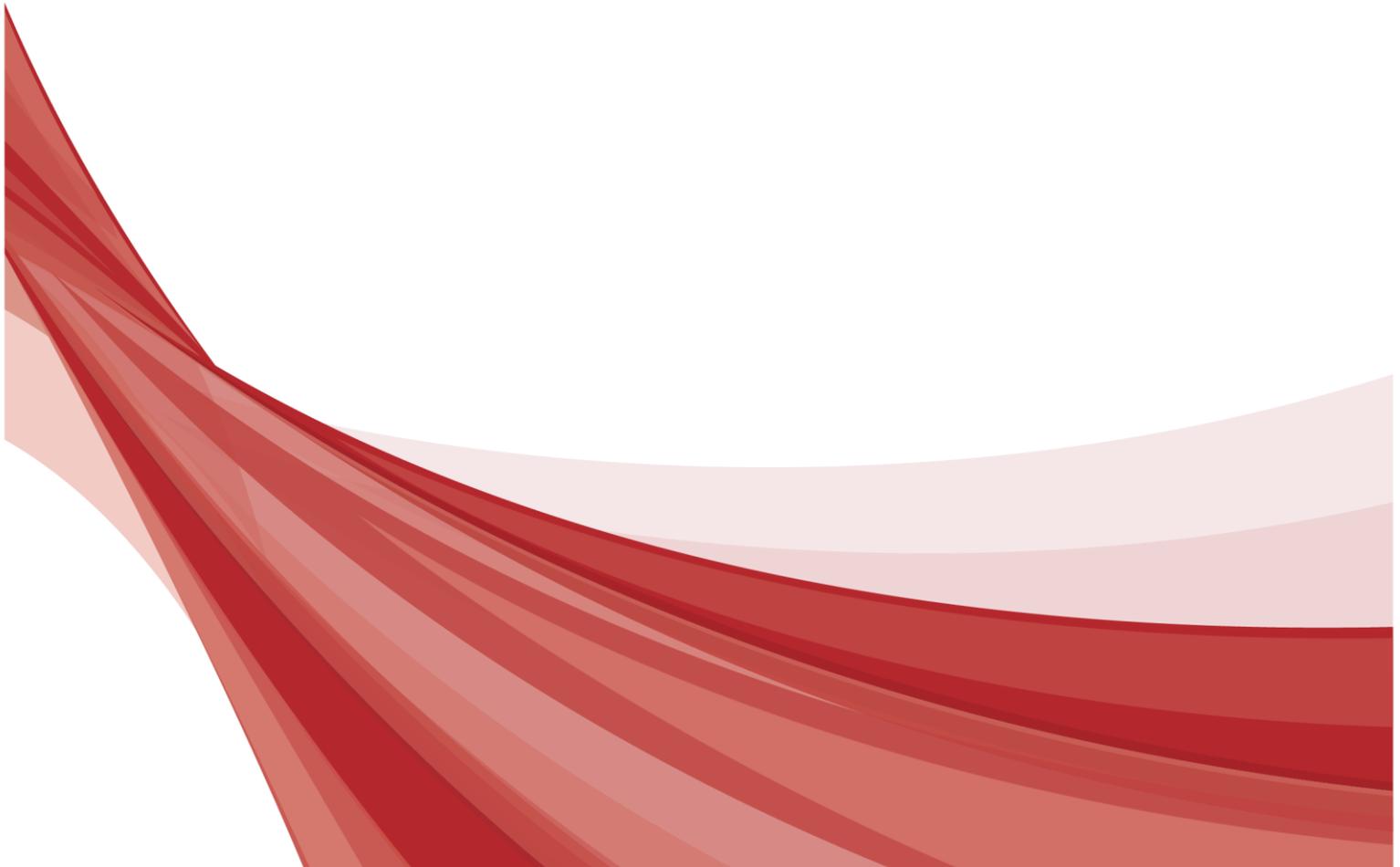


# Mental health and employment



## Executive summary

- There is a persistent and significant employment gap between people defined as disabled under the Equality Act (EA)<sup>1</sup> and non-disabled people. The TUC would like this employment gap to be eliminated.
- The 2015 government had a commitment to halve the disability employment gap by 2020. This was a welcome pledge but on current trends it will not be achieved.
- There has been an increase in the employment rate of disabled people between 2013 and 2016. While this increase is positive, the latest employment figures for disabled people in the fourth quarter (Q4) of 2016 are still only 50 per cent, with just under 3.5 million disabled people in employment. The employment rate for non EA disabled people in Q4 2016 was significantly higher at 80.4 per cent<sup>2</sup>.
- Labour Force Survey analysis of health problems lasting or expected to last more than one year that primarily stem from mental health problems (either ‘depression, bad nerves and anxiety’ or ‘mental illness, or suffer from phobia, panics or other mental disorders’) shows that mental health problems are a significant barrier to getting into work.
- Disabled people with long term depression and particularly those with mental illness or phobias are under-represented in employment. 45.5 per cent of disabled people with health problems lasting or expected to last more than one year who had depression and anxiety as their main health problem, were in employment (471,725 people). Just 26.2 per cent of disabled people experiencing long term mental illness or phobias as their primary, or most significant, health issue, were in employment (118,342 people).
- The TUC believes in the social model of disability which emphasises the barriers placed in the way of disabled people’s inclusion, and places the onus on the employer to make changes to the workplace to make it accessible to disabled people<sup>3</sup>. Many disabled people are prevented from working because adequate adjustments are not made in the workplace to enable them to do so. This is also important as some people may become disabled while they are at work, which may require adaptations to their job. And some people have to leave work due to becoming disabled because they do not get the right changes in the workplace.

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<sup>1</sup> The Equality Act 2010 says that you must not be discriminated against because: you have a disability or someone thinks you have a disability. In the Equality Act a disability means a physical or a mental condition which has a substantial and long-term impact on your ability to do normal day to day activities. The Act also covers progressive conditions like HIV, cancer or multiple sclerosis, even if those affected are currently able to carry out normal day to day activities. <https://www.equalityhumanrights.com/en/advice-and-guidance/disability-discrimination>

