

Rehab Group
Pre-Budget Submission 2027 to
Department Social Protection

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Rehab Group: Who we are and what we do.

Rehab Group welcomes the opportunity to make this Pre-Budget submission to the Department of Social Protection.

Rehab Group is an independent voluntary organisation that has been providing services and support for 12,000+ adults and children with disabilities for 75 years. Our campaigning organisation advocates for the people who use our services and their families.

Our purpose is to empower those we support to lead more independent lives and play an active and meaningful role in their communities by providing high-quality, flexible, and sustainable care services; learning, education and training opportunities; and employment.

We are a rights-based and inclusion focussed organisation comprising RehabCare, National Learning Network and Rehab Enterprises.

Over the course of the past year we have consulted widely with the people who use our services on the Department's Cost of Disability consultation which encompassed many aspects of the Social Protection system. We conducted more than thirty in-depth focus groups, engaging over 150 service users from across the country and hosted a dedicated workshop on the cost of disability at our National Advocacy Conference. To complement these insights, we surveyed over 50 frontline staff members, including Care Workers, Instructors, Psychologists, Rehabilitation Officers, Supervisors, and Managers.

Across these consultations, participants identified a range of barriers that limit their ability to achieve financial independence and to live independently or to live the life of their choosing.

In this submission, Rehab Group outlines our concrete recommendations for social protection measures for people with disabilities that we believe ought to be included in the Budget 2027.

Our Priorities for Budget 2027

1. Introduce a Cost of Disability Payment of €55 per Week

Rehab Group has already made a comprehensive submission to the Department's recent consultation on the Cost of Disability payment. In that submission we highlighted how people with disabilities in Ireland are substantially more at risk of poverty and deprivation than those without disabilities.

Ireland ranks 20th in the EU for disability poverty (32.7%), with an "at risk of poverty or social exclusion by level of disability (activity limitation)" rate 4% above the EU average (28.8%)

One in six persons unable to work due to longstanding health problems are living in consistent poverty.

16.4% of people unable to work due to longstanding health problems (disability) live in consistent poverty, compared to the national average of 5%. 32.5% of people unable to work due to longstanding health problem (disability) live at risk of poverty, compared to 5.4% of employed people.

A March 2025 study from the Irish Human Rights and Equality Commission (IHREC) and the Economic and Social Research Institute (ESRI), showed that households with a disabled member face significant financial burdens related to disability and have very high at risk of poverty (AROP) rates. The study showed that disabled people are economically disadvantaged with additional weekly costs of disability ranging from €488-€555, amounting to 52-59% of their disposable income. Additional costs include transport, communications, equipment, disability aids, assistive technology, medical care, and personal care.

The 2025 Eurofound Living and Working in Europe e-survey shows that respondents with disabilities more often report that their household has difficulties making ends meet and that these difficulties are largest for non-working respondents, women and those aged 65 and over. Significantly the gap between respondents with and without disabilities is higher in Ireland than it is in the EU overall (21% vs. 14% difference, respectively).

Participants in Rehab's focus groups contended that the core principle should be that everyone with a disability receives the payment regardless of their personal circumstance.

A rights-based approach means shifting the mindset from: "Do you qualify?" to: "What do you need to live equally?"

Rehab adult service users report being unable to survive independently without financial support from family or being unable to cope with exceptionally high energy costs. During our Focus Groups they highlighted the difficulties they face to ensure they can afford even necessities having to make difficult choices in prioritising their needs. Family support covered essentials like heating and eating.

The quotes below highlight some of the difficulties they face:

I live at home with my elderly mother, she requires help but doesn't have carers. I am her carer but I don't get paid for it. I'm having to stretch my disability allowance to cover both of us as her pension doesn't cover her medical bills.

There are a lot of sensory aids that would benefit me because of my autism but they are just too expensive.

I can't afford my medication and my shopping each week. I find it difficult to make ends meet

I can pay for the essential but there is nothing left for any extra like the internet

We are calling for a cost of disability payment to be made in Budget 2027. This should be a permanent, recurring payment and not a once-off, seasonal or annual payment. The initial Cost of Disability Payment should be at least €55 per week.

The initial payment to be introduced in Budget 2027 should not be seen as a final solution to the Cost of Disability question. We believe that it will take time to arrive at a co-designed approach to a Cost of Disability payment but that an initial payment of at least €55 is the minimum action required for Budget 2027.

The Cost of Disability Payment should be compatible with employment and not become a disincentive to people with disabilities who can and want to work.

For those in employment, options could include a direct payment or tax credit equivalent in value to the social protection payment. This should be available to all earners, regardless of income. Furthermore, over 65s with a disability must be included.

