided to people with disabilities who started their own business for a period up to two years. Cuts in the wages of 20% for people with disabilities who are in supported employment have also been reported.

In Spain studies demonstrated a decrease in number of supported employment initiatives in 2010 in spite of the fact that the total number of participants in supported employment programmes significantly increased. The trend may however be attributed to the fact that the programmes were opened to other people in vulnerable situations in addition to people worth disabilities. The number of people who hold an employment contract in supported employment initiatives has fallen drastically noting a 26% drop between 2009 and 2010. The funding of supported employment schemes has been severely cut by 25% with an increase of European funding but a sharp decline of national and regional financing.

The reform of the disability benefit system in Hungary which introduces a disability allowance and a rehabilitation allowance depending on the capacity to become rehabilitated (sic) instead of the previous disability pensions and which imposes a general re-assessment of all people with disabilities, appears to imply that future beneficiaries of the disability allowance will in practice have no chance for labour market participation and will be allocated a monthly allowance of between 30% (€ 100) and 150% (€ 500) of the minimum wage. Beneficiaries of the rehabilitation allowance will be entitled to a benefit equalling 65% of the minimum wage (€ 165) which can be combined with labour income up the certain ceilings.

In spite of the fact that employment remains, even in times of the economic crisis, a high policy priority on most political agendas of EU governments, there is **growing evidence that public expenditures on employment support services are being curtailed, specifically for groups in society whose labour market integration is more difficult to achieve such as for persons with disabilities**.

In the countries where the crisis has led to the most far reaching fiscal consolidation measures and public spending cuts, the reduction in public spending on employment support services is most evident.

Nevertheless, it is also striking that in other Member States, which are generally conceived as being better performing on the economic side, savings in public expenditure levels are being envisaged and spending cuts adopted in the area of employment support services.

The impact of austerity measures on employment support services has not occurred across the entire spectrum of services nor do they seem to be systematically applied. The cuts appear at first sight to concern only individual, specific programmes or measures, which are being, partially or entirely, abolished or reduced. It appears that the cuts concern the more 'costly' programmes and measures such as vocational assessment and training programmes as well as rehabilitation services.

People with disabilities seem to have been significantly more affected by the budgetary cuts in the employment support services than the general population of working age who are out of work. The piece-meal and fragmented reduction of public spending on employment support services may signal the start of far deeper reductions in public expenditures should the economic crisis continue to force governments to contain deficits and public spending. These developments are occurring against a background of already large underemployment incidence rates of people with disabilities that existed prior to the crisis and in spite of the widely shared belief that more needs to be done in the active inclusion field in order to achieve the overall EU employment targets.

3.3.2 Health and social care

As has been reported in previous sections, **social care services** have been drastically cut in many of the Member States. It appears that social care services are generally conceived as of lower priority than health care services or other types of social services and that they consequently are among the first services that are cut or reduced when austerity measures are imposed and savings have to be made. People with disabilities who are dependent on social care have been particularly affected. Reducing social care services, which in many countries were already quite limited and unevenly spread throughout the territories of the Member States, leads to a **further isolation and higher dependency of people with disabilities**, especially for those who are residing in rural areas.

In the UK, eligibility criteria for social care support have been restricted, leaving many people with disabilities without the services they were previously entitled to.

In Greece, social care and integration services have been cut first as a consequence of the crisis. Free painting lessons for people with disabilities paid by the local authorities residing in remote areas have been suspended. The local centres for community social integration and rehabilitation which were financed often with ESF support as models of good practice are being dismantled and merged with the local hospitals.

Although access to affordable **health care** is of a particular concern for people with disabilities, available information sources do not systematically report on the situation of

people with disabilities and on the extent to which they have been affected by the cuts in public health care spending, changes in eligibility conditions and other cost cutting measures in the health care system.

Nevertheless, there is **substantial indication of the impact of the austerity measures on the accessibility of health care services for people with disabilities**.

In Ireland, only 1 out of 6 people requiring specialist rehabilitation for neurological conditions are receiving the services as a result of funding cuts of 12 % in the last 3 years. In 2010 only 2.510 out of the 15.000 people requiring specialist rehabilitation services for conditions such as acquired brain injury, stroke, spinal cord injury, MS and Parkinson's received medical treatment vital to maximise their recovery.

As one person interviewed stated:

"This is like Russian Roulette in reverse. For every person who receives the services that could enable them to get their life back maybe from a brain injury sustained in a car crash, from a stroke or from the onset of serious neurological conditions, five will be left with no service and in many cases no hope at all."

An increasing number of closures of vital community based rehabilitation programmes and home-based rehabilitation were also reported in Ireland

Rising medical costs for persons with disabilities and their families due to restrictions in the co-payment system and higher own user charges for medicines and health including medical rehabilitation services have been reported on In Portugal. A compulsory payment for obtaining a certificate of incapacity that may exempt persons with severe disabilities from paying the user's charges has also been introduced recently. The amount for obtaining the certificate is prohibitive for many families and people with disabilities, barring them from access to medical rehabilitation services.

In Greece, the primary health care system has collapsed as a consequence of the austerity measures. Health insurance funds are unable to pay the public hospitals and public health care providers who in their turn cannot pay their suppliers. In most hospitals, simple supplies like cotton, toilet paper and even supportive medicine is being provided by the family of the patient. Due to the accumulated debts of public hospitals, supplies of critical medicines and equipment is suspended which are resulting in significant delays and indefinite postponements of the expensive medical operations.

People with disabilities started to experience reductions in rehabilitation services such as speech therapy and physiotherapy since 2010. Since late 2011 the rules were tightened and youngsters above 18 years of age are no longer entitled to special therapies such as speech therapy and physio-therapy.

Since July 2010, vital disability equipment has been excluded from the reimbursement provisions list established by the health insurance fund. Since 2011 a horizontal cut of 50% of the costs ceilings for rehabilitation aid and equipment has been imposed and an additional 30%-50% cuts on medical supplies and specialised health services.

In Hungary, the medical sector has been in very bad shape over the last two decades and subject to a series of reforms by subsequent governments. Health services are unevenly

spread across the country and quality is generally low. Harsh budget cuts were introduced focusing on the deficit of the health insurance fund and subsidies for prescription of drugs will be reduced by € 300 million. The country hospitals and clinics are scheduled to become nationalised in 2013.

The demand and need for health care services is rising across the EU. Ageing and the accompanying occurrence of age-related disabilities are one of the main causes. But more people with mental and intellectual disabilities are being recorded throughout the Member states due to better diagnosis and greater awareness. The crisis in itself has also triggered an increase of health care needs in some of the Member states.

In Greece, the Ministry of Health reported a significant increase of the demand for public health services by 20%-30% compared to 2009. The number of doctor's visits rose by 20% during the same reference period.

In Ireland, 1,63 million people were recorded to have access to medical cards which are granted on the basis of low income and need criteria, the highest number ever.

The long term care (LTC) sector is traditionally very differently organised throughout the EU and often part of both the national health care and social protection systems. Long term care policy responsibilities are furthermore often fragmented between national, regional and local levels of government.

New Member States most often have a low degree of formalised long term care structures and arrangements and do not have insurance based schemes which are in place in some of the old Member States. In Central and Southern Europe, long term care is usually based on informal care by family members or through the legal, or illegal involvement of migrant domestic workers, often from third countries and paid from private resources.

Home care both medical and social, is widely recognised as the preferred policy response instead of institutionalised residential care in all Member States but the concrete implementation of home care schemes is widely divergent between the countries concerned.

This very divergent picture on the availability and access to long term care services across the EU, the existence of insurance based schemes, the reliance on family care or privately paid support already existed prior to the crisis. This needs to be taken into account when judging the impact of austerity measures affecting the sector. The absence or low level of budgetary cuts may in some instances be explained by the fact that the long term care system was locally not, or only partially, developed and that there wasn't much to cut in the public expenditures concerned with long term care policies. This is specifically the case for South and Central European countries.

The few available sources at EU level[89] reported that in all Member States there is a growing public and political awareness that LTC needs are going to increase in the years to come but that there is very little evidence on the exact timing and the extent of the needs.

[89] Horstmann Sabine, Synthesis Report 2011, ASISP, October 2011, available at http://www.socialprotection.eu/, in 'publications'

There is also very little debate concerning the types of support that are required for varying forms of disabilities that may arise with ageing populations. LTC policies receive little attention in national debates, often lack strategic approaches due to the fragmentation of responsibilities and are characterised by non-transparent financing modalities. Necessary reforms in the field of long term care seem to have been side-lined in many of the Member States as a consequence of the economic crisis.

Some sources from Member States explicitly indicated **cutting of public expenditures in the long term care sector.**

The LTC sector in Italy has been harder hit by austerity measures than the health sector. Even in a situation where the public financing of LTC was rather limited, the system being based largely on informal and privately paid care, drastic public expenditure cuts have been introduced in the social care sector including the abolition of the National Fund for Dependent People with a value of € 400 million.

The U.K. reported severe cutbacks in local budget allocations for social care and indicated that access to long term care is likely to become seriously affected in the years to come.

In Portugal, planned expenditure on the creation of a national network for integrated continuous care (RNCCI), launched as a joint initiative by the health and social ministries, was curtailed as a consequence of the austerity measures and the financial sustainability of the network is in question.

Spain also reported on cuts in long term care spending which are causing delays in the implementation of the recently adopted law on the promotion of the autonomy and care for persons in a dependent situation.

In Greece the Home Care programme which was initiated by local authorities across the country prior to the crisis has virtually collapsed as a consequence of the crisis.

In Ireland, the number of home help hours decreased between 2008 and 2011 with 9% from 12,6 to 11,6 million hours. 80% of the home help hours are provided to the elderly, 20% to people with disabilities.

Long term care and home care services, services that are essential for people with disabilities, appear to be particularly hit by the austerity measures in the Member States. Even in the countries that are traditionally characterised by lower formalised arrangements and services, austerity measures have been taken to cut down on public spending and financing of the long term care schemes. But also in the other Member States there is growing evidence that public spending on LTC is coming under pressure.

3.3.3 Independent living

Personal budgets as a means of increasing the independence and the freedom of choice of people with disabilities in terms of personalised services have not been introduced in all Member States. The countries where personal budget schemes exist, only introduced these schemes recently in the years preceding the economic crisis. In previous chapters, cuts in

personal budget schemes in some of the Member States like the UK and the Netherlands were discussed.

In the UK the cutting of the personal budgets combined with overall decreases of income levels of persons with disabilities through the reduction of benefit levels and access to services and growing poverty incidence among people with disabilities and their families, has led not only to hardship but also to reduced possibilities for persons with disabilities to live independently. Lower financial means have impacted on a whole range of family activities such as outings and celebrations and travel of all kinds was severely affected including travel to find work.

Several UK studies, including a report from the House of Lords, pointed at the risk of retrogression of the country's obligations in terms of Art. 19 of the UNPWD concerned with independent living. The restrictions of the adult social care support, the closure of the Independent Living Fund (€ 335 million) without alternative source of funding and the change of Disability Living Allowance into a Personal Independence Payment risk interacting in a particularly harmful way for people with disabilities in terms of their independent living.

The UK's commitment to community care (home care) has prevented the re-emergence of institutionalised care. The introduction of the personal budgets in 2006 (individual budgets in Scotland) in 13 local authorities in the UK has produced great variances across the country. In some localities the introduction of the personal budgets appears to have improved the lives of people with disabilities but in others clear failures have been reported[90].

In Portugal serious cuts of 31,7% were imposed between 2011 and 2012 in the public budget for assistive devices, including hearing aids and wheelchairs. In addition application procedures are very burdensome and time consuming resulting in long waiting periods. The budget for transportation costs for medical non urgent care for people with disabilities has also been curtailed.

Substantial cuts in the area of assistive technology and environmental controls have been implemented in Ireland with the latter nowadays virtually impossible to obtain.

In Greece there is no personal budget scheme but different financial support services enabling people with disabilities to live more independently have been eliminated. Transport allowances allowing people with disabilities to visit the few assessment centres have been removed, whereas being able to live independently has been introduced as a criterion for barring access to certain vital support services such as access to the home care programme.

