



Unveiling Inequalities: The Disability Wage Gap & Unequal Treatment in Neoliberal Workfare Governance in Australia, Indonesia and The United Kingdom (UK)

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ABSTRACT

Neoliberal workfare governance policies in Australia, Indonesia, and the United Kingdom have exacerbated inequalities for people with disabilities despite promises of economic growth and personal freedom. This analysis reveals persistent wage disparities, structural barriers, and marginalization faced by individuals with disabilities under market-oriented policies. In Indonesia, efforts to ensure equal opportunities in civil service recruitment have failed due to implementation failures and discriminatory practices. Neoliberal emphasis on market efficiency has prioritized cost-saving measures, perpetuating structural disparities and hindering substantive equality for individuals with disabilities. In Australia, the ongoing wage gap between disabled and non-disabled workers highlights entrenched biases and systemic injustices in the labor market. People with disabilities face significant challenges in securing stable employment, resulting in lower wages and limited career opportunities. In the United Kingdom, empirical research underscores persistent barriers to employment and lower wages experienced by individuals with disabilities, exacerbated by intersecting forms of discrimination. Overall, neoliberal policies have not only failed to reduce but have worsened the conditions for individuals with disabilities. Addressing these challenges requires dismantling structural barriers, promoting inclusive policies, and ensuring equitable access to employment and social support systems. Shifting from market-driven approaches to policies prioritizing substantive equality, social well-being, and human dignity for all individuals, regardless of disability status, is crucial. By challenging neoliberal paradigms and advocating for inclusive reforms, society can move towards a future that is fairer and more equitable for individuals with disabilities.

Keyword: Disability wage gap, Neoliberal workfare governance, Australia, Indonesia, United Kingdom

ABSTRAK

Kebijakan tata kelola kerja neoliberal di Australia, Indonesia, dan Inggris telah memperburuk ketimpangan bagi penyandang disabilitas meskipun janji pertumbuhan ekonomi dan kebebasan pribadi. Analisis ini mengungkapkan disparitas upah yang persisten, hambatan struktural, dan marginalisasi yang dihadapi individu dengan disabilitas di bawah kebijakan berorientasi pasar. Di Indonesia, upaya untuk menjamin kesempatan yang sama dalam rekrutmen pelayanan sipil gagal karena kegagalan implementasi dan praktik diskriminatif. Penekanan neoliberal pada efisiensi pasar telah memprioritaskan penghematan biaya, memperpanjang ketimpangan struktural, dan menghambat kesetaraan substansial bagi individu dengan disabilitas. Di Australia, kesenjangan upah yang berlangsung antara pekerja disabilitas dan non-disabilitas menyoroti bias yang telah mengakar dan ketidakadilan sistemik dalam pasar tenaga kerja. Individu dengan disabilitas menghadapi tantangan besar dalam mendapatkan pekerjaan yang stabil, yang mengakibatkan upah lebih rendah dan peluang karier yang terbatas. Di Inggris, penelitian empiris menyoroti hambatan berkelanjutan terhadap pekerjaan dan upah lebih rendah yang dialami individu dengan disabilitas, diperparah oleh bentuk-bentuk diskriminasi yang bersilangan. Secara



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keseluruhan, kebijakan neoliberal gagal untuk mengurangi, bahkan memperburuk kondisi individu dengan disabilitas. Mengatasi tantangan ini memerlukan pembongkaran hambatan struktural, promosi kebijakan inklusif, dan memastikan akses yang adil ke lapangan kerja dan sistem dukungan sosial. Bergeser dari pendekatan pasar menuju kebijakan yang memprioritaskan kesetaraan substansial, kesejahteraan sosial, dan martabat manusia bagi semua individu, terlepas dari status disabilitas, sangat penting. Dengan menantang paradigma neoliberal dan mendorong reformasi inklusif, masyarakat dapat bergerak menuju masa depan yang lebih adil dan setara bagi individu dengan disabilitas.

