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Labour market policies, strategies and statistics for people with disabilities: A cross-national comparison

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IFAU - OFFICE OF LABOUR
MARKET POLICY EVALUATION

Labour market policies, strategies and statistics for people with disabilities

A cross-national comparison

Anders Bergeskog

WORKING PAPER 2001:13

Labour market policies, strategies and statistics for people with disabilities

A cross-national comparison

by

Anders Bergeskog[*]

26 November 2001

[*] Office of Labour Market Policy Evaluation (IFAU), P O Box 513, 751 20 Uppsala, Sweden. Phone: +46 18 471 70 73, Fax: +46 18 471 70 71, E-mail: anders.bergeskog@ifau.uu.se, Internet: www.ifau.se.

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Preface and acknowledgements

The labour market situation for people with disabilities has been brought up-to-date in several OECD countries during the 1990s. This study provides an updated report from a rapidly changing policy field and presents a comparable review of labour market policies, strategies and statistics in 11 countries. The report also provides new knowledge about the labour force participation and employment rates for people with disabilities in 21 countries, and discusses possible explanations of the statistical differences, with the policy pursued as a point of departure. The study is based on responses to a questionnaire distributed to central government departments in the 29[1] OECD countries.

The author would like to thank the officers and researchers mentioned in connection with each country report. They have devoted considerable time and effort to answering a comprehensive questionnaire, and also provided further information. Neil Lunt (School of Society and Culture, Massey University), Patricia Thornton (Social Policy Research Unit, University of York) and Eskil Wadensjö (Swedish Institute for Social Research, Stockholm University) have provided many valuable comments and also Anders Forslund and Eva Johansson (IFAU). Mårten Söder and Sonja Calais van Stokkom (Department of Sociology, Uppsala University), together with Julia Lane (Department of Economics, American University and the US Census Bureau), contributed comments on the design of the questionnaire. I also appreciate and thank my colleagues Katarina Richardson and Per Johansson for being available to discuss various issues during the progress of the report. Last but not least, I would like to thank my family and friends who have put up with me and encouraged me during this project.

[1] At the time of survey, the Slovak Republic was not a member country.

1 Introduction

"Welfare to work" is a policy trend emerging in several OECD countries. The aim is to transform passive social support into active support by means of labour market policy measures and to help people to obtain gainful employment. Raising employment levels of people with disabilities is also part of the EC employment strategy[2]. Thus, employment for the target group is an issue on the agenda, and a policy domain subject to rapid change. Traditional labour market programmes for people with disabilities, such as sheltered employment, are being supplemented or replaced by programmes focusing on integration into open employment, with self-support as the ultimate goal. The programme mix is also changing and several different types of labour market programmes are offered – both programmes especially targeted at people with disabilities and mainstream programmes.

Until recent years, knowledge about the situation faced by people with disabilities in the labour market has been very limited in most countries. However, since the mid-1990s, an increasing number of countries have conducted surveys covering both economically active and non-active members of the working-age population, in order to provide basic labour force statistics on the target group and provide comparisons with people without disabilities. Standardized international definitions of disability have played an important part in accomplishing this, circumventing the problem of administrative definitions of disability for eligibility for various benefits and programmes. Thus, there is a need for up-to-date information which will not only provide examples of new policies and measures, but information that systematically compares different countries with respect to certain key ratios.

This study aims at providing a comparative on-the-spot account of the labour market situation for people with disabilities in a number of OECD countries. It also reports on recent developments and highlights areas where there is little information so far and it systematically compares the countries in order to provide answers as to how the countries differ with respect to: (1) *the target group's labour force participation and employment rate;* (2) *what labour market programmes are applied and to what degree;* (3) *to what extent the regular*

[2] EC (1999).

policy and institutional framework is used to integrate persons with disabilities into the labour market (the degree of mainstreaming).

The present chapter will lay the theoretical foundations for analysis of these issues. After a discussion of internationally comparable definitions of disability and its role in national surveys, a short introduction to what this study defines as labour market programmes will follow, together with a presentation of the various types of programmes. The chapter ends with an overview of previous cross-national studies. In order to provide a correct interpretation of the information provided by each country, chapter two focuses on the survey, presents the methods and procedures, and introduces the reader to the questionnaire. The following chapters present the results of the questionnaire in individual country reports. The final chapter compares the three original issues across the countries, and sums up the main findings in the country reports.

The annexes provide detailed information on labour force participation and employment rates, participants in labour market programmes and disability pension recipients. In addition, there is a list of abbreviations, a glossary with definitions and a table for comparison of price levels between countries.

1.1 Identifying the target group

The concept of impairments, disabilities and handicaps

Several questions concerning definitions and classifications arise when conducting a comparative international study. One reason for the lack of economic research on employment and disability is that no satisfactory definition of disability is applied in the collection of the existing data. A variety of administrative definitions of disability apply, not only between countries but also between policy sectors within a country. However, due to specific eligibility criteria for a certain programme or benefit, such definitions may exclude people who belong to the target group, or include people with no disabilities. Some countries use disability registration as a requirement for receiving special privileges, such as free health care and transportation, or reduced charges. Therefore, an internationally recognized definition is essential for comparison of disability, labour force participation and employment rates between countries. International organizations like the UN and the WHO have attempted to define the common factors associated with disability.

In 1980, the WHO published the "International Classification of Impairments, Disabilities and Handicaps" (ICIDH) for trial purposes. WHO (1980) defines the various dimensions of the consequences of a disease or disorder.

Impairments are any losses or abnormalities of a psychological, physiological or anatomical structure or function, resulting from any cause. In principle, impairments represent disturbances at the organ level. *Disabilities* reflect the consequences of impairment in terms of functional performance and activity by the individual. A disability is any restriction or lack of ability to perform an activity in the manner or within the range considered normal for a human being. It may be temporary or permanent, reversible or irreversible, and progressive or regressive. *Handicaps*, finally, concern the disadvantages, experienced by the individual as a result of impairments and disabilities that limit or prevent the fulfilment of a role that is normal for that particular individual. Handicaps thus represent the socialization of an impairment or disability. Key dimensions of handicaps ("survival roles") are orientation, physical independence, mobility, occupation, social integration, and economic self-sufficiency. An impairment does not necessarily imply a disability, and a disability does not necessarily imply a handicap. But, since impairment, disability and handicap can be viewed as a process, all three dimensions are useful for prevention and planning purposes: impairment includes the group of persons who risk becoming disabled, and disabled includes those at risk of experiencing a handicap.

After revision, the WHO officially approved the first version (ICIDH-1) in 1993. A second edition with the title *International Classification of Functioning, Disability and Health* (ICF) was officially approved in 2001. Instead of being a classification based on the consequences of disease this revised classification is based on health components which identify the constituents of health rather than the casual impact of diseases or other health conditions. ICF attemps to provide a coherent view of health from a biological, individual and social perspective. The former dimensions of impairment/disability/handicap are replaced by the more neutral function-structure/activities/participation terminology which can be expressed in terms of both positive and negative aspects.[3]

[3] Body *functions* are the physiological or psychological functions of body systems. Body *structures* are anatomical parts of the body, such as organs, limbs and their components. Impairments are problems in body function or structure, such as a significant deviation or loss. *Activities* are the performance of a tasks or actions by an individual. Activity limitations are the difficulties an individual may have in the performance of activities. *Participation* is an individual's involvement in life situations in relation to health conditions, body functions and structure, activities, and contextual factors. Participation restrictions are the problems an individual may have in the manner or extent of involvement in life situations. ICF is available on the Internet at www.who.int.

In 1993, the UN adopted the "Standard Rules on the Equalization of Opportunities for People with disabilities" resolution (UNSR). In UN (1993), the term "disability" is defined as a functional limitation as a result of physical, intellectual or sensory impairment, medical conditions or mental illness that may be permanent or transitory in nature. "Handicap" is defined as the loss or limitation of opportunities to take part in the life of the community on an equal level with others. It describes the encounter between the person with a disability and the environment, and focuses on the shortcomings in the environment and in many organized activities in society, such as information, communication and education, which prevent people with disabilities from participating on equal terms. The UNSR definitions are based on the ICIDH concept. Thus, even if different definitions of disability may be used in countries for administrative purposes, a common internationally recognized definition of disability is available for survey purposes.

1.2 Using international definitions in national surveys

Much of the current statistical information is produced only for specific administrative purposes, such as monitoring the number of commencements in a certain programme or benefit scheme, or to control the costs. If countries applied the ICIDH concept in collecting data, this would permit country comparisons of the disability, labour force participation and employment rates for people with disabilities in the working-age population. It would also be possible to compare the rates between people with and without disabilities. Such comparisons are one way of evaluating a country's employment policy for people with disabilities. When it comes to employment, it may be even more relevant to investigate the differences between the group with employment restrictions and the group with no employment restrictions.[4]

The Standard Rules recommend countries to provide statistics on disabilities and handicaps, and to use national censuses and household surveys for this

[4] In accordance with the ICF terminology, "employment restrictions" is here used as a term for handicaps people experience in working life. The Australian Bureau of Statistics (1999) defines employment restrictions due to disability as: permanently inability to work; restrictions in the type of work a person can/could do; the need of at least one day a week off work on average; restrictions in the number of hours a person can/could work; requirements on employers to provide special equipment, modifications of the work environment or special arrangements; the need for ongoing assistance or supervision and; difficulties to change jobs or get a better job. Note that a disability does not necessarily imply employment restrictions.

purpose. In its "Manual for the Development of Statistical Information for Disability Programmes and Policies", the UN (1996) draws up guidelines for standardized statistics which can be compared between countries. The manual is specially written for programme managers producing and using statistical information to implement, monitor and evaluate disability policies and programmes, using the concept of impairments, disability and handicap as described above.

Without distinguishing the target group in question, how can policy-makers know how to allocate the available resources and how can researchers make relevant evaluations? One way, of course, is to look to another country which has conducted a survey, and assume that the situation in the home country is the same, or at least similar. But many factors are involved which can affect the figures. The demographic composition may differ, for instance. A majority of people with disabilities, who are not in work and who depend on benefits, acquired their problems in the course of their working life.[5] If the population in the home country is older, on average, than in the other country, disability and employment restrictions will be more frequent. Another important aspect is the educational level. If people with disabilities have access to higher education on equal terms with others, unemployment in this group will probably decrease and more people will become economically active. The structure and state of the economy will also affect opportunities for persons with disabilities to participate in working life. In the industrialized countries, many low-skill manufacturing jobs, which traditionally employed many people with disabilities, have disappeared in favour of more jobs which demand higher qualifications. Differences between men and women, different age groups, immigrants and non-immigrants, the degree of disability or employment restriction are some additional characteristics that should be taken into account in a survey. Attention must be paid, not only to economically active persons, but also to people who have left the labour force or who never entered it for some reason.

A national survey using international definitions is a starting point for investigating the labour market situation for people with disabilities. To cite EC (1998): "A major issue remains, however, the absence of comparable, or even national data. Poor data make it more difficult to identify the various obstacles people with disabilities face in getting a job and to monitor policies in this domain adequately."

[5] EC (1997).

1.3 Labour market policy measures

Labour market policy measures aim to increase labour demand or supply by means of interventions in the labour market. Semlinger & Schmid (1985) suggests a classification of the measures into three types of interventions: regulations, compensations and substitutions. *Regulations* involves influencing the behaviour of the actors in the labour market, directly or indirectly, by means of obligations, prohibitions, conditions and protection. Examples of such instruments are: the obligation to employ a quota of disabled people (quota schemes), a levy imposed if the quota obligation is neglected, an obligation to employ people with disabilities imposed on companies which want to take government contracts, anti-discrimination legislation, protection against dismissal, and representation via a disability ombudsman. *Compensations* aim to make people with disabilities competitive in the labour market through financial, material or human resources which improve working capacity or productivity. These measures include vocational rehabilitation, aids and adaptation of the work place, subsidized employment, and supported employment. *Substitutions* refers to the creation of specially arranged jobs in the public sector or sheltered employment. Reserved employment belongs to this category as well.

There are also examples of other kinds of interventions that do not fit into the Semlinger & Schmid typology. Intervention through persuasion is, in contrast to regulations, a voluntaristic approach, intended to inform employers of the advantages of employing people with disabilities, encourage them to adopt good employment practices and make a commitment to a positive approach to employing people with disabilities. The measures are, for example: (1) to provide employers with guidelines on recruitment, retention, training and career development, and the adaptation of work places and the provision of assistive devices; (2) to award an employer a symbol denoting good practice and; (3) to encourage employers to form employer disability networks. These interventions are usually targeted at employers, but there are also examples of overview information sites on the Internet, published material and personal career counsellors who encourage people with disabilities to take up a job or the obtain the necessary qualifications. This may include informing people with disabilities about programmes, financial incentives and services aimed at integration into working life, together with encouragement through "success stories" of other persons with disabilities who managed to get a job. The focus of this study is on labour market programmes and the voluntaristic approach is included in supplementary incentives.

1.4 Labour market programmes vs services and incentives

In the present study, "labour market measures" is treated as a generic term for labour market programmes, services and incentives. One way of distinguishing programmes from services and incentives is that programmes involve ongoing (financial and/or human) support, often for a specific period of time. Generally speaking, if a measure is to be classified as a programme, the individual is supposed to take part in an activity which consists of vocational training, work experience, rehabilitation or work. A programme is typically a full-time activity even if, for example, a part-time training activity may be combined with job search to form a full time activity.

Services tend to be more of a one-off phenomenon in a specific situation (placement, counselling etc).

Incentives may be offered directly to the person with a disability when he/she starts to work, or to the employer. This may involve, for example, a lump sum subsidy to start working, a retained pensioner concession card which provides subsidized pharmaceuticals, or public transportation. There may also be subsidies for moving, adaptation of the workplace, etc.

Thus, to be classified as a labour market programme, a time, activity and financial dimension must be involved. Services and incentives can be attached to a programme, but in themselves they do not fulfil the criteria of a programme.

1.5 Labour market programmes targeted at people with disabilities

People with disabilities usually have access to both targeted and mainstream labour market programmes. In contrast to mainstream programmes, there are certain eligibility criteria concerning disability for programmes especially targeted at people with disabilities.

Quota schemes are legal obligations imposed on an employer of a certain size, which means that the work team must contain a certain percentage of people with disabilities. Often, the quota is not imposed on small companies, but a trend towards flexible percentages implies that larger employers have to bear a relatively large proportion of the responsibility and that more employers are included in the quota obligation. In practice, though, it is common that employers never meet the target. There are also quota-levy schemes in which employers who fail to fulfil the quota must pay a levy for each worker with disability who is not employed. Employers who do not pay the levy may be fined, but this option is seldom used. Levies may be regarded as an employer incentive to hire workers with disabilities. On the other hand, the employer may use the levy to

free himself from employing people with disabilities. The revenues from such schemes go to re-distributive funds to promote employment for people with disabilities.[6]

Reserved employment is not so common, but some countries use legal protection to provide employment for people with disabilities in certain occupations. The blind have access to reserved employment as telephone operators in Italy, for example.

Vocational rehabilitation is a concept that may include several different measures. ILO (1998) refers to the Vocational Rehabilitation (Disabled) Recommendation 1955 (No 99) for a definition: "…vocational rehabilitation means that part of the continuous and co-ordinated process of rehabilitation which involves the provision of those vocational services, e g vocational guidance, vocational training and selective placement, designed to enable a disabled person to secure and retain suitable employment…"

Vocational guidance in this context is a service for people with disabilities requiring assistance in choosing or changing their occupations and includes, for instance, an interview with a vocational guidance officer, medical, sociological and psychological measures, formal tests or assessment of working capacity and aptitude in a genuine work situation.

Vocational training should enable a person with disabilities to perform an economic activity in which the person concerned can use his/her vocational qualifications or aptitudes in the light of employment prospects. The vocational training should continue until the person concerned has acquired the skill necessary for normal work, if this is feasible.

Selective placement means placement in occupations in which the performance of the work is affected by, or affects, the disability to the least possible degree, preferably in the previous occupation or in a related occupation.[7]

Thus, vocational rehabilitation develops and restores the working ability of people with disabilities by a combination of measures. This process may be different between and within countries. Sometimes a more consultative approach is applied, in which specific vocational rehabilitation services are used to complement the mainstream employment service. In other cases, the vocational rehabilitation has a more coordinative role, taking care of a chain of measures, including job placement and selection into labour market programmes targeted

[6] For an overview of quota schemes see Thornton (1998).
[7] International Labour Office (1998), p100.

at people with disabilities. In some countries, vocational rehabilitation is not a programme per se, but is included as an element in other programmes. In this study, programmes which involve elements such as assessment of work capacity, work trial in a genuine work situation or trying out assistive devices and adaptation of the work place, are classified as vocational rehabilitation programmes. However, these programmes may also include elements of vocational training or work experience. In a few countries, vocational rehabilitation is a mainstream programme which may include those who have employment barriers for reasons other than disabilities.

Supported (assisted) employment in its original form refers to a programme with personal support (job coach) in open employment. The support is gradually reduced as the person with disabilities develops an ability to work independently. Supported employment originates in the United States where it developed as an alternative to traditional rehabilitation programmes which proved unable to fully assist severely disabled people to achieve mainstream, integrated employment. In most countries, supported employment is not a separate programme, but may be included in other programmes (such as vocational rehabilitation).

Sheltered employment covers a range of different programmes intended to provide employment for people with disabilities in a protective environment which is not exposed to normal competition. Seyfried & Lambert (1989) suggests a typology which distinguishes between competitive work in the open labour market and sheltered work on the basis of the following criteria: the place where the work is carried out, the presence or absence of special protective measures, under whose responsibility the work is carried out, individual or collective forms of employment and, the composition of the work team. Traditionally, sheltered employment is carried out in manufacturing workshops where all the employees, except the management, are people with disabilities. This form of sheltered employment is still common but has, for example, been criticized for only increasing competence and social abilities for continuous sheltered employment, not work in the open labour market. According to Thornton & Lunt (1997), transition to open employment may be a nominal goal for persons employed in sheltered employment, but it is rarely realized to any degree.
Several new (more open) forms of sheltered employment exist today, and these semi-sheltered forms are gaining ground, blurring the distinctions between the

three types of interventions suggested by Semlinger & Schmid.[8] Sheltered external employment is common in the public sector, where a person with disabilities works in an open environment but on sheltered premises. It may also involve employment in a private or non-profit organization where a sheltered workshop is responsible for the person with disabilities. Another form is when a group from a sheltered workshop is located in a host company as a production unit and is supervized by staff from the sheltered workshop. This phenomenon is usually referred to as an "enclave". The growing interest in outsourcing gives sheltered workshops greater possibilities of acting as entrepreneurs, taking over an activity that is not the core business.[9]

Work cooperatives are independent self-managed organizations aiming either at integration into the open labour market or into the cooperative itself. They may be subsidized to a greater or lesser extent by public appropriations or funds.

Social enterprises are yet another form of sheltered employment. In this case, the organization adapts outwards to the market and inwards to the person with disabilities.

In both work cooperatives and social enterprises, employees without disabilities usually comprise a larger fraction of the work team than in traditional sheltered workshops, which create an environment more like a normal job. The pay may also be better than in sheltered workshops.

Public job creation is placement of people with disabilities in the public or non-profit sector. These jobs are additional, i e they would not be created without public intervention. Wage subsidies are a common form of subsidy, and these placements are often not restricted in time, but are seen as a last resort.

There are also other categories of targeted labour market programmes. Multi-purpose programmes involve various types of programmes under one roof. Subsidized employment, vocational training and work experience programmes, for example, can be both targeted and mainstream programmes, and are therefore presented under mainstream programmes below.

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[8] See Samoy (1992) for a thorough presentation of the developments of sheltered employment.

[9] Hardman M L, "Supported Employment: Quality Services for People With Severe Disabilities" in OECD (1994) discusses enclaves and contracts (Hardman: "community work crew") as two of the forms of supported employment besides individual placement. The latter is referred to as "supported employment" in this study.

1.6 Mainstream labour market programmes

The mainstream labour market programmes to which people with disabilities have access may be classified in accordance with the same principles as the targeted programmes. However, the compensation to providers/employers and the length of the programme may be more generous for the targeted programmes (and possibly also for people with disabilities in mainstream programmes). The mainstream programmes usually serve people with low impact disabilities.

Subsidized employment can take different forms. Perhaps wage subsidies compensating employers for costs related to disabilities are the most common form. The subsidy may be paid as a flat rate or in relation to the degree of employment restrictions. Furthermore, it may be limited in time, taper off with time, or be regularly reassessed. Other forms of subsidized employment are reduction of labour costs or retained social security benefits (e g disability pension). To distinguish short-term subsidized employment programmes from long-term programmes, the former is here classified as work experience schemes (often not longer than six months for people without disabilities or 12 months for people with disabilities) and the latter as subsidized employment programmes (more than 12 months for the target group). Lump sum subsidies in connection with new job openings for people with disabilities are not considered in this coontext as a subsidized employment programme, but as an incentive.

Vocational training involves programmes in which the main activity is formal ("classroom") training. It may also include elements of work experience. In addition, some countries provide brief formal education in the regular school system as vocational training. Training may also be arranged as in-company training. If arranged for labour market reasons, apprenticeships are also included in this category.

Work experience refers to programmes which provide short-term work to help people acquire job experience. It may be arranged as subsidized employment or unpaid employment for which participants receive a benefit. Work experience may include some elements of formal classroom training.

Job rotation means that an employee is temporarily replaced by an unemployed person. It is typically used in connection with care or educational leave.

Early retirement refers to programmes in which an older person retires before normal retirement age, either due to unemployment with little or no chance

of finding a job, or because retirement of the person concerned facilitates the placement of an unemployed person.

Start-up incentives are subsidies designed to help an individual to start up in self-employment. If it is in the form of continuous support for a specific period, it may be viewed as a programme. Lump sum subsidies or loans for purchasing equipment, etc, should normally be classified as labour market incentives, which may be reinforced to meet the needs of people with disabilities.

1.7 Previous studies

Few international studies compare labour market policies, strategies and statistics in a systematic way. One reason may be the difficulties involved in collecting *comparable* information. It is far easier to collect the information that is readily available. This is especially apparent when it comes to statistical information. Nevertheless, some earlier studies address, at least partly, the same issues as the present study.

In *OECD (1992)*, an effort is made to describe the institutional setting and the different active labour market programmes for people with disabilities in 14 OECD countries. This study was accomplished by using an evaluation panel of officers from government labour market administrations or subordinate authorities. The sparse indications of evaluation studies in the national reports suggest that few countries have emphasized the development of a policy for systematic and continuous evaluation of interventions and programmes in this area. The focus has been on monitoring the costs and dimensions of the programmes, rather than on programme performance and programme outcomes. This study also points out that information about the size, composition and employment situation of the population of people with disabilities is essential if sound employment policies are to be developed. The report refers to (mostly health) surveys in some of the countries, allowing for differences in the definition of disabled. The surveys show that the employment rate for people with disabilities is about 30–40 per cent, that the unemployment rate is much higher than for non-disabled persons (up to twice as high), and that the labour force participation rate is up to 50 per cent of that of the non-disabled group. Furthermore, the panel found a rather complex picture of national policies and strategies, although the problems faced by the countries concerned are relatively similar. The removal of barriers and disincentives, and the need to design a system of incentives in the process of moving towards employment and economic independence are also highlighted.

Lunt & Thornton (1993) undertakes a desktop review of the disability and employment field with the aim of providing an overview of legislation, programmes and services for integrating disabled people into the workforce. The study covers 11 EU countries (United Kingdom not included) plus Australia, Canada, Sweden and the United States.

Eurostat (1995) presents estimates based on an inventory of national censuses and surveys, together with administrative data (preferably from the social security authorities) for the 12 EU countries (EU12). The results indicate a disability rate in the total population of the Union of 12 per cent, with between 4 and 5 per cent of the population under 60 years of age receiving financial support linked to a disability. The definitions of disability in the member countries are often based on administrative requirements.

Thornton & Lunt (1997) covers the policy and institutional context; definitions of disability; statistics; employment support services; various types of labour market programmes and persuasion policies. The intention was to expand, revise and update the 1993 report. Since 1993, there had been far-reaching policy developments in many countries, and, as a result, many country reports had to be radically rewritten. One of their main findings is that it is hard to identify clear policy objectives, and this makes evaluations problematic. One consequence seems to be that limited attention is attached to ongoing evaluations in many of the countries. Statistical information on people with disabilities in employment is generally limited to register data on participants in quota schemes and sheltered employment, or receiving special subsidies or work incentives. Legislative definitions and eligibility criteria are often the only definitions of disability used. When it comes to the EU countries, the statistics are mostly drawn from Eurostat publications. Data from national sources on the population of people with disabilities or the numbers of people in employment outside quota schemes was rarely available. However, comprehensive and detailed data on these matters was supplied by Australia, Canada, the United Kingdom and the United States.

EC (1997) analyses the employment situation of people with disabilities in EU12. A quantitative analysis is based on the European Community Household Panel (ECHP) conducted in 1994, which provides the first source of comparable data on people with disabilities across the Union. The respondents were asked: "Are you hampered in your daily activities by any chronic physical or mental health problem, illness or disability?" (See Eurostat (1996) for further information). The definition of "hampered" was left to individual interpretation

and is therefore liable to vary between countries. The 1994 survey shows that nearly 5 per cent of the working-age population in the Union are severely hampered in their daily activities and another 12 per cent hampered to some extent. A demographic analysis indicates that nearly half of the hampered men and women of working age were in the 50–64 age group, which means about one third of this age group, while only 8 per cent were under 25 years of age.