<sup>2</sup> Great Britain, TUC analysis of Labour Force Survey

<sup>3</sup> <https://www.tuc.org.uk/sites/default/files/socialmodel.pdf>

- Significant government and employer action is therefore still required to address the employment gap between disabled and non-disabled people.

## Introduction

This report looks at the employment of disabled people and in particular examines the employment of people with depression and mental illness. It builds on TUC research published in 2015 ‘Disability and employment: a social model study of the employment experiences of disabled people in Britain, with a focus on mental illness’<sup>4</sup> and 2016 analysis on disability and employment<sup>5</sup>.

Disability is not just a barrier to getting employment. Some people may become disabled while they are at work, which may require adaptations to their job. And some people have to leave work due to becoming disabled because they do not get the right changes to their workplace.

## Analysis

This paper analyses Labour Force Survey (LFS) data to show that there is a significant difference in the employment rates of people defined as disabled under the Equality Act (EA) 2010 compared with non-disabled people. The TUC would like this employment gap to be eliminated.

Table 1 shows that the employment rates for all disabled workers have increased since the fourth quarter (Q4) of 2013. While this increase is positive, the latest employment rate for disabled people in Q4 2016 is still only 50 per cent, with 3,488,894 in employment. The employment rate for non EA disabled people in Q4 2016 was significantly higher at 80.4 per cent. And the inactivity rate for EA disabled people was extremely high at 44.9 per cent<sup>6</sup>, while the inactivity rate for non EA disabled people was 16.2 per cent.

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<sup>4</sup> <https://www.tuc.org.uk/sites/default/files/DisabilityandEmploymentReport.pdf>

<sup>5</sup> <https://www.tuc.org.uk/sites/default/files/Disability%20and%20employment.pdf>

<sup>6</sup> Great Britain, TUC analysis of Labour Force Survey

**Table 1 Percentages of employment activity for EA disabled and non EA disabled Q4 2013 – Q4 2016, Great Britain**

	Equality Act Disabled			Non Equality Act Disabled		
	Employed	ILO unemployed	Inactive	Employed	ILO unemployed	Inactive
Q4 2013	44.5%	6.7%	48.8%	78.0%	5.4%	16.6%
Q4 2014	46.1%	5.8%	48.1%	79.2%	4.2%	16.6%
Q4 2015	47.2%	5.4%	47.4%	80.3%	3.6%	16.0%
Q4 2016	50.0%	5.1%	44.9%	80.4%	3.4%	16.2%

