



## RESPONSE OF ARTHRITIS NEW ZEALAND TO CONSULTATION ON EMPLOYMENT FOR PEOPLE WITH DISABILITIES: 18 FEBRUARY 2020

### Introduction

Thank you for this opportunity to comment on the Draft Disability Employment Action Plan: Working Matters. Information on Arthritis New Zealand is provided in a short annex.

Arthritis is a leading cause of disability in New Zealand. There are three main types of arthritic condition: gout arthritis, osteoarthritis and immune system disorders affecting the joints such as rheumatoid arthritis. These conditions lead to different experiences of disability but chronic pain and limited mobility, associated with damage to joints, is a common theme.

Arthritis New Zealand commissioned a study of the economic cost of arthritis in New Zealand in 2018. Deloitte established a total cost of health sector costs and indirect costs (including carer costs, loss of productivity, lost tax revenue, and government payments) of \$4.3 billion for 2018. Additionally, well-being costs are quantified using the standard measure of disability-adjusted life years. For arthritis in 2018 this was \$7.9 billion. The total cost is estimated at \$12.2 billion in 2018.

High costs to the Government related to hospital-based treatments for severe arthritis, loss of productivity related to early retirement and absenteeism, and welfare system costs can be significantly reduced by earlier intervention, as can suffering in communities.

Arthritis has been linked in many studies to withdrawal from the labour force. For example, within Australia, half of those with arthritis who are ages 45-64 years are not in the labour force<sup>1</sup>. Many studies have documented the lower incomes received by those with arthritis due to this reduced level of participation.

Arthritis New Zealand provides services to people with arthritis including health information and advice provided by experienced health educators. Through our telephone services we gain a good understanding of the daily experiences of people with arthritis severe enough to impact on their employment.

A supportive work environment is one that allows for flexible working hours and encourages co-workers and managers to do all they can to reduce the withdrawal of people with arthritis from their work-places.

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<sup>1</sup> Arthritis and the Risk of Falling into Poverty, Callander E and Schofield D, ARTHRITIS AND RHEUMATOLOGY, Vol 68, No 1 January 2016.

## **A supportive system**

A supportive system would limit the insecurity people with disabilities face in terms of their income. In line with the Expert Advisory Group's Report on Welfare: Whakamana Tangata, Arthritis New Zealand would like to see early intervention via the welfare system to help people with arthritis remain in or return to work. Work opportunities help with mental health and well-being and assist with managing the additional costs of disability.

The welfare system should do more to support part-time work for people with arthritis. This means addressing abatement rates for beneficiaries, for example, 70 cents in every dollar for the Supported Living Payment after a person earns more than \$200 a week and accepting that for some people part time work is the most that they can manage. One way to do this in respect of the Supported Living Payment is to raise the abatement threshold to \$250 as proposed in Whakamana Tangata. In our view the announcement made in Budget 2019 was a step in the right direction, but we would like to see a further increase in the near future.

Arthritis New Zealand supports the suggestion made in the discussion document of extending the period a Supported Living Payment recipient can try working more than 15 hours a week in open employment beyond the current 26 weeks while maintaining eligibility for the benefit.

Thank you again for this opportunity to comment.

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## Annex 1

### **About Arthritis New Zealand**

Arthritis New Zealand is a charitable trust and has been in operation for over 50 years. Our mission is: “Improving the life of every person affected by arthritis”. We are the “go to” organisation for information, advice and advocacy on all aspects of living with and managing arthritis.

Over 80% of our funding comes from grants, donations and community fundraising from throughout New Zealand. Only 19% of our funding comes from health contracts with DHBs and PHOs.

We provide a focus on the prevention and self-management of arthritis including

- Comprehensive information, advice and support for people affected by arthritis
- Advocacy on issues of concern to people with arthritis
- Advice and support for primary and secondary healthcare organisations
- Collaboration with Māori and Pacific Peoples’ organisations to serve whanau in both communities
- Research and research funding
- Volunteer programmes and peer support.

In 2018/19 we delivered –

- 16,120 interventions to help people learn about managing arthritis
- 3170 volunteers contributed time
- 100 people attend the annual camp for children with arthritis
- 5 scholarships awarded for research
- Training provided at 35 events for health professionals, care givers and support workers
- A network of 25 support groups for people with arthritis
- Policy advice to the Government.