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1-in-4 Poll - 2005

Economic Hardship and Social Participation

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ABOUT THE 1-IN-4 POLL
Several times a year, Scope conducts a national 1-in-4 Poll to provide valuable data and opinions direct from people with disability, their families and carers about key issues that directly impact their daily lives. Each individual Poll focuses on one key issue - the latest on Economic Hardship and Social Participation. Information from each Poll is available to all interested parties, and specifically shared with policy and decision-makers in the government, organisations across the disability sector, researchers, educators and the media.

ABOUT THIS POLL
There is a strong correlation between disability and economic hardship. This, in turn, limits social participation of people with a disability, including participation in employment, education and training, social and recreational activities, and health services.

This paper examines the extent to which economic barriers affect participation of people with a disability in Australia in these domains. Because the economic costs associated with living with a disability need to be located within a social context, the economic hardships associated with a disability vary across time and place and are distinct for different individuals within any given society. Economic hardship is caused not solely by additional 'medical' costs, such as access to health services and the need for equipment and aids, but also by the impact of 'social' factors, such as the accessibility of the physical environment (including the availability of public transport) and the forms of discrimination and exclusions faced by people with disabilities. The limitations to participation placed on people living with a disability, due to economic hardship, are often high. In the
current political context in Australia, in which the Welfare to Work reforms announced in the May 2005 Commonwealth Budget are expected to lead to a worsened financial position for people with a disability (HREOC 2005a), we can only expect such limitations to participation in Australia to rise.

The emphasis of the research was on the extent to which people with disabilities felt their participation was impacted by their financial situation. In addition, the research identifies the key areas in which this cohort request increased government financial support.

EXAMINING THE IMPACT OF FINANCIAL STATUS ON PARTICIPATION
In this research we seek to understand the degree to which economic barriers affect the social and economic participation of people with a disability in Australia.

We seek to understand the ramifications of these economic barriers in terms of the way they impinge on people's social participation, understood as "a person's engagement and involvement in community life" (KPMG, 2005: 10) in its broadest sense. The aspects of participation included in the study are: participation in employment; participation in education and training; participation in social and recreational activities; and participation in relevant health services. This involves a wide variety of activities including getting a job, visiting family members and friends, participating in sporting or cultural activities, or getting appropriate equipment, aids and medical treatment.

METHOD
Scope is a major disability organisation in Victoria. In 2004, it initiated a market research project, entitled the "1-in-4 Poll", to gain the views of people with a disability on issues of significance and to promote these views to government and the wider community. This paper is based on the results of the second poll held in August 2005.

The "1-in 4 Poll" is constituted of people with a disability across Australia who nominated to join an ongoing cohort to be surveyed 2-3 times per year.

RESPONDENTS
In total, 180 people completed the survey. This is a response rate of forty-five percent (45%). Of these, forty-four percent (44%) were female, forty-nine percent (49%) were male and seven percent (7%) of respondents did not specify. The survey contained responses by and for people from birth to over 75 years. Twenty-one percent (21%) of respondents were under 25 years of age, fifty-five percent (55%) were aged between 24-65 and twenty-two percent (22%) were aged over 65. Respondents came from all states and territories of Australia, although most came from the three most populous states - Victoria (27%), New South Wales (27%) and Queensland (23%).

Economic and employment information was also collected. Twenty-one percent (21%) of respondents were currently employed while seventy-seven percent (77%) were not. Sixty-nine percent (69%) of respondents said their main source of income was a government allowance, while ten percent (10%) identified a wage or business as their main source of income. Twenty-eight percent (28%) of respondents had an annual income of $6000 or less, forty-seven percent (47%) received between $6000 and $21600 and twelve percent (12%) earned over $21,601 per annum. The level of
employment among this cohort is less than that for the ABS data on people with disabilities from 2003 (ABS 2003). A partial explanation for this is that this survey includes all age groups while the ABS data excludes people who are under 15 years of age.