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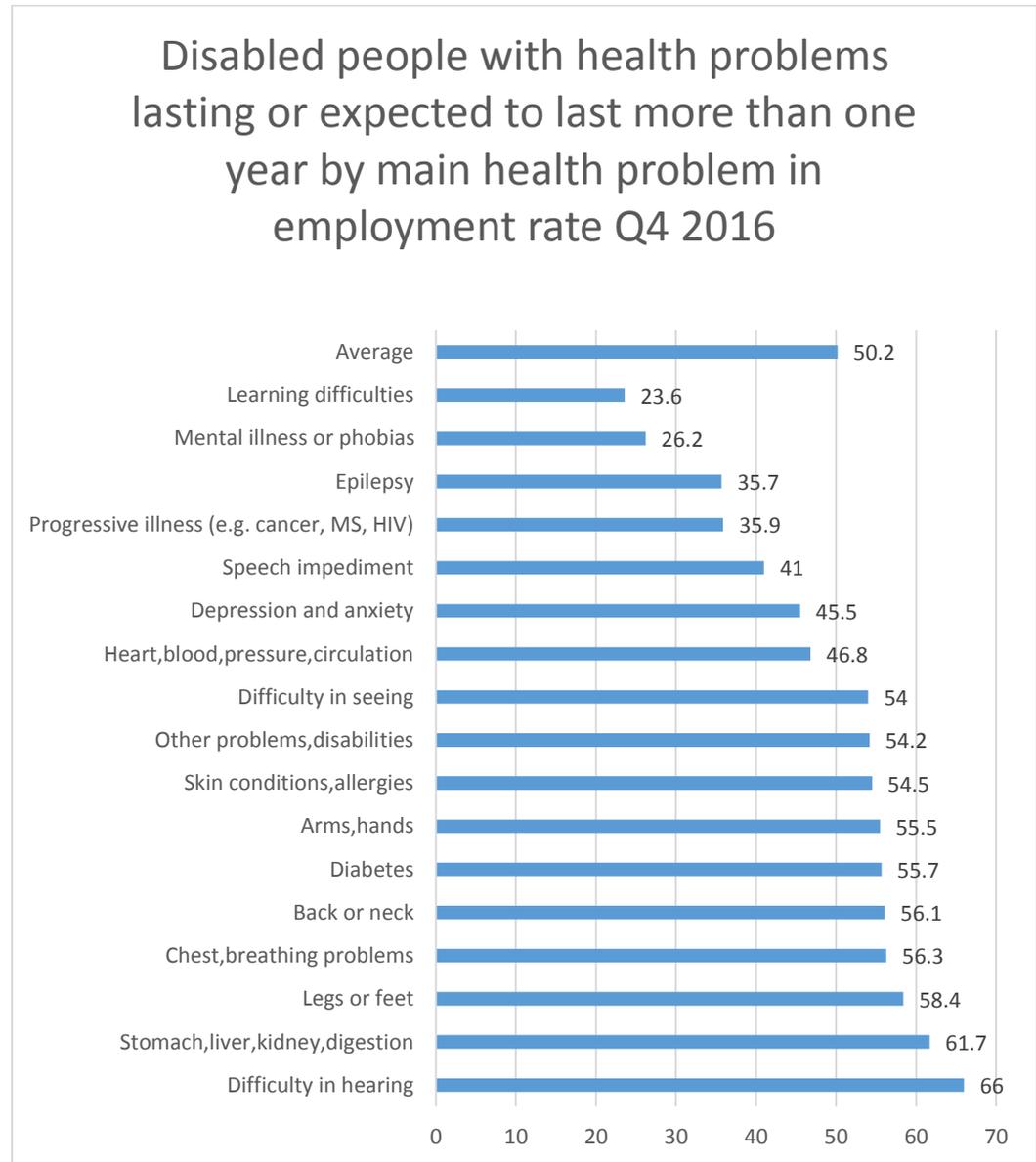
Labour Force Survey analysis of ‘health problems lasting or expected to last more than one year’ for people whose illness stems from mental health and is defined as ‘depression, bad nerves and anxiety’ or ‘mental illness, or suffer from phobia, panics or other mental disorders’ shows that mental health problems are a key reason for EA disabled people not being in employment. Henceforth the paper summarises the respective two categories the LFS uses when examining mental health problems as ‘depression and anxiety’ and ‘mental illness or phobias’ that last or are expected to last more than one year.

In Q4 2016, 3,461,200 EA disabled people with long term health problems were in employment. Figure 1 shows that the average employment rate was 50.2 per cent. People with difficulty in hearing had the highest employment rate at 66 per cent and those with learning difficulties were least likely to be employed at 23.6 per cent.

45.5 per cent of disabled people with long term health problems had depression and anxiety as their main health problem, were in employment (471,725 people). Just 26.2 per cent of disabled people experiencing long term mental illness or phobias as their primary, or most significant, health issue, were in employment (118,342 people).