2. Provide a Disability Emergency Payment of €400 in 2026

While Rehab understands and welcomes that the Department is currently in the process of developing a permanent Cost of Disability, it cannot be overstated how people with disabilities and their families cannot afford to wait for this to be developed and implemented. They need help **now**.

The current global political climate is leading to increases to fuel costs, electricity, and home heating costs. This is exacerbating the uncertainty and fear experienced by people with disabilities who are facing choices of to heat or to eat. People with disabilities are being expected to absorb the price rises on very limited income and despite the already extraordinary additional costs caused by their disability.

The government acknowledged the need for extra supports for people with a disability before with one-off-payments as well as the pledge to create a permanent cost of disability payment, however now in the interim people with disabilities are being left to struggle.

We are calling for an emergency payment of €400 to be made in 2026 to allow people with a disability to survive until a permanent Cost of Disability payment is established.

3. Deliver a meaningful increase in core social protection rates

Social Justice Ireland estimates that the weekly relative income poverty threshold for a single adult is substantially higher than current core social welfare rates. As a result, many people reliant on social protection remain at risk of poverty despite recent increases. The €10 per week increase provided in Budget 2025 was insufficient to close this gap or to keep pace with the rising cost of living.

Budget 2027 should deliver a substantial increase in core social protection rates as part of a clear commitment to progressively move income supports towards an adequate standard of living and reduce poverty risk. In addition, social protection payments should be indexed to both inflation and wage growth to ensure their value is maintained over time and that recipients can share in improvements in living standards.

4. Provide additional supports for people with disabilities to address the energy/fuel crisis

As many people with disabilities are more isolated, they spend more time at home meaning their energy usage is greater.

Many disabilities affect heat regulation, so people require greater levels of heating to remain comfortable. Many mobility items are electric and require either charging or continuous power – wheelchairs, beds, hoists etc. While the extension of the fuel allowance to the 1 May this year was welcome, we believe the fuel allowance period should be extended annually throughout the summer months. Moreover, we are calling for Fuel Allowance to be extended automatically to all recipients of disability-related social welfare payments.

5. Develop concrete measures to promote the employment of people with disabilities

The right of persons with a disability to work on an equal basis with others is enshrined in international, EU and national policies, including the UN Convention on the Rights of Persons with Disabilities, the European Union Pillar of Social Rights and the National Human Rights Strategy for Disabled People. However, significant obstacles remain in developing pathways to their employment in Ireland.

The employment rate in Ireland for people with disabilities at 32% is the lowest in the EU and compares poorly with the EU average of 51%²: At the same time, the disability employment gap is one of the highest. The EU average gap between the employment rate of persons with disabilities and others stands at 24%, while in Ireland, it is 38.2%. Only Romania, Hungary and Lithuania have higher Disability Employment Gaps.

People with disabilities in Ireland are almost three times more likely to experience poverty and isolation than those around them who do not have a disability.

Employment is one of the central pillars of the NHRSDP. If the ambition of the strategy is to be realised then sufficient funding must be put in place to resource the actions identified.

To increase the number of people with a disability, we are advocating for a number of interventions

a. Reform of Disability Allowance Earnings Disregards

The current Disability Allowance earnings disregard system acts as a major barrier to employment, financial independence, and career progression for people with disabilities. While Government policy promotes labour-market participation and disability employment, the structure of Disability Allowance undermines these objectives by penalising people who attempt to work.

The earnings disregard framework has not kept pace with increases in the National Minimum Wage, inflation, or the rising cost of disability. As a result, many disabled people face financial insecurity, anxiety around losing essential supports, and strong disincentives to engage in employment or increase their working hours.

Under the current system:

- the first €165 per week of earnings is disregarded,
- 50% of earnings between €165 and €375 are assessed,
- and earnings above €375 are assessed in full.

These thresholds have remained largely unchanged despite significant increases in wages and living costs.

The contrast with Carer's Allowance is stark. A recipient of Carer's Allowance may earn up to €1,000 per week while retaining their payment. In comparison, people with disabilities begin to lose supports at much lower income levels despite facing substantial barriers to employment and additional disability-related costs.

This disparity creates a clear "welfare trap". Many people with disabilities limit their hours, decline promotion opportunities, or avoid employment altogether due to fears around losing income and essential supports such as the Free Travel Pass and Medical Card. These supports are critical to maintaining independence, accessing healthcare, and sustaining employment.

The system is even more restrictive for married couples and households where a partner is working, as spouse and partner disregards under Disability Allowance remain far below those available under Carer's Allowance.

Reforming the earnings disregard system would deliver significant social and economic benefits. Higher disregards would:

- Support gradual and sustainable participation in employment.
- Reflect the additional costs associated with disability, including transport, heating, medication, assistive technology, and personal supports.
- Reduce poverty and social exclusion.