In Hungary, the support allowance for transportation services for people with disabilities has been halved between 2008 and 2012. The national budget allocated for car adaptations for people with disabilities was reduced by 50% in the period between 2008 and 2012 whereas the budget for support services for community care has been cut by 20% in the same reference period.

In Spain, the number of applicants for support under the Autonomy and Care for Dependency scheme increased between December 2009 and December 2010 with 40%,

[90] DEMOS study on disability and austerity, summer 2012.

representing about 400.000 individuals and their families. The financial budget allocated from the central government more than doubled between 2008 and 2010. However cuts in the scheme are currently being discussed which are likely to result in higher co-payment levels and stricter requirements for inclusion into the scheme of primary caregivers.

3.3.4 Education and vocational training services

Few reports are available that provide information on the effects of the austerity measures on the situation of children and youngsters with disabilities who are in education and training.

Mainstreaming of the education of children with disabilities has been on the agenda of many EU governments over past five to ten years as a principal objective. Several Member States initiated, often just before the crisis set in, policies that aimed at bringing children with disabilities from segregated special school education into ordinary mainstream schools. Proper mainstreaming requires however sufficient financial and human resources for accompanying and supporting measures for both the child and the mainstream school environment en personnel.

There is growing evidence that, **as a consequence of the economic crisis, governments have reduced their funding for mainstreaming and have abandoned or altered their previous plans to promote integrated education for children with disabilities**. In some countries this has led to situations where children with disabilities are worse off than before the crisis. In these Member States there is evidence of increasing number of school drop outs or rejections of children with disabilities without there being alternative solutions. An increased recourse to special education solutions is also reported in some of the member states.

In Flanders which generally has not seen a reduction of education services for children with disabilities cuts have been reported in educational support services for children with disabilities.

In Ireland, earlier plans for increasing mainstream education have been abandoned due to financial constraints. The proportion of children with disabilities in ordinary schools rose in the period up to 2008 but that there is evidence of an increasing trend in the number of post-primary level students who are moving back from mainstream education to special schools.

The resource teaching time for children with learning difficulties was reduced by 5% this year adding to a 10% cut back in 2011. Special needs pupils will have lost 45 minutes of learning support in about one year. The cutback will result in a reduction of resource teachers in primary schools across the country.

It is striking that the current funding for mainstreaming is not based on needs but on the overall number of children attending mainstream schools regardless of the number of children with disabilities who are enrolled. The support services have consequently been capped and there is evidence that a growing number of disabled pupils cannot be attended for in mainstream education and are refused enrolment.

The cutting in mainstream budgets in Ireland is happening against the background of a growing need for educational support services since the incidence of intellectual disabilities

amongst children is on the rise in terms of mild autism, dyspraxia, dyslexia and learning difficulties due to a better diagnosis and greater awareness among parents.

In the UK at present on-going and long term funding reductions of local authority budgets have not yet resulted in the cutting of resources and supports for inclusive education in mainstream settings. However, there is an increasing risk that it cannot be avoided in the future. The reason why the education sector is not yet affected appears to be related to the strong discrimination legislation in education matters and in ensuring equal opportunities.

In Greece, special education schools for children with disabilities severely suffered from the austerity measures as 38% of the special nurseries and 23% of both primary and secondary special schools could not operate due to a lack of financial means. Many children with disabilities have as a consequence no access to education and rely fully on family support. An estimated number of 180.000 children with disabilities are currently excluded from education.

In 2008, the Portuguese government issued legislation that imposed the closure of special schools by the year 2013. Children with disabilities were to be mainstreamed into regular education and the organisations that previously offered education services were to be transformed into education resource centres providing support to their disabled students attending mainstream education. The implementation of the law has reportedly been a failure with late approvals of and drastic cuts in the budgets for the education resource centres.

One provider who was interviewed for the present study reported that the cuts which were made in their 2009 budget for supporting mainstream education of the students who came from special education schools a year earlier were so severe that they had to close down their services leaving 178 disabled school-aged children in mainstream education without adequate support. In subsequent years funding was further cut which resulted in the lay-off of 46 professionals in 2011.

Vocational training services have also been seriously curtailed in some Member States.

In Portugal a serious reduction of the budget allotted to the National Institute for Vocational Training and Employment in 2009, resulting in sharp decreases in the financing of vocational training programmes offered mostly by non for profit organisations. The number of training hours per trainee was cut back in half (from 5.800 hours to 2.900 hours or 3.600 hours for students with learning disabilities when duly justified). The reduction of training for persons with disabilities has already impacted on the lower success rates of the training programmes. One provider reported a significant decrease of labour market integration rates at the end of the training from 45% between 2007 and 2009 to 22% and 34 % in 2010 and 2011.

The education and vocational training sector has been affected by austerity measures throughout the EU but it appears that this happened to a lesser overall degree than is the case for the social services and long term care services. The public education budget cuts occurred mainly in the countries that were mostly affected by the crisis and not or to a lesser degree in the Member states that coped better or have a historically strong non discrimination and equal opportunities legislation. Nevertheless there is some strong indication that also in the latter countries budget cuts are occurring and/or are planned in

education support schemes for children with disabilities who attend mainstream education. In a few countries special education schools could not function due to a lack of means. It is evident that these developments are impacting seriously on the lives of children and youngsters with disabilities across the EU, especially for those residing in more rural areas.

4. The impact of the crisis on disability-related social security benefits

4.1 Introduction

Previous chapters have described the terms of reference for this study, its approach and methodology and have provided an overview of how the background macroeconomic conditions have impacted negatively on the participation of people with disabilities in the labour market, their access to an adequate standard of living, the impact of the crisis on mental health and how public opinion and attitudes to disability have been adversely affected. The perspectives of representative organisations and international agencies on the crisis and its implications for people with disabilities have been summarised. The evidence of the impact of the crisis on social services in general, and on specific services including employment and vocational rehabilitation, health and social care, independent living, education and vocational training services, was presented. A range of austerity measures were described including direct budget cuts, reduced funding for non-governmental social service providers, staff reductions and shortages, decreased direct payments, the withdrawal of financial support to representative organisations of people with disabilities and the postponement or cancellation of planned investments. Evidence was presented of the structural changes in the social services sector such as the decentralisation of responsibilities to under resourced local governments, the discontinuation of services, the move from cash to in-kind benefits and the consequent increase in inequalities. The impact of the crisis on service delivery mechanism was described in terms of the merger or discontinuation of services, increased outsourcing and privatisation, more stringent tendering requirements, increased pressure on staff, cuts in staff training, reduced investment in research and innovation, the growing uncertainty for private providers, rising waiting lists, more stringent eligibility conditions, quality risks and the standardisation of services, the reversion to more institutional services solutions and the application of the medical model , the pressure on mainstreaming and the implications for independent living.

This chapter addresses the impact of the crisis on disability-related social security benefits such as direct cuts in amounts paid, the non-indexation of benefits, changed non-contributory period conditions, social security deductions from benefits, increased user charges and delayed payments. It describes the way in which entitlement for benefits have been changed in terms of longer qualifying periods, more stringent means testing, revised disability assessment procedures and increased level of need required for eligibility. It also reviews the impact of the crisis on financial incentives and supports for job seekers with disabilities and employers who recruit workers with disabilities.

Chapter 5 provides an overview of evidence of the impact of the crisis on the implementation of the UNCRPD and summarises the findings of the study in terms of specific articles including equality and non-discrimination (Art. 5), accessibility (Art. 9), independent living (Art. 19), personal mobility (Art. 20), education (Art. 24), health (Art. 25), habilitation and

rehabilitation (Art. 26), work and employment (Art. 27), adequate standard of living (Art. 28) and participation in public and political life (Art 29b).

This chapter on social security benefits draws heavily on data from MISSOC (the EU's Mutual Information System on Social Protection). In addition, information has been extracted from ISSA and OECD knowledge bases, from documents drafted by the EU Member States in the framework of the Europe 2020 strategy, and from relevant papers from disability-related NGOs. Finally, more precise information was gathered through the six country reports that were commissioned in the framework of this EFC study. Unlike other parts of this report, this section does not focus solely on EU Member States, but includes data from all EU/EEA States.

The material scope of this chapter covers social security, primarily chiefly cash benefits, aimed at protecting those at risk of long-term incapacity for work (invalidity) and dependency (long-term care). We have used the definition of social security benefits as provided by the European Commission, namely "statutory and complementary social security schemes, organised in various ways (mutual or occupational organisations), covering the main risks of life, such as those linked to health, ageing, occupational accidents, unemployment, retirement and disability"[91]. On the one hand, the disability-related social security benefits cover the incapacity for work. They generally replace a salary or compensate for the loss of income, and are referred to as 'disability pensions'. On the other hand, the social security systems provide for 'allowances' which compensate for the extra costs of living or working, as a consequence of disability. This chapter also focuses on labour integration measures including incentives and compensations for employers although these cannot properly be categorised as social security benefits.

The review examines first of all whether these benefits have been affected in recent years, that is to say whether there have been negative impacts on their amounts and whether the conditions for obtaining them have been tightened since 2008. However, the research goes one step further and analyses how such changes in social security schemes impact on the daily life of people with disabilities.

4.2 Measures impacting on the amount and/or duration of benefits

4.2.1 Cuts in social security benefit amounts

One of the most direct measures that can be implemented is decreasing in amount of disability benefits paid to recipients. This results in immediate and substantial cost reduction for the paying authority. Although it is very visible and deeply unpopular to introduce direct cuts in disability-related social security payments, some of the Member States most affected by the economic crisis have adopted this approach. Due to the far-reaching consequences for benefit recipients and the political consequences accruing, other Member States have chosen for a more indirect approach, for instance measures affecting the regular up-rating of benefits.

[91] European Commission Communication on Social Services of General Interest, COM (2006) 177 final

In Ireland, disability benefits have been cut by about 5% over the past four years[92]. This is the case not only for invalidity pensions for persons aged under 65 (including supplements for dependent spouse), but also for most long-term care cash benefits, such as Constant Attendance Allowance, Carers' Benefit and the Carers' Allowance (only for those aged under 66), which was decreased by 7.5 % between 2009 and 2011 from €220.50 to €204 per week. **Disability Allowance, a non-contributory payment, was reduced by 8% between 2009 and 2011 from €204.30 to €188**. In addition, during the same period, it was substantially reduced for people in the younger age groups: the relevant cuts were from €188 to €100 for those aged 18-21 years; from €188 to €144 for 21-24 year olds, and was completely eliminated for people under 18. The amount of the Respite Care Grant remained stable between 2008 and 2012. Unlike other long-term care benefits, the amount of Domiciliary Care Allowance, payable for children with severe physical/intellectual disabilities, who are not maintained in an institution, was increased from €299.60 to €309.50 from 2008 to 2012.

In Greece, in addition to the solidarity contributions levied on pensions, pensions themselves have undergone severe cuts. Further to a recent law, pension amounts (net of contributions) exceeding €1,000 per month were further reduced by not less than 40% for pensioners under age 55 (for over 55 year-old, the reduction was 20% on pensions exceeding €1,200). Several vulnerable categories, notably pensioners entitled to Total Invalidity Benefit *(ΕΠΙΔΟΜΑ ΑΠΟΛΥΤΗΣ ΑΝΑΠΗΡΙΑΣ)* and Benefit for non-residential care, *(ΕΞΩΙΔΡΥΜΑΤΙΚΟ ΕΠΙΔΟΜΑ)* are exempted from these contributions. As a part of a new austerity programme, approved in February 2012 by the Greek parliament, a further 12% has been cut off amounts exceeding €1,300 for those receiving pensions from the State[93].

Long-term care benefits in cash have not been spared from cuts in some other countries. In Lithuania, both the Special Compensation for Care Expenses *(Slaugos išlaidų tiklsinė kompensacija)* and the Special Compensation for Attendance Expenses *(Priežiūros (pagalbos) išlaidų tikslinė kompensacija)* were temporarily paid at 85% of their normal value for the period 2010 to 2012.

The Hungarian government, through the reform programme 2011-2014, also intends to save on social security expenses. The reduction of the general rate of sick-pay alone should save HUF36 bn (€127 m).

In Spain, the number of recipients of the minimum income payment decreased by 36%, recipients of the Personal Assistance payment fell by 41% and Mobility Allowance recipients decreased by 30% between 2008 and 2011. The total funding amount for each of these benefits has decreased by the same proportion.