OVERALL RESULTS
Respondents identified significant restrictions on their participation in a range of chosen activities due to economic factors. Economic barriers could include, for example, the cost of getting there, the cost of needing support while there, the cost of associated equipment or aids, or loss of income or pension as a result. Overall, two-thirds to three-quarters of respondents were prevented, to varying degrees, from participating in employment, education and training, social and recreational activities, and relevant health services because of financial constraints. While there were significant barriers to participation in all four areas, there were slightly higher barriers to participation associated with social and recreational activities. The degree to which respondents overall were restricted from participation is examined below, before looking at the differences within some significant categories of respondents. Finally, the types of government assistance that respondents believed would best alleviate these restrictions are examined.

Participation in employment
Twelve percent (12%) of respondents stated they were always prevented from participating in employment due to costs associated with their disability, while a further fourteen percent (14%) and sixteen percent (16%) stated they were often and sometimes prevented from participation. Only thirty-six percent (36%) of respondents identified that they were never prevented from participating in chosen employment due to financial constraints.

Participation in education and training
Eleven percent (11%) of respondents stated they were always prevented from participating in education and training due to economic barriers, while a further nineteen percent (19%) and eighteen percent (18%) stated they were often and sometimes prevented from participation. Only thirty-two percent (32%) of respondents identified that they were never prevented from participating in chosen education and training due to financial constraints.

Participation in social and recreational activities
Eleven percent (11%) of respondents stated they were always prevented from participating in social and recreational activities due to financial status, while a further twenty-eight percent (28%) and twenty-four percent (24%) stated they were often and sometimes prevented from participation. Only twenty-four percent (24%) of respondents identified that they were never prevented from participating in chosen social and recreational activities due to economic barriers.

Participation in health services
Seven percent (7%) of respondents stated they were always prevented from participating in relevant health services (including GPs, allied health services and pharmaceuticals) due to economic factors, while a further nineteen percent (19%) and twenty-eight percent (28%) stated they were often and sometimes prevented from participation. Only twenty-seven percent (27%) of respondents identified that they were never prevented from participating in relevant health services due to financial constraints.
ANALYSIS BY SPECIFIC CATEGORIES OF RESPONDENTS
Specific groups of respondents were studied separately to ascertain the
affect of particular variables on social participation. The significance of
employment status, source of income, residential status and gender are
investigated below.

Labour market status
The ABS reports that the unemployment rate among people with disability is
around nine percent (8.6%), compared with five percent (5%) in the general
population (ABS 2003). In this project we found that, not surprisingly,
unemployed respondents are experiencing far greater financial barriers to
their participation in activities across the board, than employed respondents.
Respondents who are unemployed were twice as likely to say they were
often prevented from participating in activities than their employed
counterparts.

Fourteen to sixteen percent (14-16%) of respondents (n = 139) who were
currently unemployed, said they were "always" prevented from participating
in their chosen employment, education or training, and social or recreational
activities. In contrast, no respondents who were currently employed (n = 37)
said they were "always" prevented from participating in their chosen
education or training and social or recreational activities. Only one person
who was currently employed said they were "always" prevented from
participating in their chosen employment activities.

The greatest disparity of participation between employed and unemployed
respondents occurs in regard to social or recreational activities and
education/training. Overall, around fourteen percent (13.5%) of employed
respondents (n = 37) were always or often prevented from participating in
social or recreational activities, compared with forty-six percent (46.4%) of
unemployed respondents (n = 139). Likewise, eight percent (8.3%) of
employed respondents were always or often prevented from participating in
education and training due to finances, compared with almost forty one
percent (40.8%) of unemployed people. Overall, almost fifty-seven percent
(56.8%) of all unemployed respondents were prevented by finances in
participating in education or training to the extent they desired. Similarly,
fifty-three percent (53%) of unemployed respondents identified financial
barriers to participation in employment. This has significant ramifications for
the participation of people with disabilities in the labour market and
economic life.