<sup>7</sup> Great Britain, TUC analysis of Labour Force Survey. TUC analysis of LFS data is specific to Great Britain rather than the UK because the Equality Act does not cover Northern Ireland. Due to the enactment of the Equality Act 2010 the definition of disability changed in the LFS from Q2 2013 therefore measures of disability pre and post Q2 2013 are not comparable. Hence figures used in this paper are from Q2 2013. TUC analysis is for 16-64 year olds  
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/methodologies/measuringdisabilityinthelabourforcesurvey>

**Figure 1 Employment rate (percentage) of EA disabled people with health problems lasting or expected to last more than one year by main health problem in Q4 2016**



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Figure 2 shows that the employment rates of disabled people with long term mental health problems have increased since Q4 2013. This is welcome news. The employment

<sup>8</sup> Great Britain, TUC analysis of Labour Force Survey

rate of people with long term depression and anxiety increased from 38.2 per cent in Q4 2013 to 45.5 per cent in Q4 2016. In the year to Q4 2015 there was the greatest uplift in the employment rate of disabled people with depression and anxiety with an increase of 3.4 percentage points.

However this slowed in the most recent year for which we have data, with the employment rate of disabled people with long-term depression and anxiety rising by only 1.8 percentage points in the year to Q4 2016. The average annual increase in the employment rate from Q4 2013 to Q4 2016 was 2.43 per cent percentage points.

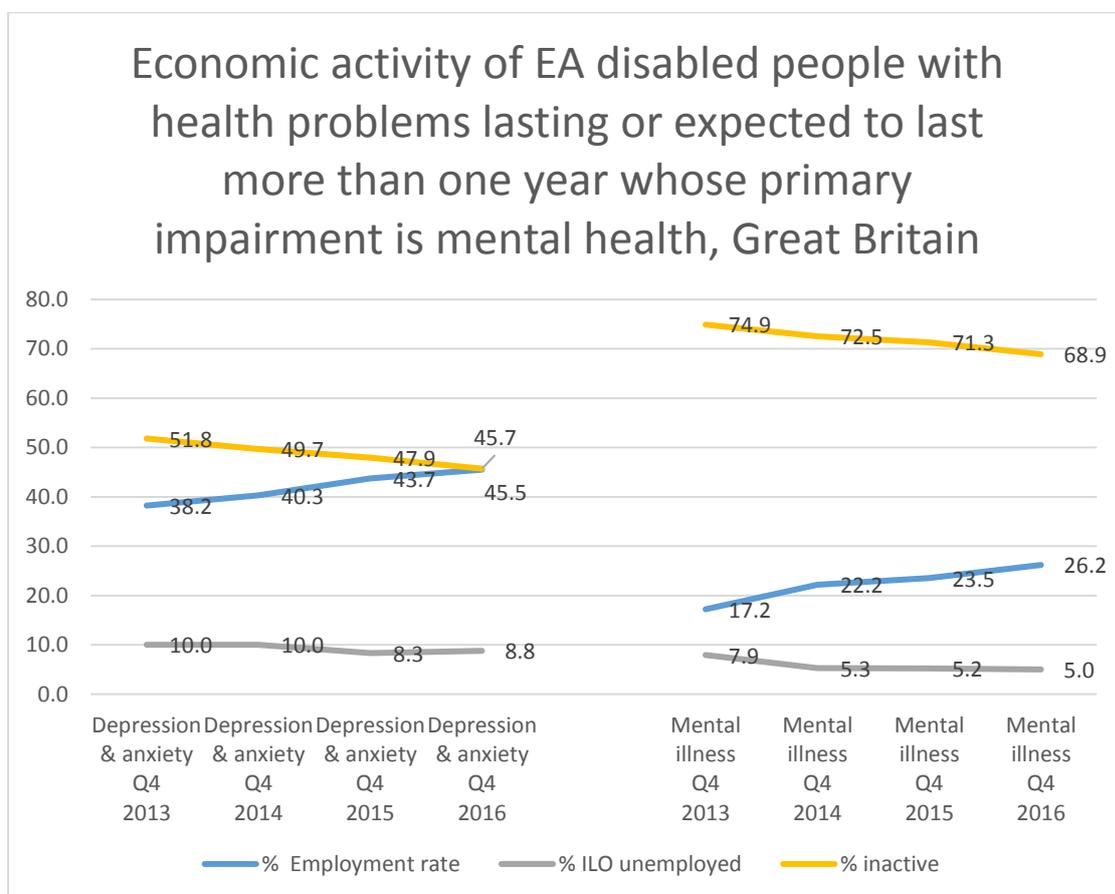
While the latest employment rate of disabled people with long term mental illness or phobias was only 1 in 4 or 26.2 per cent in Q4 2016, there has been a greater increase in the employment rate for this group since Q4 2013 than for people with long term depression and anxiety. The employment rate of disabled people with long term mental illness or phobias rose between Q4 2013 and Q4 2016 by an average of 3 percentage points per year. This is higher than the average annual increase for disabled people with long term depression and anxiety.