The survey shows that there are more hampered men than women in the labour force. The study also analyses the sector of activity, occupations, educational attainment and earnings. The educational attainment level is much higher for people with disabilities in employment than for those who are not in employment, although it is lower than for other people in work.

The report also includes an overview of the experience of active labour market programmes for people with disabilities in the member states. The analysis suggests that the most appropriate programme mix is mandatory rehabilitation, strict enforcement of a flexibly designed quota system and public sector employment as "last resort".

The present study provides, first of all, a comparative description of policies, measures and statistics, asking how the different countries relate themselves to predefined and specific questions. Secondly, the results are presented in a systematic way to facilitate comparison between the countries. Thirdly, the study is not a desktop review of published sources, but uses primary sources and the latest information available. In order to ensure correct interpretation of the results, the next chapter will present the survey issues in more detail.

2 The survey

2.1 Methods and procedures

When IFAU initiated the study in 1998, the original intention was to collect the information from published sources. It was soon realized that this method was not feasible since comparable information would not be provided. Another reason for not basing the study on published sources is that publications do not always provide up-to-date information in a policy field which is changing rapidly. As a result, it was decided to base the study on direct information from central government departments via a questionnaire. In addition to up-to-date and comparable information, this approach takes the views of policy makers into account. For example, it would be interesting to know what kind of evaluations policy makers rely on when developing future labour market strategies for the target group.

The drawbacks of this method are, for example, selective information and a protracted collection phase. The informants may choose to restrict themselves to the favourable information and omit the delicate details and, as a result, the responses may tend to lack a critical approach. The contact persons may also leave out information which takes time to collect, resulting in repeated inquiries to get comparable information. When the collection phase is prolonged, the contact persons may also their change position.

The "positive information" issue cannot fully be dealt with, but the respondents were, for example, requested to support their central statements by referring to an official document. The main issues were illuminated by employing several different angles to provide a balanced picture which statistical information, in particular, was supposed to provide. The information omitted was requested again in the form of reminders, until it was not possible to get any further information.

The second half of 1998 was devoted to establishing appropriate contacts at central government level in the then 29 OECD countries and preparing a questionnaire. The questionnaire was produced as an electronic document and distributed by e-mail or floppy disk during the first half of 1999. The form was sent to a contact person, who was asked to coordinate the response to the questionnaire, consulting different experts where necessary.

Partial responses to the questionnaire were received from all the countries, with the exception of Greece, Japan, and South Korea. After receiving the answers, there was still a need of supplementary information. Information was

missing and some of the terms used were subject to misinterpretation. "Labour market programme", for example, showed to mean in principle anything to the countries, ranging from adaptation of a work place to placement services (see the distinction between programmes, incentives and services in the previous chapter). Another such term is "supported employment", which here refers only to job-coaching in an open workplace. Thus, further questions were dispatched to the respondents. At this stage, it proved necessary in many cases to also contact officials of the national bureaux of statistics and the agencies which implement the labour market programmes for detailed information. After being prepared by IFAU, the reports were returned to the countries for a factual check and possible corrections and supplements. The Sweden report was attached to help the correspondents to interpret the different passages, together with a glossary.

It was possible to establish adequate contacts for checking the information, additional questions and the completion of a comparable country report in 11 of the countries. The remaining contacts failed due to language or communication problems (e g no e-mail system), other priorities, etc. The description of the labour market programmes and the number of participants were the central parts of the survey and also the most difficult parts on which to collect sufficient information for a meaningful comparison.

Finally, each country report was returned to the ministerial department(s) for a final reading. The country reports from the Czech Republic, Norway and Sweden were completed in late 1999, the other reports in 2000, except Australia's report which was completed in 2001.[10]

2.2 The questionnaire

The three main issues (labour force statistics, labour market integration strategies and mainstreaming) had to be broken down into explicit variables in order to permit identification and comparison between all the countries concerned. The questionnaire was divided into four parts: (1) policy, (2) implementation, (3) statistics and (4) evaluation and research. The three main issues above are covered by the first three parts of the questionnaire. The fourth part, evaluation and research, is designed to provide a complementary picture.

[10] However, the Australian Department of Family and Community Affairs never returned any comments on the final version.

To achieve comparability between the different issues, the questionnaire is designed to make the countries respond to a set of predefined and specific questions rather than giving the countries the freedom to report on a more broadly defined subject. However, this approach may fail to recognize the development of a policy or strategy that is not covered by the specific questions in the questionnaire. The respondents may also refrain from offering relevant information because the questions are too tightly defined. To offset such shortcomings, the multiple choice questions are supplemented by open questions. The respondents also have the opportunity to further comment on each question or answer, something that they have made use of to a large extent. Still, there is of course a potential risk that a respondent has left out relevant information. Voluntaristic strategies are for example an issue that is not specifically asked for, which may cause a lack of information.

A more detailed description of the different issues in the four parts will now follow, in order to introduce the reader to the questionnaire and to assist interpretation of the results.

Policy

The first section of the questionnaire concerns three main questions: (1) How is the general disability and labour market policy organized at the ministerial level and, in particular, the labour market policy for people with disabilities. (2) Is an allowance or "work first" policy pursued? (3) Are equal opportunities and equal participation for people with disabilities in the labour market expressed in legislation? All these three questions reflect various aspects of normalization and mainstreaming of policy and institutional framework to integrate people with disabilities into the labour market.

In the study of the way responsibility is allocated at ministerial level, the term "sectoral responsibility" is used. This refers to a policy in which every ministry has to take the consequences for people with disabilities into account in the course of its operations, and to the principle that all disability issues should be solved within the sector in which they occur. The interpretation of this policy is that the Ministry of Labour is responsible for labour market related issues, the Ministry of Education for educational matters, and the Ministry of Communications for matters concerning transportation. Thus, sectoral responsibility requires that all policy sectors are involved in the modelling and execution of disability policy. In the absence of such a policy, the Ministry of Social Affairs (or equivalent) and its subordinate authorities, is traditionally re-

sponsible for all aspects of disability policy. Even if sectoral responsibility is applied, the Ministry of Social Affairs may have a coordinating role.

To determine whether welfare or work is the predominant policy for provision for people with disabilities of working age, there was a question which asked whether the policy stressed social income transfer programmes or programmes designed to integrate people with disabilities into the labour market. Both people with and without earlier work experience (the re-integration and integration case, respectively) are covered under the term "integration". Nor is any distinction between entry/re-entry and job retention made, since several measures are used for all three cases. There was also a question about whether there is an explicit policy to integrate people with disabilities into *regular* employment (without subsidies or legal obligation) in the open labour market. To underpin their answers, the countries were asked to provide examples of the wording in official documents expressing the policy. The questionnaire also asked whether the current policy had been introduced recently and whether any policy shifts have occurred during the 1990s.

The legislation passage involves the kind of statute in which possible legislation on equal opportunities and equal participation for people with disabilities in the labour market is expressed (if there are any) – in anti-discrimination legislation, other special legislation, integrated or general legislation.[11] If there is no special anti-discrimination act, there may be a clause on anti-discrimination of people with disabilities in working life in the constitution, for example. Usually, the interpretation evolves on the basis of case law, but there is also an example of non-actionable ruling. Different aspects of discrimination may be included, such as recruitment, promotion and dismissal.

Implementation

The implementation section covers two main issues: institutions and labour market programmes. What institutions are involved in the process of integrating people with disabilities into the labour market and how is responsibility allocated? The considerable variety of ways of organizing the implementation of the policy makes it difficult to create predefined answers when designing a questionnaire. Decentralization and regional government tend to result in the

[11] See the Glossary in Annex 5 for distinction between the various kinds of legislation.

central government losing control over the implementation process and the collection of data, a problem which is particularly evident in federal states.

Another way of mapping the implementation process is to start at the opposite end and ask what services associated with integration of people with disabilities into the labour market are available, and where the individual should turn to get these services. The following activities are investigated in the questionnaire: Assessment of occupational handicap, vocational guidance, job search, selection into labour market programmes, incentives for employers to employ people with disabilities, incentives for people with disabilities to became active in the labour market, vocational rehabilitation services, transportation to the work place, technical aids and adaptation of the workplace and, finally, personal assistance in the work place (here it refers to on-the-job attendant care and should not be mistaken for job coaches). Several financial sources may be involved for the latter four activities: for instance different public appropriations, funds, the employer or the employee.

A question concerning assessment of occupational handicap proved to be ambiguous, and did not clearly state the purpose of assessment. Since an assessment may serve disparate purposes (such as selection into labour market programmes; to register as disabled to be eligible for certain services or benefits or; to receive disability pension) the purpose had to be clarified. The related question concerns possible combinations of disability pension and employment. Additional information concerning disability pension schemes was collected after the answers to the questionnaire were received.

One of the most important parts of the questionnaire is the section covering labour market programmes, and it is also one of the most detailed parts, due to the shifting characteristics of the programmes. The respondents were first asked to say how *publicly financed* labour market programmes are arranged – as national, regional or local programmes. National programmes refer to programmes that are identical and applied in the same way throughout the country, but regional programmes may differ between regions and local programmes differ between municipalities. *Programmes not publicly financed* may be an alternative way of supporting the policy. If so, what are the programmes and who are the providers? Possible sources of support may include private organizations, organizations for people with disabilities or other non-profit organizations. The extent of these programmes (in terms of numbers of participants in comparison with publicly financed programmes) and whether they are of grow-

ing importance are also of interest. In this study, only publicly financed national programmes are subject to more detailed analysis.

In the questionnaire, targeted ("special") labour market programmes for people with disabilities are separated from mainstream ("general") labour market programmes. An important question in this context is whether preference is given to mainstream or targeted programmes.

The labour market programmes targeted at people with disabilities available are scrutinized to reveal the different combinations of key components. Even if programmes in different countries have the same name, it does not mean that the characteristics of the programmes are the same. "Sheltered employment", for instance can cover both virtually unpaid work or work with a compensation close to what is regarded as a normal wage in the business or sector concerned. In most cross-national studies, no such systematic comparison is accomplished, which means that important differences in the programme design are not revealed.

The *introduction year* indicates whether a programme has been recently introduced or has been in operation for several years. In the selection process, a person with disabilities may be selected into a certain programme in the first instance, while other programmes are reserved for persons with more severe disabilities. Internal *priority* between programmes may be applied in this way. *Administration* refers to the organization that administers and coordinates a programme (which may differ from the provider). The official *goal* for a programme is important for evaluation reasons. First of all, is there a policy goal and, secondly, how is it expressed. *Activities*[12] are the primary classification tool. The activities may be vocational training, work experience, vocational rehabilitation, work or some other activity, or a combination of activities. There may be eligibility criteria for both providers (employers) and individuals. *Provider* refers to sector, type of industry and size of organization. *Individual eligibility criteria* are, for example, type and degree of disability.

Individual compensation is the remuneration to the participant during the programme in the form of a regular wage from the employer or some kind of benefit. The *compensation to the provider* can, for example, take the form of a tax reduction, wage subsidy or lump sum subsidy or may be according to con-

[12] In the questionnaire**,** activities were included under the term "purpose". In the country reports**,** the heading of some other specifications also differs slightly from the specifications in the questionnaire.

tract. As previously noted**,** measures involving merely a one-off payment are not regarded as a programme, but as an incentive. However, if the lump sum is granted provided that there exists an employment contract for a certain period of time, it is included as a programme. For both individuals and providers/employers, not only the kind of compensation is of interest, but also the level of compensation (e g as a percentage of wages), the financial source (e g various public appropriations) and the *maximum programme time*. *Provider obligations* describe possible additional requirements attached to the programme.

If the answers do not fall into the predefined template, the respondent obviously has the option, as elsewhere in the questionnaire, to give other answers and also to provide his/her own comments to each question. In addition, the corresponding information is provided about *mainstream labour market programmes* to which people with disabilities have access. However, the detailed programme descriptions here are restricted to the predominant programmes (with respect to the number of participants with disabilities). The respondents were also asked to comment on any recent or anticipated major changes in the individual programmes and the programme mix.

Statistics

The need for statistical information is explained in detail in the introductory chapter. The statistics asked for in this section aim at providing quantitative answers to all the three main issues (labour force statistics, programme strategies and the degree of mainstreaming). The information concerns: (1) the disability rate of the working-age population, and the labour force participation and employment rates for this group compared to persons with no disabilities; (2) the corresponding rates for people with employment restrictions due to disabilities; (3) the number of people with disabilities in various targeted and mainstream labour market programmes and; (4) the main income source for people with disabilities.

A national survey or census is required to answer the first two questions. Register data will not provide comparable statistics. A convenient way of collecting relevant statistics on employment for people with disabilities is to use an ordinary labour force survey, extending the survey with appropriate questions related to disability and employment restrictions, using the standardized international terminology discussed previously. National health surveys are also a possible way of collecting the data, but the linkage to labour force statistics may be weak. For member countries of the European Union that have not

conducted a national survey of their own, the study presents data from the European Community Household Panel (ECHP) 1996.

In order to further study the employment situation for people with disabilities, questions are asked about how many respondents in such a survey are also participating in (targeted and mainstream) labour market programmes and the main source of income (income maintenance, unemployment benefits, compensation to participants in labour market programmes, regular employment or other source). If all this information is not covered in a survey, matched register data may provide similar information. If neither information exists, mere register data on the number of participants in labour market programmes and disability pension recipients constitute the alternative information collected.[13]

Evaluation and research

The evaluation and research section is designed to complement the answers in the previous sections, involving discussion of possible policy conflicts and the outcome of various labour market programmes for people with disabilities.

Firstly, the institutions which are responsible for evaluating government financed labour market programmes may differ from one country to another. Government authorities, universities and non-government research institutes are common evaluating institutions, with varying degrees of independence. Secondly, a number of policy issues relating to evaluation are covered: When considering the labour market policies for people with disabilities, does the present strategy lack any tool to fulfil the policy objectives? What are the possible conflicts between different policy objectives? How is repeated programme participation (cycling) viewed? Is early retirement used as a way out of long-term unemployment? What is the view concerning creaming effects[14]? The way in which legislation affects the integration of people with disabilities into the labour market is another matter of interest. However, the most tangible results come from what is revealed by evaluations of the targeted labour market

[13] However, in a comparison of the number of participants with disabilities in various labour market programmes, the fact that the administrative definitions of disability differ between programmes and countries is not necessarily a problem per se, although it does reflect the country's policy on this matter.

[14] Creaming effects are here referred to as a phenomenon when individuals eligible for more demanding programmes are selected into less demanding programmes, e g to fulfil a programme objective (e g to reach a certain rate of transitions from sheltered workshops to the open labour market).

programmes. Note that no pilot programmes are included in the presentation of evaluation results. The countries are supposed to give information about the time period covered by the evaluation, the organization that has conducted the evaluation and positive/negative results. The respondents can also give examples of programmes that are regarded as successful, and mention other major problems in implementing labour market programmes for people with disabilities.

2.3 Country reports

In chapters 3–13, the results of the questionnaire are presented in individual country reports in alphabetical order. In principle, the outline of the reports follows the four parts of the questionnaire and the concepts presented in the previous chapter. Each country report presents the information issue by issue, using an iterative pattern to facilitate comparison. Thus, the information in the country reports refers to the answers from the country informants.

Among the 11 country reports, nine represent European countries, six of which are EU members (Austria, Finland, Ireland, Portugal, Sweden and the United Kingdom), and two are former Eastern bloc countries (the Czech Republic and Poland). The eleventh country is Norway. The Non-European countries are Australia and New Zealand. Poland and the United Kingdom represent major countries. Other major European countries (France, Germany, Italy and Spain) are only included as references for labour force participation and employment rates in chapter 14. In general, federal states appeared to be difficult to investigate, especially if major aspects of labour market policy are decentralized. Thus, minor European countries are over-represented among the 11 countries. There are major differences between the labour market policy in the Nordic region, the continent and the English-speaking countries. However, these differences are probably of greater importance than the differences between small and large countries for the purpose of this study.

3 Australia

3.1 Policy

Institutional framework

Disability policy

A specific ministry, the Department of Family and Community Services (FaCS), is responsible for national policy-making in the disability area. The department also coordinates Federal Government policies for people with disabilities. In 1998, FaCS was formed from the Department of Social Security and the Department of Health and Family Service, both of which were responsible for aspects of disability policy prior to the change. These functions were brought together under a single portfolio to create policies to facilitate the participation of people with disabilities in the economic and social life of the community. State governments also handle policy within their jurisdiction in all areas except social security and employment.

A ten-year strategy called the Commonwealth Disability Strategy (CDS) was presented in 1994. This is a planning framework for Commonwealth agencies to ensure access for people with disabilities to all Commonwealth programmes, services and facilities. CDS also provides a practical framework to meet the Commonwealth's obligations under the 1992 Disability Discrimination Act and the United Nations Standard Rules. The CDS states that "All Commonwealth departments and authorities should ensure that their corporate planning and administration processes take account of the needs of people with a disability. This applies to the full range of administrative functions from the location and accessibility of departmental buildings through to the training of personnel and communication with clients. In addition, the accountability of individual departments and authorities in relation to access by people with a disability should be significantly increased."

Labour market policy

The Department of Employment, Workplace Relations and Small Business (DEWRSB) is responsible for employment in general. It absorbed functions from the Department of Employment, Education, Training and Youth Affairs (DEETYA) in 1998. The Department of Education, Training and Youth Affairs (DETYA) continues to be responsible for Federal vocational training programmes and for labour market programmes targeted at young people.

The Job Seeker Services and Startegies Branch within the DEWRSB is responsible for employment services for job seekers in general (which includes people with low impact disabilities). The Disability Payments and Services Branch within the FaCS is responsible for income support payments and specialist disability employment services and other services for people with moderate to high levels of disability.

The Office of Disability Policy (within the FaCS) has a liaison and advisory role for people with disabilities. It also manages the Commonwealth State Disability Agreement, which was formed in 1991 and ratified by the States between 1991 and 1993. The objective of the Agreement is to rationalise administrative arrangements for disability services, and develop integrated services on a national basis to ensure that people with disabilities have access to appropriate services that meet their needs. The Agreement provides for a functional split of the provision of services for people with disabilities by the Commonwealth and the States, respectively. The Commonwealth is responsible for administering services designed to improve employment options for people with a disability. The States are responsible for administering accommodation support, respite services[15], independent living training, recreation and other similar services.

Policy focus

The policy for people of working age with disabilities gives priority to programmes which are designed to integrate the target group into the labour market. The focus of the policy shifted towards a more active system of income support policies during the 1990s.

The Disability Task Force was established in 1988 to coordinate the disability policies of the Departments of Social Security; Employment, Education and Training; and Human Services and Health. The Disability Task Force's assignment was also to develop the Disability Reform Package, which was announced in the 1990/91 Budget.

This package aimed to improve the participation of people with disabilities in employment, education and training, while ensuring that people with severe disabilities who had limited job prospects continued to receive adequate and secure income support. The package was designed to achieve this objective by

[15] Respite services provide alternative care arrangements that allow carers of people with a disability a short-term break from their usual caring responsibilities.

two primary means: (1) by introducing specialized staff and "disability-panel" services specifically to help people with disabilities into rehabilitation, training and employment-assistance programmes; and (2) by providing more places in these programmes to make them accessible to more people.

In 1996, the Government announced reforms for labour market assistance, with the primary objective of ensuring that labour market services and programmes have a clear focus on employment outcomes and make a genuine difference to those assisted. In the main, this is accomplished by a one-stop shop for community services, a thorough assessment procedure and a system of contracted providers paid according to performance.

No explicit policy objective is reported for integrating persons with disabilities into regular work (i e unsubsidized employment in the open labour market). The Commonwealth's current objective for the provision of disability employment services may be explicitly and succinctly stated as being to give people with disabilities access to appropriate employment assistance, depending on the severity of their disability and other vocational programmes that help them to obtain and maintain employment, whether unsubsidized or subsidized (primarily short-term though), in the environment that they choose.

Legislation

Equal opportunities and equal participation in working life for persons with disabilities are expressed in an anti-discrimination statute (the 1992 Disability Discrimination Act, DDA, which came into effect in March 1993) and integrated legislation (the 1996 Work Place Relations Act and the 1986 Human Rights and Equal Opportunity Commission Act). The DDA concerns recruitment, interviewing and selection processes, terms and conditions of employment, promotion, training and other benefits, and dismissal. In addition to the Commonwealth legislation, the States and Territories have their own legislation which, in varying degrees, promotes equal opportunities and prevents discrimination against a person because of disability, and also applies to employment.

3.2 Implementation

Institutions

The Department of Employment, Workplace Relations and Small Business has overall responsibility for implementation of labour market policy. The Department delivers employment services to unemployed people (including the long-term unemployed) through Job Network, which was launched in May 1998.

Job Network is a national network of about 200 private, non-profit and public organizations, selected via a competitive tendering process. The Job Network Members provides placement services and labour market programmes. The performance of, and financial compensation to, Job Network members is measured against their ability to get people into employment. Job Network members can also specialize in providing employment assistance to people with disabilities.

Centrelink, a new Commonwealth service delivery agency, subordinate to the Department of Family and Community Services, was formed in September 1997, combining the services of a broad range of Government departments[16] to provide a one-stop shop for people seeking help. Centrelink is responsible for registration and acceptance of all new applicants for unemployment benefits and referrals to labour market programmes and services, both mainstream and targeted at disadvantaged groups such as people with disabilities. The agency refers job seekers to Job Network providers including specialist disability providers according to the outcome of screening instruments utilized in the assessment process. A Centrelink case manager may assist a client with both employment and income support (not only unemployment benefit but also issues concerning disability pension and other social security benefits). Centrelink also provides self-help job search facilities.

Thus, Centrelink is the FaCS' and several other central government departments' primary interface with the public.[17] FaCS also funds Specialist Disability Employment Service providers, an independent network of about 975 service outlets of organizations that offer labour market programmes and services specifically for people with disabilities, together with rehabilitation services, through the CRS Australia (formerly Commonwealth Rehabilitation Service).

Until 1997, the Commonwealth Government was responsible for directly funding and administering labour market programmes. Since then, the Commonwealth Departments devolve responsibilities to State offices and regional areas.

[16] Department of Family and Community Services; Department of Education, Training and Youth Affairs; Department of Health and Family Services; Department of Primary Industries and Energy; and Department of Transport and Regional Services.

[17] FaCS also has a network of state/territory offices, but these are mainly administrative.

Labour market programmes

Mainstream vs targeted labour market programmes

There are official policy guidelines indicating that mainstream labour market programmes are to be employed prior to labour market programmes targeted at people with disabilities. Centrelink possesses several screening instruments to assist in streaming job seekers to the appropriate service or programme. A Job Seeker Classification Instrument (JSCI) is developed to classify job seekers according to level of disadvantage in the labour market and another instrument, the Work Ability Tables (WAT), is developed to assist assessment of the work capacity. The WAT is developed to measure the work ability of people with disabilities and also assist in the determination of eligibility for Disability Support Pension. The WAT score is the primary way of streaming clients between programmes administered by DEWRSB Job Network (job seekers without disabilities or disabilities with a low to moderate level of impact) and FaCS specialized employment services (clients with moderate to severe disabilities).

To clarify the outcome of the JSCI when the job seeker has a particularly severe employment barriers or when the nature of the barrier requires special counselling, a secondary process of classification, Special Needs Assessment (SNA), is available that clarifies the initial JSCI score. SNA is for example used to assess whether a person with psychosocial barriers is likely to benefit from Intensive Assistance. If not, he/she may be referred to the Community Support Programme (CSP) for preparation (this programme is targeted at job seekers with psychosocial problems).

Prior to the introduction of Job Network, two instruments, the Jobseeker Screening Instrument and Client Classification Level, were used to determine access to former labour market programmes. The JSCI replaced the above two instruments and classifies job seekers according to their barriers to employment, such as low level of literacy, non-English speaking background, lack of job qualifications, disability and age, and assigns a level of assistance the job seeker was eligible for.

Publicly financed labour market programmes

Publicly financed labour market programmes (both mainstream and targeted) for people with disabilities are mainly arranged in the form of national programmes and administered by the national Job Network or, for more severely disabilities, by State and Community based providers of FaCS funded programmes. In principle, all the national programmes are contracted out to pri-

vate, non-profit or public providers by tendering. The Commonwealth State Disability Agreement established employment as a Commonwealth responsibility, but State governments may also arrange labour market programmes of their own to a limited extent. These programmes are usually linked to Post School Options programmes (state-run programs designed to provide vocational guidance and training assistance to school leavers).

Labour market programmes which are not publicly financed

There are no programmes designed to integrate people with disabilities into the labour market that are not financed from public appropriations.

Labour market programmes targeted at people with disabilities

Current programmes

Australia has five categories of labour market programmes targeted at people with disabilities: subsidized employment (Supported Wage System), work experience (Wage Subsidy Scheme), vocational training (Disabled Apprentice Wage Support Scheme), vocational rehabilitation (Rehabilitation Services) and sheltered employment (Service Business).[18]

The eligibility criteria for participation in targeted labour market programmes is determined by the Centrelink specialist disability officer and the score of the screening instruments (JSCI, WAT and SNA, see description above).[19] There is no other internal priority between the specialist programmes, but individuals receive the type of employment or assistance that best suits them and which they are eligible for. However, sheltered employment may have a lower priority. *Table AU1* presents the current programmes.