FIGURE 1:
SOCIAL PARTICIPATION FOR EMPLOYED AND UNEMPLOYED
RESPONDENTS

Category of participation Employed -
% always/often prevented from participating Unemployed -
% always/often prevented from participating
Education/Training 8.3 40.8
Employment 13.5 34.1
Social and Recreational 13.5 46.4
Health 10.8 29.7

Though the sample size was small for this section (n = 12) and results are indicative only, this data suggests that casual employees have markedly higher financial barriers to participation than respondents with full or part time employment. This was most marked in regards to participation in education/training activities. Of casual employees, nine percent (9%) were "often" prevented from participating in education or training. By contrast, no full time employees (n = 10) were "often" prevented from participating in education or training. In addition, sixty percent (60%) of full time workers and sixty-seven percent (67%) of part time workers (n = 15) said they were "rarely or never" prevented from participating in education or training, compared with only forty-five percent of casual employees.

Financial barriers to participation appear to also be increased for casual employees in the area of social and recreational activities. Whilst the majority of full and part time workers (60% and 67% respectively) said they were "rarely" or "never" prevented from participating in social and recreational activities, only forty-two percent (42%) of casual employees reported rare or no financial barriers.

Source of income
Respondents receiving a government allowance as their main source of income (n = 124) appear to be three to five times less able to participate in activities than those earning a salary or private income (n = 31). The largest effects on participation appear to be in the area of social or recreational activities. While sixteen percent (16%) of respondents earning a wage or private income identified that they were "always or often" prevented from participating due to finances, almost forty-eight percent (47.9%) of those receiving a government allowance were always or often prevented from participating due to finances. Respondents receiving a government allowance were twice as likely to be always or often prevented from participating in education or training than respondents with a wage or private income, more than three times more likely to be always or often prevented from participation in the area of health, and five times more likely to be prevented from participation in employment due to financial barriers. These results show that forty percent (40%) of respondents on a government allowance were always or often prevented from participating in education or training and similarly thirty-five percent (35%) were prevented from participation in employment due to finances. This suggests that without further financial support, between one third to one half of people with a disability who receive a government allowance as their main source of income will not be able to access employment or education and training on a regular basis.

FIGURE 2: SOCIAL PARTICIPATION FOR RESPONDENTS EARNING A WAGE OR PRIVATE INCOME AND RESPONDENTS ON GOVERNMENT ALLOWANCES

Category of participation Earning wage or private income-
% always/often prevented from participating On government allowance-
% always/often prevented from participating
Education/Training 20 40.3
Employment 6.9 34.9
Social and Recreational 16.1 47.9
Residential status
There is some evidence to show that those living in the family home (n = 83) are experiencing slightly greater financial barriers to participation in the area of access to education and training, than those living independently (n = 88). Of those people living in family home, almost thirty-six percent (35.5%) were always or often prevented from participating in education or training compared with thirty percent (30.4%) of people living independently. Taking the two cohorts together, it is clear that around one third of those living outside of supported group home environment are frequently prevented from participating in education and training because of economic costs.

FIGURE 3: SOCIAL PARTICIPATION FOR RESPONDENTS LIVING INDEPENDENTLY AND RESPONDENTS LIVING IN THE FAMILY HOME

<table>
<thead>
<tr>
<th>Category of participation</th>
<th>Living Independently - % always/often prevented from participating</th>
<th>Living in family home- % always/often prevented from participating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education/Training</td>
<td>30.4</td>
<td>35.5</td>
</tr>
<tr>
<td>Employment</td>
<td>28.6</td>
<td>29.1</td>
</tr>
<tr>
<td>Social and Recreational</td>
<td>37.9</td>
<td>38.3</td>
</tr>
<tr>
<td>Health</td>
<td>32.9</td>
<td>17.1</td>
</tr>
</tbody>
</table>

Though the sample size (n = 5) was too small for valid statistical comparison, it should be noted that respondents living in group homes appeared to experience far higher levels of exclusion from participation in all domains than their counterparts living in family homes or independently. The domains in which group home residents most experienced financial barriers to participation were education or training, and social and recreational activities.

