



DISABILITY AND WORK: New Zealand's challenges challenges in OECD perspective

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Summary of the situation

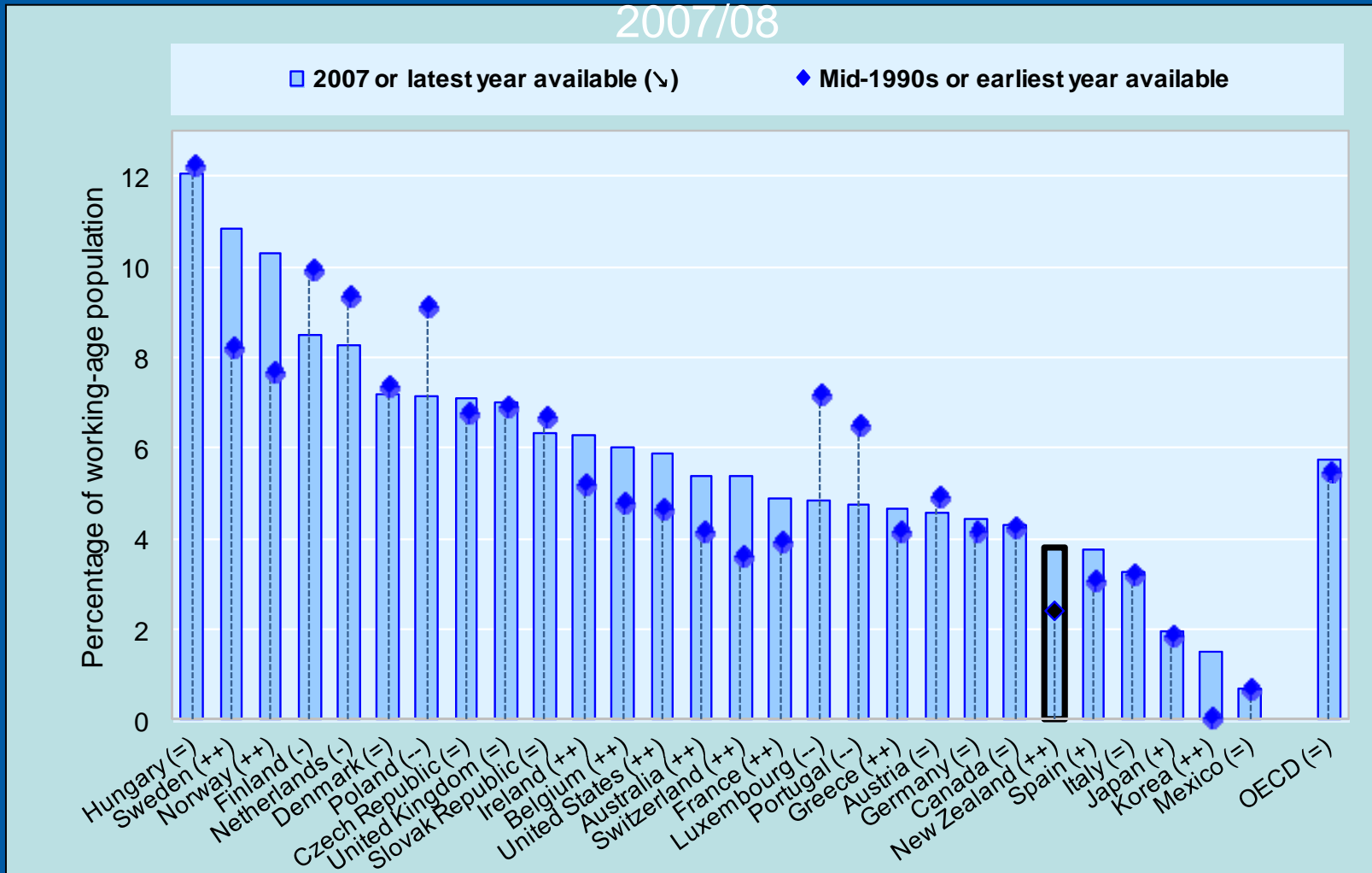
- The gradual increase in the Invalid's Benefits caseload is worrisome but not dramatic
- New Zealand's disability policies, due to changes over the past decade, are quite robust and in line with good practice in many key areas
- The main weaknesses in the system relate to ...
 - Systematic early identification and intervention
 - Participation requirements for (potential) beneficiaries
 - Involvement and engagement of employers

Outline of the presentation

- How do selected key outcomes in New Zealand compare with those across the OECD?
- Are New Zealand's disability policies robust and recent reforms in the right direction?
- What aspects have yet to be addressed in New Zealand and what can be learnt from elsewhere?