There have also been serious reductions in provisions of 'in kind' benefits for persons with disabilities in some countries. In Greece for example, the Single Regulation on Health Provisions introduced in September 2011 resulted in a horizontal 50% cut in grants for assistive equipment and a further 30% to 50%

[92] MISSOC data (Tables comparison January 2008 – January 2012).
[93] Petrakis M., Weeks N., and Bensasson M., Greece Parliament Approves Pension, Health Cuts in Race for Second Bailout, Bloomberg, 1 March 2012, available at http://www.bloomberg.com/news/2012-03-01/greece-parliament-approves-pension-health-cuts-in-race-for-second-bailout.html.

reduction in grants for medical supplies and specialised health and community-based services[94]. Ireland abolished VAT relief on accessible transport.

4.2.2 Non-indexation[95]

Typically, social security benefits are periodically adjusted to reflect increases in consumer prices or wages. For reasons which can be considered to be linked with the economic downturn, many countries have resorted to measures which have curtailed the up-rating effect of their adjustment mechanisms, resulting in an erosion of the relative value of the benefits. In actual fact, such measures are much more common than direct cuts in the rates of invalidity pensions. In addition, in some countries where indexation has been frozen, high inflation rates further damage the benefits' actual value.

Several countries have completely suspended their indexation mechanisms for one or more years. For instance, invalidity pension indexation was not implemented in Bulgaria in 2010 and 2011. The same holds for Latvia, where pensions are to be not indexed between 2009 and 2013. Also Romania has temporarily stopped indexing pensions. Hungary has not increased non-means-tested disability benefits available for persons with severe disabilities since 2005, in spite of inflation rates that fluctuated between 3.5 and 7.9% since that year. All cash benefits in Portugal (except the minimum pension) have been frozen since 2011 and will remain so at least until the end of 2013 despite a continuous increase in the cost of living and an inflation rate of nearly 4% in 2011.

In Lithuania, the determining factor for the adjustment, i.e. the average insured income, was reduced by about 25%. In 2011, United Kingdom changed the price index reference for benefits to a new index, which should allow for a saving of £5.8 bn (€7.2 bn) from the public budget by 2015. Austria has reformed its pension indexation system so that higher pensions are no longer indexed. The same goes for Italy where invalidity pensions exceeding €1,441.59 per month (in 2012) are no longer adjusted.

In Germany, where adjustment is based inter alia on wage development, a safeguard clause (*Schutzklausel*) prevents pension adjustment from resulting in a reduction of the current pension value. However, compensation is provided for, in the sense that negative adjustments that were not implemented as a result of this clause are rescheduled by a reduction of any positive adjustments by half.

In Hungary, benefits related to living space were also affected. The amount of financial support a person with a disability can receive to adapt his/her flat has not changed for more than 25 years.

All these deviations from normal indexation mechanisms result in a reduced actual income. They do not all specifically target people with disabilities and most of them equally affect old-age pensioners. However, given that people with disabilities are generally closer to the

[94] Strati, E., Trends in Disability Policy in Greece 2008-2011: Welfare-Employment-Education, presentation at ANED annual meeting 2011, available at http://www.disability-europe.net/content/aned/media/Powerpoint%20Strati_Eleni_Presentation.pdf.
[95] MISSOC data (Tables)

poverty line, such measures have a direct and stronger negative impact on their already low standard of living.

4.2.3 Consideration of non-contributory periods

In many countries, pension legislation stipulates that certain periods during which no contributions were paid or employment was carried out, are nevertheless taken into account for the purposes of the pension calculation. Such credited periods allow insured persons, who interrupted their employment activity for certain well-defined reasons such as child rearing or caring for a dependent family member, to preserve a decent benefit once they qualify for a pension. Credited periods are mainly relevant for old-age pensions, but in countries where invalidity pensions are based on the so-called acquired rights-system (i.e. where the pension amount varies according to the length of the insurance period), they also benefit invalidity pensioners.

In several countries, some credited periods have been removed or defined more stringently. This will lead to lower prospective pension amounts for insured persons who have been on these periods in the course of their career. In Greece, periods of parental leave and of military service are no longer considered for pension calculation. In the Czech Republic, periods of caring for a severely disabled child up to the 18 years of age used to be credited; whereas this age limit is now set at 10 years.

4.2.4 Security contribution deductions from invalidity pensions

Around half of the European countries levy social security contributions from invalidity pensions. Much in the same way as wage contributions, contributions from pensions result in lower net benefit values. In Greece, the authorities have intervened drastically in this respect, by introducing a number of contributions in 2010 and 2011 which have had a very significant impact on net pension amounts. The pensioners' social solidarity contribution *(ΕΙΣΦΟΡΑ ΑΛΛΗΛΕΓΓΥΗΣ ΣΥΝΤΑΞΙΟΥΧΩΝ, ΕΑΣ)* is levied on monthly pensions exceeding €1,400.00, at the rate of 3% increasing to 14% for pensions of more than €3,500 per month. An additional 6% social solidarity contribution was introduced in 2011 and concerns pensioners below the age of 60 whose pension entitlement is greater than €1,700.00 per month. The additional contribution increases to 8% and 10% for pensions exceeding €2,300 and €2,900 respectively.

4.2.5 Increased user charges and cuts in benefits in kind

According to ASISP, the EU-funded network of experts analysing the socio-economic impact of social protection reforms, an increasing share of private co-financing can be either expected or in fact targeted in those countries where long-term care is financed to a large extent from public budgets[96].

[96] Horstmann Sabine, ASISP Synthesis Report 2011, October 2011

Increased out-of-pocket payments may result in the impoverishment of users or non-take-up of benefits or services. MISSOC data showed that Estonia had recently introduced a 15% patient participation fee in the service cost of nursing care services. Similarly in Ireland, public nursing home care is provided subject to charges. For all new entrants to public nursing homes, after 27 October 2009, the charge was equal to the cost of care but financial support towards this cost could be provided via the Nursing Homes Support Scheme, which is effectively means tested.

People reliant on care in Hungary have also been faced with increased user charges. The upper limit of the fee that a long-term care institution can charge was increased. According to the national ASISP report for Hungary, this in effect gave assistance to the long-term care sector at the cost of households[97]. In Spain, the Law on Personal Autonomy of 2006 introduced higher levels of care co-payments and extended its application to a wider population. The British legislature has also increased user charges, and as feared by a UK service provider, this may result in persons being increasingly taken care of by their families instead of using professional services.

Increased user charges also apply to the purchase of medication, and consequently affect many people with disabilities and chronic illnesses. In Portugal, since 2010, only pension recipients whose household income is $\leq$ €419.22 per month can benefit from state support in the purchase of drugs. The Hungarian reform programme 2011-2014 plans reduced prescription subsidies, which should result in HUF90bn (€317m) savings. In Ireland, the budget in 2010 introduced a user charge of €0.50 cent per prescription item, subject to a monthly ceiling of €10 per family. All such measures particularly affect families on low incomes in their access to affordable health services and products.

Ireland increased the minimum contribution for rent supplement from €18 to €24 in 2009, which further affected people on low incomes.

Increased user charges and other co-payments in medication have a direct impact on the application of the right to affordable health care. The consequences of not considering actual needs of people with disabilities can also be far-reaching in terms of impacting on their mobility, their access to services and their inclusion in society.

A person that has had to move home due to the current cuts reported:

"I used to use a wheelchair, but it broke and the Department said I couldn't have another […] I live in one room now, use the walls and furniture to get about […] The Department say I have to move. Well, I only use one room now anyway. There aren't many places Useless Eaters like me can go these days. Just the area beyond the river, on the edge of town, where it's cheaper. There are lots of us there. You can tell, because the curtains stay drawn. There is no bus. Another Department stopped them. It's far from the hospital now they've closed the one I used to go to."[98]

4.2.6 Delayed payments

[97] Gal R.A., ASISP, 2011 National Report for Hungary
[98] http://diaryofabenefitscrounger.blogspot.co.uk/2012/03/happy-mothers-day.html

In some countries, the crisis has led to disability benefits being disbursed with delays. This is the case notably in Greece, where delays exceeding two to six months are reported for disability benefits in cash and in-kind respectively[99]. In the same vein, it is noted that the crisis has exacerbated some of the implementation problems connected with Spanish Law No. 39/2006 on the Promotion of Personal Autonomy and Assistance to persons in situations of dependence, particularly when it comes to waiting times for the provision of (long-term care) benefits. Waiting times (not including the time it takes to evaluate the dependency) vary between 9 and 15 months according to the Autonomous Community[100]. Government funding provided, under this law, to the Autonomous Communities was reduced by between 22% and 29% in 2012 compared to the previous year in most regions. The Irish Department of Social Security reports delays in processing new applications and delays of payment of more than 4 months for the Disability Allowance, 7 months for the Carers Allowance, and more than 7 months for Invalidity Pensions.

Nevertheless, some other countries no less hit by economic crisis, such as Portugal, seem to have avoided delays in disability payments so far.

In conclusion, it should be recognised that austerity measures that directly or indirectly affect social security benefits have a prominent impact on the standards of living of persons with disabilities. **Decreasing the level of income and supports, directly or indirectly, limits the ability of people with disabilities to access basic goods and basic services**, even in the context where their needs are higher. Many European countries seem to be reneging on their obligation to provide assistance with disability-related expenses.

4.3 Measures affecting the conditions for entitlement to benefits

Entitlement to disability benefits, as indeed to other social security benefits, typically depends on a series of conditions. These need to be met in order for the person to qualify for the benefit. A common entitlement condition includes qualifying periods, according to which the right to a benefit is subject to the applicant having completed a minimum period of insurance, residence or work. Some Member States also make entitlement to benefits contingent upon the claimant's income (and/or assets/property) not exceeding a certain ceiling (a means test). Specific to the benefits that are the focus of this report are conditions relating to a minimum level of disability, work incapacity or dependency. This means that in some countries the actual or perceived level of need should be higher in order to be eligible for a social security benefit. Those who are assessed, in the framework of a medical and/or social evaluation, as not reaching this level or as otherwise not meeting the defined criteria for disability/invalidity/dependency, do not acquire the right to benefits.

A number of countries have enacted stricter entitlement conditions, thus making it harder for persons experiencing a reduction in function to access disability benefits.

[99] Strati E., Trends in Disability Policy in Greece 2008-2011: Welfare-Employment-Education, presentation at ANED annual meeting 2011, available at http://www.disability-europe.net/content/aned/media/Powerpoint%20Strati_Eleni_Presentation.pdf.

[100] Patxot C., *2011 National Report for Spain*, ASISP, 16, citing Barriga L.A., Evolución gráfica de la gestión del SAAD por CCAA. Asociación Estatal de Directores/as y gerentes de Servicios Sociales, 2010.

It is worth mentioning that several Member States have tightened assessment criteria and organised re-assessments of benefit recipients.

4.3.1 Longer qualifying period required

In the UK, young persons with disabilities will see their entitlement limited as a result of the Welfare Reform Act 2012. The special contribution conditions that allow people aged between 16 and 20 to receive a contribution-based Employment and Support Allowance, which is aimed specifically at people with disabilities, without paying National Insurance (NI) contributions, will no longer be available for new claimants. These conditions will even extend to young people up to 25 if in education or training 3 months before turning 20. The UK Government deems these special conditions "unfair to other groups and …no longer acceptable as [it] seeks to modernise the welfare system"[101]. Previously the contribution-based ESA in the UK was automatically granted if the employment stopped after a period of up to 104 weeks. This automatic linking rule was abolished with the introduction of the reform.

Another example in this respect is the Slovak Republic, where the qualifying period for invalidity pensions increased for those aged older than 34 years, from 5 years to 8, 10 or 15 years depending on age.

4.3.2 Restricted access via redefined means-test

In 2010, Portugal introduced new conditions for entitlements to social security payments that compensate for the loss of income due to illness (except disability payments) and for the means-tested disability supplement to family allowance. The new approach is driven by a means test based on the concept of 'household income' which includes income of extended family members living in the same house. Between 2010 and 2012, the number of recipients of such payments decreased by 37%. When launching this new means-tested household-income concept, the government expected savings of €199m in 2011. This also makes people with disabilities more dependent on their families.