Gender
Unlike the findings of previous research (e.g. WWDA 2000), this study identified somewhat increased participation for men more than women, except in the area of health. Differences were most marked in the areas of education or training and employment where women’s financial barriers to participation rated slightly lower than that of men (up to 10%). Both groups experienced the greatest financial barriers to participation in the area of social or recreational activities, with only thirty- three to thirty-eight percent (33-38%) experiencing no or rare barriers to participation.

FIGURE 4: BARRIERS TO SOCIAL PARTICIPATION FOR MEN AND WOMEN

<table>
<thead>
<tr>
<th>Category of participation</th>
<th>Men (n=89) % never/rarely prevented from participating</th>
<th>Women (n=79) % never/rarely prevented from participating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education/Training</td>
<td>42</td>
<td>52.1</td>
</tr>
<tr>
<td>Employment</td>
<td>49.3</td>
<td>58.8</td>
</tr>
<tr>
<td>Social and Recreational</td>
<td>32.5</td>
<td>38.2</td>
</tr>
<tr>
<td>Health</td>
<td>46</td>
<td>46.8</td>
</tr>
</tbody>
</table>

AREAS NEEDING NEW OR INCREASED FINANCIAL SUBSIDY OR SUPPORT FROM GOVERNMENT
Respondents were asked to select two costs associated with their disability for which they would most like to be paid a (or get an increased) government allowance. Those areas most selected were transport (15.2% of responses), health (15.2%), and adaptive aids and equipment (14.2%), closely followed by domestic needs including meals, cleaning, garden maintenance (11.8%) and housing including home modifications or moving to a more appropriate house/location (10.8%).

FIGURE 5: AREAS THAT MOST NEED INCREASED FINANCIAL SUPPORT FROM THE GOVERNMENT

<table>
<thead>
<tr>
<th>Area for increased financial support from government</th>
<th>% of times item selected as priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transport</td>
<td>15.2</td>
</tr>
<tr>
<td>Health</td>
<td>15.2</td>
</tr>
<tr>
<td>Adaptive equipment and aids</td>
<td>14.2</td>
</tr>
<tr>
<td>Domestic needs - meals, cleaning, gardening, maintenance</td>
<td>11.8</td>
</tr>
<tr>
<td>Housing (including modifying own house, or moving to a better location)</td>
<td>10.8</td>
</tr>
<tr>
<td>Education and training</td>
<td>6.8</td>
</tr>
<tr>
<td>Social/recreational costs</td>
<td>6.8</td>
</tr>
<tr>
<td>Costs associated with employment (and lost wages at certain times due to disability)</td>
<td>6.5</td>
</tr>
<tr>
<td>Formal support (integration aids, support workers, translators etc)</td>
<td>5.6</td>
</tr>
<tr>
<td>Other</td>
<td>4.3</td>
</tr>
<tr>
<td>Informal support</td>
<td>2.8</td>
</tr>
</tbody>
</table>

DISCUSSION

Existing research shows that people with a disability experience significantly greater financial hardship than the general Australian population. In many cases, this is due to expenditure of a significant proportion of their income, (which is generally low), on health and disability related costs. This study has shown that the financial status of people with a disability leads to a reduction in social participation for a significant number of people with disabilities. In all four categories of social participation investigated - employment; education and training; social and recreational activities; and health services - at least twenty-six percent (26%) of respondents said that they were always or often prevented from participating because of their financial status. Overall, two thirds to three quarters of respondents were prevented, to varying degrees, from participating in these domains of social and economic life due to financial constraints. While all activity areas evidenced significant barriers to participation, the areas of social and recreational participation and access to health services evidenced slightly higher barriers.