Invalid's Benefit: low level, fast increase

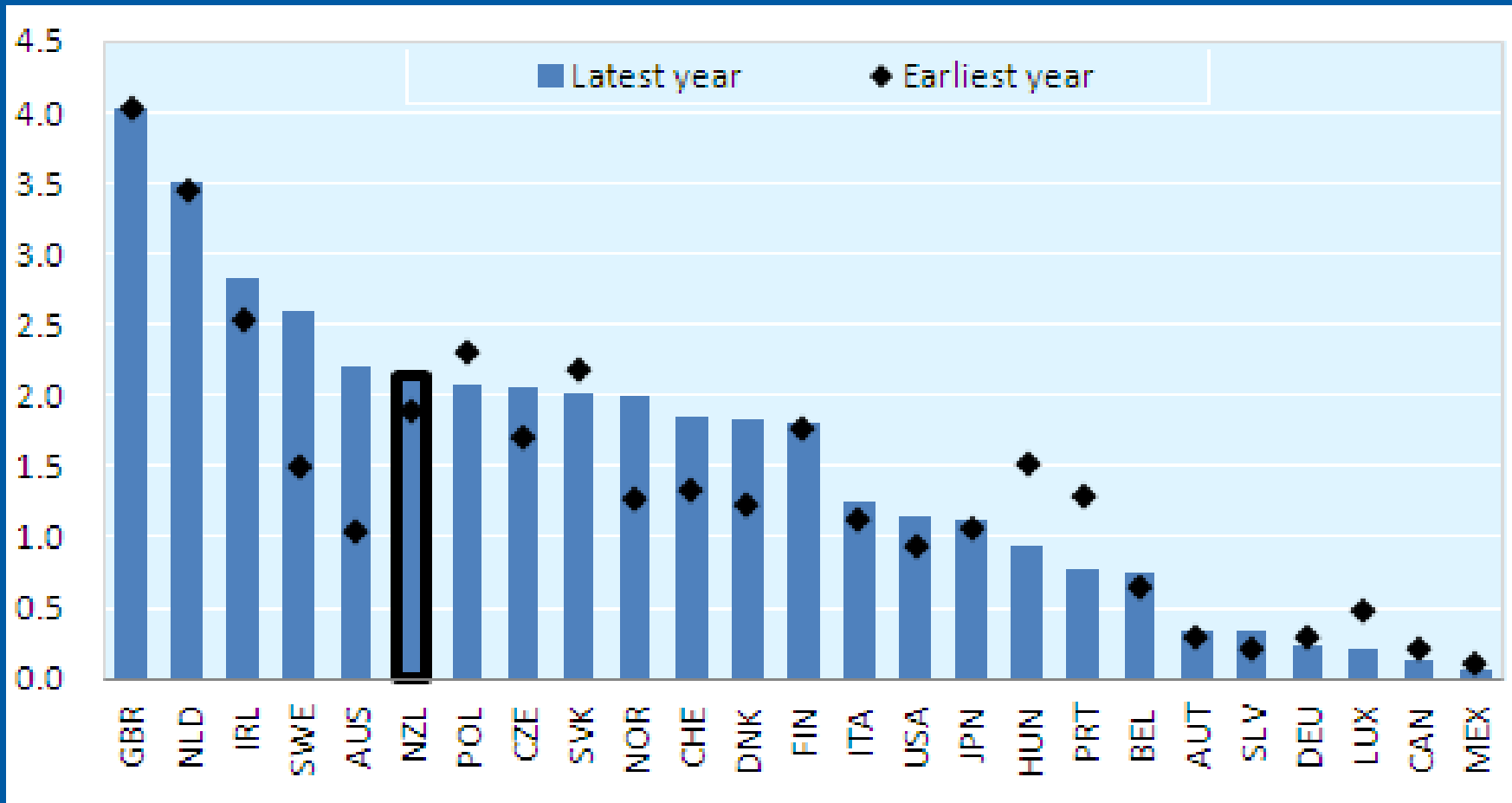
Caseload in per cent of the working-age population, 1995 and 2007/08



Source: OECD (Sickness, Disability and Work review)

Yet, high level among younger adults adults

Caseload 20-34 in per cent of population 20-34, 1995 and 2007/08



Interpreting outcomes

- NZ is facing a growing problem of IB (and SB) becoming the benefit of last resort
 - To do with stricter reforms in other benefit systems; changes in labour markets; population ageing
- Level of inflow into IB like elsewhere; inflow into SB higher than elsewhere
 - Many people onto IB via *other* working-age benefits
- Outflow into employment as low as elsewhere
- Similar trend in gender and health conditions

Promising changes in key areas

- Harmonisation of IB-SB (medical) assessments
- Case managers and specialist disability advisors
- Shift to focusing on abilities and potential; not providing services depending on income support
- Combined health and employment services
- Special funds for innovative solutions
- Better vocational and earnings outcomes through Pathways-to-Inclusion Strategy

=> Changes in the right direction

The main remaining challenges (1) challenges (1)

- Systematic early identification and intervention
 - Absence monitoring for workers
 - Health status monitoring for unemployed/inactives
 - Break link from sickness to disability
- Involvement and engagement of employers
 - Employers as part of the solution
 - Stronger incentives and obligations
 - Better tools and supports

The main remaining challenges (2) challenges (2)

- Participation requirements for beneficiaries and those applying for IB/SB
 - Voluntary nature of services as a big challenge
 - Raise expectations and obligations
 - Apply same approach for all working-age benefits
- Yet, promising attempts to move to a single working-age benefit have been halted
 - Also an issue in regard to work incentives
 - Could set an example for the rest of the world

Thank you.

OECD publications on disability and work:
work:

www.oecd.org/els/disability