Keyword: Kesenjangan upah penyandang disabilitas, Tata kelola kerja neoliberal dan Australia, Indonesia, Inggris Raya

1. Introduction

Over the past three to four decades, the concept of "neoliberalism" has become widely recognised both domestically and internationally.¹ This term encompasses a set of economic policies as well as a theoretical framework that governs political and economic behaviour.² Neoliberal adherents hold the concept that the market possesses inherent wisdom and consider market dynamics, such as private ownership, free trade, free markets, and restricted government, as the primary mechanism for managing the political, social, and economic aspects of society.³ Nevertheless, despite the fact attaining wealth and economic metrics may be its primary focus, this approach often overlooks other equally significant components of human existence.⁴ Brown believes this approach holds that neoliberalism diminishes human existence to the mere acquisition of wealth and survival, ignoring what philosophers such as Karl Marx, Hannah Arendt, and Aristotle termed "the good life" or "the true realm of freedom."⁵ Brown argues that under neoliberalism, economic factors supersede all political deliberations.⁶

Due to neoliberalism's prioritization of economic factors over social welfare, there have been certain consequences. Neoliberal policies frequently advocate for deregulation and flexible labour markets with regard to employment, thereby potentially placing disabled individuals at various disadvantages. It has been repeatedly demonstrated that people with disabilities encounter enormous challenges, including considerably less employment opportunities than those without disabilities, greater instances of workplace mistreatment, lower wages, instability employment, and healthcare⁷. For instance, employers have discriminated against disabled job applicants based on the notion that they are less productive or more costly to accommodate,⁸ as a result of the emphasis on efficiency and cost-cutting. Therefore, It can be argued that neoliberalism can lead to the elimination of labor protections and collective bargaining rights, which may result in disabled employees being exposed to workplace exploitation and unfair treatment.

This essay will provide a comprehensive analysis of how the emphasis of neoliberalism on individual accountability and market-oriented approaches exacerbates disparities and marginalization, with a specific focus on the employment sectors that affecting people with disabilities. This essay emphasizes the challenges of people with disabilities towards the neoliberal policy that strengthen inequalities by neglecting the concept of substantive justice. The first section will focus on the concept of neoliberalism, the second section will discuss about people with disabilities that remains face challenges in obtaining their right due to their impairment, the third section will analyze the disparity towards people with disability in a workplace as a result of a neoliberal policy such as : unequal treatment and salary gap as a result of neoliberal ideology in economic

¹ Mimi Abramovitz, "Economic Crises, Neoliberalism, and the US Welfare State: Trends, Outcomes and Political Struggle." (2014) In *Global Social Work: Crossing Borders, Blurring Boundaries*, edited by Carolyn Noble, Helle Strauss, and Brian Littlechild, pp. 225–240.

² Ibid p.225

³ Ibid

⁴ Wendy Brown, "Undoing the Demos: Neoliberalism's Stealth Revolution" (2015) Zone Books.

⁵ Ibid p.43

⁶ Ibid

⁷ Kajar Larson Østerud, "Disability Discrimination: Employer Considerations of Disabled Jobseekers in Light of the Ideal Worker." (2023) *Work, Employment and Society*, Vol. 37(3), pp. 740-756.

⁸ Ibid p.742

oriented in Australia, Indonesia and the United Kingdom (UK) , and the last section will be a conclusion on how and why neoliberal policy strengthen inequalities for people with disabilities.

According to Harvey, he defines neoliberalism as a theory that advocates for enhancing people's well-being by promoting the autonomy of entrepreneurs within a framework that prioritizes individual freedom, ownership rights, free trade and unrestricted markets.⁹ The primary responsibility of the state is to develop and uphold a network of institutions that are capable of supporting and protecting these behaviors.¹⁰ This entails the development and demonstration of human capabilities pertaining to political and ethical autonomy, ingenuity, critical analysis, and innovation, in addition to material opulence and wealth.¹¹ Or, to put it another way, the emphasis of neoliberalism on market forces and economic rationality may divert attention from the quest for a more comprehensive and significant human life, wherein people are free to pursue endeavors that transcend material prosperity and self-preservation.¹²