The greatest annual increase in the employment rate for disabled people with long term mental illness or phobias was in the year to Q4 2014. However, this slowed in the subsequent year when the employment rate only rose by 1.3 percentage points to 23.5 per cent in Q4 2015. The increase in the year to Q4 2016 was 2.7 percentage points, bringing the employment rate of people with long-term mental illness or phobias to 26.2 per cent.

Figure 2 shows that in Q4 2016 disabled people with long term depression and anxiety had an unemployment rate of 8.8 per cent and economic inactivity of 45.7 per cent. For disabled people with long term mental illness or phobias the economic inactivity rate was higher at 68.9 per cent and the unemployment rate was 5 per cent.

Despite the welcome increase in the employment rates of disabled people with long term mental health problems, these figures still show that less than half of people with depression and anxiety and only 1 in 4 people with mental illness or phobias are employed. The low numbers in employment indicate that adequate changes are not being made in the workplace to enable people with mental health problems to work. It could also be because they are not getting the support they need to access employment or stay in work.

**Figure 2 Economic activity of EA disabled people with health problems lasting or expected to last more than one year, Great Britain**



<sup>9</sup>

## Increasing the employment of disabled people

In 2015 the Conservative Party election manifesto pledged to “halve the disability employment gap” and a subsequent commitment said this would be by 2020<sup>10</sup>. This was a welcome commitment but TUC analysis of Labour Force Survey data in 2016 showed that the government was unlikely to meet this commitment<sup>11</sup>.

In March 2016 the Work and Pensions Select Committee announced an inquiry on the Government’s commitment to halve the disability employment gap<sup>12</sup>. The figures used in the Select Committee’s call for evidence on the disability employment gap used

<sup>9</sup> Great Britain, TUC analysis of Labour Force Survey

<sup>10</sup> Strong Leadership, A Clear; Economic Plan, A Brighter More Secure Future <https://www.conservatives.com/manifesto> p.19; <https://www.gov.uk/government/news/first-disability-confident-city-sets-out-bold-employment-ambition>

<sup>11</sup> <https://www.tuc.org.uk/sites/default/files/Disability%20and%20employment.pdf>

<sup>12</sup> <http://www.parliament.uk/business/committees/committees-a-z/commons-select/work-and-pensions-committee/news-parliament-2015/disability-employment-gap-launch-15-16/>

Labour Force Survey data for Q4 2015 to assess progress towards halving the disability employment gap. In January 2017 the Select Committee’s report concluded that:

*“clear reporting and measures of progress are, however, essential to keeping the goal of halving the gap in focus and ensuring transparency over whether and where progress is being made. This is especially so because halving the gap—and indeed, going beyond this where possible—is an ambition that will, in all likelihood, not be achieved by 2020.”<sup>13</sup>*

In the light of the current general election, new pledges from the political parties on addressing the disability employment gap can be expected. In the meantime it remains important to assess progress towards the government’s current targets.

### **Halving the disability employment gap**

The TUC has used the latest available LFS data, Q4 2016, as the point to assess the current disability employment gap and to calculate projections of how long it would take to halve the employment gap for EA disabled people with long term mental health problems<sup>14</sup>.

In Q4 2016 the disability employment gap for all EA disabled people aged 16 to 64 in Great Britain was 65.2 per cent. This is the base figure used as the target for EA disabled people with long term mental health problems.

To assess progress towards the halving of the disability employment gap in relation to EA disabled people with mental health problems we should consider a number of provisos. Clearly the economy does not grow at a standard rate and the size of the disabled population will change. Official measurement of statistics regarding disability may change. This paper is based on Labour Force Survey data for Q4 2013 onwards because the Equality Act 2010 (EA) changed the official definition of disability. Hence the definition of disability used in the LFS also changed to reflect the EA from Q2 2013. People with disabilities may also experience varying or new difficulties and discrimination finding employment.