Not unexpectedly, employment status significantly affected the barriers to social participation. A very high percentage of people who were unemployed or who relied on a government allowance as their main source of income were often prevented from participating in education and training, employment, social and recreational activities, and appropriate health services because of insufficient finances. Respondents who were unemployed were twice as likely to say they were often prevented from participating in activities than their employed counterparts. Likewise those people who relied on a government pension were three to five times more likely to be prevented from participating in social activities that those...
respondents whose main source of income is a wage or a private income.

People with a disability have repeatedly identified the priorities in which they seek increased government financial support. This research repeats the findings of O’Neill in 2003 that identified that the two priority areas for government financial assistance are transport and aids and equipment. The recent Human Rights and Equal Opportunity Commission (2005) report clearly articulates how these items are essential to labour market participation. People with disability require government intervention in these two arenas as well as assistance meeting health needs, domestic and personal care needs, and appropriate housing.

The costs associated with a disability are, of course, more than a 'numerical' cost. These are costs which prevent people living with disabilities from participating in a broad spectrum of social activities, despite their own aspirations as well as Government policy which encourages (even requires) them to do so. The research discussed in this paper evidences a high level of reduced participation due to financial constraints experienced by people with disabilities. This suggests an urgent need to rethink policies related to participation (either voluntary or mandatory) and the strategies that are needed to overcome finance related barriers. Current government policy appears to shift the blame to the victim, and ignore the already significant levels of hardship and disadvantage experienced by this group.

Beth Spencer, a woman with a disability, writes in her article "A life less lived" (Spencer 2005) that "long term compassion and a commitment to supporting people with complex and difficult problems is harder to sustain, and as such is always an easy target for cost cutting". This paper provides evidence that argues for changes to financial and social policy in respect to people with disability based on a clear and compassionate understanding of their current circumstances, their needs and aspirations. The barriers associated with disability remain largely socially (and politically) constructed. Accessibility, inclusion and participation are important policy directions that require government and community responses to mediate the ongoing economic and social exclusions experienced by people with a disability in Australia.

EVIDENCE OF FINANCIAL DISADVANTAGE FOR PEOPLE WITH DISABILITY IN AUSTRALIA

There is much evidence to show that people with a disability in Australia are experiencing serious financial disadvantage. One indicator of the increased economic hardship associated with disability is the vastly reduced income of people reporting a disability as compared to those without. According to the Australian Bureau of Statistics (ABS), in 2003 the median gross income for 15-64 year olds with a disability was about half that of people without a disability ($255 compared to $501 per week). Income was less again for people who reported a profound core activity limitation ($200 per week) (ABS 2003: 3).

The Human Rights and Equal Opportunity Commission (2005a) cites 1998 statistics from the Productivity Commission that show that having a disability reduces the average gross weekly wages of females by $110 (24%) and males by $105 (17%), as compared to people without disabilities. Similarly, according to the Australian Institute of Health and Welfare (AIHW), in 1998 seventy percent (70%) of household-living Australians aged between 15-64
who had a core activity restriction, and fifty-six percent (56%) of those with severe restrictions, were in the lowest income quintiles. In comparison only thirty-one percent (31%) of people living without a disability were in this quintile (AIHW 2004: 44).

Adding an international perspective, Australia is listed as having the lowest personal income for people with disabilities in the OECD, with people with disabilities receiving forty-four percent (44%) of the income of those without a disability (HREOC 2005b). A range of submissions cited in the recent Human Rights and Equal Opportunity Commission report WORKability: People with disability in the open workplace (2005a) identify that the income of people with disabilities who receive government benefits or subsidies will further decrease as a result of recent changes to government income support for this group. Specifically, restricted eligibility criteria for the Disability Support Pension is likely to result in the rejection of sixty percent (60%) of new applicants (Brotherhood of St. Lawrence, quoted in HREOC 2005a: 46). The Centre for Full Employment and Equity itemises a range of scenarios that evidence income cuts of between $38 and $155 per week for a single person with a disability, depending on their level of employment or study (HREOC 2005a: 46).

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