Brown points out that neoliberalism redefines the core principles of democracy, shifting its focus from a political orientation to an economic one. This transition incorporates the exercise of political power according to market principles, whereby actions are assessed from an economic perspective.¹³ As a result, democratic principles such as equality, freedom, and sovereignty are given new definitions based on economic factors.¹⁴ This shift not only restricts the responsibilities of both the government and its citizens but also alters the fundamental essence of democratic participation, giving more importance to economic freedom rather than collective contribution to the public welfare and civic engagement.¹⁵ By analyzing how its approaches to community reconstruction, such as territorial expansion and economic advancement, prioritize financial gain at the expense of fair resource distribution, neoliberalism contributes to the amplification of inequalities.¹⁶ It maintains inequities in political, economic, and social capital by asserting that the process of "creative destruction" intrinsic to neoliberal policies exacerbates the marginalization of vulnerable groups.¹⁷

In essence, "neoliberalism" constitutes a contemporary political movement and a system of governance.¹⁸ Neoliberalism is founded upon the dual premise that governments are incapable of fostering economic expansion and delivering social welfare.¹⁹ In doing so, they exacerbate global conditions for all, including the impoverished, through their insistence on assistance.²⁰ Conversely, the most effective agents of economic expansion and social welfare creation are private enterprises, individuals, and unrestricted markets.²¹

As an international law instrument, the Convention on the Rights of Persons with Disabilities of the United Nations (CRPD) has exerted a substantial influence on human rights law to people with disabilities. By recognizing people with disabilities as the sole holders of human rights, the CRPD intends to transform disability policy.²² As its primary objective that establishes in Article 1 "to promote, protect and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all persons with disabilities, and to promote respect for their inherent dignity."²³ As a revolutionary human rights instrument, the CRPD is the pioneer law instrument to expressly acknowledge that people with disabilities is entitled to human rights, and

⁹ David Harvey, "Neoliberalism as Creative Destruction." (2007) *The Annals of the American Academy of Political and Social Science*, Vol. 610, pp. 22–44.

¹⁰ Ibid p.22

¹¹ Ibid

¹² Brown (n4) p.41

¹³ Ibid p.40

¹⁴ Ibid

¹⁵ Ibid p.41

¹⁶ Marisela B Gomez, "Neoliberalization's Propagation of Health Inequity in Urban Rebuilding Processes: The Dependence on Context and Path." (2017) *International Journal of Health Services* Vol. 47 (4) pp.655–89..

¹⁷ Ibid p.656

¹⁸ Johanna Bockman. (2013). *Neoliberalism. Contexts*, Vol.12(3)

¹⁹ Ibid 14

²⁰ Ibid

²¹ Ibid

²² *Theresia Degener "Disability in a Human Rights Context"* (2016) *Laws* 5, No. 3: 35

²³ Article 1 of the United Nations, 'Convention on the Rights of Persons with Disabilities' (2006) Treaty Series 2515, 3. (UNCRPD)

to prohibit the use of their disability as a justification for denial or restriction of asserted rights.²⁴ This point of view recognizes that disability is not solely a medical state but rather a social concept that emerges from the interplay between an individual's impairment and the obstacles present in society.²⁵ This approach signifies a substantial change in perspective from a medical framework to the social model.²⁶ This groundbreaking human rights instrument is the first to explicitly recognize the entitlement of individuals with disabilities to human rights

Almost every nation has ratified the CRPD as of 2023, with 186 states having ratified it.²⁷ Thus, states parties should emphasize the significance of the exhaustive compilation of CRPD Indicators. Furthermore, accessibility is a fundamental requirement for individuals with disabilities to completely exercise their human rights and participate in society with equal opportunities, as stated clearly in Article 9 of the CRPD.²⁸ Although there is acknowledgment of this fact, there are still significant deficiencies that require immediate action. Accessibility is not just about convenience; it is a fundamental question of equality and non-discrimination. People with disabilities encounter obstacles in accessing necessary services and opportunities, their right to equality is violated upon, hence preserving systemic discrimination.

As time has passed, the capacity of people with disabilities to the realization of their rights to accessibility has been remained hindered, making it difficult to attain. People with disabilities still continue to face social stigma, being perceived as having medical limitations that render them unable of carrying out tasks.²⁹ Regrettably, they are frequently marginalized from engaging in decision-making procedures, disregarding the legislative entitlements designed to protect them. Stakeholders and legislators persist in neglecting disability concerns as a result of neoliberal government ideology. Therefore, the shift from a medical view to a social model remains unfulfilled.