- Encourage labour-market participation and career progression.
- Support Government disability employment targets.
- Reduce administrative burden as higher thresholds would reduce constant reassessments, reporting requirements, and overpayment risks for both claimants and DSP.

Reform would also align with Ireland’s commitments under the UN Convention on the Rights of Persons with Disabilities by supporting economic participation and independence for disabled people.

We recommend that the Disability Allowance earnings disregard be brought into line with the Carer’s Allowance framework. Specifically, we propose:

- Substantially increasing the earnings disregard towards parity with the €1,000 Carer’s Allowance threshold,
- Significantly increasing both the lower and upper disregard thresholds as an interim measure,
- Indexing thresholds annually to inflation or National Minimum Wage increases,
- Creating smoother reductions instead of sharp cut-offs at 50%.
- Protecting secondary supports during transitions into employment.

People with disabilities should not be penalised for seeking employment or progressing in their careers. Reforming the Disability Allowance earnings disregard system would represent a practical and meaningful step towards equality, inclusion, and economic participation while delivering wider social and economic benefits for the State.

b. Reform the Wage Subsidy Scheme

i. Reform of WSS Rates:

In Budget 2026, the previous system of applying percentage-based Wage Subsidy Scheme (WSS) top-ups across six employer categories was replaced with a flat-rate increase across just three categories. As a result, employers with fewer than three employees with disabilities received an increase of €1.20 per hour, while employers with 23 or more employees with disabilities received an increase of just €0.55 per hour. This approach creates a disparity whereby employers with the highest levels of disability employment receive the smallest increase, undermining the objective of encouraging large-scale employment of people with disabilities and placing a disproportionate burden on those employers who have made the greatest commitment to inclusive employment.

To ensure the scheme remains effective and sustainable for employers, WSS subsidy rates should be indexed to, or reviewed in line with, annual changes to the National Minimum Wage. In addition, a graduated support structure should be introduced to recognise the scale of disability employment supports provided by employers. Based on an increase of 85 cent in the NMW we propose the following rates for each of the three bands: 55% (€8.25) for employers in Band 1 (1-6 employees); 65% (€9.75) for employers in Band 2; and 80% (€12.00) for employers in Band 3 (17+ employees).

This approach would provide greater sustainability for employers and better reflect the additional costs associated with supporting larger numbers of employees with disabilities. It would also provide a real incentive for employers to employ people with a disability on the WSS. The table below provides an estimated cost of this proposal.

No of Employees in each Band	No of Employees 2025 in receipt of WSS	2025 Rate	2026 Cost based on 28.5 hours per week	Proposed increase based on % of 2027 NMW* 55% 1-6 65% 7-16 80% 17+	Total Cost	Variance on 2026 Rates
1 to 6	2,002	7.5	€22,252,230.	8.25	€24,477,453	€2,225,223
7 to 16	182	8.5	€2,292,654	9.75	2,629,809	€337,155
17+	354	10	€5,246,280	12.00	6,295,536	€1,049,256
Total:	2,538		29,791,164		33,402,798	€3,611,634

***Estimate for 2027 for increase in NMW is 85 cent to €15.00**

Moreover, the Wage Subsidy Scheme (WSS) rates should be reviewed and adjusted annually rather than every three years, as recommended in the 2024 review. Under the current approach, the modest increases introduced in Budget 2026 would remain unchanged until at least 2029, despite rising labour costs and increases in the National Minimum Wage.

ii. *Increase the grant for Strand 3 Employment Assistance Officers to €60,000*

The current Strand 3 grant of €30,000 for employers with up to 25 employees with disabilities to employ an Employment Assistance Officer (WorkPath Facilitator in Rehab Enterprises) has remained unchanged for more than 20 years. During this period, employment and operating costs have increased significantly, while employers must also meet additional costs associated with accommodation, equipment, training, HR support, travel, and administration.

WorkPath Facilitators provide essential workplace supports that enable employees with disabilities to succeed and progress in employment. They offer confidential one-to-one guidance, person-centred vocational planning, workplace problem-solving, skills development, and liaison with managers and external service providers to ensure appropriate supports and accommodations are in place. They also promote disability awareness and inclusive workplace practices.

The role is critical in helping people with disabilities access, sustain, and progress in employment. By addressing workplace barriers, supporting both employees and managers, and fostering inclusive workplace cultures, WorkPath Facilitators improve retention, productivity, and employee wellbeing.