New programmes

There are no tangible plans to introduce new labour market programmes targeted at people with disabilities.

Additional support

In addition, several services and grants are available for persons with disabilities, e g Pensioner Concession Card and Mobility Allowance (see the section

[18] These programmes are targeted only at people with moderate to severe disabilities.
[19] However, DETYA determines the eligibility criteria for the Disabled Apprentice Wage Support Scheme.

"Services associated with integration into the labour market" below). The Work Modification Scheme, which FaCS administers, provides funding of up to AUD 5000 for essential work place modifications or special or adaptive equipment. To encourage the transition from pension receipt to employment, Disability Support Pension customers can also receive an Employment Entry Payment (valued at AUD 300 for this customer group) or a repayable Special Employment Advance.

Table AU1. Specifications of labour market programmes targeted at people with disabilities in 2000.

Subsidized employment programmes
Supported Wage System (SWS)
Introduction year: 1993
Priority: Not predefined.
Administration: Specialist Disability Employment Service Providers funded by FaCS.
Goal: To provide durable employment options.
Activities: Work.
Provider: Contracted private, non-profit and public organizations.
Individual eligibility criteria: Persons unable to obtain or maintain open employment due to the impact of disability on their productivity. An independent "SWS assessor" assesses the work capacity. The employer must agree to the SWS before the assessment occurs and work commences. No lowest level of working capacity is specified, but the worker must be able to perform the required tasks, but not at full capacity.
Individual compensation: During a trial period when the worker settles at optimum productivity before assessment of productivity level, the person is paid a trial wage at a rate negotiated between the individual and the employer. The wage may not be less than AUD 50 per week, or the amount specified in the relevant award or work place agreement. After agreement: Regular wage from employer according to assessed level of productivity plus Disability Wages Supplement (DWS) if medical eligibility to Disability Support Pension (DSP) applies.
Compensation to provider: No ongoing wage subsidy involved. A lump sum payment of up to AUD 1000 to offset the employment costs is paid to employers who have not received an initial wage subsidy (from the Wage Subsidy Scheme for example). Source: Public social appropriations (FaCS).
Provider obligations: Wage contract according to the assessed level of productivity (in comparison to workers in the work place who do the same or similar job and receive full award wages). Funds for individual assistance and/or training at work are available within the SWS to provide such support via a range of support agencies or paid to the employer.
Max programme time: Up to 12 weeks trial period. After agreement: Unlimited.

Work experience programmes

Wage Subsidy Scheme

Introduction year: 1993.

Priority: Not predefined.

Administration: Specialist Disability Employment Service Providers funded by FaCS.

Goal: To encourage employers to provide employment under open employment conditions to workers with disabilities. To increase the competitiveness of workers with disabilities in gaining employment in open labour market conditions.

Activities: Work and work experience.

Provider: Contracted to private, non-profit or public organization. Community and charitable organizations must be incorporated. Minimum of 8 working hours per week.

Individual eligibility criteria: Not competitive in the labour market because of disability to gain employment under open labour market conditions. Must be financially assisted by a FaCS funded provider or CRS Australia.

Individual compensation: Regular (reduced) wage paid by the employer.

Compensation to provider: Up to 100 % wage subsidy. The rate is negotiated between the employer and the employment service provider, depending on the degree of employer incentive considered necessary for the person to obtain lasting employment. The rate cannot exceed the equivalent of 13 weeks pay or the applicable award wage rate. Source: Public social appropriations (FaCS).

Provider obligations: Normal employment contract under legal industrial agreement. The vacancy must be expected to continue for at least 3 months' continuous employment after the end of the subsidy period or a period equivalent to the subsidy period.

Max programme time: Up to 13 weeks wage subsidy period, whereupon the employer is obliged to employ the person concerned for at least another 13 weeks.

Vocational training programmes

Disabled Apprentice Wage Support Scheme (part of the New Apprenticeships Programme)

Introduction year: 1983.

Priority: Not predefined.

Administration: DETYA.

Goal: To promote recruitment of apprentices with disabilities.

Activities: Training.

Provider: Private, non-profit and public organizations.

Individual eligibility criteria: People with disabilities who face difficulties obtaining an approved apprenticeship or have become disabled during the apprenticeship. Must be assessed as capable of entering or continuing employment, given suitable support or training. Individual compensation: Apprentice wage from the employer according to normal industrial agreements.

Compensation to provider: AUD 104.30 per week or an amount equivalent to the award wage

for that occupation (whichever is the lesser amount). If the apprenticeship is part time, the relevant proportion of the award wage is paid. Source: Public education and training appropriations (DETYA).

Provider obligations: The employer must employ and train the apprentice according to a registered training agreement. The employer may access tutorial assistance, mentor/interpreter assistance and work place modifications.

Max programme time: Usually 3–4 years, but training may be competency-based and finish earlier.

Vocational rehabilitation programmes

Vocational Rehabilitation

Introduction year: 1947.

Priority: Not predefined.

Administration: CRS (Commonwealth Rehabilitation Service) Australia, which is a branch of FaCS.

Goal: To reduce the personal, social and financial cost of disability to the individual and the community. There is a hierarchy concerning return to work (for reasons of cost effectiveness): In the first instance the same job with the same employer, followed by different job but same employer, same job but different employer and, different job and different employer.

Activities: Vocational rehabilitation (including assessment of needs; counselling; functional education, disability management; treatment to minimize the impact of disability in the workplace; provision of work related aids and equipment; vocational education and training, including literacy and numeracy skills and formal training; mobility training; personal development, social skills and self esteem; injury prevention training; employment related services; job monitoring, work training, and; job design and redesign.)

Provider: CRS Australia. For vocational education and formal training CRS utilizes the services provided by existing external providers within each State/territory. CRS is able to provide on-the-job training with employers.

Individual eligibility criteria: Permanent residents of Australia aged between 14 and 65 years with a disability which may existed from birth or resulted from an injury or illness. The illness must affect their ability to gain or keep employment and to be independent in the community. There must be also be a potential to make a substantial advance towards employment and independent living as a result of their participation in a rehabilitation programme. The disability or illness must have stabilized and the capacity to benefit from vocational rehabilitation must have been established.

Individual compensation: Disability Support Pension, Sickness Allowance or Newstart Allowance Incapacitated or other benefits/pensions (82 % of the participants in 1999/2000). Source: Public social appropriations (FaCS).

Compensation to provider: Funded from the Commonwealth budget according to a defined Service Level Agreement. Source: Public social appropriations (FaCS).

Provider obligations: CRS has performance targets and regular reporting requirements under the Service Level Agreement. At referral, each client is assessed by a qualified health professional to establish a needs assessment and then an individualized rehabilitation plan is developed. CRS Australia utilizes these processes and documents to focus the provision of rehabilita-

tion in conjunction with the client and key parties. Review of their rehabilitation plan is undertaken as the provision of programme progresses. Commonwealth Disability Services Act 1996 Part 3 outlines the details of CRS' obligations to clients and customers.

Max programme time: Not limited. The average programme time is 37 weeks plus 4 weeks for assessment of individual needs.

Sheltered employment programmes

Business Services

Introduction year: Early 1970s.

Priority: Low.

Administration: FaCS.

Goal: To provide meaningful paid employment for people who, due to their disability, may find it difficult to obtain or maintain employment in the open labour market.

Activities: Long-term sheltered employment.

Provider: Private, non-profit or public organizations. BS may take the form of sheltered workshops, a group from the BS working in a host company, individual placement in a host company or, contracts (e g outsourcing of services). There are no regulations concerning the proportion of p w d in the company.

Individual eligibility criteria: People assessed by Centrelink with a WAT score of 50 or more. Alternatively people can choose to apply directly to a Business Service.

Individual compensation: Varies across the BSs. May be related to productivity. It is possible to combine income from BS and Disability Support Pension. Most workers (75 %) do not earn enough to have their Disability Support Pension reduced. Source: The employer and/or public social appropriations.

Compensation to provider: Ad hoc funding, contracted annually to fund the costs incurred in the provision of employment support for people with disabilities. The level of revenue that the Business Services are able to generate of their own accord by sales of products and services varies widely. Source: Public social appropriations (FaCS).

Provider obligations: Only a very small percentage (no figure available) of people employed in Business Services move on to open employment.

Max programme time: Unlimited.

Mainstream labour market programmes

Current programmes

Australia has five categories of mainstream labour market programmes: multi-purpose programme (Intensive Assistance), self-employment (New Enterprise Incentive Scheme, Self Employment and Group/Community Cooperative Enterprise Development), work experience (Green Corps for youths and Work for the Dole), vocational training (New Apprenticeships, New Apprenticeships

Access and Literacy and Numeracy Training) and vocational rehabilitation (Community Support).

A number of part-time (less than half-time required) programmes are available which combine job search with another activity to strengthen the individuals' prospects in the labour market. Work for the Dole (one of the mutual obligation options) is an example of such programmes.

A concept of mutual obligations for young long-term unemployed people was introduced in 1998, which involves a requirement to undertake an activity in addition to job search. The aim is to encourage them to look for work more actively and to take part in activities, which will improve their skills and work habits. They have a menu of activities to choose from that includes several of the full time and part-time programmes above. Part-time work, voluntary work, part-time education or training courses, relocation and part-time literacy and numeracy training activities are also options to meet the mutual obligation. These extra obligations for the receipt of unemployment benefit are imposed on certain age groups and the activity test requirements vary according to the time in unemployment, age and local labour market conditions. Relocation, Job Search Training and New Apprenticeships Access Programme (preliminary training) are combined with Intensive Job Search Activity, which means that the job seeker has to double his or her normal employer contacts, with a minimum of eight contacts a fortnight for a certain period.

In principle, people with disabilities have access to all of these programmes. A general eligibility criterion to many of the programmes (but not all) is that the job seeker is registered with Centrelink and receives some kind of income support. Besides the Job Seeker Classification Instrument, there is no predefined internal priority between the mainstream programmes, but the priority depends, among other things, on the individual's choice. A low JSCI score gives the customer access to Job Matching, which is labour exchange services. A higher level may give eligibility to Job Search Training which helps to improve the job search skills and, at the highest level, the Intensive Assistance programme. It also indicates what level of resources within the IA the person needs for placement.

Intensive Assistance, New Apprenticeships Programme, Work for the Dole and, the Community Support Programme seems to be the predominant mainstream programmes for people with disabilities, apart from the targeted programmes. *Table AU2* presents these programmes (except the New Apprenticeships Programme).

New programmes

There are no tangible plans for the introduction of any new mainstream labour market programme, which are available also for people with disabilities.

Additional support

In addition, Job Matching (by Job Network) and Career Counselling (provided by registered career counsellors from both private and community organizations) are available for unemployed job seekers on unemployment benefits or persons in the age range 15–20 registered with Centrelink.

Job Network also provides a special Harvest Labour Service ("Labour Contracting") to supply labour to regions that require considerable numbers of out-of-area workers in the harvesting season.

The Intensive Assistance (IA) programme has the flexibility to provide a range of complementary services, including job search techniques; job matching; personal development; interpreter services; subsidized fares and special driving licences; training in literacy; work place modifications and; post-placement support.

People who have been receiving Newstart Allowance for at least 12 months may get an Employment Entry Payment of AUD 100 when they obtain full time employment. This allowance is usually paid out automatically when a person informs Centrelink about a return to work.

There are also special counselling services targeted at young people: Jobs Pathway Programme (assistance in making the transition from school to work) and Job Placement, Employment and Training (assistance to students and unemployed young people who are homeless or at risk of becoming homeless). Small Business Incubators are designed to assist new and growing businesses to become established and profitable by providing premises, advice, services and other support. The "incubation period" is normally from one to three years, during which time fledgling businesses can become established before graduating into the wider business community. In addition, there is Job Search Training, a three-week course in job search techniques.

Table AU2. Specifications of the most important mainstream labour market programmes for people with disabilities in 2000.

Multi-purpose programmes

Intensive Assistance (IA)

Introduction year: 1998.

Priority: According to JSCI and individual assessment of the needs and possibilities.

Administration: Job Network.

Goal: To obtain sustainable employment for most disadvantaged job seekers by providing the services and support they need.

Activities: Flexible and can include subsidized employment, vocational training, work experience or vocational rehabilitation.

Provider: Private, public and non-profit.

Individual eligibility criteria: Job seekers with significant barriers to employment, including a history of long-term unemployment. They must be registered with Centrelink as unemployed and usually receive New Start Allowance (NSA) or other forms of qualifying Government income support for at least 52 weeks or are assessed as being at high risk of long-term unemployment.

Individual compensation: UB (New Start Allowance) or other Government income support. Basic rate AUD 350.80 per fortnight (Dec 2000).

Source: Public social appropriations.

Compensation to provider: According to agreement between Job Network member and the employer. Source: Public labour market appropriations via DEWRSB. Job Network member receives stepwise payments for (1) entering into Activity Agreement with the job seeker, (2) outcome of 13 consecutive weeks in employment or one term/period in education, and (3) another 13 weeks in employment or another term/period in education.

Provider obligations: According to agreement between Job Network member and the employer/provider. Job Network member: (1) establish an Activity Agreement with the job seeker within two weeks (four weeks in rural locations) after sending out a notification letter, (2) negotiate a Support Plan from (1) if no placement has been achieved.

Max programme time: Up to 65 weeks depending on level of job seeker disadvantage and placement possibilities.

Work experience programmes

Work for the Dole

Introduction year: 1997.

Priority: First.

Administration: DEWRSB. Centrelink refers job seekers to the local Community Work Coordinators.

Goal: Making unemployed people contribute something to the community in return for their unemployment benefit (part of the Mutual Obligation Strategy).

Activities: Work experience in which the participants learn to work as a part of a team, receive instructions from a supervisor, work independently and improve their communication skills, motivation and dependability.

Provider: Non-profit and public organizations selected by competitive tender. Private organizations can be coordinators but not providers.

Individual eligibility criteria: 18–19 years old Year 12 school leavers who have been receiving Youth Allowance for 3 months; 18–24 year old job seekers who have been receiving Newstart/Youth Allowance for 6 months; and 25–34 year old job seekers who have been receiving Newstart Allowance for 12 months may all be required to take part in the programme if they receive full time UB. Others, who are 18 or over may volunteer to participate if they receive full time UB.

Individual compensation: UB plus an additional allowance of AUD 20.80 per fortnight to cover expenses associated with participation, such as transport, meals etc. Source: Public social appropriations.

Compensation to provider: The coordinators receive a fee to provide management services, such as generating and developing work experience opportunities, liaison with Centrelink, interviewing eligible job seekers, monitoring the providers and reporting to the Commonwealth. In addition, the coordinator or provider receives a work experience fee for providing work experience opportunities covering supervision, training, leasing of capital equipment etc. Source: Public labour market appropriations (DEWRSB).

Provider obligations: The placements must be additional, and must not deprive existing full-time or part-time workers of their jobs.

Max programme time: Six months.

Vocational rehabilitation programmes

Community Support Programme

Introduction year: 1998.

Priority: Third.

Administration: DEWRSB.

Goal: To provide assistance for addressing and overcoming personal barriers sufficiently to permit the job seeker to: access Intensive Assistance; transfer to a more appropriate form of income support; secure employment, apprenticeship or training; or entering or returning to further education or training.

Activities: The participants must have contact with their provider at least every four weeks. In between the participants usually receives assistance from other services such as counselling, drug and alcohol rehabilitation or training in life skills. The provider helps participants to access these services and monitor participant progress in addressing significant or debilitating personal development needs.

Provider: The programme is contracted to private, non-profit and public organizations via a competitive tender process.

Individual eligibility criteria: Intensive Assistance eligible job seekers in receipt of Newstart or Youth Allowance or aged 15–20 and not on income support who, due to their special needs, would be better served by assistance other than that available in Job Network. The JSCI and

Special Needs Assessment are used.

Individual compensation: Newstart or Youth Allowance. Those aged 15–20 and not on income support are generally not eligible because of their parents income. Source: Public social appropriations.

Compensation to provider: Up to AUD 1000 per placement per annum, based on the degree to which contracted capacity is filled. An employment outcome payment incentive of AUD 1,608 is paid at 13 and 26 weeks of employment for any client who is able to transfer to paid employment. Source: Public labour market appropriations (DEWRSB).

Provider obligations: –.

Max programme time: Part-time for up to 2 years.

Services associated with integration into the labour market

Table AU3 presents an overview of central services available in connection with integration into the labour market, and the administration responsible.

Vocational rehabilitation is provided by CRS Australia (former Commonwealth Rehabilitation Service), which is the largest provider of vocational rehabilitation and injury management services in Australia, and other Specialist Disability Employment Service providers. CRS is the only provider of vocational rehabilitation for people with disabilities who receive income support from the Australian Government.

Private, community and public organizations under Job Network are contracted by the government to provide vocational guidance. Providers of training and education under DETYA also provide vocational guidance for people with disabilities, as do CRS Australia and the Specialist Disability Employment Service providers.

CRS Australia, Specialist Disability Employment Service providers and Job Network Members assist in job search. Self-help job search facilities (such as the National Vacancy Data Base) can be accessed in Centrelink offices (and certain Job Network members), providing vacancy data and details for contacts regarding a job. Centrelink offices also provide free fax machines, phones and photo copiers to assist the job search process.

Centrelink is the main body for first referrals and selections into different labour market programmes via the providers. However, a person may choose to contact a provider directly. Job seekers with low to moderate levels of disability are eligible for Job Network assistance. Job seekers with moderate to high levels of disability (i e those scoring 50 or more on the WATs) have a dual pathway arrangement for employment assistance in which they can either go to Centrelink, which can refer to FaCS funded providers of State or Community

based interventions, or to the specialist disability employment service of their choice. The various State Governments' departments manage the selection to the state funded programmes.
Employers may receive subsidies when employing people with disabilities by contacting the local Centrelink office, a specialist provider directly or, the state FaCS office.

There are a number of incentives for people with disabilities to become active in the labour market. People in receipt of Disability Support Pension may test and realize their potential for possible participation in the workforce. To minimize customer concerns regarding loss of concessions linked to pension entitlement, people moving to undertake substantial employment may retain their Pensioner Concession Card (this provides, for example, subsidized pharmaceuticals and public transportation) for 12 months after ceasing to receive DSP. Similarly, there is a provision enabling customers who enter or re-enter the paid work force to return to DSP within two years without having to re-establish their medical eligibility. This removes a significant disincentive for customers to test their capacity to participate in the labour market after qualifying for DSP. Pension means test arrangements are also structured to provide financial incentives to move into part-time employment (see previous discussion on means test arrangements). Employment Entry Payment is available for people who have received Newstart Allowance for at least 12 months.

Centrelink provides Mobility Allowance to assist people with disabilities who are in employment, vocational training, a combination of work or training, or voluntary work for more than eight hours pers week and who are unable to use public transport without substantial assistance. As an alternative, a person who has lost the use of one or more limbs may receive a tax concession on the purchase of a new vehicle if it is to be used to provide transport to or from gainful employment. States provide taxi vouchers to assist with transport costs.

FaCS administers the Workplace Modifications Scheme which provides funding for leasing, hiring or buying special or adaptive equipment, and the cost of work place modifications. This service is available through Centrelink, but may also be available through the Specialist Disability Employment Service providers. Job Network Members may choose to use their funding to provide any assistance required to get the job seeker a job. CRS undertakes work place assessments and can, in some instances, fund work place modifications for clients who are undertaking vocational rehabilitation programmes.

Personal assistance at the work place is not specifically funded or contracted by FaCS but is at the discretion of funded providers in terms of what they feel is warranted to gain and maintain employment for the individual within the limits of the funding provided.

Table AU3. Responsibilities for certain services associated with integration into the labour market.

Service	Administration
Vocational rehabilitation	CRS Australia and other Specialist Disability Employment Service providers.
Vocational guidance	Job Network, CRS Australia, other Specialist Disability Employment Service providers and providers of vocational training.
Job search	Centrelink, Job Network, CRS Australia, other Specialist Disability Employment Service providers.
Selection into labour market programmes	Centrelink, Job Network, specialist providers and State Government departments.
Incentives for employers when employing a person with disabilities	Centrelink, Job Network providers, Specialist Disability Employment Service providers or, state FaCS offices.
Incentives for people with disabilities to become active in the labour market	Centrelink.
Transportation to the work place	Centrelink and State Governments.
Technical aids and adaptation of the work place	Centrelink, Specialist Disability Employment Service providers, Job Network or CRS Australia.
Personal assistance in the work place[1]	(Specialist Disability Employment Service providers.)

[1] Personal attendant care, not job coach.

The financing of some of these services is shown in *Table AU4*.

Table AU4 Financial sources of certain services associated with integration into the labour market.

Service	Financial source
Vocational rehabilitation	Public social appropriations (FaCS (CRS) and State Governments through their respective workers compensation authorities) and employers.
Transportation to the work place	Public social appropriations (FaCS).
Technical aids and adaptation of the work place	Public social appropriations (FaCS) and employers.
Personal assistance in the work place	Public social appropriations (FaCS) and employers.

Disability pension

Disability Support Pension (DSP) is a non-contributory, means tested[20], income support payment. It is funded by the Federal Government and administered by Centrelink.

To be eligible for DSP, an applicant must be aged over 16 and under pensionable age (men aged 65 years and women 60.5 years from 1 July 1999, rising gradually to 65 by 1 July 2013). Applicants must also have a medical impairment that merits at least 20 points under the DSP impairment tables[21] and a continuing inability to work 30 hours or more per week at award wages, or to be re-trained for such work within two years. People who do not meet these criteria may seek alternative income support payments such as unemployment benefit.

Variation in payment rates depend on personal circumstances (for example, whether a person has a partner, is single, or has dependent children) and levels of private income and assets. Special eligibility provisions apply for blind applicants who only need demonstrate that they meet the required medical tests for permanent blindness.

There is a two-tier medical assessment process for DSP applicants. Assessment includes the initial information supplied by the applicant's doctor who provides treatment and secondary information provided by an independent Medical Assessment Service Provider (MASP).

Centrelink considers the initial information provided by doctors who provide treatment in the assessment of both impairment and work capacity. The agency also uses the Work Ability Tables (WATs), an assessment tool developed to assist in the assessment of eligibility for DSP. The WATs assemble work ability information (derived from information provided by the job seeker and from professionals including treating doctors, counsellors, social workers, teachers etc) for DSP purposes and can also be used as a streaming mechanism to direct job seekers with disabilities to the most appropriate programmes of employment assistance. Centrelink processes this information and calculates a WATs score. At this point, the Centrelink decision-maker can decide if the applicant meets (or does not meet) both the DSP medical and work criteria.

[20] Special provisions apply to bind DSP customers. For the blind, DSP is a non-means tested payment.
[21] This does not necessarily correspond with a 20 per cent impairment.

In other cases, where the information supplied by the doctor responsible for treatment does not result in a clear decision, an independent medical opinion is sought from a MASP. This opinion may take the form of an examination of the applicant and/or a paper review of the applicant's medical files.

It is possible for DSP recipients to combine receipt of payment with part-time employment. The DSP criteria specifically provide that a recipient may work up to 30 hours per week and still retain eligibility for payment. They also have a financial incentive to participate in employment due to the way the means test is structured. DSP recipients are entitled to a "free area"[22], allowing them to earn independent income before their pension is reduced. After the free area is exhausted, a comparatively generous taper rate applies so that earnings act to reduce pension income by 40 cents for every dollar above the free area (from 1 July 2000). This means test applies to all social security pension payments, although less generous means testing arrangements apply to shorter-term benefits (such as the Newstart unemployment allowance). Specialist Centrelink staff can also assist DSP recipients to access rehabilitation programmes, vocational and pre-vocational training opportunities and job search assistance.

To ensure that recipients continue to satisfy the DSP criteria, they are subject to regular entitlement reviews. They are required to provide medical information about their condition, and may be required to be examined by a MASP. Those who are identified as being able to benefit from labour market programmes are reviewed on a two-year cycle, while other recipients are reviewed on a five-year cycle if they commence substantial employment or if there is some chance that their work capacity may improve.

Until 2000, a Disability Wages Supplement was paid to DSP recipients while participating in the Supported Wage System programme. It was paid at the same rate and essentially under the same conditions as the Disability Support Pension.

There are three means-tested social security payments available to people *temporarily* unable to work due to short-term illness or injury: Sickness Allowance, Newstart Allowance Incapacitated and Youth Allowance Incapacitated. Sickness Allowance is provided to people who are employed and are temporarily unable to work due to short-term illness or injury and will return to their

[22] Currently (year 2000) AUD 102 per fortnight for single people without children and AUD 180 per fortnight (combined) for couples. Both thresholds increase by AUD 24 per fortnight for each dependent child.

employment when the temporary incapacity ceases. These customers must have exhausted their industrial entitlements to sick leave paid by their employer before they can qualify for Sickness Allowance. Sickness Allowance is generally only paid for a maximum of one year. In special circumstances, the payment period can be extended up to two years.

Newstart Allowance (Incapacitated) differs from ordinary Newstart Allowance with respect to the recognition of the customers' incapacity and the fact that they have a job or study to return to, and customers are not required to actively seek work. The allowance is available for people who are aged 21 or over, except for full-time students aged between 21 and 24 who are temporarily unable to work or look for work for more than eight hours a week, due to illness or injury.