In Italy, the government is working on a reform to make the entitlement conditions for the personal assistance allowance (*assegno di assistenza personale e continuative*) stricter. In future, the allowance, which is paid to dependent pensioners and people with disabilities who need help to move around and/or permanent assistiance to accomplish daily tasks, will be means tested[102].

4.3.3 Different concept and assessment of ability to work

[101] *Ibid*.
[102] Information obtained from the Italian MISSOC Correspondents. See also Mugica R.G., Austerity policies affect people with disabilities, Inclusion Europe, 2012, available at http://www.e-include.eu/en/articles/1048-austerity-policies-effects-on-people-with-disabilities

The Disability Pension in Hungary has undergone significant changes. According to the Hungarian Alliance of Associations of Persons with Physical Disability, the modification of the eligibility criteria introduced in 2012 means that 50% of people with altered work capacity will lose their benefits.

In the United Kingdom, incapacity benefits will be progressively abolished, no new claims have been accepted since 2011. It is estimated that 36% of the current recipients of incapacity benefits will lose the payment by 2014. Income support, notably for illness or disability, will also be phased out as well as the Severe Disabled Allowance. All claimants will undergo a re-assessment called the Work Capability Assessment, which aims at re-directing as many people as possible towards either the labour market or a new benefit scheme. The Lone Parents Income Support will be removed for all: parents with disabilities whose youngest child is over 5 years and they will be redirected towards the Employment and Support Allowance, while parents with no disability have to apply for the regular Job Seeker Allowance. Benefits have not only been eliminated but the amount has also been decreased: from April 2013 onwards, the total amount of benefits will also be capped at £26,000 (€32800) per household.

In Greece, reduced spending on invalidity pensions is being achieved through more rigorous (re)certification of disabilities and the establishment of a central evaluation office[103]. This office, the Disability Certification Centre, is responsible for the development and application of a unified disability evaluation (and scoring) system for all insurance organisations (including the public sector, for uninsured persons claiming disability benefits). In the place of a fragmented system of a multiplicity of disability evaluation committees (in the various social insurance organisations, the prefectures and the central state), a unified registry of people with disability will be created at IKA[104].

To combat purportedly high levels of benefit fraud among disability pensioners, Romania has introduced more restrictive conditions for granting disability pensions, and has ordered all beneficiaries to undergo re-examination. According to the ASISP report, one third of those re-assessed saw their disability status cancelled[105].

In conclusion, reviewing the assessment methods of work capabilities in a context of activation can be beneficial to people with disabilities that are indeed fit for work. However, when driven by a primary goal of cost saving, such measures seem to lead to excessively severe judgments as to the fitness of the person for work, and thus contravene the "opportunity to gain a living by work freely chosen".

4.3.4 Increased level of need that is required for entitlement

In Sweden, there have been changes in the assessment of the needs of people with disabilities, resulting in a decrease in the number of hours of personal assistance

[103] ISSA 2011, available at http://www.issa.int/Observatory/Country-Profiles/Regions/Europe/Greece/Reforms/Austerity-measures.
[104] Petmesidou M., ASISP, 2011 National Report for Greece
[105] Zaman, C., ASISP, 2011 National Report for Romania

granted[106]. In Spain, the Law on Personal Autonomy is currently undergoing review. Two clear signals for a tightening of entitlements to benefits are discernible. A moratorium has been set for mildly dependent people with disabilities to access the benefits granted by the current law. Moreover, the levels of benefits already granted to people have been frozen with no right to retroactivity anymore. Another measure that is expected from this legislative review is a restriction on the eligibility of primary caregivers for benefits as workers. Cuts to personal assistance budgets make people with disabilities more dependent on their families, making their move to independent living and inclusion in community more difficult.

Eligibility criteria for several financial supports available to persons with disabilities were stringently reviewed in Ireland. The new conditions are criticized as being narrowly focused on mere health needs for children or on health and education needs in the case of adults, excluding consideration of all other needs of a person with a disability. It can be expected that 15,000 people will be refused the Disability Allowance in 2012, which would mean a refusal rate of 61%, compared to 54% in 2010. The Domiciliary Care Allowance is a payment made to the carer of a child with disability. The new conditions resulted in over 80% of applications for children with autism spectrum disorder being refused in 201-2011. The eligibility for personal assistance was also reviewed.

"The vulnerable are being singled out - this is in stark contravention of the European Disability Strategic Plan. The general objective of which, is the elimination of discrimination on the grounds of disability and securing full enjoyment of all human rights and fundamental freedoms for persons with disabilities as well as their active inclusion. The lives of thousands of CIL members are being adversely affected by cuts to funding"[107]

"What has helped me come out of the shadows is my personal assistance service […] I got a letter from the Health Service Executive stating that those precious hours were to be cut […] That letter has taken a chunk of my freedom away."[108]

The criteria for accessing financial support for buying an adaptable car were hardened in Hungary in 2011 and the number of claimants drastically decreased over a number of years. In **the UK, the conditions for accessing Housing Benefit will be reviewed so that from April 2013 onwards, this benefit will be cut for people who are assessed as living in a space larger than they actually need.** This clearly ignores the need for many people with disabilities to have larger spaces. These measures demonstrate a strong and far-reaching negative impact on the right of persons with disabilities to "choose their place of residence" and to choose "where and with whom they live".

As discussed earlier, the UK Welfare Reform Act 2012 also includes proposals, currently subject to consultation for significant changes to the Disability Living Allowance (DLA) scheme, which will be replaced for claimants of working age (i.e. people aged 16-64) by the Personal Independence Payment (PIP) from April 2013. Similar to the DLA, PIP will help towards some of the costs arising from having a long-term condition.

[106] ENIL, Proposal for a Resolution of the European Parliament on the effect of cuts in public spending on persons with disabilities in the European Union, Background note, September 2011.
[107] Speech of Michael McCabe, Chairperson of the Irish Center for Independent Living, to the European Parliament, 9 February 2012, available at http://www.dublincil.org/michael-mccabe-speech-feb-9th-2012.asp
[108] Quoted in Michael McCabe's speech http://www.dublincil.org/michael-mccabe-speech-feb-9th-2012.asp

According to Disability Rights UK, the main intention behind the PIP scheme is to save money, particularly to cut 20% of DLA costs by 2015-16, a saving of £2.1bn (€2.6bn). This will be achieved among other things by stricter assessments from April 2013 onwards (both residence and activities testing) compared to DLA. The detailed criteria of the future entitlement to PIP will be published in autumn 2012, yet it is known that it will be more medically focused, and that they will include a 3-months-qualifying period for new claimants, an expectation for the disability to last at least 9 months, and the absence of a lower rate care payment. The DLA divides indeed into three rates, while the new PIP will be less sensitive to needs with a two-rate scale only. Moreover, the new PIP will be conditional to regular reviews, as it will never be awarded for a lifetime. It is expected that all 2 million existing DLA claimants will thus be re-assessed by 2016. As a result of this measure, the Disability Alliance (DA) estimates that 643,000 people currently receiving this support from DLA are at risk of losing help109. The Government argues that the changes are not solely driven by a desire to achieve cost reduction, but that the DLA system is obsolete in some respects and that the new benefit will enable a more accurate assessment of an individual's entitlement to make sure support is reaching those who need it most. They say that the amount they expect to spend in real terms in 2015-16 on working age individuals is roughly the same as will be spent in 2011-12. The Government also refers to the increasing cost of DLA in previous years, of which only 1/3 can be accounted for by demographic changes, and states that changes are needed to ensure that the benefit will remain affordable in the future110. There will be no automatic transfer from DLA to PIP. Those of working age in receipt of DLA will be asked by letter if they want to claim PIP. Those not found to be entitled to PIP will be informed and their DLA will stop. They may be able to claim other benefits.

UK Uncut states that "*Ever since George Osborne announced he was slashing £18bn (€22.4bn) from the welfare budget, the government has paid Atos £100 million (€124 m) a year to test 11,000 sick and disabled people every week, then decide whether they're 'fit for work'.*[111] While the United Kingdom was hosting the Olympic and Paralympic games in summer 2012, competitors of the Paralympics expressed their concerns about this new scheme, which may deprive people with disabilities of essential aids related to mobility and daily living provided by the DLA. *"When you watch and wonder at their performances, remember that they needed DLA to help them get there"*[112]

According to the Department of Work and Pensions, 1.7 million people with disabilities will qualify for the new PIP in 2016, while maintaining the existing DLA would mean 2.2 million claimants. This obviously allows for budget savings, yet it also means that many citizens will lose entitlement to their benefits in the next years. It appears that costs saved in benefit schemes could cause costs elsewhere. If people with disabilities that are considered to have lower needs lose their support, it can be feared that their condition could deteriorate. This may lead to a long-term increase of costs to social services or other services.[113]

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[109] Soorenian A., Economic Austerity or Justification for Denying Disabled Women's Independence? March 2012, available at http://sisofrida.org/2012/03/23/economic-austerity-or-justification-for-denying-disabled-womens-independence/; Disability Rights UK, PIP Factsheet available at http://www.disabilityrightsuk.org/f60.htm;

[110] DWP 2012, see http://www.dwp.gov.uk/docs/personal-independence-payment-faqs.pdf

[111] http://www.ukuncut.org.uk/blog

[112] http://www.guardian.co.uk/commentisfree/2012/aug/23/paralympians-state-help-disabled-benefits-cut

[113] Responsible Reform. A report on the proposed changes to Disability Living allowance.Diary of a Benefit Scrounger, Dr S.J. Campbell, http://www.ekklesia.co.uk/files/response_to_proposed_dla_reforms.pdf

The subsidiarity in UK implies that the impact of austerity measures on people with disabilities may differ from region to region. For example, it has been reported that the personalisation agenda introduced by the previous government has had a mixed impact. Local authorities that invested in personal budget since its beginning seem to have achieved good results, while some others simply did not invest in it[114].

Nevertheless, there are some examples where specific benefits have been preserved in spite of a general austerity climate. The conditions for entitlement to the Special Educational cash benefit in Portugal for example were relaxed in 2010 so as to include children with disabilities under 6, provided they attend an Early Intervention Programme. As a result, the number of recipients increased substantially by 314% between 2011 and 2012, a trend which was reinforced by benefits available to their families.

4.4 Financial supports and incentives to labour market (re)integration

Over recent years, disability policies in Member States have been characterised by an overall shift from compensation-oriented to more integration-oriented measures. This evolution clearly predates the current economic crisis; in actual fact its start can be situated in the early 90s[115]. Despite the economic downturn, several countries have continued to take steps to promote the reintegration of people with disabilities in the labour market through a wide variety of measures. On the one hand, measures target people with disabilities with both positive and negative incentives to stimulate them to actively look for a job. A wide range of support services to facilitate the integration of persons with disabilities into the open labour market are also offered. On the other hand, Member States adopt measures to encourage employers to hire disabled people, often through a system of subsidies.

4.4.1 Measures addressing people with disabilities

Over the last decade, several Member States have put stronger emphasis on encouraging recipients of disability benefit to become more active in their effort to seek work, by adjusting the conditions for claiming disability benefits or by making the acquisition or retention of entitlement conditional upon taking part in activation measures. For example, in Slovenia, a new method for the assessment of invalidity was introduced in order to accentuate the importance of labour market participation for those with a remaining work capacity. In general, this method results in a lower benefit level which in turn puts beneficiaries under pressure to take up work in order to have a decent standard of living. Similarly in the Netherlands, the benefit system was reformed along these lines in 2006. Workers with assessed earnings incapacity of 35%-79% receive a wage supplement. They must be using at least half of their remaining work capacity. People who are not working, or working less

[114] Statement by a local authority in UK interviewed in the framework of this study.
[115] OECD, Sickness, Disability and Work. Improving social and labour-market integration of people with disability, 2010, available at http://www.oecd.org/dataoecd/1/28/46488022.pdf.

than the minimum, receive a flat-rate benefit. Its value is considerably less than the former disability benefit[116].

Another and, largely budgetary-neutral way of motivating people with disabilities to take up work, is to make sure that earnings from work do not affect entitlement to, or the amount of, their pension, or to increase the earnings ceiling exceeding which there is such an impact. Many Member States allow for some sort of accumulation of disability pension with earnings from work[117]. Some have extended this facility in recent years. For example, Iceland increased the amount of income from employment that disability pensioners can earn while receiving disability pension[118].