In the following sections, this essay will analyze the impact of neoliberal government policies on people with disabilities in terms of their access to rights in the workforce and how these policies contribute to instances of injustice.

2. Method

The type of research used is normative juridical research³⁰. Normative juridical research is also called "doctrinal research that analyzes the law both written in books and decided by judges through court proceedings."³¹ The nature of this research is descriptive analytical, which means that "from this research it is hoped that a detailed and systematic description of the problems to be studied will be obtained." This research analyzes and presents facts systematically so that they can be more easily understood and concluded. This research analyzes and presents facts systematically so that they can be more easily understood and concluded."³² Analysis is carried out based on the description, facts obtained and will be carried out carefully how to answer the problem in concluding a solution as an answer to the problem.³³

²⁴ Degener (n21) p.1

²⁵ Ibid

²⁶ Ibid

²⁷United nations Audiovisual Library of International Law p1 <https://legal.un.org/avl/pdf/ha/crpd/crpd_e.pdf> accessed 13th May 2024

²⁸ UN Committee on the Rights of Persons with Disabilities, "General Comment No 2 on Article 9", CRPD/C/GC/2 <<https://www.ohchr.org/en/hrbodies/crpd/pages/gc.aspx>> accessed 05th January 2024

²⁹ Anna Lawson & Angharad E. Beckett, "The Social and Human Rights Models of Disability: Towards a Complementarity Thesis" (2021) Vol. 25(2) *The International Journal of Human Rights* pp. 348-379.

³⁰ Burhan Ashshofa, *Legal Research Methods*, (Jakarta: Bhineka Cipta, 2008), p. 27. 27.

³¹ Soerjono Soekanto and Sri Mamudji, *Normative Legal Research, A Brief Overview*, (Jakarta: PT Raja Grafindo Persada, 1985), p.13.

³² Irawan Soehartono, *Social Research Methods A Research Technique for Other Social Welfare Fields*, (Bandung: Remaja Rosda Karya, 1999).p.63

³³ Soerjono Soekanto and Sri Mamudji, *Op.Cit.* p.13.

3. Result and Discussion

3.1 *The Disparity Towards People with Disabilities in a Workplace: Rooted Stigma, Unequal Treatment, Salary Gap.*

A. *Rooted Stigma*

There is a significant barrier in shifting from the medical approach to the social model approach. The dreadful fact that people with disabilities frequently encounter stigmatization and rejection, which begins within the family and spreads to the larger society, is a significant barrier.³⁴ In addition, they are deprived of vital government services, including social welfare, political participation, education, and employment, and are subjected to discriminatory treatment.³⁵ Thus, people with disabilities are frequently underestimated in terms of their ability to work and be productive.

Illustrative instances that demonstrate the negative perception around the employment of people with disabilities include the various biased assumptions made by employers in the workplace. These beliefs encompass the notion that disabled employees necessitate additional time to master new assignments, require frequent accommodations, encounter difficulties in completing tasks on time, and frequently rely on external assistance.³⁶ Furthermore, they are perceived to be disruptive to their colleagues, have a greater tendency to call in ill, and struggle to get along with other employees.³⁷ The aforementioned stigmas play a substantial role in discouraging employers from hiring individuals with disabilities. In order to foster workplace inclusion for individuals with disabilities, it is critical to acknowledge and address these concerns. Rather of acknowledging their capacity for efficiency and effectiveness, people tend to concentrate on their perceived constraints.³⁸ Moreover, neoliberal policies, which emphasize individualism and market-oriented strategies, also have resulted a greater escalation of inequalities to people with disabilities in accessing their rights in the work place. These policies lead into unequal treatment for people with disabilities including the salary gap between people with disabilities and non-disabled people

B. *Unequal Treatment and Salary Gap*

The persistent discrepancy in employment rates among non-disabled people and people with disabilities is a prominent subject of inquiry in the disability studies, with the root causes of this disparity still not completely comprehended.³⁹ Although there have been substantial investments in active labor market policies and occupational health initiatives, this gap continues to be a worldwide problem.⁴⁰ This persistent inequality underscores the necessity for thorough examination and innovative approaches to tackle the many obstacles that still hinder the employment of those with disabilities.⁴¹