Youth Allowance (Incapacitated) is a similar payment to Newstart (Incapacitated), available to young people temporarily unable to look for work or undertake study due to illness or injury.

Early retirement

Early retirement is used as a way out of long-term unemployment. There is some provision in the DSP assessment process for consideration of other factors such as age and employment opportunities in addition to the medical considerations. It is unclear to what extent this is used. FaCS is currently undergoing research into the workforce and retirement attitudes of Australians aged 45–69 to understand issues such as this.

Since the early 1970s, there have been a number of Australian initiatives affecting basic eligibility criteria for social security disability benefits. These have aimed to increase the emphasis placed on the level of impairment (physical, intellectual or psychiatric) as it affects capacity to work, and to reduce the extent to which socio-economic factors (age, skills level or labour market conditions) are taken into account in the determination of eligibility for payment.

The current criteria provide that the status of the local labour market and availability of suitable local employment should only be taken into account where a DSP applicant is aged 55 years or older. The number of DSP beneficiaries between the ages of 50 and 64 has continued to grow steadily over time. In part, this reflects population ageing effects and the general Australian trend towards declining male labour force participation rates (although recent data suggests this has levelled off). In some instances DSP is viewed as a more attractive alternative to unemployment benefit for people who have, or perceive

they have, limited prospects in the labour market. Further, structural changes in the labour market have increased competition for jobs. It is likely that the modern economic structure is less tolerant of workers with moderate degrees of ill health or incapacity. This is supported by past survey data demonstrating that discrimination on the basis of age and disability are two key factors preventing customers with disabilities from accessing or returning to employment.[23]

There is no requirement that a person must have been in receipt of unemployment benefit (or, indeed, any other income support payment) prior to applying for DSP.

Notwithstanding this, approximately 38 per cent of people granted DSP from June 1998 to June 1999 had previously been in receipt of the main form of unemployment payment (Newstart Allowance).[24] While this suggests that there is a path between unemployment and disability benefits, a further 45 per cent of new DSP customers did not receive of any income support prior to receiving DSP. A significant proportion of this latter group tended to be in employment prior to testing their eligibility for DSP.

3.3 Statistics

Disability, labour force participation and employment rates

A national survey is conducted to measure the disability, labour force participation and employment rates in the working-age population (15–64 years), in which the respondents have defined themselves as having a disability or not in accordance with the ICIDH.[25] The "Disability, Ageing and Carers" survey was conducted in 1998 by Australian Bureau of Statistics. Similar disability surveys were conducted in 1981, 1988 and 1993. Persons in private and non-private households were interviewed about their need for assistance in daily activities. A mail-based methodology was used for people in care accommodation. A distinction was made between partial and severe disability[26]. According to the 1998 survey, 17 per cent of the working-age population living in households

[23] Paul Hupalo (1997), *Survey of Factors Assisting Employment* (Department of Social Security, Canberra).
[24] People transferring from lone parent benefits were the next most significant proportion of new DSP customers transferring from another benefit (at approximately 3 per cent of new grants).
[25] Disability was defined as one or more of a group of selected limitations, restrictions or impairments which had lasted or was likely to last six months or more.
[26] In the author's calculations "profound" and "severe" core activity restrictions were counted as "severely disabled".

had a disability. The labour force participation for this group was 53 per cent and the employment rate was 47 per cent. For the group without disabilities, the corresponding percentages were 80 and 74.

The same survey provides the corresponding statistics for persons with employment restrictions due to disability. The respondents were asked about their employment restrictions. According to the survey, 12 per cent of the working-age population had an employment restriction due to disability. The labour force participation rate for this group was 46 per cent and the employment rate per 40 cent. The corresponding percentages were 79 and 73 for the group with no employment restriction.

Table AU5. Disability and employment restriction rate in the working-age population (15–64 years). Labour force participation and employment rates for people with/without disabilities and employment restrictions, respectively (per cent).

Population	Of working age	In labour force	Employed
With partial disabilities	13	59	52
With severe disabilities	4	35	31
With disabilities, total	17	53	47
Without disabilities	83	80	74
With partial employment restrictions	–	–	–
With severe employment restrictions	–	–	–
With employment restrictions, total	12	46	40
Without employment restrictions	88	79	73

Source: Australian Bureau of Statistics, Disability, Ageing and Carers Survey 1998.

Participants in labour market programmes

No survey data is available for the average number of people with disabilities[27] enrolled in various labour market programmes, nor is survey data matched with register data. However, register data is available. The stock of participants with disabilities in targeted and mainstream labour market programmes in 1999/2000 corresponds to about four (five) per cent of the number of people of working age with disabilities (employment restrictions) according to the Disability, Ageing and Careers Survey 1998, referred to above. About 46 per cent

[27] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.

of the participants with disabilities in labour market programmes are in programmes especially designed for the target group. Intensive Assistance is the predominant programme followed by Vocational Rehabilitation and Business Services. *Table AU6* presents the average number of participants in various labour market programmes in 1999/2000.

Technically speaking, most participants in labour market programmes would be classified as unemployed (but economically active) because they are not employed and are required to continue to look for a job while participating in a programme. However, participants with significant disabilities may receive some form of unemployment benefit but may not meet the strict ILO job search activity requirements which enable them to be classified as unemployed. They are therefore probably classified as not in the labour force.

Table AU6. People with disabilities enrolled in labour market programmes, stocks 1999/2000.

Progr targeted at people with disabilities	**Counted in the LF**	**Number of people with disabilities**
Supported Wage System	Yes	2,280[1]
Wage Subsidy Scheme	Yes	660[2]
Disabled Apprentice Wage Support	Yes	600
Vocational Rehabilitation (CRS)	On DSP: No	4,850[3]
	Otherwise: Yes	11,330[3]
Business Services	Yes	14,890[4]
Total	–	34,610
Mainstream programmes	**Counted in the LF[5]**	**Number of people with disabilities**
Intensive Assistance	Yes	31,500[6]
New Enterprise Incentive Scheme	Yes	660[7]
Self Employment (incl GCED)	Yes	N a
Green Corps	Yes	25[8]
Work for the Dole	Yes	2,400[9]
New Apprenticeships Programme	Yes	5,180[10]
New Apprenticeships Access Progr	Yes	25[11]
Literacy and Numeracy Programme	Yes	N a[12]
Community Support Programme	No	950[13]
Total	–	40,740[14]

[1] As at June 2000.

[2] In the financial year 1999–2000, the inflow into the scheme was 2660. Placements are only allowed if the vacancy is expected to continue after the subsidy period which is 13 weeks. Assuming that all placements lasted 13 weeks, the average stock of participants will be 665.
[3] Average stock in the financial year of 1999/2000.
[4] As at the last census on 21 October 1998.
[5] Programme participants with disabilities receiving Disability Support Pension are not required to look for a job and would therefore not be regarded as being in the labour force. However, here it is assumed that people with disabilities who take part in mainstream programmes (self-identified in the mainstream programme statistics) only have low impact disabilities and thus not receiving Disability Support Pension (and thus being in the labour force). Participants in the Community Support Programme are an exception. They are not required to look for a job and are therefore not regarded as economically active. Concerning the targeted programmes there is specifications on the number of CRS participants who receive DSP, while the other programme where DSP exists (Business Services) the workers are supposed to also receive an income from work and thus be included in the labour force.
[6] As at 30 June 2000 there were 210,000 participants of whom 15 per cent were job seekers with disabilities.
[7] In 1999/2000 6,600 persons entered the programme of whom about ten per cent were people with disabilities. The maximum programme time is 52 weeks (which is here also assumed to be the average programme time).
[8] In the fiscal year 1999/2000 there was a total of 48 participants with disability. The project time is six months.
[9] 4,800 people with disabilities entered the programme during 1999/2000. Assuming that the average programme time is equivalent to a six month period, the average stock will be about 2,400.
[10] As at 30 September 2000 there were 5,780 participants with disabilities. 600 of these received Disabled Apprenticeship Wage Support (see the targeted programmes in the table).
[11] In 1999/2000 158 persons commenced the programme. The average programme time was eight weeks.
[12] There is no information concerning the number of people with disabilities on the programme available, but they are probably very few.
[13] As at 30 June 2000 there were 11,900 participants in the programme. About eight per cent of these people had one or more disability factors affecting their entry into the programme.
[14] The stock numbers not available but are assumed to be very low.
Source: Targeted programmes: FaCS Annual Report 1999/2000 (statistics), Disability Policy Section of FaCS (labour force participation). Mainstream programmes: DEWRSB Labour Market Policy Group: *"Labour Market Assistance Outcomes: June Quarter 2000"* and DEWRSB staff.

Main income source

Survey data is available for the main source of income for people with disabilities[28]. The Disability, Ageing and Carers Survey of 1998 shows that income from work is as common as a government pension or allowance for people with disabilities (42 and 45 per cent respectively). Income from work is the main income for 70 per cent of the people without disabilities (see *Table AU7*).

[28] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.

The proportion of disability pension or long-term sickness benefit recipients amounts to about 27 per cent of the number of people with disabilities of working age (38 per cent of those with employment restrictions), of whom about 4 per cent (6 per cent) receive a part-rate pension.[29] People can receive a partial rate of DSP as a result of the operation of the income test.

Table AU7. Main income source for people with and without disabilities of working age (15–64 years).

Income source	People with disabilities		People with no disabilities	
Superannuation, dividends, other private	105,900	(5 %)	213,500	(2 %)
Government pension or allowance	928,100	(45 %)	1,837,300	(18 %)
Wages, salary, own business, partner	860,000	(42 %)	7,240,400	(70 %)
Other sources[1]	172,700	(8 %)	1,097,200	(10 %)
Total	2,066,700	(100 %)	10,388,400	(100 %)

[1] People whose main source of income is unknown are also included in this figure.
Source: Own calculations of Australian Bureau of Statistics, Disability, Ageing and Carers Survey 1998, data published in "Australia's Welfare 1999: Services and Assistance", Australian Institute of Health and Welfare.

3.4 Evaluation and research

Institutions

The Department of Family and Community Services (FaCS), Department of Employment, Workplace Relations and Small Business (DEWRSB) and the Department of Education, Training and Youth Affairs (DETYA) conduct evaluations of the labour market programmes they are funding. These are conducted on a "needs" basis to ensure that all new major policy measures are evaluated as soon as practicable after their implementation to determine whether or not the policy has achieved its intended objectives.

Independent research institutions may, and often do, undertake independent studies and lobby government departments with their results. However, the formal evaluations are the responsibility of government departments, which may be contracted out to external organizations.

[29] Sources: Own calculations of disabilty pension recipients according to "Disability, Ageing and Carers Survey 1998", Australian Bureau of Statistics, (see specifications in Annex 3) and the number of people with disabilities and employment restrictions in the working-age population according to the same survey.

Most Australian labour market programmes are contracted out and the providers receive payment according to outcome performance, where success implies that a job seeker is still employed after a certain period of time after the programme is completed. This implies that a monitoring instrument is built into the system. For example, the DEWRSB regularly monitors employment and educational outcomes of people with disabilities after participation in Job Network services in its regular Post-programme Monitoring Survey, conducted three months after programme completion. In the FaCS "Research and Evaluation Framework", increased academic involvement is identified as important and investment in longitudinal data for conducting relevant evaluations is a key strategy.

Policy, legislation and implementation issues

A potential conflict reported between different policy objectives is that the provision of adequate income support for people with disabilities may create work disincentives.

Nothing is reported concerning whether legal protection for people with disabilities in the labour market is regarded as having an impact on integration.

When considering the implementation of the policy for integration of people with disabilities into the labour market, due to the recent reforms, it is still too early to say whether the present strategy lacks any tools to fulfil the policy objectives.

Repeated participation in labour market programmes (cycling) is viewed as a problem when it is not used as several forms of assistance to become ready for work.

Creaming effects are regarded as a problem. The process of streaming job seekers with a disability into either mainstream or targeted programmes, according to the impact of their disability or their ability to work, avoids creaming effects between the two kinds of programmes. The Job Seeker Classification Instrument is used to classify job seekers who apply for employment assistance in Job Network according to their level of market disadvantage in finding employment. Job Network members cannot refuse job seekers referred to their services. Payment to Job Network members providing Intensive Assistance to place a job seeker is higher for assisting those job seekers with a greater barrier to employment (who might otherwise be overlooked at the expense of those easier to place). Centrelink may also use other screening instruments such as Work Ability Tables and Special Needs Assessment to direct people with spe-

cial needs to specialist disability emploment services and the labour market programmes targeted at people with disabilities. In Job Network, the potential for creaming has been addressed by the structure of incentives for outcome payments. Generelly, the placement fee for job seekers increases with the level of the individual's disadvantage. This also applies to employment services funded by FaCS. Case-based funding trials are being implemented to test new funding arrangements for people with moderate to severe disabilities, based on case-based payments. The trial will seek to ensure that employment assistance funding is better linked to the needs of individuals and is more equitable than the current block grant funding arrangements. Case-based funding means that the payment available to service providers to assist job seekers with disabilities to find and maintain employment are based on the relative needs of such job seekers. Case-based funding also includes payments for durable employment outcomes. The trial commenced in November 1999 across 15 trial regions in all States and territories (amounting to around 20 per cent of the 975 FaCS funded disability employment service outlets).

Other major issues in implementing the labour market policy for people with disabilities are when the action taken by special interest groups and employer attitudes to disability counteract reforms and also the segregation of the two employment markets (mainstream and targeted labour market programmes).

Evaluation of labour market programmes

Post implementation reviews are conducted for most of the labour market programmes targeted at people with disabilities. This refers to evaluations to determine whether or not the programme has achieved its intended objectives, i e implementation studies. However, there are no results available for the Disabled Apprenticeship Wage Support and the Business Services programmes. Since the programmes have been in place for a considerable period, the results of these reviews are no longer current or relevant. Only the Supported Wage System has been evaluated recently by an external organization. However, the evaluation results are not public at the time of writing. The only available results are from the annual programme performance monitoring conducted internally by FaCS. These assessments are based on a collection of performance indicators designed to measure the effectiveness of the services in achieving the department's key outcomes and the value-for-money achieved by the department in purchasing these services. *Table AU8* presents the available results.

Table AU8. Evaluations of labour market programmes targeted at people with disabilities.

Supported Wage System
Type of evaluation: Post-implementation.
Time period analysed: 1994–2000.
Research organisation: KPMG.
Positive results: Not yet public.
Negative results: Not yet public.
Wage Subsidy Scheme
Type of evaluation: Monitoring (annual assessment of programme performance against performance indicators).
Time period analysed: 1999–2000.
Research organisation: Assessment conducted internally by FaCS.
Positive results: N a.
Negative results: During 1999–2000, 2,660 people were placed in employment under this scheme. This is a decrease of 17 % relative to the 3,188 placed during 1998–99.
Vocational rehabilitation
Type of evaluation: Monitoring (annual assessment of programme performance against programme performance standards specified within the Service Level Agreement between CRS and FaCS).
Time period analysed: 1999–2000.
Research organisation: CRS Australia.
Positive results: Elements of CRS' operations that met, or exceeded, the standards specified within the Service Level Agreement during 1999–2000 were: (1) the number of new clients assisted, (2) the number of existing clients maintained at the end of the period, and (3) the number of durable employment outcomes achieved.
Negative results: Elements of CRS' operations that did not meet the standards specified within the Service Level Agreement during 1999–2000 were: (1) the proportion of new clients who were in receipt of FaCS payments, and (2) the number of completed CRS programmes. (Note: These apparent failings may be the result of data integrity problems arising from the conversion to a new information management system in late 1999.)

3.5 Country-specific characteristics in brief

Table AU9. Summary of country-specific characteristics of labour market policies for people with disabilities.

Issue	Characteristics
Labour force participation	Average labour force participation and employment rates. Special disability survey every fifth year. (First survey in 1981.) Thorough screening of both disability and employment restrictions. The survey also includes the main income source.
Labour market programmes	Labour market programmes are used to a lesser extent. Vocational rehabilitation and sheltered employment are the predominant programmes especially targeted at people with disabilities. A vast menu of various programme types. Mainstream programmes are utilized to a greater extent than targeted programmes. A multi-purpose programme including various programme types is the predominant mainstream programme for the target group.
Mainstreaming of policy and institutions	Shared responsibility for disability not applied between policy sectors at the ministerial level. The central government department responsible for employment for people with disabilities is not the same as for the mainstream employment policy. "One-stop-shop" concept applied since 1998. Anti-discrimination legislation since 1993. Objectives for labour market integration, but not explicitly for integration into open or unsubsidized employment. Incomplete statistics, but probably medium proportion of disability pension recipients.

3.6 Acknowledgements

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3.7 Further reading

Printed matters

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Internet

Overview of national institutions: www.gksoft.com/govt/en/au.html

Commonwealth Department of Education, Training and Youth Affairs: www.deetya.gov.au
Commonwealth Department of Employment, Workplace Relations and Small Business: www.dewrsb.gov.au
Commonwealth Department of Family and Community Services: www.facs.gov.au

Australian Bureau of Statistics: www.abs.gov.au
Australian Institute for Health and Welfare: www.aihw.gov.au
Centrelink: www.centrelink.gov.au

4 Austria

4.1 Policy

Institutional framework

Disability policy

No specific Ministry is responsible at the national level for establishing the general disability policy, but all ministries have to consider disability issues within their areas. The Ministry for Social Security and Generations has a role of coordinating the federal disability policy and has primary responsibility for this policy field.

The Disability Concept of December 1992 (a white paper) was designed to form the guidelines for the Austrian Federal Government's disability policy for the future. This document stipulates that all ministries must take equal account of the physical, mental, emotional and social needs of people with disabilities. Policies should therefore focus especially on the principles of prevention, integration, standardization, self-determination and helping people to help themselves.

Labour market policy

The Ministry for Economic and Labour is responsible for employment in general, but the Ministry for Social Security and Generations is responsible for vocational rehabilitation and employment for people with disabilities. A special unit within the Ministry, Section IV is responsible for employment of people with disabilities. During the 1990s, the former Ministry of Labour and Social Affairs was merged with the Ministry of Health to form the Ministry of Labour, Health and Social Affairs. In April 2000, labour issues were transferred to the new Ministry for Economy and Labour.

Policy focus

Policies for people with disabilities of working age give priority to programmes which are designed to integrate the target group into the labour market. This is expressed in The Disability Concept of the Austrian Federal Government and is based, among other things, on the principle that pensions and maintenance benefits should only be approved once all forms of rehabilitation have been exhausted.

According to the quota obligation, there is an explicit policy objective for the integration of people with disabilities into employment in the open labour

market. However, employment via the quota obligation may be combined with subsidized employment. In addition, integration of persons with disabilities into open employment is given priority over sheltered employment in the Disability Concept.

Legislation

Equal opportunities and equal participation in working life for people with disabilities are formulated in special and integrated legislation.

The amendment to the Disabled Persons Employment Act of 1979 constitutes a special ruling concerning equal payment for registered disabled people, although this is only a confirmation of the principle of equal payment for equal work, which is a feature of Austrian labour law.

Since summer 1997, there has been an amendment to the Austrian Constitution that contains a special anti-discrimination clause concerning disabled people and a commitment to equality of treatment for people with and without disabilities. This commitment is intended to oblige all federal, regional and local authorities, to pay more attention to the promotion and support of disabled persons and to further equal treatment in all aspects of everyday life, but it is a non-actionable ruling and does not explicitly mention an employment situation.

4.2 Implementation

Institutions

The Labour Market Service (AMS), with its regional and local offices, has overall responsibility for implementing the mainstream national labour market policy, on behalf of the Federal Ministry for Economy and Labour. In 1994, the Labour Market Administration was detached from the Federal Ministry of Labour, Health and Social Affairs and transformed into an autonomous body, the Labour Market Service, under control of the Ministry and the social partners. The Labour Market Service only provides vocational integration for people with disabilities who are "job-ready".

The Federal Offices for Social Affairs (Bundessozialämter), the social insurance offices and the provincial administrations are involved in the implementation of labour market policy for people with disabilities. The Federal Offices for Social Affairs are federal authorities subordinated to the Federal Ministry for Social Security and Generations and enforce, in particular, The Disabled Persons Employment Act. They are mainly responsible for the vocational integration of people with disabilities who are or can be made fit to work in the

labour market in the medium term. The provincial administrations legislate on disability matters at the provincial level. They also provide vocational integration for people with disabilities who are already job-ready, and also for those who are not able to work within the labour market and can only take part in occupational therapy.

Labour market programmes

Mainstream vs targeted labour market programmes

There are no official policy guidelines indicating whether mainstream labour market programmes are to be employed prior to labour market programmes targeted at people with disabilities, or vice versa, nor do any of the strategies have priority in practice.

Publicly financed labour market programmes

Publicly financed labour market programmes (both mainstream and targeted) for people with disabilities are arranged as national and regional programmes. The regional offices of the Labour Market Service administer all mainstream programmes.

The Federal Offices for Social Affairs administer all programmes targeted at people with disabilities except special jobs for people with disabilities in the federal administration (and some provincial administrations), and has a role of co-ordinating the providers of targeted labour market programmes.

Provincial administrations also administer all targeted programmes, with the exception of the quota scheme. In addition to the national sheltered employment programme (Integrative Firms), the provinces fund sheltered programmes of their own.

Furthermore, the social insurance offices, which are classified by functions (type of insurance, e g pension insurance, health insurance and work accident insurance), occupational groups and/or regions, also provide subsidized employment, vocational training and start-up grants (and also services such as subsidy for the drivers licence and transportation to the workplace).

Labour market programmes which are not publicly financed

There are in principle no programmes designed to integrate people with disabilities into the labour market that are not financed from public appropriations. However, parents of persons with disabilities run supported employment (job coaches) mainly for those with multiple handicaps or intellectually impaired.

Labour market programmes targeted at people with disabilities

Current programmes

Austria has six categories of labour market programmes targeted at people with disabilities: statutory employment quota (Quota scheme with levy), preferential rights (Preferential rights for people with disabilities to obtain licences for tobacco retailing), subsidized employment (Wage Subsidies), vocational training (Apprenticeship according to the quota system and Vocational training for unemployed people with disabilities), sheltered employment (Integrative Enterprises) and, public job creation (Special jobs for people with disabilities in the federal administration).

The Federal Offices for Social Affairs are responsible to the Federal Ministry for Social Security and Generations for monitoring the fulfilment of the quota obligation in the respective province and for collecting the levy. The revenues go to the Compensatory Levy Fund, which is used to promote the vocational integration of persons with disability. In 1999 the employers fulfilled about 66 per cent of the quota obligation. There are no longer premiums to employers for employing more people with registered disabilities than the quota system obliges them to, except for apprentices (ATS 2,050 per month in 2000).

A general eligibility criterion for participation in targeted labour market programmes is that a person is registered as disabled at the Federal Office of Social Affairs and, thus, has at least a 50 per cent disability.

There is no internal priority between the programmes, but the priority depends primarily on the individual needs. This has not changed during the 1990s. *Table AT1* presents the current programmes in detail.

New programmes

Pilot job coaching projects (supported employment) have been conducted on a trial basis in the late 1990s and are being launched nationally in 2001. Job coaches are mainly provided by non-profit organizations and financed by the Federal Offices for Social Affairs and the provincial administrations. The programme includes an intensive phase when a job coach introduces the individual to the work place and works in parallel with the person for a couple of weeks. Subsequently, the job coach conducts follow-ups for up to about six months, according to the individual's needs.

Several other new programmes and services are due to be introduced during 2001 and 2002, following the Government's decision to spend ATS one billion each year to meet the needs of people with disabilities.

Clearing Teams is a new way of transferring young disadvantaged compulsory-school leavers to the labour market. This involves individual support, drawing up a personal action plan, job experience, tests, etc to clarify the possibilities of work. Teachers and parents will play an active part in the programme and a professional team of social workers, psychologists and ergonomists will coordinate the process for up to six months.

A new advisory service focused on enterprises will help decision-makers to establish plans for employing people with disabilities and to organize the best possible measures to integrate people with disabilities into work.

Professional Peer Counselling is being introduced to help people with disabilities to cope with social problems outside the work place.

Additional support

In addition, several services and grants are available for persons with disabilities. Subsidies for a driving licence (the Federal Offices for Social Affairs and the social insurance offices pay half the cost) is available for people unable to use public transports, if the licence is necessary to get at certain job.

Start-up grants in the form of loans or lump sum subsidies are funded from the pension and accident insurance offices, provincial administrations or the Compensatory Levy Fund.

A vocational counselling service ("Job Assistants"), where especially trained experts counsel both persons with disabilities and their employers and colleagues concerning all matters of vocational integration, is also available. The aim of the counselling may be to find a new job for an unemployed person with disabilities or secure a job for a person at risk of becoming unemployed. Counselling is regarded as important as financial subsidies. The service is provided by non-profit organizations with specially qualified social workers, psychologists or other specialists. The rehabilitation authorities pay the costs of the service (together with ESF funding).

In general, the Federal Offices for Social Affairs, the social insurance offices (mainly the pension and accident insurance offices) and the provincial administrations are responsible for providing work place adaptations and technical aids for participants with disabilities in labour market programmes.

Table AT1. Specifications of labour market programmes targeted at people with disabilities in 1999.