The economic downturn since 2008 seems not to have reversed the trend towards activation and conditionality of disability benefits, quite the contrary. Two recent examples can be found in Hungary and the UK. Both are part of a wider reform. Last year, the Hungarian invalidity insurance system was substantially overhauled. This change, which follows from a major reform as recently as 2007, is another attempt by Hungarian lawmakers to bring down the Hungarian disability claims rate, which, according to OECD 2008 data, ranks highest of all European countries. It is aimed, in general, at correcting a scheme that, according to the Ministry for National Economy[119], was far too complex and contradictory. The focus of the reform law, voted on in December 2011, and which came into force in January 2012, is on ensuring the professional rehabilitation of persons with disabilities based on their remaining and improvable capacities.

Under the new legislation, disability pensioners above retirement age will be put on old-age pension (they used to continue receiving invalidity pension) whereas those below retirement age will be moved to sickness insurance. The latter group will be the subject of an assessment by the National Rehabilitation and Social Authority. If they are found to have an incapacity of work of 60% (up from 50% in the previous system) and are capable of rehabilitation, they receive a rehabilitation benefit for a maximum duration of three years. Beneficiaries of rehabilitation benefit are to cooperate with the rehabilitation authority and thus meet the requirements defined in the rehabilitation plan.[120] An exemption is provided for those within five years of reaching retirement age.

The Minister for National Economy, Mr. György Matolcsy, announced that the review is expected to redirect 100,000 to 150,000 of Hungary's current 350,000 disability pensioners (under the age of 57) into the labour market. He added that the government aims to cut HUF217bn (€ 0.8bn) from the annual budget by 2013 by getting people off disability pension benefits[121]. There is widespread doubt that the new law will effectively change the employability of people with disabilities redirected to the labour market. Given the 11% unemployment rate and the difficulties encountered by non-disabled, well-trained

[116] MISSOC Info 2/2009 on (Re)integration of people with disabilities into employment, 8 e.s., available at www.missoc.org; OECD, *Sickness, Disability and Work. Improving social and labour-market integration of people with disability*, 2010, available at http://www.oecd.org/dataoecd/1/28/46488022.pdf.
[117] MISSOC Info 2/2009 on (Re)integration of people with disabilities into employment, 8 e.s., available at www.missoc.org.
[118] MISSOC data (Tables), January 2012.
[119] See http://www.kormany.hu/download/1/40/20000/Contradictory%20support%20system.pdf.
[120] MISSOC data (Tables), January 2012.
[121] Eurofound (EWCO), *Reform of pension system stirs controversy*, 2011, available at http://www.eurofound.europa.eu/ewco/2011/06/HU1106031I.htm.

jobseekers, it is feared that many disabled people will eventually be driven to social assistance[122].

In the UK, Employment and Support Allowance (ESA) replaced Incapacity Benefit from October 2008 for new customers. Under the new arrangements, people go onto an assessment phase rate of the ESA for 13 weeks (basic ESA is paid for that period of time) while their medical condition is assessed through the Work Capability Assessment. The majority of claimants, who, with the right help, are expected to be able to engage in activities that facilitate a return to work (e.g. work focused interviews with a personal adviser), receive a Work-Related Activity component on top of the basic rate after the first 13 weeks. This component can be subject to sanctions if the customer does not engage in the conditionality requirements without good reason. Those with the most severe health conditions receive the Support component, which is worth more than the Work-Related Activity component and is free of any requirement to engage in work-related activities.[123]

As a part of the Welfare Reform Act 2012, effective 30 April 2012, the duration of ESA will be limited to 365 days for people who are not in the Support Group category. People not in this category, who have already received contribution-based ESA for 365 days or more, will have their benefit stopped immediately. Those for whom contribution-based ESA ends may still be able to get income-related ESA, provided they satisfy a means test (in addition to other conditions)[124]. According to the UK Government, limiting the duration of ESA for people in the Work-Related Activity Group "*is more consistent with the rules for contribution-based Jobseeker's Allowance, which has a time-limit of six months, whilst recognising the different nature of ESA recipients and the purpose of the benefit*"[125]. However, rehabilitation processes towards integration in the labour market certainly take longer than a year for many people. Such drastic measures should therefore go along with massive support to integration support services.

All current claimants of incapacity benefits, income support and severe disabled allowance are expected to go through this assessment by 2014. Those who are deemed to be directly capable of work are redirected to the regular Job Seeker Allowance, which represents 50% of the applicants to date. Furthermore, it is reported that 50% of the decisions taken at the assessment phase have been overturned on appeal, which suggests that the Work Capability Assessment wrongly identifies persons as fit for work and thus ineligible for ESA.

"Far from "freeing" me, work has put me in a hospital bed chained with plastic tubes. [..] As the weeks went on, I got a cough here, a splitting headache there […] I got neuralgia, sinusitis, the cough turned into a chest infection […] Then you get sick. Really, really sick. […] My chest infection turned into something worse […] And here I am. In a side room on an acute medical ward. I must be screened for scary things, because scary things happen when you are "immuno-compromised". […] I'm not the only one. We have at least two other spartaci that I know of in hospital - one in intensive care. Another collapsed two days ago after spending a week, non-stop, sitting at his computer, building us a spread sheet with one

[122] Ibid.; ENIL, Disability watchdog: update on current events in Hungary, February 2012, available at http://enil.eu/2012/02/disability-watchdog-update-on-current-events-in-hungary/.
[123] MISSOC data (Info-report 2009; Tables July 2011).
[124] The Welfare Reform Act 2012 also provides for the replacement of income-related ESA, along with working tax credit, child tax credit, housing benefit, income support and income-based Jobseeker's Allowance, by the so-called Universal Credit.
[125] DWP 2012, available at http://www.dwp.gov.uk/docs/esa-changes-q-and-a.pdf

painful hand. Kaliya hasn't been able to speak for over 3 months as her oesophagus has collapsed on itself.[126]

4.4.2 Measures addressing employers

Employment focused subsidies and incentives have been in place for many year prior to the crisis. Examples dating from 2008 can be found in the Netherlands and Malta. In the latter country, provision was made for a three-year exemption from social security payments on behalf of employees with disabilities for employers. More recently, the Swedish government introduced a subsidy for mentoring to employers who hire people with special employment support needs. To ensure that the special employment support actually reaches people with a very weak foothold in the labour market, the qualifying time for the support has been changed to six months after entering the job and development guarantee, which, except for certain special groups, is equivalent to an unemployment spell of two years[127].

In some other countries, employers' subsidies have not escaped budgetary cuts[128]. **In the Czech Republic, for example, subsidies in favour of employers employing persons with disabilities have been reduced by a quarter to 75% of the actual wage amount spent on the employee with a disability**[129]. In Portugal, incentives to employers who hire people with disabilities were reduced in 2009. Unfortunately, the decree targeted those incentives that were the most used by employers, such as the Compensation Allowance which compensates for the lack of productivity and the Allowance for Personal Integration, among others. Supports to employers in the UK have also been affected by the wave of the reform. Indeed, while the previous Workstep programme entailed supports to employers in form of wage subsidies or job coaching, the new Work Choice programme started in 2010 does not include any wage subsidy for employing people with disabilities. It is intended to provide support for assisting the person but this intention is not being fulfilled.

Employers employing people with altered work capacity in Hungary are supported with specific contracts that include a wage subsidy. However, there is a widespread uncertainty whether this support will remain available, although a removal of this support would directly affect up to 37 000 workers.[130]

Limitations of the employment supports such as wage subsidies or grant for workplace adaptation seriously prevent the integration of the person in a work environment that is open, inclusive and accessible.

4.5 Conclusions

[126] http://diaryofabenefitscrounger.blogspot.co.uk/2012/01/so-how-am-i.html
[127] Swedish National Reform Programme 2011, available at http://ec.europa.eu/economy_finance/economic_governance/sgp/pdf/20_scps/2011/01_programme/se_2011-04-29_nrp_en.pdf.
[128] Although these are not social security benefits and are not received by persons with disabilities, subsidies and supports to employers are primarily considered here as benefits that considerably enhance the employment and quality of life of people with disabilities.
[129] MISSOC data (Tables), January 2012.
[130] According to the Alliance of Associations of Persons with Physical Disabilities, MEOSZ.

Although it goes without saying that social security systems have in all countries protected the people with disabilities from the worst impacts of the economic crisis, it is clear that there has been in most countries a negative impact on the level of, and conditions for, disability benefits. Direct cuts in amounts have only been detected in a small number of countries, notably those where the crisis has been especially severe, but an **indirect reduction of benefits and stricter entitlement conditions are the order of the day in most EU Member States.**

However, the crisis does not (seem to) have had an impact in some countries. For example, Member States such as Belgium and France have identified a need to support the purchasing power of the 'most vulnerable' during the economic crisis, **effectively resulting in increases in disability benefits[131].**

Compared to the cuts in social services as set out in chapter 3 of this study, social security benefits have been less drastically impacted by the austerity measures, but this does not necessarily mean that the impact of austerity plans on the social protection of the disabled is not significant. Moreover, this study has disregarded the vast field of discretionary protection schemes (e.g. grants, cost reimbursements) as well as locally-run support systems. Cuts in these schemes are easier to implement (for one thing, they do not require parliamentary endorsement) and less visible.

During past economic downturns, policy responses went in the direction of opening up disability benefit schemes, not least as a means of avoiding mass unemployment. Experience, however, showed that people on disability benefits are much less likely to return to work once economic recovery sets in, and so a shift from unemployment to disability benefits is one to be avoided[132]. It is doubtful that Member States will go down this road again, even if they wanted to, having regard to the market-imposed budgetary orthodoxy and economic governance of the current EU approach. Beyond this, it seems that Member States this time around are inclined to take a different approach, one focused on employability and activation. Even if such an approach may yield longer-term benefits (lower expenditure on benefits, higher contribution revenues, increased participation and well-being of disabled persons), it should be borne in mind that supporting such measures will also require investments and efforts, if the most vulnerable are not to bear the brunt of the crisis[133].

[131] Data from the National Reform Programmes of Belgium and France.
[132] OECD, Sickness, Disability and Work. Improving social and labour-market integration of people with disability, 2010, available at http://www.oecd.org/dataoecd/1/28/46488022.pdf; ISSA, Return-to-work programmes: supporting health and employability, Social Policy Highlight March 2012, available at www.issa.int/content/download/161611/3211696/file/2-SPH%2022.pdf
[133] *Ibid*.

5. Impact of the crisis on the implementation of the UNCRPD

5.1 Introduction

Previous chapters have described the terms of reference for this study, its approach and methodology and have provided an overview of how the background macroeconomic conditions have impacted negatively on the participation of people with disabilities in the labour market, their access to an adequate standard of living, the impact of the crisis on mental health and how public opinion and attitudes to disability have been adversely affected. The perspectives of representative organisations and international agencies on the crisis and its implications for people with disabilities have been summarised. The evidence of the impact of the crisis on social services in general, and on specific services including employment and vocational rehabilitation, health and social care, independent living, education and vocational training services, was presented. A range of austerity measures were described including direct budget cuts, reduced funding for non-governmental social service providers, staff reductions and shortages, decreased direct payments, the withdrawal of financial support to representative organisations of people with disabilities and the postponement or cancellation of planned investments. Evidence was presented of the structural changes in the social services sector such as the decentralisation of responsibilities to under resourced local governments, the discontinuation of services, the move from cash to in-kind benefits and the consequent increase in inequalities. The impact of the crisis on service delivery mechanism was described in terms of the merger or discontinuation of services, increased outsourcing and privatisation, more stringent tendering requirements, increased pressure on staff, cuts in staff training, reduced investment in research and innovation, the growing uncertainty for private providers, rising waiting lists, more stringent eligibility conditions, quality risks and the standardisation of services, the reversion to more institutional services solutions and the application of the medical model , the pressure on mainstreaming and the implications for independent living.