The adoption of more stringent qualification standard, reinforced sanctions and activities demand in social security programs for people with disabilities has led to a reduction in the number of people qualifying for disability benefits.⁴² The goal of these changes is to reduce the number of benefit seekers by enforcing more rigorous criteria. In this essay, it will examine the case in Australia and the United Kingdom (UK), which both countries are confronting the perceived challenges associated with "on-flow" and "out-flow" issues concerning disability income gaps.⁴³ Specifically, these modifications have redefined the "disability category," restricting benefit eligibility to a newly defined subset of those genuinely disabled. Consequently, fewer

³⁴ The Asia Foundation, "Understanding Social Exclusion in Indonesia: A Meta-analysis of Program Peduli's Theory of Change Documents" (2016),

³⁵ Ibid p.7

³⁶ Bezyak, Jill et al. "Assessing Employers' Stigmatizing Attitudes Toward People with Disabilities: A Brief Report" (2021) pp.185 – 191.

³⁷ Ibid p.186

³⁸ Ibid

³⁹ Østerud (n7) 741

⁴⁰ Ibid

⁴¹ Ibid

⁴² Chris Grover, Karen Soldatic. "Neoliberal restructuring, disabled people and social (in)security in Australia and Britain". (2013) *Scandinavian Journal of Disability Research*, Vol. 15, no. 3, 2013, pp. 216-232

⁴³ Ibid 12

individuals are now classified as disabled and eligible for benefits.⁴⁴ Additionally, changes such as payment restructuring, removal of supplementary additions to standard rates, implementation of long-term increases, and the requirement of employment-related conditions for eligibility have collectively contributed to the decrease in the number of individuals qualifying for disability benefits.⁴⁵ Thus, the social security policies have been affected by the neoliberal ideology which prioritizes free markets, limited governmental involvement, and individual accountability.

The socioeconomic status of people with disabilities is influenced by a multitude of determinants within the neoliberal space. In determining employment and earnings outcomes, supply-side factors, including labor preferences and human capital, are significant. Opportunities on the labor market may be influenced by expertise, education, work experience, and access to professional networks.⁴⁶ Economic welfare is also influenced by the inherent characteristics of disability, which encompass constraints on productivity and the capacity for continuous labor.⁴⁷ Further influencing the employment outcomes of individuals with disabilities are demand-side factors, including labor market conditions, policies, and employer attitudes.⁴⁸ However, It will be such disadvantages for people with disabilities that will lead to injustice and inequalities since it against the substantive equality.

3.2 Unequal Treatment in Indonesia Recruitment of Civil Servants: Neoliberal Government?

In Indonesia, the allocation for disabled individuals to apply for Civil Servant Candidates is limited to only 2%. This is regulated by Law Number 11 of 2017 on the Management of Civil Servants. According to Article 2, paragraph (2) of this regulation, the government ensures that a specific number of individuals with disabilities are appointed as civil servants. This quota must be at least 2% of the total number of civil servants working in government agencies.⁴⁹ This provision is a component of the government's endeavors to ensure impartial and equal opportunities for all citizens, including people with disabilities, to secure work in the public sector. Nevertheless, there are numerous obstacles in executing this approach. Despite the modest 2% quota, many government institutions fail to comply with the rule by not providing any allocation for disabled individuals throughout implementation. An example of this case, Ninik Rahayu, a member of the Indonesian Ombudsman, disclosed evidence of discrimination against individuals with disabilities in South Solok Regency, which is situated in West Sumatra.⁵⁰ She claimed that there is no designated allocation for those with impairments in South Solok Regency.⁵¹ It has shown that the government failed to protect the rights of people with disabilities in obtaining the right to get an equal access of obtaining works. Therefore, it has validated Bockman argument that neoliberalism is based on the idea that governments are unable to foster economic growth and provide social welfare.⁵² The inability of government institutions to effectively enforce the quota system highlights how neoliberal ideas can sustain structural inequities. Neoliberal policies, which prioritize efficiency and cost-cutting, may disregard the rights and needs of vulnerable people, including individuals with disabilities, in favour of social welfare and equity. Consequently, disabled individuals face an absence of significant prospects to obtain employment and engage fully in society.