Statutory employment quota

Quota Scheme (with levy)

Introduction year: 1920.

Priority: Statutory obligation.

Administration: Federal Offices for Social Affairs.

Goal: Employment of people with disabilities in general and fund raising for subsidies.

Activities: Permanent work.

Provider: All employers with at least 25 employees.

Individual eligibility criteria: Registered disabled.

Individual compensation: Regular wage from the employer.

Compensation to provider: Tax exemptions of non-wage labour costs (contributions to the Family Burden Compensation Fund (4.5 %), federal tax (3.0 %): 7.5 % of the gross income of every registered p w d employed. In Vienna 8.2 % due to exemption of another 0.7 % regional tax. Source: The federal budget.

Provider obligations: 4% of the workforce shall be made up of p w d. Young trainees, persons with specific handicaps (wheel-chair users, blind people) persons at a certain age are counted as two disabled employees. Employers who do not fulfil this obligation have to pay a compensatory levy of ATS 2,050 per month (2000). In 1999 the fulfilment was 2.6 %. Special labour law obligation to take account of the state of health when a person registered as disabled is employed. No reduction of the salary due to disability is permitted.

Max programme time: No limit.

Preferential rights

Preferential rights for p w d to obtain licences for tobacco retailing

Introduction year: 1968 civil disabled (war victims since before the first world war).

Priority: No predefined.

Administration: The tobacco monopoly administration, a profit-making company owned by the state and reporting to the Ministry of Finance.

Goal: To help people with disabilities to earn their own living by obtaining a license to sell tobacco products.

Activities: Own business as tobacco retailer.

Individual eligibility criteria: Registered disabled (at least 50 % degree of disability), depending on the financial and social situation and the existence of other alternatives to earn a living. Must be expected to be able to run the business in a satisfactory way.

Individual compensation: Income from the business. Favourable loans are available to start up the business. Source: The compensatory levy fund.

Provider obligations: People with disabilities have a priority position in obtaining a licence for the sale of tobacco products compared to non-disabled. This means that a person with disabilities receives a licence if he or she is expected to run the business in a satisfactory way, even if a non-disabled person applying for the licence has better qualifications. More than 1/3 of the tobacco retailers in Austria have a disability and the aim is to increase this proportion.

Max programme time: Until old-age pension.

Subsidized employment programmes

Wage Subsidies

Introduction year: 1979.

Priority: Not predefined.

Administration: Federal Offices for Social Affairs, the public employment service, Provincial administrations and social insurance offices.

Goal: Integration of people with disabilities into the labour market.

Activities: Work and rehabilitation.

Provider: Open employment providers in private and non-profit sector. May also be used for employees under the quota obligation[1].

Individual eligibility criteria: Registered disabled. (The definition of disabled may differ between provinces and also the degree of disability.)

Individual compensation: Regular wage from the employer.

Compensation to provider: Tax exemptions of non-wage labour costs (see Quota Scheme). Alternatively: Initial phase: Up to 100 % wage subsidy (including social insurance contributions) in the first year (limited to ATS 12,000), up to 50 % year two and between 30–50 per cent year three limited to ATS 8,000 (years two and three). An ongoing subsidy may apply to severely disabled people: Up to 50 % subsidy, limited to ATS 8,000 per month. Source: The budget of the administration responsible. Source: Federal budget.

Provider obligations: Special labour law obligation to take account of the state of health, when a person registered as disables is employed. No reduction of the salary due to disability is permitted.

Max programme time: Initial phase up to 3 years. May be prolonged for another two years for the severely disabled and beyond that for people with very severe disabilities.

Vocational training programmes

Apprenticeship according to the quota system

Introduction year: 1982.

Priority: Part of the quota system.

Administration: The Federal Offices for Social Affairs.

Goal: To improve vocational education for young people with disabilities.

Activities: Vocational training via apprenticeships.

Provider: Private, public and non-profit organizations.

Individual eligibility criteria: Registered young people who are unable to continue their education or to complete an apprenticeship, due to a handicap.

Individual compensation: Apprentice wage according to collective agreements for apprentices.

Compensation to provider: A monthly subsidy of ATS 2,050 (in 2000) is granted. Severely disabled people may be double counted, which also implies a double subsidy. Source: The compensatory levy fund.

Provider obligations: The general protective legislation for apprentices and special protection against dismissals of people with disabilities (according the Disabled Persons Employment Act) is applied.

Max programme time: The duration of the apprenticeship (about 3 to 3 1/2 years).

Vocational training for unemployed p w d

Introduction year: 1975.

Priority: According to individual needs.

Administration: The public employment service in cooperation with the social insurance institutions.

Goal: To support the target group in their decision and development processes, to make them job-ready and assist them in job search with the aim of placing them in permanent jobs on the regular labour market.

Activities: Rehabilitation with emphasis on social skills such as autonomy and ability to cooperate. Also assessment of work ability and testing assistive devices. Vocational training cources.

Provider: Private training institutions (for example Vocational Rehabilitation Centres in Linz, Vienna and Styria).

Individual eligibility criteria: People with disabilities lacking vocational prospects.

Individual compensation: Unemployment benefit. Also subsidy for housing and travel. Source: Public labour market appropriations.

Compensation to provider: 100 % of the costs of the training courses. Source: Public social and labour market appropriations.

Provider obligations: Not reported.

Max programme time: As a rule between 6 to 18 months.

Sheltered employment programmes

Integrative Enterprises

Introduction year: 1979.

Priority: Not predefined.

Administration: Federal Offices for Social Affairs.

Goal: Creation of jobs for people with disabilities who cannot yet be integrated into the labour market.

Activities: Work and rehabilitation.

Provider: Non-profit organizations. At least 80 % of the employees have to be disabled (level of disability at least 30 %) and at least 60 % of the work force has to be registered disabled (level of disability at least 50 %).

Individual eligibility criteria: Disabled with at least 50 % of normal working capacity.

Individual compensation: Regular wage from the employer.

Compensation to provider: Annual lump sum subsidy for additional cost for employing people with disabilities. Source: Compensatory Levy Fund, provincial administrations and public labour market appropriations (through the public employment service).

Provider obligations: Employment laws are applied and the salaries are based on collective agreements. The employees are socially insured. There is no statutory transition objective, but about 3 % of the participants proceed to open employment.

Max programme time: Unlimited.

Public job creation programmes

Special jobs for p w d in the federal administration

Introduction year: 1990.

Priority: High.

Administration: The Federal Ministry of Public Service and Sport.

Goal: The comprehensive and durable integration of p w d into the professional activity.

Activities: Permanent work.

Provider: The federal government administration.

Individual eligibility criteria: Registered disabled persons with a disability of at least 50 %.

Individual compensation: Regular wage from the employer.

Compensation to provider: –.

Provider obligations: These posts are additional to the quota obligation in the federal administration.

Max programme time: Unlimited.

[1] Any measure may be used together with the quota obligation.

Mainstream labour market programmes

Current programmes

Austria has five categories of mainstream labour market programmes: Subsidized employment (Integration Subsidies), self-employment (Business Start-Up Programme), vocational training (Apprenticeship Training, Vocational Training, Vocational Training for young people and, Employment Foundations), job rotation (Further Training Allowance and Solidarity Bonus) and, public job

creation (Wage subsidies for child care centres, Socio-Economic Enterprises and Non-Profit Employment Projects).

In principle, people with disabilities have access to all these programmes. A general eligibility criterion is that a person is registered with the employment service and unemployed.

There is no predefined internal priority between the mainstream programmes, but the priority depends, among other things, on individual needs and the discretion of the employment officer.

Integration Subsidies and Vocational training are the predominant mainstream programmes for people with disabilities, apart from the targeted programmes. *Table AT2* presents these programmes in detail.

New programmes

There are plans to introduce new mainstream labour market programmes which are also available for people with disabilities, such as job coaching (in the sence of activation courses which closely resembles job clubs) for short-term unemployed persons, programmes for persons older than 45 years, vocational training programmes in information and communication technologies, programmes to support the training of apprentices, and programmes to support new jobs in the non-profit sector.

Additional support

In addition to the programmes, several regional and occupational mobility allowances and other services are available for all unemployed job seekers registered with the public employment service. The regional mobility allowances are: Travel allowance, Interview allowance and Child-care allowance. The occupational mobility allowances are: Grants towards training course fees and other expenses related to such courses, including living expenses. There are also vocational guidance and orientation courses aimed at preparing young people for apprenticeship training. Special counselling to remove employment obstacles is also available for special groups, such as immigrants, women and people in debt.

Table AT2. Specifications of the most important mainstream labour market programmes for people with disabilities.

Subsidized employment programmes
Integration Subsidies
Introduction year: 1984.
Priority: Depending on the needs of the individual.
Administration: AMS.
Goal: Integration of unemployed people into the labour market through the creation of additional jobs.
Activities: Work.
Provider: Private, public (except federal administration and political parties) and non-profit employers.
Individual eligibility criteria: Registered as long-term unemployed (more than 1 year), those at risk of becoming long-term unemployed and unemployed people over 45.
Individual compensation: Regular wage from the employer.
Compensation to provider: Up to 67 % wage subsidy including parts of the non-wage labour costs up to a certain wage limit (about ATS 43,000 per month). A special group of elderly job seekers (due to too few insurance years for receipt of full old-age pension) for up to 100 % and p w d up to 100 % for the first 6 months. Source: Public labour market appropriations.
Provider obligations: To pay the regular wage.
Max programme time: 2 years (p w d 3 years).
Vocational training programmes
Vocational training
Introduction year: 1968.
Priority: Depending on the needs of the individual.
Administration: AMS.
Goal: Integration of unemployed persons into the labour market through upgrading of the qualification level. To satisfy employers' demand for skilled labour.
Activities: Primarily class-room training with some elements of work experience.
Provider: Private and public training institutions, together with private enterprises
Individual eligibility criteria: Registered unemployed people.
Individual compensation: Subsistence benefit equivalent to unemployment benefit. If not longer then 3 month UB. Longer as above. Source: Public labour market appropriations.
Compensation to provider: Up to 100 % of the costs of the training courses in accordance with contract via public tender. Source: Public labour market appropriations.
Provider obligations: Not reported.
Max programme time: Not fixed, but generally not longer than 2 years.

Services associated with integration into the labour market

Table AT3 presents an overview of central services available in connection with integration into the labour market and the administration responsible. The Austrian legislation contains no uniform competency regulations, but several institutions are involved in the integration of people with disabilities into the labour market, which makes this an overlap area. However, teams, primarily at the Federal Offices for Social Affairs, coordinate various services for poeple with disbilities. The Federal Disability Act of 1990 provides general regulations regarding the coordination of rehabilitation measures.

Since there are many providers of several services in the table below, a person usually goes to one of the offices where he/she has previous contacts. This is regarded as a practical way of dealing with disability-related problems where they arise. People who have a disability since birth go to the provincial administrations, for example. The Federal Offices for Social Affairs are the main offices for assessment of occupational handicaps and the level of employability for people with disabilities with respect to registration as disabled. A person may register as disabled in order to be eligible for special protection against dismissal, and to obtain various types of subsidies and tax reliefs.

The Federal Offices for Social Affairs assess people from 15 to 65 years, who are able to work, at least in sheltered employment, whose degree of disability is at least 50 per cent, who do not have a permanent invalidity pension and who are Austrian citizens (or a citizen of a country within the European Union). The assessment involves a formal procedure, and the degree of disability assessed is based on purely medical considerations. The disabled persons receives a special notification. This assessment gives "registered disabled people" special protection against dismissal, and they can get subsidies from the Federal Office for Social Affairs for special adaptations, equipment and transport solutions, and also tax relief. They also have additional days of vacation if the collective agreements contain the corresponding regulations. Only employed registered disabled persons are counted for fulfilment of the quota system. Thus, this assessment is based on purely medical considerations for registration of disability benefit eligibility and inclusion in the quota system.

The Labour Market Service (the public employment service) and provincial administrations accept the assessment of the Federal Offices for Social Affairs, but in some cases they also make their own assessments. Provincial legislation has a broader definition of disability. These assessments do not entitle people with disabilities to receive benefits.

Table AT3. Responsibilities of certain services associated with integration into the labour market.

Service	Administration
Vocational rehabilitation	The public employment service, social insurance offices, Federal Offices for Social Affairs and provincial administrations
Vocational guidance	The public employment service
Job search	The public employment service
Selection into labour market programmes	The public employment service, Federal Offices for Social Affairs, provincial administrations and social insurance offices
Incentives for employers when employing a person with disabilities	The public employment service, Federal Offices for Social Affairs, provincial administrations and social insurance offices
Incentives for people with disabilities to become active in the labour market	The public employment service, Federal Offices for Social Affairs, provincial administrations and social insurance offices
Transportation to the work place	Social insurance offices
Technical aids and adaptation of the work place	Federal Offices for Social Affairs, provincial administrations and social insurance offices
Personal assistance in the work place[1]	–

[1] Personal attendant care, not job coach.

The financing of some of these services is shown in *Table AT4*. Generally, there are agreements between the various authorities about the sharing of the costs of labour market programmes for people with disabilities.

Table AT4. Financial sources of certain services associated with integration into the labour market.

Service	Financial source
Vocational rehabilitation	Public social and labour market appropriations and the Compensatory Levy Fund
Transportation to the work place	Public social appropriations
Technical aids and adaptation of the work place	Public social appropriations and the Compensatory Levy Fund
Personal assistance in the work place	–

The funding from the Federal Offices for Social Affairs comes from the Compensatory Levy Fund. The other offices have public appropriations.

Disability pension

Permanent incapacitation or reduction of earning capacity may entitle disabled people to two different benefit programmes from the public pension system: invalidity pension and early retirement due to reduced working capacity. The Austrian pension system does not provide for any graduation of benefits in accordance with the degree of handicap. The pension insurance offices administer the applications and the assessment of these income maintenance schemes.

Invalidity pension is a benefit under the public pension scheme. It may be claimed providing that a specific insurance period has been accumulated, ranging from six months to 15 years, depending on the claimant's age, always provided that the claimant is an invalid. No minimum age for entitlement is applied. Invalidity is a factor not only of impairment of the person's health, but also of his or her main occupational activity in the previous 15 years. Unskilled workers are considered to be invalids when they are no longer able to pursue gainful employment. Qualified blue-collar workers are regarded as invalids when they are no longer able to pursue the vocation for which they were trained (Berufsschutz). This also applies to white-collar workers and self-employed persons. Invalidity pension may be granted for a limited period of two years, with the possibility of applying for a further two-year period. Unlimited entitlement is only granted when permanent invalidity is anticipated which involves professional incapacity and incapacity to work, respectively, in accordance with the qualification level.

According to the principle of "rehabilitation before pension", an application for invalidity pension is also treated as an application for rehabilitation. The claimant can be called upon to practise any activity for which the insured person has been successfully trained as a result of professional rehabilitation. As of 2001, the disability pension is being reduced if the recipient has supplementary earnings from work. Up to ATS 12,000 per year there is no reduction, for an income of between ATS 12,000 and ATS 18,000 there is a 30 per cent reduction, from ATS 18,000 up to ATS 24,000 a 40 per cent reduction and over ATS 24,000 a 50 per cent reduction. In general, disability pension continues to be paid after the normal retirement age is reached (men 65, women 60) if the recipient does not apply for old age pension.

Early retirement

Early retirement is used as a way out of long-term unemployment for people with and without disabilities. It has been used to limit unemployment among

older workers. Compared to other countries, Austria is noted for its extremely low labour force participation rate for older workers. A low retirement age for women also contributes to this. There are four options for early retirement in Austria: due to unemployment, many insurance years, partial pension, and due to reduced working capacity.

Early retirement due to unemployment requires 20 pension insurance years and receipt by the claimant of unemployment or sickness benefit for the last 52 weeks. The age limit is 60 years for men and 55 for women.

The requirement for early retirement based on many insurance years is being gradually extended form 35 to 37.5 years. The age limit is the same as the previous case.

Partial pension exists in two forms: Persons who meet the criteria of many insurance years and who reduce their working hours are entitled to a partial pension at a rate of 50 or 70 per cent of the full pension, depending on the hours cut. A new version of the partial pension also includes people with 25 insurance years (including nine in the last 15 years). The age limits are 61 for men and 56 for women.

If a person is not eligible for invalidity pension (especially unskilled workers who are not eligible under the invalidity scheme, if they are able to start any other work), he/she may still apply for early retirement due to reduced working capacity. Early retirement is granted to people of 57 or older, who are unable to continue the same (or similar) work they have performed for the most part during the previous 15 years. Early retirement is paid until retirement age is reached. This pension ceases when the income from work exceeds the marginal earnings threshold (1998: ATS 3,830 14 times a year).

4.3 Statistics

Disability, labour force participation and employment rates

No national survey is conducted to measure the disability, labour force participation and employment rates in the working-age population, in which the respondents have defined themselves as having a disability or not in accordance with the United Nations Standard Rules or ICIDH, but another survey with an alternative definition of disability is conducted for people in the 15–59 age group.

The “Persons with Physical Disabilities” microcensus was conducted by Austrian Central Statistical Office (ASCO) for the first time in 1976 and was repeated in 1986 and 1995. All members of a sample private household were

asked whether they suffered from any physical impairment or chronic disease. No distinction was made between partial and severe disability. Employed and unemployed was not defined in accordance with the ILO definition, but a person is regarded as employed if he/she worked at least 12 hours in the previous week.

The 1995 survey estimates that 22 percent of the working-age population have a disability. According to this survey, the labour force participation for this group is 70 per cent and the employment rate 65 per cent. For the group without disabilities, the corresponding percentages are 76 and 72.[30]

No survey provides the corresponding statistics for persons in the working-age population with disabilities[31] with employment restrictions due to disability, and there is no other survey with a different definition of employment restrictions.

Table AT5a. Disability rate in the working-age population (15–59 years). Labour force participation and employment rates for people with/without disabilities (per cent).

Population	Of working age	In labour force	Employed
With partial disabilities	–	–	–
With severe disabilities	–	–	–
With disabilities, total	22	70	65
Without disabilities	78	75	72

Source: Austrian Central Statistical Office, 1995.

In the ECHP of 1996, the proportion of people with disabilities of working age is much lower (13 per cent) compared to the microcensus of 1995. This is remarkable since the ECHP survey includes people of a higher age which should result in a higher proportion as the disability rate increases with age. At the same time, the proportion of people with disabilities in the labour force and

[30] All these figures differ remarkably from surveys where the definition is according to the UN Standard Rules or ICIDH. As Blumberger, W (1999) points out in the report "Career Development and Transition Models Around the World – the Austrian Case", a very broad definition of disability is used in the survey and includes a large fraction of the population which another definition may have excluded. As a result, more people without disabiities are included, which increases the labour force participation and employment rates (author's comment).
[31] Defined according to the UN Standard Rules or ICIDH.

employed is smaller in the ECHP survey which indicate that people with no or minor disabilities have been included in the national survey (see *Table AT5b*).

Table AT5b. Disability rate in the population (16–64 years). Labour force participation and employment rates for people with/without disabilities (per cent).

Population	Of working age	In labour force	Employed
With partial disabilities	9	54	51
With severe disabilities	3	37	33
With disabilities, total	13	50	47
Without disabilities	87	75	72

Source: ECHP 1996, Eurostat.

Participants in labour market programmes

No survey data is available for the average number of people with disabilities[32] enrolled in various labour market programmes, nor is survey data matched with register data. However, some register data is available.

The Federal Ministry for Social Security and Generations keeps record of the programmes which they administer. The eligibility criterion for these programmes is registration as disabled. Since 1998, the public employment service does not keep a record of people with disabilities. Therefore, no data on the number of participants with disabilities in mainstream programmes is available.

The stock of participants with disabilities in targeted labour market programmes in 1999 corresponds to about nine per cent of the number of people of working age with disabilities according to the 1996 ECHP, referred to above. The quota scheme is the predominant labour market programme targeted at people with disabilities, followed by vocational training for unemployed people with disabilities and Integrative Firms. *Table AT6* presents the number of participants in various labour market programmes in 1999.

According to Statistics Austria[33], participants in all kinds of programmes which are administered by the public employment service are regarded as employed. This also applies to the targeted programmes.

[32] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.
[33] According to telephone interview with Ewald Bartunek, head of the social statistics section, Statistics Austria.

Table AT6. Number of people with disabilities enrolled in labour market programmes, stocks 1999.

Progr targeted at people with disabilities	Counted in the LF	Number of people with disabilities
Quota scheme with levy	Yes	52,330[1]
Preferential rights	Yes	1,100[2]
Wage subsidies	Yes	1,150[3]
Apprenticeship according to the quota system	Yes	230[4]
Vocational training for unemployed p w d	Yes	1,870
Integrative Enterprises	Yes	1,380[5]
Special jobs for p w d in fed administration	Yes	600
Total	–	58,660
Mainstream programmes	**Counted in the LF**	**Number of people with disabilities**
Integration Subsidies	Yes	N a
Business Start-Up Programme	Yes	N a
Apprenticeship Training[6]	Yes	N a
Vocational Training[7]	Yes	N a
Vocational Training for young people	Yes	N a
Employment Foundations[8]	Yes	N a
Further Training Allowance	Yes	N a
Solidarity Bonus	Yes	N a
Wage subsidies for child care centres	Yes	N a
Socio-Economic Enterprises	Yes	N a
Non-Profit Employment Projects	Yes	N a
Total	–	N a

[1] Stock per 1 December 1999, of which 4,120 were employed in the federal administration. Note that double counted persons are included (i e persons with severe disabilities whom the employer can count twice in fulfillment of the quota obligation). According to Wolfgang Iser (the Ministry for Social Security and Generations), a rough estimate is that about 20 per cent of the people with disabilities registered fulfil the criteria for double counting, although this does not mean that they actually are double counted or even employed.
[2] Stock per 31 October 2000.
[3] Stock per 1 December 1999.
[4] Stock per 1 December 1999.
[5] Stock per 1 January 2000.
[6] Includes apprenticeship training in enterprises and training centres.
[7] Includes training for unemployed people in training centres and enterprises, training for immigrants and for employed people.
[8] Refers to half way enterprises related to for example major lay-offs.

Source: Targeted programmes: The Ministry for Social Security and Generations. Mainstream programmes: AMS.

Main income source

No survey data is available for the main or most frequent source of income for people with disabilities[34], nor is survey data matched with register data. However, the proportion of disability pension recipients amounts to about 34 per cent of the number of people with disabilities in the working-age population. Partial disability pension is not applied.[35]

4.4 Evaluation and research

Institutions

No specific organization is responsible for evaluating the government-financed labour market programmes. For every evaluation there is a call for tenders. The Institute for Occupational and Adult Education Research (IBE) at the Johannes Kepler University in Linz has conducted several evaluations on behalf of the former Ministry of Labour, Health and Social Affairs on labour market programmes for people with disabilities.

Policy, legislation and implementation issues

No potential conflicts between different policy objectives are reported.

Legal protection for people with disabilities in the labour market is regarded as having a positive impact on integration, although employers find it less attractive to recruit people with disabilities due to the special protection against dismissals for this category. However, employers have the option to employ a person with disabilities on a temporary contract that ends without any obligations if the employer decides not to employ the person on a permanent contract.

When considering the implementation of the policy for integration of people with disabilities into the labour market, the present strategy does not lack any tools for fulfilling the policy objectives, but not every measure is available in every region.

[34] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.
[35] Sources: Own calculations of disabilty pension recipients according to the Main Association of Austrian Social Security Institutions (see specifications in Annex 3) and the number of people with disabilities of working age according to the ECHP 1996.

Repeated participation in labour market programmes (cycling) is viewed as a planned way of integrating a person into the labour market, as it may be regarded as different steps in an integration process.

Creaming effects are regarded as a problem. A team of experts decides on admission to the sheltered workshops. The team consists of the manager of the workshop and representatives of the Labour Market Service, Federal Offices of Social Affairs and the provincial administrations. A medical specialist and a psychologist may also be included. Including several different interests is designed to avoid the occurrence of cream skimming in the selection process.

No other major issues in implementing labour market policy for people with disabilities are mentioned.

Evaluation of labour market programmes

Three of the six programmes targeted for people with disabilities are evaluated, mainly by means of implementation studies. There are no reports of evaluations of Preferential rights, Wage subsidies, Apprenticeship according to the quota obligation, and Special jobs for people with disabilities in the federal administration.

Integrative Firms provide an example of a programme that is regarded as successful, and an evaluation of the programme is currently conducted by IBE. *Table AT8* presents the results from the evaluations available.

Table AT8. Evaluations of labour market programmes targeted at people with disabilities.

Quota scheme with levy
Type of evaluation: Implementation study. Survey concerning special protection of people employed according to the Disabled Employment Act. (Standardized postal interviews with employees, semi-standardized interviews with employers, employees, and other stake-holders.)
Time period analysed: 1996.
Research organisation: The Institute for Vocational and Adult Education (IBE) at the Johannes Kepler University in Linz.
Positive results: Exclusion of employees with handicaps/disabilities can be avoided by the Disabled Employment Act. Employers want to employ workers and not people with disabilities (although workers can be disabled.) Financial subsidies are only an incentive for employers to employ persons with disabilities under certain circumstances (small enterprises, belonging to the social environment of the person etc).
Negative results: The status of a protected employee with handicaps can be a disadvantage (stigmatization and discrimination). The Disabled Employment Act covers only certain types of handicap, while others, e g psychiatric handicaps etc., are not included. The Act does not take

into account the dynamics of certain handicaps with regard to employability. Employers accept "windfall profits" by the Disabled Employment Act. Information concerning the employment of people with handicaps is not efficiently communicated to human resource managers and employers.