Given Ireland's significant disability employment gap, these supports are more important than ever. WorkPath Facilitators provide the bridge between supported and open employment, helping individuals build confidence, develop skills, and progress towards greater labour-market participation. Increasing the Strand 3 grant to €60,000 would better reflect the true cost of delivering this vital service and strengthen employers' capacity to support inclusive employment, in line with national disability and labour-market activation objectives.

iii. Reduce the hours required to qualify for WSS

Rehab Group has long advocated for a reduction in the minimum hours required to qualify for the wage subsidy scheme. Throughout numerous focus groups or service users have often cited that the minimum requirement of 15 hours per week is a huge discouragement to them joining the scheme.

Due to the complex nature of their disabilities and some negative experiences in previous employment many of the people who use our services have stated that they cannot meet the minimum requirement of 15 hours per week. We welcome the commitment in the National Human Rights Strategy for Disabled People to review the minimum hours requirement and believe that this should be done in Budget 2027.

Reducing the minimum hours requirement for the Wage Subsidy Scheme (WSS) from 15 hours to 8 hours per week can be justified on disability inclusion, labour-market participation, and policy-consistency grounds.

The current 15-hour threshold is largely an administrative policy choice rather than a medically, economically, or legally evidence-based definition of employment. For example, eligibility for unemployment assistance supports from DSP defines employment as the number of days worked as opposed to reference to the number of hours worked. For PRSI/social insurance the focus is on earnings thresholds than hour thresholds.

The CSO follows the International Labour Organization definition, under which a person is employed if they worked: **“for one hour or more for payment or profit in the reference week.”**

We are calling for the minimum hours for eligibility under the WSS to be reduced to at least 8 hours. The benefits of such a proposal are outlined below:

- Enable many disabled people to access employment, particularly those with fluctuating conditions, fatigue, mental health conditions, or chronic illness.
- Support gradual entry into employment and allow people to build capacity over time.
- Increase labour-market participation and reduce barriers to accessing supported employment.
- Better reflect the reality of fluctuating disability and support sustainable employment retention.
- Align to modern labour markets that increasingly rely on flexible and part-time work arrangements, making high rigid hour thresholds outdated.

- Provide earlier access to employment to long term labour-market attachment.
- Align with Ireland’s obligations under the UN Convention on the Rights of Persons with Disabilities (UNCRPD) and principles of disability inclusion.
- Represent meaningful paid employment, employer commitment, skill development, and labour-market participation.
- Include many disabled people who are capable of participating in genuine employment, but who cannot consistently sustain 15 hours.

c. Introduce a National Programme of Employer Disability Awareness Training

A recurring theme emerging from our consultations with NLN students and Rehab Care service users is the lack of disability awareness among employers. Many participants reported feeling pre-judged during recruitment processes and believed that misconceptions about disability continue to limit employment opportunities.

While the National Human Rights Strategy for Disabled People commits to a sustained media campaign to improve employer awareness and increase uptake of employment supports, awareness alone is unlikely to address deeply ingrained attitudes and biases towards people with disabilities.

The people who use our services consistently highlighted the need for comprehensive disability awareness training for employers to challenge stigma, promote inclusive hiring practices, and improve understanding of the skills, capabilities and contributions that people with disabilities bring to the workplace. Participants reported experiences of discrimination, inadequate workplace supports and a reluctance to disclose disabilities for fear of negative treatment.

Disability Awareness Training is key tool to equip employers with the knowledge and confidence to recruit, retain and support employees with disabilities, while fostering more inclusive workplaces. It is essential not only to improve the awareness of the supports available to them (such as Work and Access or Wage Subsidy Scheme) but more importantly to improve their understanding of disability and the often forgotten many **benefits** that people with a disability bring to the workplace.

Summary of our Main Proposals

- Introduce a Cost of Disability Payment of €55 per Week
- Provide a Disability Emergency Payment of €400 in 2026
- Increase core welfare rates substantially to bridge the gap between social welfare payments and the At Risk of Poverty (AROP) threshold
- Develop concrete measures to promote the employment of people with disabilities including:
 - Substantially increasing the Disability Allowance earnings disregard towards parity with the €1,000 Carer's Allowance threshold
 - Review rates of Wage Subsidy Scheme annually by offering graduated increases to each band as percentage of National Minimum Wage. For Budget 2027 we recommend the following rates: Band one - €8.25; Band 2 - €9.75; Band 3 - €12.00.
 - Increase WSS grant for Employment Assistance Officers under Strand 3 of the WSS from €30,000 to €60,000 in acknowledgement of fact that there has been no increase to this grant in over 20 years.
 - Reduce the number of hours required for the WSS from 15 to 8.
- Launch a sustained national employer awareness campaign and disability inclusion training programme to challenge bias, promote the benefits of employing people with disabilities, and increase awareness and uptake of available employment supports.
- Provide On-the-Job Supports such as job coaches and workplace supports to improve success and retention.
- Create structured pathways from placements to paid employment for people with disabilities through the expansion and mainstreaming of the pilot with Rehab's Work Ready Programme.