Furthermore, analyzing the Regulation of the Minister for Administrative and Bureaucratic Reform of the Republic of Indonesia Number 27 of 2021 on the Recruitment of Civil Servants, one of the requirements

⁴⁴ Ibid 13

⁴⁵ Ibid

⁴⁶ Michelle Marotto and David Pettinicchio, "Disability, structural inequality, and work: The influence of occupational segregation on earnings for people with different disabilities," (2014) *Research in Social Stratification and Mobility* 38 pp. 76-92.

⁴⁷ Ibid 77

⁴⁸ Ibid 78

⁴⁹ Indonesian Law Number 11 of 2017 on the Management of Civil Servants

⁵⁰ Meiliana, D. (2019, November 20). Ombudsman: Civil Servant Selection 2019 Still Not Disability-Friendly. https://nasional.kompas.com/read/2019/11/20/12564121/ombudsman-nilai-seleksi-cpns-2019-belum-ramah-disabilitas#google_vignette accessed 14th May 2024

⁵¹ Ibid

⁵² Bockman (n17)

for applicants with disabilities is to include a video in their application.⁵³ The video, which must be a maximum of 5 minutes must showcase an applicant's daily activities.⁵⁴ However, I argued that it may not fully represent their disability or their ability to perform job tasks effectively. For example, individuals with mental or psychosocial disabilities, as well as those with invisible disabilities, may appear similar to non-disabled individuals in the video or in their daily activities. Therefore, such a video might not accurately reflect the true nature of their disabilities or their work capabilities. If the goal is to assess the applicant's ability to work independently, this can be achieved through an interview at a later stage in the selection process, rather than during the application phase. It is one of the proofs that people with disabilities still stigmatized by their impairment rather than their capability of doing something. Moreover, there is no distinction in the selection procedure between individuals with impairments and those without disabilities, including the duration of the test. Applying the formal equality approach to analyze this case, it may be concluded that this regulation is equal. However, when contemplating substantive equality, it fails significantly short of being truly equal.

Sandra Fredman points out that, in contrast to formal equality, substantive equality endeavors to rectify the fundamental disadvantages, stigma, prejudice, and structural impediments that marginalized groups encounter.⁵⁵ Recognizing that distinct groups might necessitate varying forms of treatment, substantive equality endeavors to establish a society that is more equitable and inclusive.⁵⁶ Therefore, substantive equality recognizes that specific groups, such those with disabilities, encounter distinct difficulties that necessitate tailored approaches. Given this situation, it is essential to acknowledge the need of offering reasonable accommodations to enable people with disabilities to effectively fulfil the requirements of the test. The reason is that providing equal amounts of time to impaired individuals as to those without disabilities would put them at a disadvantage. For example, an individual with a hand amputation will require additional time to complete their test as they will need assistance owing to the online computer-based format of the test. In order to ensure fairness, the government, as the employer in this circumstance, should provide the applicant with an appropriate amount of time. This strategy, based on neoliberal concepts of individual accountability and merit-based advancement,⁵⁷ does not effectively tackle the structural obstacles that hinder equal access and opportunities for those with disabilities.

In essence, the policy pertaining to the recruitment of individuals with disabilities into the civil service in Indonesia serves as an illustration of how neoliberalism sustains disparities through its emphasis on market-oriented remedies rather than policies that are inclusive and equitable and tackle systemic prejudice and discrimination.

3.3 Salary Gap in Australia and the UK

In Australia, the earnings of disabled workers tend to be lower than those of non-disabled workers. Disability has a negative correlation with wages, with the effects being more pronounced for work-limiting disabilities than for non-work-limiting disabilities.⁵⁸ According to the findings of the study's aggregated models of Jones, disabled individuals suffer a substantial earnings penalty. In particular, disabled employees encounter a reduction in earnings of approximately 9% in comparison to their non-disabled colleagues.⁵⁹ This finding implies that disabled individuals, on average, receive lower wages as a result of various factors linked to their disability. Disability and earnings continue to be negatively correlated, even when mismatch-related variables such as over-skilling and overeducation are controlled for. The aforementioned results underscore

⁵³ Indonesian Law Number 27 of 2021 on the Recruitment of Civil Servants in Indonesia

⁵⁴ Ibid article 12

⁵⁵ Sandra Fredman, "Substantive equality revisited, *International Journal of Constitutional Law*" (2016) Vol.14 (3), pp. 712–738.