Vocational Training for Unemployed People with Disabilities

Type of evaluation: Follow-up survey.

Time period analysed: Two surveys of graduates from Vocational and Rehabilitation Centres: In Linz 554 graduates between 1 Jan 1993 and 1 Oct 1997. In Vienna 282 graduates between 1 Jan 1993 and 31 Mar 1998.

Research organisation: The Institute for Vocational and Adult Education (IBE) at the Johannes Kepler University in Linz.

Positive results: Linz: 83 % of the graduates were employed after the programme. 69 % were still employed at the time of the survey. The corresponding rates for Vienna were 63 and 48. The difference is partly due to a higher degree of psychological impairments and a larger proportion of new graduates in Vienna. The first job found following the rehabilitation was primarily due to the individual's own initiative. Those who changed jobs after the rehabilitation were more likely to be employed.

Negative results: Almost 30 % of the graduates not employed at the time of the survey were placed in their jobs by the public employment service. People younger than 26 or older than 40, women and persons with commercial training were over-represented among the unemployed graduates immediately after the programme. Discontinuity in the employment history makes vocational integration more difficult.

Integrative Enterprises

Type of evaluation: Implementation study.

Time period analysed: Face to face interviews with managers, officials and employees in Integrative Firms.

Research organisation: The Institute for Vocational and Adult Education (IBE) at the Johannes Kepler University in Linz.

Positive results: Employees with handicaps in Integrative Firms enjoy their work often after a difficult career in private companies. Employees with handicaps in Integrative Firms are integrated into the general social security system. They feel themselves to be equal to other employees.

Negative results: There is a contradiction between the social tasks of Integrative Firms and their economic requirements. There is also a contradiction between employee care and customer care, and between a guaranteed job and transfer to the open labour market. The work conditions in Integrative Firms have to be improved, particularly as regards health and safety aspects. Training, further training and outplacement are not much developed.

4.5 Country-specific characteristics in brief

Table AT9. Summary of country-specific characteristics of labour market policies for people with disabilities.

Issue	Characteristics
Labour force participation	Average labour force participation and employment rates. No comparable national survey conducted. The results are sensitive to participation in labour market programmes.
Labour market programmes	Extensive use of labour market programmes. Notable duplication of programmes between national and provincial administrations. The predominant programme type especially targeted at people with disabilities is the quota scheme, which may be combined with subsidized employment, for example. A vast menu of various programme types. No statistics on people with disabilities in mainstream programmes, but subsidized employment and vocational training are reported to be the predominant programmes.
Mainstreaming of policy and institutions	Since 2000, the ministry responsible for employment for people with disabilities is not the same as for mainstream policies. The mainstream employment service is not the front-line labour market administration for people with disabilities. A duplicate institutional system is applied. The local Federal Offices for Social Affairs bear the main responsibility for employment services and programmes targeted at people with disabilities, and also provide income support services. No anti-discrimination legislation with actionable ruling concerning employment. Explicit objectives for integration into open employment. Medium proportion of disability pension recipients.

4.6 Acknowledgements

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4.7 Further reading

Printed matters

Federal Ministry of Labour, Health and Social Affairs (1998), *The Austrian Welfare System: A Survey of Social Security Systems*, Federal Ministry of Labour, Health and Social Affairs, Vienna.

Federal Ministry of Labour, Health and Social Affairs and Österreichische Arbeitsgemeinschaft für Rehabilitation (1998), *The Austrian Federal Government's Disability Concept*, Federal Ministry of Labour, Health and Social Affairs, Viennna.

Internet

Overview of national institutions: www.gksoft.com/govt/en/at.html

Federal Ministry for Economy and Labour: www.bmwa.gv.at
Federal Ministry for Social Security and Generations: www.bmsg.gv.at

Labour Market Service: www.ams.or.at
Statistics Austria: www.oestat.gv.at

5 Czech Republic

5.1 Policy

Institutional framework

Disability policy

No specific ministry has sole responsibility at the national level for the general disability policy but, in policy making, each ministry has to consider the consequences for people with disabilities. The principle of sectoral responsibility in disability policy is expressed in the national plans for measures for people with disabilities, which were adopted in government resolutions in 1992, 1994 and 1998 and correspond with the structure of the UN Standard Rules. The final resolution also takes into account a plan for the distribution of authority at the local and regional levels.

No specific ministry coordinates the entire disability policy, but the Ministry of Labour and Social Affairs is responsible for large areas of the disability policy.

Labour market policy

The Ministry of Labour and Social Affairs is responsible for employment in general. Within the Employment Services Department, there is a Labour Market Division in which the Employment Policy Section is responsible for labour market programmes, including labour market programmes for people with disabilities.

Policy focus

The policy for people of working age with disabilities still mainly gives priority to social programmes, but since 1990 the focus has shifted towards programmes which are designed to integrate the target group into the labour market. The Social Security Act has been amended several times since 1990, and a national plan for people with disabilities, to which different disability groups have contributed, is under way but has not yet been approved by the Parliament.

The Employment Act (No 1/1991) stipulates that, in providing assistance in finding employment for job seekers, special attention is to be paid to those who are in poor health. Changes in the direction of enhanced integration of people with disabilities are planned, but it has not yet been decided what action is to be taken. According to Government Resolution No. 493/1993 on the National Plan

for Reducing the Negative Aspects of Disability, the Ministry of Labour and Social Affairs is to provide the vocational rehabilitation and training centres. Decree No 115/1992 on sheltered employment and sheltered work places for people with disabilities states that they are to be offered employment corresponding to their health and work abilities. Regional Employment Service Offices are to contribute to this objective.

In addition to a statutory quota obligation there is no explicit policy objective of integrating people with disabilities into regular work (i e unsubsidized employment in the open labour market).

Legislation

Equal opportunities and equal participation in working life for people with disabilities have been expressed in general law since 1993 (the Universal Declaration of Human Rights, which is a part of Czech Constitution).

5.2 Implementation

Institutions

The Employment Service, a division within the Ministry of Labour and Social Affairs, has overall responsibility for implementation of labour market policy. The Employment Service also operates the local employment service offices.

Labour market programmes

The active employment policy instruments focus primarily on support for employment in small and medium-sized businesses in the private service sector (which, in the Czech Republic, had considerable scope to absorb manpower made redundant in the public and cooperative sector), and on support for the employment of certain groups in the labour market (people with disabilities, long-term unemployed and school graduates entering the labour market for the first time).

Mainstream versus targeted labour market programmes

There are no official policy guidelines indicating whether mainstream labour market programmes are employed prior to programmes targeted at people with disabilities, but in practice, the first step is usually to let these people participate in mainstream labour market programmes since they are less expensive. A person with disabilities can apply for any programme, but placement is a matter

for the officer at the public employment service, who makes his/her decision with regard to the labour market situation in the municipality.

Publicly financed labour market programmes

Publicly financed labour market programmes (both mainstream and targeted) for people with disabilities are arranged in the form of national and local programmes. Regional and local employment service administer the national programmes (all programmes in *Table CZ1* and *Table CZ2*). Under the legal provisions on employment, the regional employment service can grant subsidies to all private and public employers who establish a new job place.

Labour market programmes which are not publicly financed

There are programmes designed to integrate people with disabilities that are not financed from public appropriations. The common programmes are sheltered employment, vocational rehabilitation and supported employment. All these programmes are provided by organizations for people with disabilities, other non-profit organizations and various grant institutions[36]. The financial source is primarily non-government funds, but the organizations can also claim government support. These programmes are not extensive[37] compared with publicly financed programmes but they are of growing importance.

Labour market programmes targeted at people with disabilities

Current programmes

The Czech Republic has three categories of labour market programmes targeted at people with disabilities: statutory employment quota (Quota scheme without sanctions), subsidized employment and sheltered employment. All people with disabilities may participate in all programmes and there are no special eligibility requirements. The degree of disability is not taken into account, only reduced working capacity according to a decision by the social insurance office. A general criterion for eligibility for the targeted programmes is that the job seeker is registered at the public employment office, which also fills the programme vacancies. The internal priority between the present programmes differs, but it has not changed during the 1990s.

[36] For example the Palmif Programme and the Soros Foundation.
[37] Counted as number of people with disabilities enrolled.

New programmes

There are no tangible plans to introduce new targeted labour market programmes for people with disabilities. *Table CZ1* presents the current programmes.

Additional support

In addition, start-up grants are available for persons with disabilities. This is a financial lump sum contribution (up to about CZK 100,000) to the cost of starting up in self-employment. In general, the same administrations which are responsible for providing and funding work place adaptations and technical aids for people with disabilities in work, are responsible for participants with disabilities in labour market programmes.

Table CZ1. Specifications of labour market programmes targeted at people with disabilities 1999.

Statutory employment quota
Quota scheme without sanctions
Introduction year: 1991.
Priority: First.
Administration: The public employment service.
Goal: Regular employment for people with disabilities.
Activities: Work
Provider: All employers with more than 20 employees.
Individual eligibility criteria: All people who have a reduced working capacity according to the social insurance office.
Individual compensation: Regular wage from employer.
Compensation to provider: CZK 9000 income tax deduction and CZK 32,000 reduction in case of severely reduced working capacity. Source: Public labour market appropriations.
Provider obligations: Obligation to fill at least 4.5 per cent of the positions with people with reduced working capacity and another 0.5 with people with severely reduced working capacity. Buying products from sheltered workshops also fulfil the quota obligation. The employer is obliged to adapt the work place for the subsidy granted and provide job training. The public employment office may grant a special subsidy if applied for.
Max programme time: No limited programme period.

Subsidized employment programmes

Subsidized employment

Introduction year: 1992.

Priority: First.

Administration: The public employment service.

Goal: Enable people with disabilities to work.

Activities: Work.

Provider: Private, public and non-profit employers.

Individual eligibility criteria: All people who have a reduced working capacity according to the social insurance office.

Individual compensation: Regular wage from employer.

Compensation to provider: Lump sum subsidy of up to CZK 50,000 to employ a p w d. Source: Public labour market appropriations.

Provider obligations: The employer is not obliged to adapt the work place or to provide job training and assistance, but can apply for financial contributions form the public employment office. The employer has to comply with the goal of the grant project according to a written contract.

Max programme time: The employment contract must last for at least two years.

Sheltered employment programmes

Sheltered Employment

Introduction year: 1992.

Priority: Second.

Administration: The public employment service.

Goal: Access to work for people who are not able to enter the open labour market.

Activities: Rehabilitation.

Provider: More than 60 % of the work crew are people with reduced working capacity. A sheltered workplace may also be in the home of a person with reduced working capacity.

Individual eligibility criteria: All people who have a reduced working capacity according to the social insurance office.

Individual compensation: Regular wage from employer.

Compensation to provider: Lump sum subsidy up to 100 % of hiring costs, max CZK 100,000. Annual operational subsidy of CZK 40,000 per person. Source: Public labour market appropriations.

Provider obligations: The employer is obliged to adapt the work place for the subsidy granted and provide job training. The employer must comply with the goal in the written contract.

Max programme time: Written contract with the public employment office for at least two years.

Mainstream labour market programmes

Current programmes

The Czech Republic has two categories of mainstream labour market programmes: subsidized employment (Public Utility Jobs, Jobs for Graduates and Public Utility Work), and, vocational training (Retraining). In principle, people with disabilities have access to all mainstream publicly financed labour market programmes. As in the targeted programmes, a general eligibility criterion for the mainstream programmes is that the job seeker is registered at the public employment office, which also fills the programme vacancies. All mainstream programmes have high priority and the priority between the present programmes has not changed during the 1990s, but, depending on the labour market situation in the region and the possibilities of the public employment service, regional and local priorities may be applied.

New programmes

At present there are no plans to introduce new mainstream labour market programmes which are also available for people with disabilities. No statistics are available so that the predominant mainstream programmes for people with disabilities can be identified. *Table CZ2* presents the current programmes.

Additional support

In addition to the programmes described below, subsidies for part-time work are used to prevent temporary lay-offs. The public employment service may then partly subsidize employee wage costs. The idea is to provide temporary support in a period of financial problems for the employer.

Table CZ2. Specifications of the most important mainstream labour market programmes for people with disabilities 1999.

Subsidized employment programmes
Public Utility Jobs
Introduction year: 1991.
Priority: Not predefined.
Administration: The public employment service.
Goal: Job creation in public or private organizations or by starting up own business.
Activities: Work.
Provider: Mainly private, but also public and non-profit organizations.

Individual eligibility criteria: People with disabilities who cannot find a job in another way.

Individual compensation: Regular wage from employer.

Compensation to provider: Payment of interest, interest-free loans or lump sum subsidies up to CZK 80,000. Source: Public labour market appropriations.

Provider obligations: The employer is obliged to adapt the work place and provide job training for p w d.

Max programme time: According to written contracts, up to two years.

Jobs for Graduates

Introduction year: 1993.

Priority: Not predefined.

Administration: The public employment service.

Goal: To facilitate the entry into the labour market and reduce the time in unemployment to a socially acceptable level.

Activities: Practical work experience.

Provider: Mainly private, but also public and non-profit organizations.

Individual eligibility criteria: At first hand young graduates without earlier work experience.

Individual compensation: Regular wage from employer.

Compensation to provider: Up to 100 % wage subsidy. Source: Public labour market appropriations.

Provider obligations: The employer is obliged to adapt the work place and provide job training for p w d.

Max programme time: 2 years.

Public Utility Work

Introduction year: 1991.

Priority: Not predefined.

Administration: The public employment service.

Goal: Job creation for hard-to-place people and long-term unemployed.

Activities: Work.

Provider: Mainly municipalities, but also private and non-profit organizations.

Individual eligibility criteria: The number of vacancies by profession and region rule eligibility.

Individual compensation: Regular wage from employer.

Compensation to provider: Subsidy for wage costs up to 100 %. Source: Public appropriations paid via public employment offices.

Provider obligations: The employer is obliged to adapt the work place and provide job training

for p w d.

Max programme time: 12 months.

Vocational training programmes

Retraining

Introduction year: 1991.

Priority: Not predefined.

Administration: The public employment service.

Goal: New or further employment in a suitable profession.

Activities: Vocational training and work experience. To acquire new skills aiming to increase the person's chances in the labour market through two programmes; for specific professions and non-specific.

Provider: Regular school system or previous/present employer.

Individual eligibility criteria: Specific course: For specific professions.

Individual compensation: 60 % of earlier average wage (at most 1,8 times the existence minimum per month). Before 1998 70 %, which is planned to be reintroduced in the year 2000. Course fees are paid for by the public employment service and, if located out of home area, also catering, accommodation and travel expenses. A p w d has the right to claim these allowances. Source: Public labour market appropriations.

Compensation to provider: According to agreement. Source: Public labour market appropriations.

Provider obligations: Specific course: Employers promise of employment. Non-specific course: No such promise. The employer is obliged to adapt the work place and provide job training for p w d.

Max programme time: Short-term, usually not more than 3 month.

Services associated with integration into the labour market

Table CZ3 presents an overview of central services available in connection with integration into the labour market and the administration responsible. Public provisions of personal assistants have not yet been incorporated into Czech law (a bill concerning Social Assistance has been in preparation for several years but has not been passed yet), but are supplied through non-profit organizations.

The public employment service administers technical aids. Employers may apply for subsidies for adaptation of the work place from the public employment service.

Table CZ3. Responsibility of certain services associated with integration into the labour market.

Service	Administration
Vocational rehabilitation	Non-government organizations
Vocational guidance	The public emplolyment service
Job search	The public employment service
Selection into labour market programmes	The public employment service
Incentives for employers when employing a person with disabilities	The public employment service
Incentives for people with disabilities to become active in the labour market	The public employment service (only start-up grants)
Transportation to the work place	Social insurance office
Technical aids and adaptation of the work place	The public employment service
Personal assistance in the work place[1]	Non-government organizations

[1] Personal attendant care, not job coach.

The financing of some of these services is presented in *Table CZ4*.

Table CZ4. Financial source of certain services associated with integration into the labour market.

Service	Financial source
Vocational rehabilitation	Non-government funds, possible govt support
Transportation to the work place	Public social and labour market appropriations and employee
Technical aids and adaptation of the work place	Public labour market appropriations
Personal assistance in the work place	Non-government funds

Disability pension

In its role of administering invalid benefits, care and aids, the social insurance office consults medical experts, who give their opinion on the process of granting or discharging any benefit. A special committee decides the status of the person with disabilities, which means that the committee decides whether the person is able to work or not.

People whose working capacity is reduced by at least 33–66 per cent may receive a partial disability pension and remain at work for the rest of the time. If working capacity is reduced by 66–100 per cent, the person concerned is eligible for full disability pension, but may still work less than 100 hours per year

or have a maximal income of about CZK 2000 per month without any reduction, if he/she applies for it. If a person receives an income of more than 80 per cent of earlier income, he/she is no longer entitled to disability pension. An income between 66 and 80 per cent entitles to half disability pension, and less than 66 per cent to full pension.

Early retirement

Early retirement is used as a way out of long-term unemployment, but there is a slight move in the direction of regarding this as a labour market problem, and consequently registering these people as unemployed, instead.

5.3 Statistics

Disability, labour force participation and employment rates

No national census is conducted to measure the disability, labour force participation and employment rates in the working-age population, in which the respondents have defined themselves as having a disability or not in accordance with the United Nations Standard Rules or ICIDH.

However, there is survey data on people with reduced working capacity due to disability. The Czech Statistical Office conducts a labour force survey, "Employment and Unemployment in the Czech Republic", once every third month, in which the respondents are asked whether they have a reduced working capacity and, if so, whether it is partially or severely reduced (1/3 or 2/3 reduced working capacity according to a decision by the social security office[38]). To be classified as disabled in the labour market, a person must have a reduced working capacity due to long illness or a poor state of health, or be entitled to invalid benefits for the same reason. This means that a person may be assessed as having a reduced working capacity without receiving any invalid benefits.

According to the survey conducted in the third quarter of 1998, about five per cent of the working-age population have a reduced working capacity, two per cent of whom have a severely reduced capacity. The labour force participation for people with reduced working capacity (severe and partial) is 45 (21 and 58) per cent and the employment rate is 35 (17 and 45). The corresponding

[38] The social security office does not have an overall register of people with reduced working capacity, It only has a register of recently assessed reduced working capacity and a register of paid invalidity pensions.

percentages are 82 and 76, respectively for the group with no reduced working capacity.

Table CZ5. Employment restriction rate in the working-age population (men 15–59 years, women 15–54 years). Labour force participation and employment rates for people with/without employment restrictions (per cent).

Population	Of working age	In labour force	Employed
With partial employment restrictions	3	58	42
With severe employment restrictions	2	20	15
With employment restrictions, total	5	45	33
Without employment restrictions	95	79	74

Source: Labour force survey, first quarter of 1999, the Czech Statistical Office.

Participants in labour market programmes

No survey data is available for the average number of people with disabilities[39] enrolled in various labour market programmes, nor is survey data matched with register data.

Table CZ6. Numbers of people with disabilities enrolled in labour market programmes, average monthly stocks in 1998[40].

Progr targeted at people with disabilities	Counted in the LF	Number of people with disabilities
Quota scheme without sanctions	Yes	N a
Subsidized employment	Yes	N a
Sheltered employment	Yes	N a
Total	–	N a
Mainstream programmes	**Counted in the LF**	**Number of people with disabilities**
Public Utility Jobs	Yes	N a
Jobs for Graduates	Yes	N a
Public Utility Work	Yes	N a
Retraining	No	N a
Total	–	N a

Source: The Research Institute for Labour and Social Affairs.

[39] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.
[40] The public employment service and the social insurance office have the same definition of reduced working capacity.

However, the local and regional public employment services collect register data on inflows in labour market programmes, but this data is not aggregated to national numbers.

People in labour market programmes which fulfil a work function are regarded as "employed". People in retraining programmes remain in the register of unemployed persons. All participants are included in the labour force, no matter what kind of programme they are participating in.

Main income source

No survey data is available for the main or most frequent income source for people with disabilities[41], nor is survey data matched with register data. However, the proportion of disability pension or long-term sickness benefit recipients amounts to about 102 per cent of the number of people with employment restrictions in the working-age population, of whom about 41 per cent receive a part-rate pension.[42]

5.4 Evaluation and research

Institutions

The Ministry of Labour and Social Affairs is responsible for evaluating the government financed labour market programmes, collecting statistics and doing follow-ups. The register data on the number of people in different labour market programmes is collected by the public employment service and evaluated by the Ministry of Labour and Social Affairs. Some of the researchers at the Research Institute for Labour and Social Affairs (an independent research institute financed to large extent by the government) also do evaluation research for the Ministry.

Policy, legislation and implementation issues

No potential conflicts between different policy objectives are reported.
Excessive legal protection for people with disabilities when they enter the labour market seems to have an adverse effect on employment. For example,

[41] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.
[42] Sources: Own calculations of disabilty pension recipients according to the Ministry of Labour and Social Affairs (see specifications in Annex 3) and the number of people with disabilities of working age according to the labour force survey, first quarter of 1999, the Czech Statistical Office.

contracts cannot be limited in time and no probation period is permitted. People with disabilities and employers both regard such legal protection as a hindrance and consider that it constitutes overprotection of people with disabilities.

As regards the need for supplementary tools to fulfil the policy objectives, several issues are mentioned. The quota programme has no legal sanctions at its disposal when employers fail to fulfil the quota obligation, which reduces the impact of this measure. Likewise, there are norms concerning accessibility for buildings and work places but, once again, sanctions are virtually toothless. In addition, tax subsidies are quite low.

Repeated participation in labour market programmes is not viewed as a general problem, but it has not been evaluated.

Creaming effects are not regarded as a problem.

Another issue in implementing the labour market policy for people with disabilities is that people eligible for partial invalidity benefit cannot exceed a specific (relatively low) wage level, if they are to continue to be entitled to the benefit. They may choose not to work, and live on a partial disability pension instead, possibly with supplementary social welfare. As a result, this might result in a kind of trap for people with disabilities.

Evaluation of labour market programmes

Two of the three programmes targeted at people with disabilities are evaluated by means of implementation studies conducted the Research Institute for Labour and Social Affairs and The Ministry of Labour and Social Affairs. Sheltered employment has not been evaluated. Examples of programmes that are regarded as successful are some programme initiatives within the Phare[43] pro-

[43] The Phare Programme is a European Union initiative which supports the development of countries of central and eastern Europe with an aim to help them rejoin the mainstream of European development. In the Czech republic there is a programme within Phare Programmes called PALMIF, which is focused on the support of employment in the Czech Republic. Using the PALMlF fund within the framework of labour market policy, PALMIF is an active component of employment policy pursued by Ministry of Labour and Social Affairs which is linked with the principal programs and projects of nation-wide labour market policy, including definition of further innovation plans, their implementation and evaluation of the benefits for further application within the framework of the overall concept of employment policy. The functions of PALMIF are divided into three fundamental material and organizational directions:
a) Experimental testing of prepared proposals for new active employment policy instruments in selected regions. (b) Seeking new solutions in the labour market in the regions or micro-regions, including their experimental testing. (c) Experimental testing of more demanding projects submitted via public tenders.

gramme, focused on employment support. *Table CZ8* presents the results from available evaluations. In addition to the table, the Research Institute for Labour and Social Affairs conducted a survey in 1997, in which the role of economic incentives in the labour market was investigated as regards the employment of people with disabilities. Draft measures for increasing the employment rate were also proposed. However, no results are available.

Table CZ8. Evaluations of labour market programmes targeted at people with disabilities.

Quota scheme without sanctions
Type of evaluation: Implementation study.
Time period analysed: 1996.
Research organisation: RILSA.
Positive results: Not known.
Negative results: Employers tend to break the rules since there are no legal sanctions if the quota obligation is not fulfilled.
Subsidized employment
Type of evaluation: Implementation study.
Time period analysed: 1996.
Research organisation: RILSA and the Ministry of Labour and Social Affairs
Positive results: Minor, but essential for people with disabilities to have this possibility of integration into the open labour market.
Negative results: Subsidies do not appear to be sufficient to give the employers incentives to employ people with disabilities, which results in a lack of workplaces within the programme.

Source: The Research Institute for Labour and Social Affairs.

5.5 Country-specific characteristics in brief

Table CZ9. Summary of country-specific characteristics of labour market policies for people with disabilities.

Issue	Characteristics
Labour force participation	Average labour force participation and employment rates. Question on certificate of reduced working capacity included in the ordinary labour force survey (narrow definition).
Labour market programmes	Non-publicly financed programmes seem to be of increasing importance. No statistics on people with disabilities in labour market programmes. Employment according to the quota obligation cannot be combined with subsidized employment and there is no levy. Other targeted programmes available are subsidized employment and sheltered employment. The mainstream programmes are vocational training, work experience and public job creation.
Mainstreaming of policy and institutions	No specific ministry coordinates the disability policy between the various ministries. No anti-discrimination legislation. No explicit objectives for labour market integration, but as a result of the quota obligation there is an implicit objective of integration into open and unsubsidized employment. Large proportion of disability pension recipients.