The impact of the crisis on disability-related social security benefits has also been addressed. Austerity measures described included direct cuts in amounts paid, the non-indexation of benefits, changed non-contributory period conditions, social security deductions from benefits, increased user charges and delayed payments. The ways in which entitlement for benefits has been changed were reviewed including longer qualifying periods, more stringent means testing, revised disability assessment procedures and increased level of need required for eligibility. The impact of the crisis on financial incentives and supports for job seekers with disabilities and employers who recruit workers with disabilities was also documented.

This chapter provides an overview of evidence of the impact of the crisis on the implementation of the UNCRPD and summarises the findings of the study in terms of specific articles including equality and non-discrimination (Art. 5), accessibility (Art. 9),

independent living (Art. 19), personal mobility (Art. 20), education (Art. 24), health (Art. 25), habilitation and rehabilitation (Art. 26), work and employment (Art. 27), adequate standard of living (Art. 28) and participation in public and political life (Art 29b). It reviews the body of evidence that the economic downturn has impacted on progress in implementing the Convention at EU level and within its Member States and the effect that it has had on mechanisms to protect and promote the rights of people with disabilities.

The UNCRPD was adopted by the UN in 2006, came into law in 2007 and that the economic crisis intervened in 2008.[134] The EU ratified the Convention is 2010 and by 2012, 20 EU Member States had ratified the Convention. Those who have yet to do so are Estonia, Finland, Greece, Ireland, Malta, the Netherlands and Poland. As a result the initial implementation of the Convention has always taken place in difficult economic times and there is no previous experience than can be used as a benchmark for progress.

The UNCPRD is a complex and very detailed description of the responsibilities of States in relation to disability, and how these can be fulfilled, which runs to 41 Articles. Attempting to benchmark progress in the EU against other jurisdictions in all areas is very difficult. In some areas the EU and its Member States performed relatively well and in other areas perhaps less well than other countries in implementing the requirements of the UNCPRD. However, relating these findings to the economic crisis is no simple matter.

The EU is currently working on the areas in which it has competence. The focal point for the EU is the European Commission. The participation of civil society in monitoring includes the EDF and data has been collected through the Ad Hoc Module of the 2011 Labour Force Survey and potential indicators were explored in ANED Disability Indicators Report. No Monitoring framework had been assigned at the time of publication of the report.

At EU level the mechanism for promoting progress in the UNCRPD is the European Disability Strategy 2010-2020 which addresses Accessibility, Participation, Equality, Employment, Education and Training, Social Protection Health and External Action. The current implementation status of the UNCRPD and the EDS is presented in the following section.

One perspective on the impact of the crisis on the rights of people with disabilities is the extent to which institutions and mechanisms to promote and protect those rights have experienced changed circumstances. The country reports commissioned for this study provide some insight in this regard. In terms of the EDS these developments relate to the goals of overcoming obstacles to exercising rights as consumers, students, economic and political actors and facilitating mobility and supporting and supplementing national policies and programmes to promote equality.

In a number of countries the institutions with specific responsibility for disability rights have been merged with other organisations. In the UK the Disability Rights Commission was merged with the Human Rights Commission. In Portugal, the National Disability Council was eliminated in 2011 and subsumed under National Council for Polices of Solidarity, Charity, Family, Rehabilitation and Social Security which has yet to be established. The Irish Human Rights Commission (IHRC) in a submission to the Working

[134] Evans, J., Rights and Responsibilities or Cuts and Social Exclusion, Presented at Europe's Way out of the Crisis: The Disability Rights Perspective - European Day Conference for People with Disabilities, 2011

Group on the UN Universal Periodic Review of Human Rights in March 2011[135] noted the risk to the promotion of protection of human rights arising from reductions in the budget of the IHRC by 32%and the Equality Authority by 43%. An agency with responsibility for combating poverty was closed down and the publication of a Carer's strategy was abandoned as a result of an inability to commit resources[136]. The Equality Authority has been merged with the IHRC. Nevertheless, the National Disability Authority which plays an important role in overseeing the rights, disability status of people with disabilities and a Centre of Excellence for Universal Design continues to be funded. In Spain, the National and Regional Ombudsman Offices, Permanent Specialised Office which is responsible for arbitrating equality and non-discrimination complaints continues to be funded It recorded an increase of 273% in complaints in 2009. The extent to which this increase can be attributed to the economic crisis is unclear. A greater awareness of the office may have been another factor.

Another indicator of the extent to which the rights of people with disabilities are protected is the way in information and advocacy services are being deployed. In Portugal, the number of Public Information and Mediation Services increased between 2008 and 2012) from 26 to-40. This means that only 13% of the country is covered. **Advocacy services provided by Organisation of People with Disabilities experienced a 30% cut in public funding in 2011-2012. I**n Ireland, the development of advocacy services has been postponed and the existing disability advisory services provided by the Citizens Information Centres are under pressure. In

The extent to which consultation with disability representative organisations is in place provides another indication of Member States commitment to rights and participation**. In Ireland, the national representative body of people with disabilities (People with Disabilities Ireland) has been eliminated and the National Disability Strategy Stakeholder Monitoring Group which was established to review progress in the national strategy has been closed down.** In Portugal, the crisis has had a negative impact s on rights in terms of the efficacy of legal mechanisms, allocations of resources and reduced capacity of organisations of people with disabilities for political action. In Hungary, consultation with people with disabilities is purely formal e.g. through a website. There have been protests by Representative Organisations of People with disabilities and the National Disability Committee only meets occasionally.

5.2 Current implementation status of the UNCRPD

An important source of information on progress in the implementation of the UNCRPD at Member State level is the High Level Group on Disability which receives and publishes regular reports on the issue.[137] The 2011 Fourth Report reviewed progress on signing and

[135] Irish Human Rights Commission (2011), Submission for the Twelfth Session of the Working Group on the Universal Periodic Review: Ireland, http://www.ihrc.ie/download/pdf/ihrc_report_to_un_universal_periodic_review_march_2011.pdf
[136] Inclusion Ireland (2009) Annual Report, http://www.inclusionireland.ie/documents/InclusionIreland2009Annualreport.pdf
[137] European Commission Directorate-General for Justice

ratifying the Convention, actions in Member States and the EU to implement and monitor the UNCPRD and the implementation of the Europe 2020 Headline Targets and in particular progress on Article 24 Education; Article 27 Employment; Article 28 Adequate standard of living and social protection and Article 31 Statistics and data collection. The challenges created by the economic downturn were not addressed directly in any of the Member State reports. Nevertheless, a comparison of reported progress in each of the Member States with the extent to which they have been impacted upon by the crisis can provide a basis for judging the extent to which economic conditions have negatively impinged on implementation.

Table 1: Current Status of the Implementation of the UNCRPD in EU Member States[138]

	Ratified	Focal Point	National Implementation Strategy	Monitoring Framework	Formal Involvement of civil society	Collecting Indicators
Spain	2007	X	X	X	X	X
Austria	2008	X	X	X	X	
Slovenia	2008	X	X	X	X	
Germany	2009	X	X	X		X
Latvia	2010	X	X	X	X	
Hungary	2007		X		X	X
Czech Republic	2009	X	X		X	
Denmark	2009	X		X	X	
Portugal	2009	X	X		X	
UK	2009	X		X		X
Lithuania	2010	X	X	X		
Sweden	2008	X			X	
Belgium	2009	X			X	
Italy	2009	X		X		
Cyprus	2011	X			X	
Luxembourg	2011	X			X	
Bulgaria	2012	X			X	
Finland			X		X	
The Netherlands			X			X
France	2009				X	
Slovakia	2010				X	
Romania	2011	X				

http://ec.europa.eu/justice/discrimination/document/index_en.htm#h2-5

[138] Extracted from DG Justice, Fourth High Level Group Report on the Implementation of the UN Convention on the Rights of Persons with Disabilities, 2011, available at: http://ec.europa.eu/justice/discrimination/files/dhlg_4th_report_en.pdf

Estonia					**X**	
Greece					**X**	
Poland					**X**	
Ireland						
Malta						

The Fourth Report of the High Level Group on Disability requested Member States to report on the extent to which they had progressed in implementing the Convention, in terms of:

- National Implementation of the UNCRPD
- Putting in place a focal point and coordination mechanisms;
- Putting in place national strategies for implementation;
- Monitoring of the UNCRPD
- Independent monitoring mechanisms,
- The formal involvement of civil society in the monitoring process; and,
- Collecting statistics and developing indicators.

Based on country reports, it was possible to extract the elements which were fully established. This analysis is presented in Table 1. The analysis does not reflect the fact that many countries indicated that they were in a process of planning in some of the areas or the fact that, although there was no formal recognition of a role for a national umbrella organisation of Disability NGOs in monitoring, there were State operated committees where individual NGOs were invited to attend.

An analysis of the country reports indicates the 17 Member States had established focal points, 11 Member States had specific national strategies for the implementation of the Convention, 9 Member States had appointed an independent monitoring body, 18 Member States had formal arrangements for a representative body of organisations of persons with disabilities to participate in the monitoring (others had individual NGOs participating in government committees), and only 5 Member States had either collected relevant statistics, above and beyond existing statistics, or developed specific participation indicators.

While in the majority of cases those Member States that had ratified the Convention had naturally made greater progress, this was not always the case. For example, France, Slovakia and Romania were still in the early stages of implementation and Finland and the Netherlands (that had not ratified the Convention) had already made progress on a national implementation strategy. Further, the Netherlands had already developed a Participation Index which includes indicators on education, labour, leisure, housing and the level of using mainstream provisions and Finland had a mechanism for the formal involvement of Disability NGOS in monitoring.

Finally, there was no clear relationship between being more negatively impacted by the economic crisis and lack of progress in implementation. For example, Spain and Portugal which have experienced significant economic difficulties had made substantial progress, compared to France and Sweden.

A different approach to evaluating progress on the implementation of the UNCRPD was adopted by the Essl Foundation in Austria.[139] The Zero project reviewed the implementation of the Convention in 36 countries and nine Austrian provinces. It used 21 social indicators which were reviewed by experts and NGOs in the participating jurisdictions. 20 EU Members States participated in the review. This provides an alternative perspective on the extent to which these countries had integrated these social indicators into their legal systems.

While accepting that there are major barriers to comparing different jurisdictions including the lack of internationally comparable statistics and data, issues of representativeness and validity in the responses from experts and the absence of internationally recognised definitions of "disability", the report used a count of good, partial and unsatisfactory on each of the indicators to come to some conclusions about progress on implementation across jurisdictions.

The main question being addressed in this study is the extent to which the economic crisis has affected the implementation of the UNCPRD. In order to gain an independent perspective on this, the Zero study findings for the 20 EU Member States were extracted. If the economic crisis was a significant factor in inhibiting progress, then one would expect that those EU Member States that have been most severely impacted to have made less progress.

The social indicators and articles covered by the Zero questionnaires are presented in Table 2 along with the count of good, partial and unsatisfactory solutions in the 20 participating EU Member States.

The Articles upon which EU Member States performed best included International Cooperation (Art 32), Equal Recognition before the Law (Art 12) and Access to Justice (Art 13), Respect for Home and Family (Art 23) and Accessibility (Art 9). The Articles upon which least progress had been made were Work and Employment (Art 27), Living Independently and being included in the community (Art 19), Statistics and Data Collection (Art 31) and Situations of Risk and Humanitarian Emergencies (Art 11).

Although, there are reservations in interpreting the data at the level of an individual country, a ranking was carried out based on the number of good solutions that were reported by the respondents. The Member States which were considered to have implemented a majority of good solutions (11-15 social indicators) included the Netherlands (currently not a signatory), the Czech Republic, Bulgaria, the UK and Slovakia. Member States that ranked lowest (1-8 social indicators) were Austria, France, Hungary, Portugal Spain, Estonia, Ireland, Finland, Germany and Romania. This pattern does not support the view that the impact of the economic crisis is a determining factor in making progress in implementing the UNCRPD.

The distribution of good and partial solutions on the 21 social indicators across the 20 Member States could not be inferred to reflect the level of economic performance of the countries during the crisis. Some Member States considered to be coping most effectively with the crisis were amongst those with the lowest number of indicators integrated into their legal systems.