⁵⁶ Ibid 733

⁵⁷ Randall owen, Sarah Parker Haris, "No Rights without Responsibilities": Disability Rights and Neoliberal Reform under New Labour" (2012) *Disability Studies Quarterly* Vol. 32

⁵⁸ Melanie Jones, et al. "Disability, Job Mismatch, Earnings and Job Satisfaction in Australia." (2014) *Cambridge Journal of Economics*, Vol. 38, No. 5 , pp. 1221–1246.

⁵⁹ Ibid 1234

the preexisting inequities in compensation that disabled employees encounter within the Australian workforce.⁶⁰

Similarly, In the United Kingdom, empirical evidence consistently indicates that people with disabilities face employment barriers and earn, on average, reduced wages compared to their non-disabled peers.⁶¹ The disability pay gap is impacted by an array of nuanced elements, such as obstacles to employment and prejudice against individuals with disabilities. In addition, the magnitude of the wage disparity differs according to the particular form of disability. Salary disparities tend to be greater among individuals who have cognitive difficulties or disabilities, neurological disorders, or mental illnesses.⁶² Moreover, variations in personal attributes, including limited academic achievement or the unavailability to maintain full-time employment, additionally contribute to this discrepancy in compensation.⁶³ During the period from 1997 to 2014, the gender pay disparity for disability was 7% for women and 13% for men, with men generally experiencing larger gaps.⁶⁴ Moreover, a recent study conducted by the Trades Union Congress (TUC) reveals that, as of 2023, non-disabled workers earn around 14.6% more than their disabled colleagues and women with disabilities experience a substantially greater salary gap of 35%.⁶⁵ By analyzing this case, it can be inferred that intersectionality discrimination also exists. Intersectionality theoretical framework recognizes that individuals experience several forms of oppression, discrimination, as a result of the intersection of different social identities they possess.⁶⁶ These social identities include elements such as race, gender, sexuality, class, disability, and other related aspects.⁶⁷ Intersectionality highlights the interdependence of various identities and how the intersecting structures of authority and subjugation shape people's encounters.

Furthermore, the experiences of participants in Australia and the UK regarding neoliberal workfare governance underscore the widespread utilization of shame as a means of ensuring strict adherence within a punitive system.⁶⁸ People with disabilities are required to adhere to medicalized categorizations and engage in self-deprecation in order to obtain necessary resources.⁶⁹ This phenomenon leads to significant material impoverishment, stringent adherence to regulations, and the moralization of their physical selves, frequently resulting in profound personal guilt and a sense of inadequacy.⁷⁰ Emma, an unmarried mother residing in Melbourne, epitomizes these challenges. Confronted with a lack of basic resources and continuous government monitoring, she felt profound embarrassment about her low social and economic standing as well as her ability to be a good mother.⁷¹ Due to a postponed payment, she resorted to threatening a bank robbery out of sheer desperation, which ultimately led to her apprehension. This incident highlights the use of severe state tactics to ensure obedience and control over disabled individuals within a neoliberal authoritarian workfare governance system.⁷²

In this case, instead of tackling underlying inequalities and offering authentic assistance, the state amplifies its coercive methods, so strengthening a cycle of humiliation and financial instability.⁷³ This recurring pattern frequently reaches its climax in instances of personal hostility, which are subsequently

⁶⁰ Ibid

⁶¹ Equality and Human Rights Commission, "The Disability Pay Gap" (Research Report 107, Equality and Human Rights Commission) (2017)

⁶² Ibid IX

⁶³ Ibid

⁶⁴ Ibid

⁶⁵ Trades Union Congress, "Non-disabled workers paid 17% more than disabled peers, says TUC" <https://www.tuc.org.uk/news/non-disabled-workers-paid-17-more-disabled-peers-tuc> accessed 15 May 2024.

⁶⁶ Aurora H Brinkman, et al. "Shifting the discourse on disability: Moving to an inclusive, intersectional focus." (2023) *The American journal of orthopsychiatry* Vol. 93 no.1 pp.50-62.