5.6 Acknowledgements

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5.7 Further reading

Internet

Overview of national institutions: www.gksoft.com/govt/en/cz.html

Ministry of Labour and Social Affairs: www.mpsv.cz

Czech Statistical Office: www.czso.cz

6 Finland

6.1 Policy

Institutional framework

Disability policy

No specific ministry has sole responsibility at the national level for the general disability policy but, in policy making, each ministry has to consider the consequences for people with disabilities. The Ministry of Social Affairs and Health is responsible for the coordination of general disability policy, but all ministries are responsible for disability policy-making in their field.

In 1979, the Committee on the Development of Rehabilitation launched the idea of sectoral responsibility. The Committee pointed out, that in order to prevent the delay of rehabilitation measures different authorities, such as health care, social welfare, education units, employment services and social security, should be permitted to take rehabilitation initiatives. The Committee made proposals on the coordination and planning of programmes and services at national and regional levels.

One of the goals for the Finnish Committee on the International Year of Disabled Persons in 1981 was that disability issues should be taken into consideration in the various policy sectors and not be solely the responsibility of the social and health authorities. In practice, though, the recommendations have only been included in the mainstream programmes of activity to a limited extent.

Sectoral responsibility was established in 1991 in the Rehabilitation Reform that was carried out as a comprehensive renewal of the legislation and which defined the authorities responsible for each administrative sector in legislation. Amendments were made in twenty different sectoral acts and five new acts were passed. One of the most important new acts in connection with the reform was the Act on Cooperation in Respect of Rehabilitation Services. It obliges the authorities responsible for health care and social welfare, educational programmes and employment services, and the social insurance institutions to cooperate at the local, regional and national levels. Cooperation groups have to be established at the different levels.

The National Council on Disability, established in 1986, is a cooperative body with consultative status. The Council works within the Ministry of Social Affairs and Health and is an information link between the relevant authorities and disability organizations at the national level and also has a role in shaping

public opinion and taking initiatives to enhance equality and full participation for people with disabilities. There are also municipal councils on disability, in which the different sectors of public administration and NGOs cooperate at local level. In 1996, the Council launched an action programme on disability, "Towards a Society for All". The Programme states that "The functional openness and accessibility of the society may be improved through constructing within the ordinary systems 'the special', which is necessary for the removal of obstacles. This must not be done by separate costs or by activities realized in a physically separate location. 'The special' must not be anything for which the costs are covered by someone other than the customary organizer of the service of activity."

The National Advisory Board for Rehabilitation of the Ministry of Social Affairs and Health is the cooperative body at the national level, with representatives of authorities and institutions in the medical and vocational rehabilitation fields, disability organizations, municipalities and labour market organizations. Its task is to promote the drawing up of plans and objectives for rehabilitation and to monitor the implementation of legislation.

Labour market policy

The Ministry of Labour is responsible for employment in general and for the employment of people with disabilities. The Ministry is divided into two departments; the Policy Department is responsible for strategic development and labour policy and the Executive Department is responsible for the implementation of the policy, and also has administrative responsibility for the employment service. The Ministry of Social Affairs and Health is responsible for sheltered employment (which, besides the sheltered productive work, is more socially oriented in Finland). Both ministries have responsibilities for vocational rehabilitation.

The Ministry of Education is responsible for administering vocational training, including special vocational training for people with disabilities. When vocational training is used as a means of vocational rehabilitation, reimbursement of the costs to the client is the responsibility of the labour market or social insurance institutions.

Policy focus

The policy for people of working age with disabilities gives priority to programmes which are designed to integrate the target group into the labour mar-

ket. The focus of the policy has been emphasized during the 1990s. A central objective of the reform of rehabilitation legislation in 1991 was to make the rehabilitation more effective so that the citizens will be able make a contribution to working life more fully and during a longer period of time. A reform of the pension system, which came into force in 1996, aims to encourage rehabilitation and discourage the trend towards early retirement. There is a special focus on maintenance of the working ability of the working-age population and on rehabilitation measures.

The national "From Disability to Ability" programme of action for vocational rehabilitation and employment of disabled persons, which the National Advisory Board for Rehabilitation adopted in 1995, outlines the following policy objectives: (1) Timely identification of vocational rehabilitation needs. (2) Promotion of vocational training and improvement of labour market skills. (3) Employment on the open labour market. (4) Prevention of exclusion from the labour market.

Furthermore, the Programme of the Finnish Government of April 1999 states that integration of people with disabilities into the labour market is to be promoted. The Programme also states that "The Government will lay particular stress on the paramount importance of work. The reform of social security benefits, taxation and service charges will be continued so that taking up employment will always be financially worthwhile".

The Finnish Employment Action Plan for the year 2000 (based on EU guidelines) sets the explicit policy objective of promoting labour markets which are open to every one.

However, there is no explicit policy objective of integrating persons with disabilities into regular work (i e unsubsidized employment in the open labour market).

Legislation

Equal opportunities and equal participation in working life for persons with disabilities are expressed in general and integrated legislation. In 1995, the Constitution Act was amended by the introduction of an anti-discrimination clause on equal treatment of persons with disabilities, according to which no one is to be assigned a different status on the basis of their health and disability. The Act does not explicitly refer to equal opportunities and equal participation for people with disabilities in working life, but an employer may not place an employee or job seeker in a weaker position than others for a health-related

reason that does not prevent the person from doing the work concerned. Employers who, in advertising, in their choice of applicant, or in the working conditions, put a job seeker or a employee in a less favourable position due to health conditions, may be fined or imprisoned for up to six months.

6.2 Implementation of labour market policy

Institutions

The Executive Department of the Ministry of Labour has overall responsibility for implementation of labour market policy and defines the national priorities of employment policy. The Ministry allocates annual resources to Labour Market Departments of the regional Employment and Economic Development Centres, which are responsible for the planning and implementation of regional employment policy and establish objectives for the employment offices in their region. This includes vocational guidance and rehabilitation, job placement services, vocational training, and information about vocational services. The municipalities are responsible for administering sheltered employment.

Vocational rehabilitation is funded via the labour market administration, the Social Insurance Institution (SII), the employment pension insurance companies (private administration of statutory earnings related pensions), and the insurance companies handling work and traffic accident claims. The local employment service, SII offices and the Insurance Rehabilitation Agency (an intermediary body between the clients and the private insurance companies) purchase rehabilitation services from public or private medical clinics, training institutions, private or publicly owned work clinics or rehabilitation centres, depending on the provider's policy for purchasing services.[44] The insurance companies administering the statutory earnings-related pensions may also administer the vocational rehabilitation by their own.

Vocational training for people with disabilities, which is often part of vocational rehabilitation, is provided in special vocational schools and in regular vocational schools. Vocational training is funded by the state and administered by the Ministry of Education and the National Board of Education. Special vocational schools are operated by the state, municipalities, private foundations or disability organizations. Income maintenance for clients in vocational rehabilitation is provided by the administration responsible.

[44] Rehabilitation centres and work clinics are private or voluntary organizations, the former focus on assessment of rehabilitation needs and the latter on work training and work trials.

The public employment service purchases vocational training from 40 training centres for adults which are funded by public employment appropriations.

Labour market programmes

Mainstream vs targeted labour market programmes

There are official policy guidelines indicating that mainstream labour market programmes are to be employed prior to targeted labour market programmes for people with disabilities, and this is also the case in practice. In accordance with the rehabilitation reform, an amendment in the Employment Act of 1991 states that the employment service must ensure that people with disabilities have access both to the mainstream employment service, and to specialist services, *when required.*

In 1982 a new act on subsidized employment targeted at people with disabilities came into force which was an important start to giving people with disabilities access to the open labour market. Today, the employment policy for people with disabilities is part of the mainstream employment policy. Most of the programmes for this target group are included in other prioritized groups, such as long-term unemployed. Labour market programmes targeted at people with disabilities are primarily intended for those with severe disabilities.

Publicly financed labour market programmes

Publicly financed labour market programmes (both mainstream and targeted) for people with disabilities are arranged in the form of national programmes (see the Institution section above concerning the detailed institutional framework). The local authorities administer and fund sheltered work.

Labour market programmes which are not publicly financed

There are no programmes designed to integrate people with disabilities into the labour market that are not financed from public appropriations.

Labour market programmes targeted at people with disabilities

Current programmes

Finland has three categories of labour market programmes especially designed for people with disabilities: vocational training (Special Vocational Training), vocational rehabilitation and, sheltered employment (Sheltered Productive Employment).

A general eligibility criterion for participation in targeted labour market programmes is that the working ability and earning capacity is substantially reduced as a result of impairment, injury or sickness.

There is no internal priority between the targeted programmes, but sheltered employment is used as a last resort.

Since 1991, more people have received vocational rehabilitation in accordance with the earnings related pension scheme, which is in line with the employment pensions agencies' goal of keeping people longer in working life. However, the number of vocational rehabilitation recipients via the Social Insurance Institution has decreased. *Table FI1* presents the programmes.

New programmes

There are tangible plans for the introduction of new labour market programmes targeted at people with disabilities. Access of young people with severe disabilities to working life is being improved, disabled people outside the labour market encouraged to return to work, and apprenticeship training for people with disabilities on rehabilitation allowance promoted in accordance with new legislation (which entered into force on 1 August 1999). People who receive disability pension entirely under the national pension scheme also have an opportunity to set their disability pension aside for up two years if they want to see whether they are able to return to working life. During this time they would be paid a special rehabilitation allowance.

Local supported employment pilots are funded by ESF or municipalities, and there are plans to implement this measure as a national programme. The aim is to establish a national quality system for supported employment, to provide training for instructors and to organize the services of instructors on a national scale. The transition to working life is to be supported by the development of a network of social enterprises and cooperatives.

New legislation for sheltered work was prepared during 2000. Among other things, the relationship between sheltered employment and the open labour market will be investigated.

Additional support

In addition, several services and grants are available for persons with disabilities. The labour market authorities may grant financial support to employers for adaptation of the work place and technical aids of up to FIM 15,000, which may also be used to compensate for the assistance provided by another em-

ployee (up to FIM 1,500 per month for two years). Vocational guidance service, including aptitude tests, are available through psychologists in the full-service employment offices.

As in an employment situation, SII is responsible for providing technical aids needed at work for people with severe disabilities in labour market programmes. Otherwise, the labour market authorities may grant financial support to employers for adaptation of the work place and technical aids. The municipalities provide personal assistance and transportation also for participants in labour market programmes. The organizations responsible for funding vocational training and rehabilitation also pay for the travel costs involved.

Table FI1. Specifications of labour market programmes targeted at people with disabilities in 1999.

Vocational training programmes

Special Vocational Training

Introduction year: Gradually since the 1940s.

Priority: Not predefined, depending on individual needs.

Administration: The individual is referred by (1) the public employment service, (2) and (3) the Insurance Rehabilitation Agency (or private insurance companies) and (4) the Social Insurance Institution. The Education administration is responsible for arranging (and financing) the training.

Goal: To preserve or improve working capacity.

Activities: Vocational education and basic education needed to start vocational education.

Provider: Vocational education within special vocational training institutions run by municipalities or organizations for people with disabilities or within regular vocational schools.

Individual eligibility criteria: (1) Job seekers with reduced possibilities to work, due to sickness, injury or disability. (2) Persons established in working life (employed or with right to earnings-related pension) with reduced working capacity due to sickness and at risk of receiving disability pension. (3) Persons with work insurance who lost their working capacity in a work accident or due to occupational disability, or people injured in a traffic accident who receive traffic insurance compensation. (4) People aged 16–64 with substantially reduced working capacity and means of subsistence due to sickness or injury.

Individual compensation: (1) UB or equivalent training allowance. (2) Rehabilitation allowance (equivalent to disability pension) plus 33 % in periods of active vocational rehabilitation. (3) Full compensation for rehabilitation costs and income reduction. (4) Compensation for rehabilitation costs and rehabilitation benefit equivalent to sickness benefit (about 2/3 of previous income). Source: (1) Public labour market appropriations. (2) 1/5 the employee, 4/5 the employer. (3) Work accident: employer, traffic accidents: the individual. (4) 1/3 the employer, 2/3 the employee.

Compensation to provider: Operating costs. Source: Public education appropriations.

Provider obligations: The provider has to adapt the training and the facilities to the needs of the participants. The administration concerned is responsible for the funding of personal aids.

Max programme time: 3–4 years.

Vocational rehabilitation programmes

Vocational rehabilitation

Introduction year: Gradually since the 1940s.

Priority: Not predefined.

Administration: (1) The public employment service, (2) and (3) the Insurance Rehabilitation Agency (or private insurance companies) and (4) the Social Insurance Institution.

Goal: To preserve or improve working capacity.

Activities: (a) Medical examination of possible effects in work or education, (b) assessment of the rehabilitation needs, (c) work and education trials, (d) work trials, (e) education trials, (f) work training, (g) adaptation of the work place and trying out assistive devices.

Provider: (a) Rehabilitation examination clinics (in hospitals), (b) rehabilitation institutions (run by non-profit, mainly disability organizations or municipalities) (d) and (f) work clinics (also run by non-profit organizations and municipalities) and (c) and (e) special or mainstream vocational training centres.

Individual eligibility criteria: (1) Job seekers with reduced possibilities to work, due to sickness, injury or disability. (2) Persons established in working life (employed or with right to earnings-related pension) with reduced working capacity due to sickness and at risk of receiving disability pension. (3) Persons with work insurance who lost their working capacity in a work accident or due to occupational disability or people injured in a traffic accident who receive traffic insurance compensation. (4) People aged 16–64 with substantially reduced working capacity and means of subsistence due to sickness or injury.

Individual compensation: (1) UB or equivalent training allowance. (2) Rehabilitation allowance (equivalent to disability pension) + 33 % in periods of active vocational rehabilitation. (3) Full compensation of rehabilitation costs and income reduction. (4) Compensation of rehabilitation costs and rehabilitation benefit equivalent to sickness benefit (about 2/3 of earlier income). Source: (1) Public labour market appropriations. (2) 1/5 the employee, 4/5 the employer. (3) Work accident: employer, traffic accidents: the individual. (4) 1/3 the employer, 2/3 the employee.

Compensation to provider: The administration concerned purchases the services from the providers. Source: The administration responsible.

Provider obligations: The respective administration is responsible for the funding of personal aids.

Max programme time: (1) (c) 40 days, (d) at the work place: 6 months, at the work clinic: 40 days, (e) 10 days, (f) 60 days. Not restricted (depending on the individual need) for (2), (3) and (4).

Sheltered employment programmes

Sheltered Productive Employment

Introduction year: 1970 (when the funding shifted from voluntary organizations to public.)

Priority: Last.

Administration: Municipalities.

Goal: To arrange work opportunities for people who, due to severe disability, cannot find employment on the open labour market.

Activities: Work in sheltered workshops, enclaves ("integrated sheltered work") or the home.

Provider: Municipalities, federation of municipalities or non-profit organizations. Increased integration of sheltered workshops as a part of the services of the municipalities.

Individual eligibility criteria: Largely people with psychological disabilities and mentally retarded.

Individual compensation: Wage from the employer (about 80 % of the average wage in open employment). Ordinary employment contracts (all social contributions paid).

Compensation to provider: About half the costs are covered by the state and municipalities. The remaining revenue comes from selling the products. Source: About half the costs are covered by public social appropriations and municipal budgets.

Provider obligations: The sheltered workshop remains the employer in all forms of sheltered work. At present there are no objectives for transition into open employment.

Max programme time: Unlimited.

Mainstream labour market programmes

Current programmes

Finland has five categories of mainstream labour market programmes: subsidized employment (Employment Subsidy), self-employment (Start-Up Grant), work experience (Traineeship), vocational training (Apprenticeship and, Labour Market Training), and job rotation.

In principle, people with disabilities have access to all these programmes. A general eligibility criterion is that the person is registered as a job seeker with the public employment service.

There is a predefined internal priority between the mainstream programmes. Individual needs decide what programme a person is selected for, but vocational training for adults and vocational training for young people have priority over subsidized employment. This priority has not changed during the 1990s.
Employment Subsidy and Labour Market Training are the predominant mainstream programmes for people with disabilities, apart from the targeted programmes. *Table FI2* presents these programmes.

New programmes

There are no tangible plans to introduce new mainstream labour market programme, which are also available for people with disabilities.

In order to improve the labour market capabilities of the job seeker, the public employment service and the individual may prepare a sequence of measures lasting for up to 24 months. Several programmes may be involved, such as vocational rehabilitation, vocational training and subsidized employment.

Measures aimed at activating the long-term unemployed were introduced in 1998. An individual job-search plan is drawn up before 12 months of unemployment have occurred (six months for young people) and job seekers are offered activating measures. An entitlement for activation of the unemployment benefit (i e participation in a labour market programme) for those who are unemployed for more than two years was introduced in late 1999.

Additional support

In addition to the programmes, services such as one-off payments for travelling to job interviews or job clubs and moving grants are available for all unemployed job seekers registered at the public employment service.

Table FI2. Specifications of the most important mainstream labour market programmes for people with disabilities in 1999.

Subsidized employment programmes
Employment Subsidy
Introduction year: 1982.
Priority: Second.
Administration: The public employment service.
Goal: To maintain and improve the vocational abilities of the job seeker and improve the opportunities of obtaining a permanent job. At least 5,000 people with disabilities must be employed by the Employment Subsidy annually.
Activities: Work.
Provider: State agencies, municipalities and private organizations which enter into an indefinite-term agreement with an unemployed job seeker who is referred by the public employment service. The decision must be taken before an agreement with an employee is made and the employer must not have laid off other employees from similar tasks or cut their working time during the last nine months. The compound subsidy is primarily to promote employment in the non-profit sector and municipalities.
Individual eligibility criteria: Primarily long-time unemployed (more than 6 months) under age 25 and unemployed persons at risk of being long-time unemployed or excluded from the labour market. A compound subsidy is available for people who have been unemployed for more than

500 days.

Individual compensation: Ordinary wage from the employer.

Compensation to provider: A general flat-rate subsidy of FIM 2,500 per month, which may be reinforced by another 80 % per month (total of FIM 4,500). Full time subsidy if the working time amount to at least 85 % of the normal working time in the industry. Alternatively, a compound subsidy is paid, where a part of the UI (up to FIM 2,500) is paid as a subsidy in addition to the general subsidy. In state administrations, the subsidy covers the entire wage costs. Source: Public labour market appropriations.

Provider obligations: The subsidy must not imply that the working conditions or the privileges of other employees are deteriorating or lead to unfair competition.

Max programme time: For people with disabilities up to two years. Otherwise it is maximized to 10 months, in practice with an average of six month. Compound subsidy: 12 months.

Vocational training programmes

Labour market training

Introduction year: 1970s (new legislation in 1991).

Priority: First.

Administration: The public employment service (selection and purchase of the training courses).

Goal: To provide skills for the working life.

Activities: Training often with elements of work experience.

Provider: Training centres for adults, vocational training institutions (young people), and universities. A few courses are provided within the regular schooling system.

Individual eligibility criteria: Primarily unemployed people and persons over 20 years of age at risk of becoming unemployed.

Individual compensation: Training allowance (equivalent to the UB) and compensation for travel, board and lodging. Source: Public labour market appropriations. The Social Insurance Institution pays the basic training allowance and unemployment benefit funds the earnings-related proportions.

Compensation to provider: According to contract with the public employment service. Source: Public labour market appropriations. A small proportion is funded by public educational appropriations.

Provider obligations: Not reported.

Max programme time: The training period (approximately 4–6 months).

Services associated with integration into the labour market

Table FI3 presents an overview of central services available in connection with integration into the labour market and the administration responsible. The public employment services, the Social Insurance Institute (SII), the insurance companies responsible for the statutory earnings related pension scheme and

traffic and work accident insurance institutes all administer some of the services. In general, the responsibility of the various authorities depends on the labour market status of a person, the degree of disability or the way the disability has occurred. The authorities also have different degrees of obligations to provide services. The administrations also pay income maintenance in form of a rehabilitation allowance during the rehabilitation. Alternatively, a temporary disability pension is paid.

The public employment service is responsible for all registered job seekers, whether employed or unemployed.

The Social Insurance Institution (SII) is responsible for vocational rehabilitation of persons of working age (16–64) who are not eligible for vocational rehabilitation organized via some other agency. To be entitled to the vocational rehabilitation arranged by the SII, the disability has to essentially restrict the person's ability to work.

The work accident and traffic insurance companies are responsible when the need for rehabilitation is caused by an occupational accident providing entitlement to compensation, an occupational disease or a traffic accident.

The employment pension institutes provide vocational rehabilitation for persons who are employed or are eligible for earnings-related pension and have earned their pension for a certain time. The pension institutes do not have a legal obligation to provide rehabilitation.

Incentives for people with disabilities to become active in the labour market: If a person receiving disability pension agree to take part in vocational rehabilitation, a supplementary benefit will be paid in addition to the disability pension as long as the rehabilitation continues. The supplement from the earnings related pension system is 33 per cent, which makes the payment equivalent to the Rehabilitation Allowance. There is also a supplement to the national pension, but at a lower percentage (ten per cent).

The SII is responsible for providing technical aids needed at work for people with severe disabilities. The labour market authorities may grant financial support to employers for adaptation of the work place and technical aids when employing a person with disabilities. The Insurance Rehabilitation Agency or the earnings-related pensions insurance companies may also arrange such services for their customers.

Table FI3. Responsibilities of certain services associated with integration into the labour market.

Service	Administration
Vocational rehabilitation	The public employment service, Social Insurance Institution and Insurance Rehabilitation Agency (on behalf of the earnings-related pension insurance companies, traffic or accident insurance companies)
Vocational guidance	The public employment service
Job search	The public employment service
Selection into labour market programmes	The public employment service
Incentives for employers when employing a person with disabilities	The public employment service
Incentives for people with disabilities to become active in the labour market	The public employment service, Social Insurance Institution or the earnings-related pension insurance companies, traffic or accident insurance companies
Transportation to the work place	Municipalities
Technical aids and adaptation of the work place	The public employment service, Social Insurance Institution, Insurance Rehabilitation Agency Agency (on behalf of the earnings-related pension insurance companies, traffic or accident insurance companies)
Personal assistance in the work place[1]	Municipalities

[1] Personal attendant care, not job coach.

Table FI4. Financial sources of certain services associated with integration into the labour market.

Service	Financial source
Vocational rehabilitation	The public employment service: Public labour market appropriations. SII: 1/3 the employer, 2/3 the employee. Statutory earnings-related pension: 1/5 the employee, 4/5 the employer. Work accident: employer. Traffic accidents: owner of the car.
Transportation to the work place	Municipalities: 1/3 state subsidies, 2/3 municipal tax revenues.
Technical aids and adaptation of the work place	SII: 1/3 the employer, 2/3 the employee. The public employment service: Public labour market appropriations. Statutory earnings related pension: 1/5 the employee, 4/5 the employer. Work accident: employer. Traffic accidents: owner of the car.
Personal assistance in the work place	Municipalities: 1/3 state subsidies, 2/3 municipal tax revenues.

Personal assistance at the work place (personal attendant care) is arranged by the municipality under to the Disability Service Act. According to the Act, the municipality also has to provide special transportation services to the workplace for people with severe disabilities. The person concerned only pays an

amount which corresponds to the normal price for public transport. The financing of some of these services is shown in *Table FI4*.

Disability pension

The local offices of the Social Insurance Institution and the employment pension institutions assess disability and the working capacity for people with disabilities with respect to disability pension, on the basis of a medical expert's medical certificate.

After receiving sickness allowance for 60 (working) days, the need for rehabilitation must be clarified and, after receiving sickness allowance for 150 days, the Social Insurance Institution sends a notification concerning the rehabilitation prospects and an application for disability pension. Sickness allowance is paid for a maximum of 300 days. From August 1999, young persons under 18 years cannot get disability pension until their rehabilitation prospects have been assessed. In the meantime, they receive a rehabilitation allowance.

Disability pension is paid under both the income-tested national pension and the earnings-related employment pension system in such a way that the amount of disability pension paid under the national pension scheme depends on the amount of employment pension and any other pension income the recipient may have.

To be eligible for national disability pension, a person must (1) be between 16 and 64 years of age and (2) have an illness, defect or injury that prevents them from engaging in gainful employment that would provide a livelihood or carrying out activities in their own household or (3) be permanently blind, without mobile ability, or require continuous attendance. Consideration is also given to socio-economic factors, including age, education and training, previous work experience, the availability of work, family relations and housing conditions.

To be eligible for the earnings-related component, the applicant must have at least 60 per cent permanent loss of working capacity to receive full disability pension, or between 40 and 59 per cent to receive half pension. If an application is turned down, the applicant must be referred to appropriate rehabilitation or other services.

In principle, the disability pension recipient is not supposed to be able to earn his/her own living. The disability pension may be terminated if the recipient's earnings are judged to be sufficient to provide an adequate living, although no earning limits are specified. However, recipients with a 100 per cent

visual or mobile disability are still allowed to have an income from work. Other recipients may only have small extra earnings. As of 1 August 1999, a person receiving full national pension may retain their pension (resting) for 6–24 months, if they find employment. The earnings-related pension, may be suspended due to employment, however.

Disability pension can also be granted as a cash rehabilitation benefit for a specific period of treatment or rehabilitation.