Bearing these caveats in mind, we estimate that given the rate of progress from Q4 2013 to Q4 2016, to halve the disability employment gap will take until Q4 2025 for disabled people with long term depression and anxiety and Q4 2029 for disabled people with mental illness or phobias.

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<sup>13</sup> House of Commons Work and Pensions Committee, Disability employment gap Seventh Report of Session 2016–17

<https://www.publications.parliament.uk/pa/cm201617/cmselect/cmworpen/56/56.pdf>

<sup>14</sup> TUC analysis uses figures for Great Britain as the Equality Act does not apply to Northern Ireland

### **Depression and anxiety**

In Q4 2016 45.5 per cent of EA disabled people with long term depression and anxiety were employed. On TUC projections, given the average annual increase in the employment rate for disabled people with long term depression and anxiety of 2.43 percentage points between Q4 2013 and Q4 2016, it will take until Q4 2025 to halve the current disability employment gap. In Q4 2025 a 67.4 per cent employment rate for disabled people with long term depression and anxiety is projected to be achieved and would therefore slightly exceed the target of 65.2 per cent.

### **Mental illness or phobias**

In Q4 2016 only 26.2 per cent of EA disabled people with long term mental illness or phobias were employed. The annual average increase in the employment rate between Q4 2013 and Q4 2016, at 3 percentage points, was higher for this group of people than for those with long term depression and anxiety. But given the low starting point of people in employment, our projections find that it will take until Q4 2029 to meet the target of halving the current disability employment gap for this group. In Q4 2029 a 65.2 per cent employment rate for disabled people with long term mental illness or phobias is projected.

These figures reveal that it is imperative to remove the barriers people experiencing mental health problems face in accessing employment. It is positive that the employment rates of disabled people with mental health issues have increased between 2013 and 2016. However, the tougher economic climate expected after Brexit means it could become harder for disabled workers to get a job. And on current trends the halving of the disability employment gap will not occur by 2020 as pledged by the current government. Significant government and employer action is therefore required to address the employment gap between disabled and non-disabled people.

### **Policy recommendations**

To address the disability employment gap action is necessary by employers and government.

There are complex and often overlapping barriers which make it harder for disabled people who experience mental health problems to work. Employers have a legal obligation to make adjustments in the workplace for disabled workers and there is also a good business case for keeping disabled staff and retaining their skills and experiences.

A number of policy interventions are noted below for employers as well as what government can do to ensure disabled people can stay in work, have recourse to justice if they face discrimination and have the necessary support when they are unemployed and looking for work.

### **Workplace policies**

- An employer has a legal obligation to put in place reasonable adjustments (this can be ways to remove the physical barriers and/or providing extra support for a disabled worker). For people experiencing mental ill-health this could include time off for counselling or other medical appointments; changes to their role; moving their workplace or allowing for homeworking.
- An employer may adjust the sickness absence policy for disabled staff where time off is related to a disability. This is in recognition of the fact that some disabled people may have different and higher forms of sickness absence and the policy needs to be adjusted accordingly.
- As stigma remains a huge barrier, it may be useful to consider suitable awareness raising exercises which could include working with the trade union, disabled staff and mental health charities on awareness raising sessions at lunchtime.
- Employers should create a workplace wellbeing policy which looks at the issue of mental health holistically. This can include information on regular breaks, reducing workplace stress, the importance of physical activity, signposting to relevant agencies.
- On mental health, like other disability issues, efforts should be made to consult with staff who have experienced mental ill-health. This is in keeping with the notion that disabled people themselves should be able to determine the solutions to the issues they face.
- Employers should include reference to mental health in the sickness absence policy, reasonable adjustments policy, dignity and inclusion policy, health and safety, bullying and harassment, workplace domestic violence policy and any others which are deemed relevant.
- Ensuring senior managers champion awareness of mental health and fight to remove the stigma around mental health in the workplace.
- Engage with the recognised trade union so they can input into all policies related to mental health to ensure collective equality rights for disabled workers.

### **Government policies to support people with mental health conditions at work**

- The government should abolish tribunal fees to make it easier for those people with mental ill-health who have experienced discrimination in the workplace to access justice.
- The government can make more efforts to widely promote Access to Work for people with mental health problems if government funding is required for the adjustments. Access to work is a government scheme which helps employers access funding to make adjustments to the workplace to enable disabled people to work.
- The government could stop cuts to disabled people's financial support which make it harder for disabled people to survive and even harder to access work. This includes

cuts to ESA and PiP, both are sources of welfare which help those people furthest from the employment market.