[139] Fembek, M., Butcher, T., Heindorf I. and Wallner-Mikl, C., 2011, International Study on the Implementation of the UN Convention on the Rights of Persons with Disabilities: Zero Project Report 2012, Essl Foundation, Austria. Available at: http://www.zeroproject.org/wp-content/uploads/2011/11/Zero-Project-Report-2012.pdf

Progress in implementing the Convention was reported in a number of commentaries on implementation were analysed including shadow reports[140] and although a range of issues and serious concerns were raised, very few references or attributions were found implying that lack of progress in implementing the UNCRPD was as a result of straitened economic conditions.

Table 2: Frequency of good, partial and unsatisfactory solutions to integrating the UNCRPD into the legal system in 20 EU Member States (Adapted from the Zero Report)[141]

			Quality of Solutions		
UNCRPD Article		**Social Indicators**	**Good**	**Partial**	**Unsatisfactory**
9	Accessibility	New Buildings	18	2	0
		Legal time frame	6	13	1
		Public buses	2	18	0
11	Situations of Risk and Humanitarian Emergencies	Early warning system for national emergencies	3	7	10
12 & 13	Equal recognition before the law & Access to Justice	Partial guardianship	13	4	3
		Sign language in court	16	4	0
19	Living Independently & being included in the community	Safeguards in institutions	9	8	3
		Financial Support in the community	6	12	2
23	Respect for Home & Family	Right to marry, have and raise children	9	10	1
24	Education	Right to mainstream education	12	8	0
		Alternative testing methods for students	10	10	0
		Statistics on university graduates	3	9	8
25 & 26	Health & Habilitation and Rehabilitation	Accessibility of medical practices	8	10	2
27	Work & Employment	Accommodations in the workplace	12	7	1
		Number of employees with disabilities	4	4	12
		State employment of persons with	3	13	4

[140] For Example:
CERMI, Human Rights and Disability: Alternative Report Spain 2010, available at: http://www.cermi.es/en-US/Biblioteca/Pages/Inicio.aspx?TSMEIdPub=10
Hungarian Disability Caucus (2010) Disability Rights or Disabling Rights, Published by SINOSZ, MDAC, FESZT. available at http://mdac.info/en/resources/disability-rights-or-disabling-rights-crpd-alternative-report
Austrian National Council for Persons with Disabilities (2010) Universal Periodic Review Austria, Österreichische Arbeitsgemeinschaft für Rehabilitation (ÖAR) – Dachverband der Behindertenverbände Österreichs (ÖAR), available at: http://www.oear.or.at/ihr-recht/un-behindertenrechtskonvention/universal-periodic-review/UPRsubmissionforAustriaOEARfinal.doc/view

[141] Fembek, M., Butcher, T., Heindorf I. and Wallner-Mikl, C., 2011, International Study on the Implementation of the UN Convention on the Rights of Persons with Disabilities: Zero Project Report 2012. Essl Foundation, Austria. Available at: http://www.zeroproject.org/wp-content/uploads/2011/11/Zero-Project-Report-2012.pdf

		disabilities			
29	Participation in political and public life	Right it receive support to vote	7	13	0
31	Statistics & Data Collection	Official statistics about education & employment	7	10	3
		Data on persons living in institutions	4	14	2
32	International Cooperation	State sponsorship of umbrella organisation	13	6	1
33	Monitoring	Designation of focal points within government	8	8	3

Exceptions included of a need for enhanced active employment measures in Spain, the termination of employment for workers with disabilities as a result of difficult market conditions in Hungary and the refusal of the Hungarian Ministry for Municipalities to provide financial support to Deaf athletes to attend the 2009 Deaflympics on the grounds that there were no funds available due to the economic crisis.

Delays in implementing accessibility plans were reported in Portugal and Hungary. In Hungary, accessibility of public transportation ought to have been fulfilled by the end of 2010. However, an inquiry of the Ombudsman found that 81% of the carriages and 90.3% of passenger facilities on public railways were not accessible.

There was no indication that the economic crisis had impacted on the formal UNCRPD implementation process in the UK. Adequate mechanisms are in place including an Office for Disability Issues within the Department of Work and Pensions and the allocation of the role of independent monitor to the four regional Human Rights Commissions. The national Life Opportunities Survey (LOS) has started to collect information on disabled and non-disabled people's life opportunities, covering areas such as work, education, social participation, experiences of crime and discrimination. It aims to identify the social barriers that prevent people from taking part in different areas of life as much as they would like to. The information will be used to help target policies and resources where they are most needed, and ensure that more disabled people can participate in society. The survey is designed to be accessible for people with a range of impairments.

The Office for National Statistics (ONS) Opinions Survey includes a module that asks disabled people about the difficulties they have in accessing a range of goods and services, and the amount of choice and control that they have over their daily lives. These data are published as part of the Office for Disability Issues (ODI) disability equality indicators. ODI and ONS are also developing a suite of harmonised disability questions for social surveys, to make it easier to compare data from different sources.

In Spain, legislation was amended to comply with the UNCRPD in 2011. The law addresses a number of key themes including accessibility of buildings, transport, services and ICT and Information Society; civil protection in emergency situations; legal protection and due process; organ donation and transplants. The law outlined a substantial number of measures in the sphere of employment. It mandated the Integration of disability in Spanish Employment Strategy and Active Employment Policies. It introduced additional protection in the dismissal process, defined role for Special Employment Centres and Integration Companies and outlined requirements for the training for centre staff. It set out a framework

for special employment measures for people with disabilities including supported employment programmes, rules for grant aid, support for pilot programmes and subsidies for a range of actors. The Spanish Disability Strategy 2012-2020 reflects European Disability Strategy. The Spanish Committee of Representative of Organisations of People with Disabilities (CERMI) has been assigned the independent monitoring role.

In Portugal, the financial crisis of the State has delayed or postponed the implementation of the National Disability Strategy, 2011-2013 (ENDEF). It is difficult to obtain accurate information about the full extent of this for people with disabilities. The recently published official monitoring report of the ENDEF (INR, 2012) is vague and lacks precision. However, it found that nothing had been done in relation to the majority of the planned measures in the Strategy. The report is compiled by the National Institute for Rehabilitation based in data gathered from different public departments involved in the implementation of the Strategy. The rate of non-responses (24%) and the lack of detail in the assessments collected as well as the vagueness in the data gathered are thus also symptomatic of the non-priority that disability issues currently carry in public offices. There is also a lack of current disaggregated data on the status of people with disabilities in Portugal. The last national disability survey was carried out in 1995.

Ireland has yet to ratify the UNCRPD. The reason cited is that there is an issue in relation to legislation on mental capacity. However, there is some evidence that the economic crisis has also played a role**. In Ireland, progress on the National Disability Strategy launched in 2004 has slowed. The timeframe for implementation has been revised and many elements have not been implemented.** For example, the Disability Act (2004) introduced the right to an assessment of health and social care needs for people with disabilities. Under the act about half of people with disabilities were not eligible. The implementation has been further restricted to children who were under 5 years in 2007. Many parts of the Education of Persons with Special Educational Needs Act (2004) have yet to be implemented. In 2006 the Office of National Statistics National Disability Survey which has been used to produce a social portrait of disability in Ireland in terms of prevalence, education, work and standards of living and physical access.

Hungary ratified the UNCPRD in 2007 and established a National Programme for Disability Affairs which is compliant with the Convention. However, there have been delays in implementation. An implementation report was published in 2010. **Hungarian organizations of persons with disabilities and their supporters decided to form a Disability Caucus to deliver a shadow report which covers all the articles of the Convention. It highlighted a number of areas which were problematic including the definition of disability, accessibility, guardianship, de-institutionalisation and personal mobility.**

In Hungary, the rights of people with disabilities are protected under the Fundamental Law 2010 which is the new constitution. The law mandates equality before the law and fundamental rights on 9 grounds including disability. It specifies special measures to promote and protect the rights of people with disabilities. It established a framework for social security including illness and disability and social institutions and measures. The Commissioner for Fundamental Rights implemented a number of special projects in the field of disability between 2009 and 2012 which reviewed living with dignity, healthcare and barriers to employment for people with disabilities.

There is some evidence that progress on the implementation of the UNCRPD is behind schedule in a number of Member States. However, it is difficult to conclude that the negative economic conditions have been the major factor inhibiting the activities of EU Member States in this regard. Firstly, very few references to the impact of the economic crisis were found in documentation on the progress being made in implementing the UNCRPD or in the country reports commissioned for this report apart from Portugal and Spain. Secondly, while the absence of data on how EU Member States performed prior to the economic crisis, made it difficult to draw any conclusions about how effective they have been in implementing the UNCPRD during the downturn, data from the Fourth Report of the High Level Group on Disability and the Zero project provide no basis for concluding that those Member States that have coped best with the crisis also performed best in terms of their implementation activities.

5.3 Impact on of the crisis on specific articles of the Convention

According to the WHO (2011) disability is a human rights issue because people with disabilities experience inequalities in many areas of life including equal access to health care, employment, education, or political participation.[142] They are subject to violations of dignity and in some cases are the victims of violence, abuse, prejudice, or disrespect. Many are denied autonomy and confined in institutions against their will or regarded as legally incompetent because of their disability. In this regard it points to the UNCRPD as providing the framework of reference for States in promoting and protecting disability rights. While it might be assumed that this description applies mainly to less developed societies, the current study indentified a number of areas where the rights and dignity of people with disabilities are being put at risk by the economic crisis and the consequent austerity measures which many EU Member States have put in place to cope.

Even the EU seems to promote the idea that the primary goal of the Member States should be to contain public deficits and implicitly to accept that Member States defer their efforts to actively implement policies that reduce poverty and, to a lesser extent, policies that increase employment.

The conceptual framework adopted for this study was based on the UNCRPD and thus it is appropriate to summarise the conclusions of this report in relation to a number of specific UNCPRD articles.

Article 5 - Equality and non-discrimination

The European Disability Strategy set out two important objectives for the EU and its Member States in relation to equality. The first of these is overcoming obstacles to exercising rights as consumers, students, economic and political actors and facilitating mobility and the second is supporting and supplementing national policies and programmes to promote equality. This study identified evidence that there are issues to be faced in relation to the impact of austerity measures on equality mechanisms in some Member States.

[142] World Health Organisation, World Report On Disability, 2011
http://whqlibdoc.who.int/publications/2011/9789240685215_eng.pdf

The findings of the study in relation to equality need to be interpreted against a background in which the public attitudes about disability have been hardening over the period of the economic crisis. There was evidence that people with disabilities are being stereotyped by the media as a burden on society. People surveyed in the UK largely over-estimated the level of fraud on the part of people with disabilities, justifying their estimations by references to newspapers. In an Irish attitude survey, the majority of respondents believed that the main barrier to participation for people with disabilities is their impairment rather than environmental barriers and a substantial minority held the opinion that people with disabilities were treated fairly by society.

In some countries disability rights agencies have been merged into larger agencies with a wider remit. It is not clear if these developments were as a result of mainstreaming or whether they were motivated by cost savings but **in Ireland the merger was accompanied by significant reductions in the budgets of both bodies of between 32% and 43%**. **In Portugal, the National Disability Council was eliminated in 2011 but the body into which it was to be subsumed has yet to be established.** At the same time, there was an indication that complaints of discrimination have been rising over the period of the crisis.

Another mechanism that is critical in supporting people with disabilities in accessing their rights is the provision of information, advice and advocacy services. **In Portugal, the budgets of such services have been cut up to 30% and in Ireland the development of advocacy services has been postponed** even when existing information services are under pressure.

Article 9 - Accessibility

While not the focal point for this study, **a number of instances were identified where progress on the key EDS objectives relating to accessibility was slowed or completely stalled. In a number of Member States plans to create accessible public buildings, services and transport were well behind schedule.** In Hungary, for example, where the accessibility of public transport ought to have been achieved by the end of 2010, 81% of carriages and 90% of passenger facilities were inaccessible. In Ireland, the view of the disability organisations surveyed was that progress in achieving accessibility had been slowed. In Portugal, lack of accessibility remains one of the most prevalent violation of disability rights and an area that has been significantly impacted by austerity measures. In Spain, severe cuts and the elimination of funding for accessibility improvements and barrier elimination are considered to be impacting extremely negatively on the participation of people with disabilities. Only in the UK was accessibility in terms of public buildings, transport and services considered to be relatively good.

