



HM Treasury

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Via email:
request-452312-497c9e20@whatdotheyknow.com

11 January 2018

Ref: FOI2017/23874

Dear Mr O'Hear,

Freedom of Information Act 2000: Disabled people and UK productivity

Thank you for your Freedom of Information enquiry of 12 December 2017.

You asked for the following information:

"Speaking to the Treasury Committee recently, the Chancellor Philip Hammond suggested there was a link between high levels of workforce participation by disabled people and a drop in the UK's overall productivity.

See: <http://www.bbc.co.uk/news/uk-42265268>

- 1. I request to know what data, Treasury analysis or expert advice, if any, the Chancellor was basing these comments on*
- 2. Does the Treasury have any data, analysis or expert advice to back up the claim that there is a link between high levels of workforce participation by disabled people and a drop in the UK's overall productivity?*
- 3. Who supplied or collected this data or analysis, if it exists?*
- 4. If it does exist, please provide that data, analysis or advice so that it can be made public*
- 5. If this data, analysis or advice is already published by the Treasury (or by a third party, from which the Chancellor based his remarks) and available publicly, where is it located?"*

I can confirm that HM Treasury does not hold information within the scope of your request.

As referred to in the BBC news article, at the Treasury Committee, the Chancellor made a broader point about economy-wide labour productivity. Both the Institute for Fiscal Studies and the Office for Budget Responsibility have suggested that increasing overall

employment may have influenced measures of productivity. The Chancellor was not suggesting – and does not believe – that increased participation by people with disabilities has had any negative impact on the economy. There is no evidence of a relationship between aggregate productivity measures and an increase in workforce participation of people with disabilities. It has however helped to increase economic growth and it is something we can be very proud of as a country.

If you wish to read more about the potential link between overall employment and productivity, I refer you to paragraph 3.22 of the Office for Budget Responsibility Report November 2017 Economic and Fiscal Outlook and pages 27-37 of their Forecast Evaluation Report:

<http://budgetresponsibility.org.uk/download/economic-and-fiscal-outlook-november-2017/>
<http://budgetresponsibility.org.uk/download/forecast-evaluation-report-october-2017/>

Much of this information is mirrored in a note by the Institute for Fiscal Studies:

https://www.ifs.org.uk/pr/productivity_puzzle.pdf

If you have any queries about this letter, please contact us. Please quote the reference number above in any future communications.

Yours sincerely,

A handwritten signature in dark ink, appearing to be the letters 'IRU' in a stylized, cursive-like font.

Information Rights Unit

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Email: foirequests@hmtreasury.gsi.gov.uk

It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

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The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.