⁶⁷ Ibid

⁶⁸ Karen Soldatic, & Hannah Morgan, "The way you make me feel" : shame and the neoliberal governance of disability welfare subjectivities in Australia and the UK." (2017) In J. Louth & M. Potter (Eds.), *Edges of Identity: the Production of Neoliberal Subjectivities* pp. 106-133.

⁶⁹ Ibid 14

⁷⁰ Ibid

⁷¹ Ibid 15

⁷² Ibid

⁷³ Ibid

addressed with retaliatory actions from the government.⁷⁴ This strategy not only does not address detrimental inequities effectively, but it also strengthens structural deprivation and stigmatization, leaving individuals trapped in a constant state of uncertainty and humiliation.⁷⁵ The wider ramifications of these discoveries demonstrate how neoliberal workfare systems promote punitive adherence to rules rather than providing fair assistance, steadily eroding the dignity and well-being of those with disabilities. By emphasizing these experiences, it becomes clear that there is a need for comprehensive reforms that specifically target and solve the underlying disparities in the system and offer substantial assistance to excluded groups.

In order to address the disparity in wages between individuals with disabilities, it is crucial to implement equitable procedures for recruiting, performance assessment, and promotion.⁷⁶ These practices are essential for reducing the impact of unconscious bias and discrimination. Thus, the negative consequences of neoliberal policies, which are characterized by an emphasis on individualism and market-driven approaches, have resulted in economic insecurity and social exclusion. These policies further exacerbate the difficulties experienced by disabled individuals in society. Hence, it is important for every nation's employment recruiting policy to eliminate the impact of neoliberalism, as identified by Brown as the utilization of political authority based on market principles, which assess activities only from an economic standpoint.⁷⁷

4. Conclusion

The analysis of neoliberal workfare governance in Australia, Indonesia, and the UK highlights the widespread and harmful effects of market-oriented policies on people with disabilities. Although neoliberalism is believed to have advantages such as economic expansion and personal freedom, its execution has resulted in persistent disparities, structural obstacles, and the marginalization of people with disabilities.

The promotion of equal chances for disabled individuals in civil service recruitment in Indonesia has been impeded by failures in execution and discriminatory behaviors. The neoliberal focus on optimizing market efficiency has given priority to initiatives aimed at reducing costs, so sustaining structural disparities and impeding the achievement of substantive equality for disabled individuals. Notwithstanding the existence of legal protections, disabled workers nevertheless encounter systematic obstacles and prejudice while trying to access employment opportunities.

Moreover, the salary disparity between disabled and non-disabled workers in Australia remains, indicating inherent prejudices and systemic inequalities within the labor force. Disabled individuals encounter substantial obstacles in obtaining steady employment, frequently leading to reduced salaries and restricted prospects for professional progression. The salary inequality not only continues economic difficulty but also strengthens social discrimination and exclusion, intensifying the difficulties experienced by disabled employees. Similarly, in the UK, empirical research emphasizes the persistent obstacles to employment and lower pay experienced by individuals with impairments. The multifaceted character of discrimination exacerbates these issues, as specific disabilities encounter more significant discrepancies in wages and encounter more obstacles in work compared to non-disabled people. Notwithstanding legislative endeavors to advance equality, disabled workers persist in encountering inequalities, injustice treatment in workplace.

In conclusion, based on these discoveries, it is clear that neoliberal workfare governance reinforces rather than mitigates inequalities for people with disabilities. Extensive changes are required to deconstruct structural obstacles, advance inclusive policies, and provide fair access to work and social support systems. This necessitates a departure from market-oriented strategies towards policies that give priority to substantial equality, social well-being, and human dignity for all individuals, irrespective of their disability status. By challenging and resisting the prevailing neoliberal worldview and advocating for inclusive policies, society may strive towards a future that is characterized by fairness and equality for people with disabilities.

⁷⁴ Ibid

⁷⁵ Ibid

⁷⁶ Equality and Human Rights Commission, 'Tackling Gender, Disability and Ethnicity Pay Gaps' (*Research Report No. 110*) (2018)

⁷⁷ Brown (n13)

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