Article 19 - Living independently and being included in the community

The EDS objectives relating to Article 19, which is a central theme of the current study are promoting the transition from institutional to community-based care and providing quality community-based services. The austerity measures identified in this study were having a strong and far-reaching negative impact on the right of people with disabilities to “choose their place of residence” and to choose “where and with whom they live”. **There was a substantial body of evidence at EU level and from country reports, carried out for this**

study and by other organisations, that the right to live independently in the community has been placed under severe threat not only as a result of the economic crisis and resulting austerity measures but also as a consequence of politically motivated reforms and re-structuring.

A wide range of measures have been implemented to reduce the cost of social care in most Member States and as a result services to support independent living, where they exist, have been cut and where they are in development have been postponed.

Direct cuts to social, community and long term care budgets are just one mechanism that has been adopted. In the UK, the personalisation agenda is a political priority while the budgets of local authorities are being reduced. Other more indirect measures were more common even in Member States that have coped relatively well with the crisis. Eligibility criteria for support for independent living have been restricted. For example, in the Netherlands, it was proposed that anyone not requiring residential care would not qualify for a personal budget. A roll back on State responsibility for care was evident in a number of Member States. For example, in Hungary the law has been changed to underpin the principle that the primary responsibility for care is with the family and the State only has a secondary responsibility.

Staff reductions in the public sector and decreased funding and more competitive tendering for the not for profit and private sectors have resulted in services being reduced in terms of hours and duration, skilled staff being replaced by staff on minimum wage, the cancelling of continuing professional development for staff, redundancies and increased stress on remaining staff. Less staff is available to deliver for the same or increased numbers of clients and as a result labour intensive services such as personal assistant services for people with disabilities are under pressure.

Austerity measures can be identified as a major cause of the increased demand on families and end users to fund or provide care services, a move towards more institutional solutions and the discontinuation of home and community care options which were set up with ESF particularly in Greece. Even in countries not so severely impacted by the economic crisis such as the UK, services and local authorities complained that although they are willing to develop community-based services, they were often refused funding, because the only budget line where money was available was under residential care and could not be moved to community living.

In Portugal, none of the measures to support independent living in the National Disability Strategy 2011-2013 have yet been put in place due to austerity measures.

Article 20:- Personal Mobility

There was evidence that austerity measures were impacting on the right to personal mobility. Access to technical aids was particularly noted in terms of significant cuts to budgets for assistive devices (including hearing aids and wheelchairs) in both Portugal and Ireland, where waiting lists were substantial and access to aids in some parts of the country

was impossible. In addition, application procedures for assistive devices in Portugal were very bureaucratic and time consuming resulting in long waiting periods. The transportation subsidies for medical non urgent care for people with disabilities were also eliminated for all except the most severely disabled. Cuts to mobility allowances were reported in a small number of countries.

Article 24 – Education

The EDS objectives most closely related to inclusive education are providing timely support for inclusive education and personalised learning, and early identification of special needs and providing adequate training and support for professionals working at all levels of education. The education sector has been affected by austerity measures throughout Europe but it appears that this happened to a lesser degree than is the case for social services and long term care services.

Public education budget cuts occurred mainly in the countries that were most affected by the crisis and not in Member states that coped better. In particular, there were many reports of reduced funding for support services for mainstreaming projects. In Portugal, all special schools are to be closed by 2013 but the resources for supporting inclusive education have been delayed and as a result many children with disabilities have no support whatsoever. In Ireland, mainstream supports have been frozen at existing levels and many inclusive education measures, which have been passed into law, have been deferred indefinitely. Mainstream schools have been turning children with disabilities away on the grounds that they do not have the resources to support them properly. In Spain, restrictions on recruiting staff, changes to teacher: pupil ratios and delays in implementing support measures are putting inclusive education in jeopardy.

Article 25 – Health

The evidence reviewed for this report confirmed that there is an increasingly high level of inequalities in access to health and social services for people with disabilities. The crisis and related austerity measures are clearly linked to these growing inequalities between persons with different income levels and capacities but also between different vulnerable groups.

Cuts in social security benefits are having a direct impact on health-related rights. Increased user charges and other co-payments for medication and other health services have a direct impact on the application of the right to affordable health. Related austerity measures in social security benefits have a strong indirect impact on access to health services in terms of affordability, particularly where formal or informal payments are required to access health services. This results in rising medical costs for people with disabilities and their families who in some cases are opting not to access much needed health interventions. In Portugal, people no longer attend necessary physiotherapy because they do not have necessary economic resources, according to one informant.

An additional aspect that needs to be taken in account is the impact of the crisis on mental health. In 2011, the WHO highlighted the link between worsening economic conditions and increases in poverty rates, inequalities and social conditions which are at the core of mental health risks. About 30% of new disability benefit claims were on the basis of mental health conditions and this is rising in many EU Member States. In one study, in the UK, both

employed and unemployed people in deprived areas were under severe stress. Phone calls to help lines were increasing in Hungary and Ireland. This increase in mental health needs was accompanied by a 14% cut in mental health staff in Ireland. The suicide rate in Ireland increased from 424 in 2008 to 527 in 2009, an increase of 24%.

Article 26 - Habilitation and rehabilitation

Evidence of specific impacts on habilitation and rehabilitation services was scarce. Service providers to people with disabilities in countries such as Ireland, Portugal and the Netherlands reported that technical specification requirements had evolved to the extent that they were negatively impacting on flexibility and inhibiting the introduction of innovative approaches and ultimately putting at risk the quality, and person centred nature, of service delivery. In Ireland, one informant highlighted the fact that people requiring specialist rehabilitation for neurological conditions were faced with long waiting lists and some people did not get rehabilitation at all. In other Member States, there were also reports of increasing number of closures of vital community based rehabilitation programmes and home-based rehabilitation in favour of centre based services.

In Hungary, the term rehabilitation has become synonymous with a system approach to cutting people with altered working capacity from the disability pension system. Specific measures such as vocational assessment and training programmes as well as rehabilitation services are experiencing cuts in funding or have not had an increase over the last 5 years. In Portugal, between 2009 and 2011 public expenditures on vocational rehabilitation for people with disabilities (including assessment, training, follow-up) was cut by over 60% and participants reduced by 26%.

Article 27 - Work and employment

The most compelling finding in relation to employment was that current data on the employment status of people with disabilities were very thin on the ground, with the majority of information relating to the pre-crisis period. Nevertheless, there was ample evidence that the employment rates of people with disabilities have been negatively impacted by the economic crisis. **The rate was below 50% in 17 Member States in 2008 and it has been estimated in Ireland that people with disabilities are 2.5 times less likely to have a job.** Evidence from the country studies indicated that the impact was different across the Member States surveyed. An analysis of the EU-SILC data carried out in preparation of this report revealed that the impact of the economic crisis on the employment rates of people with severe limitations was significant apart from those in the 55-64 year age range who were already at a very low level. **The EU-SILC data provided strong evidence that during the years of the economic crisis there has been a significant decrease in the employment rates of the majority of people with severe disabilities and that while there was some recovery in 2010, employment levels for people with disabilities were still below pre-crisis levels.** There is also evidence that they are more likely to be on temporary contracts and to be paid lower wages than their non-disabled counterparts.

Public spending cuts in employment services and specifically in employment services that target persons with disabilities were not widely reported on. Nevertheless, the sparse information sources from Member States revealed a number of direct and indirect cuts in

employment services for job seekers in general and for people with disabilities who are out of work. **The cuts in employment services for people with disabilities identified were often to more 'costly' programmes such as supported employment and vocational rehabilitation. Sheltered employment enterprises were also under pressure**. Budget cuts and reduced services were not only evident in Member States that were more severely affected by the economic downturn but also in other Member States including the UK and Austria. In the UK, sheltered employment services are being systematically closed with the result that previously employed people with disabilities are now resorting to welfare payments. In Member States where sheltered workshops are an important element in the employment strategy for people with disabilities, such as Germany and France, many workshops are experiencing significant reductions in their trading incomes.

In the UK, Supported Employment services have come under increasing funding pressure as a result of the introduction of a new placement programme for people with disabilities that provides less resources for job coaching, eliminates subsidies for employers and requires providers to achieve outcomes before receiving a large part of their funding. Local authorities are also under pressure and less able to fund such programmes. New funding regulations have shifted the focus to people with disabilities who are closer to the labour market at the expense of those with more severe impairments.

In Spain, there was a decrease in number of supported employment initiatives in 2010 while the total number of participants significantly increased. The number of people who hold an employment contract through supported employment initiatives has fallen drastically with a 26% drop between 2009 and 2010. National and regional funding for supported employment schemes has been cut by 25% and ESF is being used to fill the gap. In Portugal, supported employment services have experienced drastic cuts with the result that less staff are offering fewer hours of on the job support.

Austerity measures have also impacted on self-employment schemes and have resulted in the termination of innovative funding for projects that aim at moving people with disabilities into the open labour

In some Member States assessments of work capacity, which can be positive in a context of activation, seem to be driven by the primary goal of creating savings.

In some other countries, the economic crisis seems not to have jeopardised employment services. In France, for example, services and advice to employers have been maintained and despite the crisis the Italian government has preserved national funds dedicated to helping employers in adapting work places and providing accessible furniture, devices and technologies. In Ireland, there have been no direct cuts to employment services for people with disabilities but, as with other services, the rates paid have not been increased in line with inflation.

Article 28 - Adequate standard of living and social protection

There is no doubt, on the basis of the reports and data reviewed for the current study, that the economic crisis has had a greater impact on the standard of living of persons with disabilities compared to the general population. Available statistics on poverty show an overall improvement between 2008 and 2010 but poverty rates vary widely and poverty rates have increased substantially particularly in those countries most severely hit by the

economic crisis. At-risk of poverty rates have increased across the whole of the EU. **Evidence based on EU-SILC statistics supports the contention that people with disabilities face a much higher risk of poverty than people without disabilities. More than 1 out of 5 persons with disabilities are at risk of poverty in the EU (21.1%) as compared to 14.9 % for persons without disabilities. This is a pattern in all EU Member States.**

Child-related benefits were not subjected to significant cuts. However, this must be viewed in a context in which levels of at-risk-of-poverty are increasing among families where additional costs due to a disability have to be taken into account. Increases in co-payment requirements and the costs of care have the potential to put appropriate services and medication beyond the means of many families.

Austerity measures that directly and indirectly affected social security benefits had a significant impact on the standard of living of persons with disabilities. **A wide range of mechanisms were used by Member States to reduce the real value of cash benefits to people with disabilities with a significant impact on the ability of people with disabilities to access basic goods and services. There is a strong case to be made that many EU Member States are attempting to avoid their obligation to provide assistance with disability-related expenses.**

Apart from direct cuts to disability benefits which were particularly steep in Ireland, a number of other approaches to reducing the real value of payments were evident in many Member States including:

- Non-indexation of payments in line with inflation or changing the basis for calculating increases in order to award smaller increases;
- Disregard of non-contributory periods for people who are out of the workforce for reasons such as child rearing;
- Deducting social security contributions from social security benefits which is effectively a claw back of a proportion of the value of the benefit by the State;
- Longer qualifying periods for eligibility for contributory benefits and the reduction of amounts paid to younger people with disabilities or even their complete exclusion from schemes, as in one case;
- Increased use of means testing and the expansion of means test criteria, in case to include the income of the extended family;
- More medically based assessments which are often coupled stricter eligibility criteria.

In some Member States delayed payments are a significant factor in putting people with disabilities and their families under financial pressure.

Article 29b - Participation in Public and Political Life

Representative organisations of people with disabilities are an important mechanism to achieve greater participation of people with disabilities in public and political life**. The study identified a number of instances in which the voice of people with disabilities has been weakened as a result of austerity measures.** In Portugal, reduced funding to disability organisations has had a negative impact on the rights of people with disabilities by reducing the capacity of organisations of people with disabilities to engage in political action.

In Hungary, consultation with people with disabilities is purely formal e.g. through a website and the National Disability Committee only meets occasionally. There have been protests by representative organisations of people with disabilities. In Ireland, the national representative body of people with disabilities (People with Disabilities Ireland) has been eliminated and the National Disability Strategy Stakeholder Monitoring Group, which was established to review progress on the strategy, has been closed down.