Individual Early Retirement Pension is a special type of disability pension granted on less stringent criteria than the regular disability pension. It is targeted at recipients between 58 (60 for those born in 1944 or later) and 64 years of age, and takes into account the overall effects of ageing, long work history, work-induced strain and fatigue and circumstances at work. If the earnings exceed a specific limit (FIM 1,206 per month in 2000) the pension is reduced by 50 per cent, and if they exceed 60 per cent of the pensionable earnings on which the employment pension is based, both the national and employment pension are suspended.

Early retirement

Early retirement is used as a way out of long-term unemployment. In a Nordic perspective, Finland still has a very generous early retirement policy. As a result, Finland has had one of the lowest average pension ages in the OECD countries[45]. In the mid-1990s, only one of ten Finns remained in the labour force until normal retirement age (65). A retirement reform was implemented in 1996, when the replacement rate of the disability pension related to the old age pension was decreased, and a former temporary disability pension became a rehabilitation allowance, requiring active rehabilitation measures. An increase in the number of the pension companies' vocational rehabilitation recipients was part of the reform.

Early retirement may be still granted both via the Individual Early Retirement Pension under the national and employment pension schemes and, for pure labour market reasons as Unemployment Pension.

Unemployment Pension is granted to persons who have received unemployment benefit for the maximum period of 500 days, or until the age of 60, provided that they have worked for at least five of the preceding 15 years.

[45] Hytti, H (1998), Varhainen eläkkeelle siirtyminen – Suomen malli (Early Retirement - The Finnish Model), Studies in Social Security and Health 32, Social Insurance Institution, Helsinki.

6.3 Statistics

Disability, labour force participation and employment rates

No national survey is conducted to measure the disability, labour force participation and employment rates in the working-age population (16–64 years), in which the respondents have defined themselves as having a disability or not, in accordance with the United Nations Standard Rules or ICIDH. However, European Community Household Panel data is available. A distinction is made between partial and severe disability.

According to the 1996 ECHP survey, 23 per cent of the working-age population have a disability (17 per cent of which are partly disabled and six per cent severely disabled). The labour force participation for this group is 52 (60 and 31) per cent and the employment rate is 44 (51 and 22) per cent. For the group without disabilities, the corresponding percentages are 76 and 63.

No survey provides the corresponding statistics for persons in the working-age population with disabilities with employment restrictions due to disability. However, calculations made by the Ministry of Social Affairs and Health, using data from the annual Income Distribution Survey by the Central Statistical Office, review the number of recipients of various disability benefits based on income distribution statistics[46] (here the 1996 figures are used). In the review, disability is defined by the recipients of any kind of disability benefits[47] or persons in institutional care (who amount to about 5,000 individuals). In principle, to be eligible for these benefits, a person must be assessed as having a reduced working capacity, although no distinction is made between partly and severely reduced working capacity. "Employed" is not defined according to the ILO definition, but a person who is an employee or self-employed is defined in accordance with the income statistics (main activity during the year) and "unemployed" is defined as a person who was unemployed for more than six months in 1996.

Used as an approximation for the population with employment restrictions due to disability, the data shows that about 11 per cent of the working-age

[46] The data complies with the UN guidelines on income distribution statistics, 1977.

[47] Including one of the following: Disability Pension, Individual Early Retirement Pension, Disability Allowance, Rehabilitation Allowance, other rehabilitation-related cash benefits, annuities in accordance with the work or traffic accident insurance and, pensions according to the Military Insurance Act.

population have employment restrictions, of which about 17 per cent are in the labour force and about 15 per cent are employed. The corresponding percentages are 79 and 65 for the group with no employment restrictions.[48]

Table FI5. Disability and employment restriction rate in the working-age population (16–64 years). Labour force participation and employment rates for people with/without disabilities and employment restrictions, respectively (per cent).

Population	Of working age	In labour force	Employed
With partial disabilities	17	60	51
With severe disabilities	6	31	22
With disabilities, total	23	52	44
Without disabilities	77	76	63
With partial employment restrictions	–	–	–
With severe employment restrictions	–	–	–
With employment restrictions, total	11	17	15
Without employment restrictions	89	79	65

Source: People with disabilities: ECHP1996, Eurostat. People with employment restrictions: The Ministry of Social Affairs' calculations of the Income Distribution Survey 1996, Central Statistical Office.

Participants in labour market programmes

No survey data is available for the average number of people with disabilities[49] enrolled in various labour market programmes, nor is survey data matched with register data. However, register data is available.

The labour market authorities define disability in accordance with the ILO Convention 159 concerning Vocational Rehabilitation and Employment of Disabled Persons as: "A person whose prospects of securing, retaining and advancing in employment are substantially reduced as a result of duly recognized physical or mental impairment, is considered a person with disabilities". Other administrations involved have similar definitions.

Table FI6. Number of people with disabilities enrolled in labour market programmes, average monthly stock in 1998.

[48] This is still true if persons with disabilities living in an institution are eliminated.
[49] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.

Progr targeted at people with disabilities	Counted in the LF	Number of people with disabilities
Special Vocational Training	No	7,500
Vocational rehabilitation		
– by the Social Insurance Institution	No	3,500
– by private rehabilitation agencies and pension schemes	No	2,000[1]
– by the employment service	Yes	2,000
Sheltered Productive Employment	Yes	3,100
Total	–	18,100
Mainstream programmes	**Counted in the LF**	**Number of people with disabilities**
Employment Subsidy	Yes	6,000
Start-Up Grant	Yes	300
Apprenticeship	No	400
Labour Market Training	No	3,500
Traineeship	Yes	900
Job rotation	Yes	N a
Total	–	11,100

[1] Not publicly financed.
Source: Ministry of Labour.

The stock of participants with disabilities in targeted and mainstream labour market programmes in 1998 corresponds to about four per cent of the number of people of working age with disabilities according to the 1996 ECHP Disability, referred to above.[50] About 62 per cent of the participants with disabilities in labour market programmes are in programmes especially designed for the target group. Special Vocaitional Training and vocational rehabilitation are the predominant programmes followed by the mainstream Employment Subsidy.
Before the recession in the 1990s, people with disabilities were underrepresented among labour market programme participants, but thereafter the proportion of people with disabilities in programmes reflect the number of the people registered as unemployed. *Table FI6* presents the average monthly stock of participants in various labour market programmes in 1998.

[50] However, individuals may participate in more than one programme during the year.

Main income source

No survey data is available for the main or most frequent source of income for people with disabilities[51], nor is survey data matched with register data. However, the calculations made by Ministry of Social Affairs and Health of the 1996 Income Distribution Statistics by the Central Statistical Office, provides some insight into the main source of income for the target group.[52] Income transfer programmes are the most common main income source, followed by regular employment. *Table FI7* below shows the distribution between different income sources.

Table FI7. Main and most frequent income source for people with disabilities of working age (16–64 years).

Income source	Main income source	All income sources
Employment or capital income	16 %	N a
Unemployment benefits	1 %	N a
Other benefits[1]	3 %	N a
Various income sources	2 %	N a
Pensions[2]	78%	N a
Total	100 %	N a

[1]Includes Disability Allowance, Study Grant and other study allowances and other benefits.
[2] Mainly Disability Pension and Individual Early Retirement Pension.
Source: Central Statistical Office and the Ministry of Social Affairs and Health, 1996.

In addition, the proportion of disability pension recipients amounts to about 40 per cent of the number of people with disabilities in the working-age population.[53]

[51] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.
[52] If an income source amounts to more than 50 per cent of the annual income, it is regarded as the main income for an individual.
[53] Sources: Own calculations of disabilty pension recipients according to the Central Pension Security Institute (see specifications in Annex 3) and the number of people with disabilities of working age according to the ECHP 1996.

6.4 Evaluation and research

Institutions

The Ministry of Labour invites tenders for evaluation of the government labour market programmes. Several organizations conduct evaluations such as: the Social Insurance Institute's (SII) research and development unit, the Rehabilitation Foundation[54] (both are national research institutes at the high level) and universities (Kuopio, Helsinki, Lapland etc.) Social Development Ltd (responsible for evaluating the most important parts of the ESF programmes) and economically based institutes such as the Research Institute of Finnish Economy (ETLA), the Government Institute of Economic Research and the Finnish Labour Research Institute also conduct evaluations of the mainstream programmes. Each provider of labour market programmes also monitors its own activities annually.

Policy, legislation and implementation issues

Potential conflicts between different policy objectives are noted in the Government's Report to the Parliament on Rehabilitation in 1998, which states that promotion of the employment of people with disabilities calls for a better coordination of rehabilitation measures, vocational training, municipal services and labour market programmes. The Report also states, that the responsibilities of the Social Insurance Institute, the public employment services and the earnings-related employment pension scheme need to be clarified.

The impact of legal protection (anti-discrimination legislation) on people with disabilities in the labour market on integration has not been demonstrated in practice.

When considering the implementation of the policy for integration of people with disabilities into the labour market, the present strategy needs stronger support mechanisms to support employment of persons with disabilities. One example is that the target group has been underrepresented among the recipients of Start-Up Grants and the participants in vocational training. The situation has improved in the latter case.

Repeated participation in labour market programmes (cycling) is viewed as a planned way of integrating a person into the labour market. In a situation in

[54] The Rehabilitation Foundation conducts commissioned research funded through a public foundation for automatic gambling machines.

which there are more hard-to-place persons than there are subsidized job openings in the open labour market, the number of scheme-based jobs is more or less permanent, but the individuals change. The policy focus is on maintaining work ability and encouraging subsequent employment in the open competitive market.

Creaming effects are regarded as a potential problem. There is a selection of clients between the administrations responsible for vocational rehabilitation which results the way statutory responsibilities are allocated between the administrations. The possibilities, motivation for and results of rehabilitation diminish with the position in the hierarchy. Also the individual incentives for rehabilitation may differ, since compensation for rehabilitation and income maintenance differs between the administrations, and so do the possibilities of becoming employed after completion of the programme.

No other major issues in implementing the labour market policy for people with disabilities are reported.

Evaluation of labour market programmes

No impact studies of the programmes targeted at people with disabilities have been conducted, and this also applies to participation by disabled people in the mainstream programmes. However, some of the programmes are evaluated by follow-ups, see *Table FI8* below.

No single programme is reported as successful, but sequences of individually tailored and combined measures, such as work and education trials, vocational training and employment subsidy, are regarded as achieving a better outcome for participants with disabilities compared with these measures in isolation. As reported above, people with disabilities are not considered as a special target group in Finnish labour market policy, but are included in other high priority groups such as long-term unemployed job seekers and young people. Although data on participants with disabilities is available, no evaluations of the effects on participants in mainstream programmes have been conducted. *Table FI8* presents the results of evaluations which are available.

Table FI8. Evaluations of labour market programmes targeted at people with disabilities.

Special Vocational Training
Type of evaluation: Ongoing study at the time of writing.
Time period analysed: Those who completed the training in 1998.

Research organisation: Board of Education.

Positive results: N a

Negative results: N a.

Vocational rehabilitation Administered by (a) the Social Insurance Institution, (b) the earnings-related pension system, (c) the Employment Service.

Type of evaluation: Follow-up.

Time period analysed: (a) 1996–97, (b) 1997, (c) 1993–97.

Research organisation: Ministry of Social Affairs and Health.

Positive results: (a) No comparable results. (b) Participants who were not recipients of a disability pension or rehabilitation allowance when he/she applied for rehabilitation were less likely to be a disability pension recipient after the programme (17 %). (c) No comparable results.

Negative results: (a) No comparable results. (b) Participants who were receiving a disability pension or rehabilitation allowance when they applied for rehabilitation were more likely to be a disability pension recipient after the programme (57 %). (c) No comparable results.

Sheltered Productive Employment

Type of evaluation: Study of the participants and analysis of the costs of alternative forms of employment (ongoing at the time of writing).

Time period analysed: N a.

Research organisation: Foundation for the Promotion of the Employment of Disabled People, Helsinki.

Positive results: N a.

Negative results: N a.

6.5 Country-specific characteristics in brief

Table FI9. Summary of country-specific characteristics of labour market policies for people with disabilities.

Issue	Characteristics
Labour force participation	Average labour force participation and employment rates. No comparable national survey conducted.
Labour market programmes	Labour market programmes used to a lesser extent. Vocational training and vocational rehabilitation are the predominant programmes especially targeted at people with disabilities. Mainstream programmes are utilized to a medium extent. Subsidized employment is the predominant mainstream programme for the target group, followed by vocational training. When both targeted and mainstream programmes are taken into account, about 2/5 of the participants with disabilities are in vocational training programmes and another 1/5 in subsidized employment. Work experience programmes are used to a very small extent.
Mainstreaming of policy and institutions	The ministry responsible for employment for people with disabilities is partially the same as for people without disabilities. The Ministry of Social Affairs and Health coordinates disability policy across government departments. To some extent, the mainstream employment service is the front-line labour market administration for people with disabilities. Anti-discrimination clause in the Constitution since 1995. Explicit objectives for integration into open employment. Medium proportion of disability pension recipients.

6.6 Acknowledgements

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6.7 Further reading

Printed matters

Ministry of Social Security and Health (1997), *From Disability to Ability: National Programme of Action for Vocational Rehabilitation and Employment of Disabled Persons*, Ministry of Social Security and Health Publications 1997:5, Helsinki.

Internet

Overview of national institutions: www.gksoft.com/govt/en/fi.html

Ministry of Labour: www.mol.fi
Ministry of Social Affairs and Health: www.vn.fi/stm

Central Pension Security Institute: www.etk.fi
Social Insurance Institution: www.kela.fi
Statistics Finland: www.stat.fi/index_en.html

7 Ireland

7.1 Policy

Institutional framework

Disability policy

No specific government department has sole responsibility at the national level for general disability policy but, when establishing policies, each department has to consider the consequences for persons with disabilities. Responsibility for policies affecting people with disabilities is shared across most departments, e g the Department for Public Enterprise takes account of the transport needs of people with disabilities, the Department for the Environment takes account of the needs of people with disabilities in relation to building regulations into account, etc. No official document can be referred to concerning the principle of sectoral responsibility, but this is simply a function of good practice that has evolved over the time.

On 12 June 2000, a new coordinating, advisory and monitoring body, the National Disability Authority (NDA), was established under the aegis of the Department of Justice, Equality and Law Reform.[55] NDA will monitor, review and evaluate on a regular basis all legislation, policies, programmes, services and standards for people with disabilities in order to assess their effectiveness. This also involves the establishment and monitoring of codes of good practice. In addition, NDA will also promote and assist in the development of statistical information required for planning, delivery and monitoring. The guiding principle in the establishment of the new body is that there should be no overlap or duplication of functions.

Labour market policy

The Department of Enterprise, Trade and Employment (DETE) is responsible for employment in general. In 1992, the Department of Labour was merged with the Industry Department to form the current department.

The Department of Health and Children is primarily concerned with the health and medical needs of residents. Prior to mid-2000, the Department was also responsible for employment and vocational training for people with dis-

[55] Prior to the establishment of this new body, the Department of Justice, Equality and Law Reform already had a role in coordinating disability policy.

abilities. These functions have now been transferred to the Department of Enterprise, Trade and Employment. A special division of DETE, the Labour Force Development Division, is now responsible for employment in general, and for people with disabilities.

The Department of Social, Community and Family Affairs (DSCFA) also plays a role in employment and training for unemployed people in the provision of retained income maintenance as an incentive when taking up employment or education. These programmes have been extended to include people with disability payments. The Department is also administering Unemployment Insurance.

In addition, the Department for Education and Science runs a training programme for unemployed people.

Policy focus

The policy for people of working age with disabilities has mainly given priority to income maintenance programmes. The focus of the policy was changed in the late 1990s.

The Commission on the Status of People with Disabilities published a report in November 1996, in which the guiding principles were equality, maximizing participation, enabling independence and choice via a social model of disability.

A Government Decision of November 1997 announced, in principle, the establishment on a statutory basis of a National Disability Authority and a Disability Support Service (which has become the new Comhairle agency), and approved the formation of an Establishment Group, assigned to prepare for the establishment of these bodies. In its report of June 1998, the Group recommended reallocation of departmental responsibilities for training and employment: "The current arrangement whereby the Department of Health and Children has responsibility for matters relating to vocational training and employment of people with disabilities is outdated and reflects the traditional medical model rather than the currently accepted economic and social rights model." The principle of mainstreaming of services to the greatest extent possible guided the proposal that the vocational training and employment services for people with disabilities should be transferred to the National Training and Employment Authority (FAS). Other core principles were non-duplication (of services), cost-effectiveness and non-diminution of services.

The further development of training and employment for people with disabilities is covered by a new national agreement between the Government, employers, trade unions, farmers and the community and voluntary sectors, the Programme for Prosperity and Fairness (April 2000–December 2002).

There is an explicit policy objective of integrating persons with disabilities into regular work (i e unsubsidized employment in the open labour market). The "Opportunities, Challenges and Capacities for Choice" report by the National Economic and Social Council in 1999 states that "Citizenship rights encompass not only the core civil and political rights and obligations but also social, economic and cultural rights and obligations which are embedded in our political culture and which underpin equality of opportunity and policies on access to education, employment, health, housing, and social services." The Programme for Prosperity and Fairness refers to this text (p 78) and states as an objective the creation of conditions in which people can achieve economic independence. The Programme also specifies that the priority for the new employment and training arrangements will be clear progression routes for people with disabilities from subsidized and sheltered employment to employment options in the open labour market (p 101).

Legislation

Equal opportunities and equal participation in working life for persons with disabilities have been expressed in an anti-discrimination[56] law since October 1999: The Employment Equality Act of 1998 covers, among other groups, discrimination against people with disabilities with respect to access to employment, conditions of employment, training or experience for, or in relation to, employment, promotion or re-grading, or classification of posts.

7.2 Implementation

Institutions

The National Training and Employment Authority (FAS), a national authority subordinate to the Department of Enterprise, Trade and Employment, has overall responsibility for implementation of labour market policy in general, and runs the local employment service. FAS also administers community-based Local Employment Services in disadvantaged areas. These offices are specially

[56] In Ireland, anti-discrimination legislation is referred to as equal status legislation.

targeted at prioritized groups such as the long-term unemployed, people with disabilities, and single parents. The National Rehabilitation Board (NRB) was a state agency responsible for coordination and administration of a range of services for people with disabilities including targeted labour market programmes prior to mid-2000. NRB reported to the Department of Health and Children. As a part of a process of mainstreaming services for people with disabilities, FAS has subsequently assumed responsibility for vocational services previously delivered by the NRB. Nowadays, FAS assesses vocational training and employment needs for people with disabilities and is responsible for the selection into both targeted and mainstream labour market programmes. Thus, labour market programmes are delivered by FAS and by agencies (including NGOs) contracted to FAS.

Other services of the NRB and National Social Service Board (NSSB)[57] are merged into a new organization, Comhairle, which is responsible to the Department of Social, Community and Family Affairs. The new agency will provide information, advice, guidance and support and will assist people with disabilities in identifying, understanding and accessing their needs and entitlements and will refer them to the appropriate services through a network of independent local Citizens Information Centres (CICs). A number of key CICs work closely with voluntary and statutory organizations in the area to provide integrated service delivery in a "one-stop-shop" environment.

The local social welfare offices are responsible for registering unemployed people claiming Unemployment Benefit or Unemployment Assistance and they also administer a number of programmes in which retained income maintenance is the common element when taking up education or work.

Labour market programmes

Mainstream vs targeted labour market programmes

The new official policy direction suggests that mainstream labour market programmes are to be employed prior to targeted labour market programmes for people with disabilities, where feasible. In practice though, targeted pro-

[57] The National Social Service Board (NSSB) was established by statute in 1984 and charged with the task of promoting greater coordination and public awareness of and accessibility to social services and information, advice and advocacy services. In 1995 responsibility for the NSSB was transferred from the Department of Health to the Department of Social Welfare. Following that transfer, the role of the NSSB has developed towards the promotion and support of independent information, advice and advocacy services throughout the country.

grammes still dominate. Prior to the dissolution of NRB, FAS was responsible for the mainstream programmes, and NRB for the targeted programmes for people with disabilities. In the context of the transfer of responsibility for the targeted programmes from NRB to FAS, there is a planned change in priority by mainstreaming active labour market programmes for people with disabilities to the greatest possible extent.

Publicly financed labour market programmes

Publicly financed labour market programmes (both mainstream and targeted) for people with disabilities are arranged in the form of national programmes administered by FAS. The social welfare offices also administer the employers' pay-related social insurance exemption scheme and social benefit retention schemes.

Labour market programmes which are not publicly financed

There are programmes designed to integrate people with disabilities into the labour market that are not financed from public appropriations. These are operated and funded by private and non-profit organizations. These programmes are not extensive[58] compared with publicly financed programmes, and are not growing in importance.

Labour market programmes targeted at people with disabilities

Current programmes

Ireland has four categories of national labour market programmes targeted at people with disabilities: statutory employment quota (Civil and Public Service Quota), subsidized employment (Employment Support Scheme), vocational training (Training for People with Disabilities) and, sheltered employment (Blindcraft and, sheltered and supported work). Along with mainstream labour market programmes, these schemes provide a range of options for people with disabilities.

Sheltered paid employment exists, but is not an extensive programme in Ireland. The programme exists in two forms: Blindcraft and the Pilot Employment Programme. Blindcraft was the first provider of sheltered employment for people with disabilities in Ireland. The company is engaged in the manufacture of

[58] In terms of the number of people with disabilities enrolled.

beds, doors, windows and wire products and employs about 35 people with visual impairments. The Pilot Employment Programme was introduced as a pilot project (which it still is in 2000) to test the viability of enterprises employing a minimum of 50 per cent of people with disabilities and to establish new employment opportunities for these people. It includes permanent work and training in non-profit organizations. The individual applies to the employer, is paid a normal wage and, has a contract of employment and the same rights as any employee. Secondary benefits may be retained. The employer is paid an annual subsidy of IEP 9000 per employee with disabilities (equivalent to 100 per cent of the wage) from public labour market appropriations. There is no fixed programme time, but in practice, many people with disabilities move on to open employment.

A general eligibility criterion for participation in targeted labour market programmes has been registration with NRB. In the new FAS administration, a verification of health status and the fact that the person receives a disability-related social welfare payment will be the general criteria. If there is a visible disability, FAS makes the assessment, otherwise the applicant is asked to provide a medical report.

There are no predefined priorities between the programmes, but the priority depends primarily on individual needs. *Table IE1* presents the programmes in detail.

New programmes

In the context of the transfer of responsibility for vocational training and employment of people with disabilities from the Department of Health and Children to the Department of Enterprise, Trade and Employment, all existing programmes will be reviewed with a view to the further development of employment opportunities for people with disabilities and their integration into the open labour market, where possible. Pilot programmes in Supported Employment schemes have been piloted with funding from the European Social Fund. A national Supported Employment Programme was[59] due to be launched in 2000, aiming to place people with disabilities in open employment by means of job coaching. The programme includes needs assessment and identifcation of suitable employment, pre-employment guidance, job sourcing of suitable employment and job analysis, placement, identification and sourcing of the work

[59] At the time of data collection.

adaptation equipment required, on-going job-related support (decreasing over time), guidance and advice to employers. In addition, new grants to employers were introduced in 2000 to assist the integration of people with disabilities into employment by means of disability awareness training for staff, and training or re-training staff who acquire a disability.

In future, all labour market programmes for people with disabilities will aim to progress participants either into open employment (subsidized or not) or supported employment (with a job coach) in the open labour market. The training programme will be delivered either in an integrated setting (with able-bodied clients) by FAS, or by specialist training agencies including NGOs, under contract to FAS, in accordance with the needs of the individual.

Additional support

In addition, several services and grants are available for persons with disabilities in connection with employment, e g: a Personal Reader Grant for assistance for the visually impaired at work, a Job Interview Interpreter Grant for people with hearing or speech impairments, and a Workplace and Equipment Adaptation Grant of a maximum of IEP 5000. In general, the provider of a programme is also responsible for providing work place adaptations and technical aids for participants with disabilities.

Table IE1. Specifications of targeted labour market programmes for people with disabilities in 1999/2000.

Statutory employment quota
Civil and Public Service Quota (without levy)
Introduction year: 1976.
Priority: Statutory.
Administration: Each government department.
Goal: Ensure that employment for a minimum number of p w d is achieved.
Activities: Permanent work.
Provider: Government departments and public agencies.
Individual eligibility criteria: According to a medical assessment.
Individual compensation: Regular wage from the employer.
Compensation to provider: –.
Provider obligations: At least 3 % of the work force must be made up of people with disabilities. Regular employment contracts are applied.

Max programme time: Unlimited.

Subsidized employment programmes

Employment Support Scheme

Introduction year: 1990.

Priority: Not predefined.

Administration: FAS (NBR up to mid-2000).

Goal: To encourage employers to employ p w d.

Activities: Work.

Provider: Private employers.

Individual eligibility criteria: With 20–50 % loss of productivity and receiving a disability-related social welfare benefit.

Individual compensation: Normal wage from the employer. Secondary benefits such as medical cards and travel passes may be kept for a year.

Compensation to provider: 20–50 % wage subsidy. Source: Public labour market appropriations.

Provider obligations: The employer pays all normal labour costs over and above the wage subsidy.

Max programme time: Unlimited.

Vocational training programmes

Training for People with Disabilities (former level 2 and 3)

Introduction year: 1990 (nationally).

Priority: Not predefined.

Administration: FAS (NBR up to mid-2000) which involves accreditation of training centres, training standards, training programme certification and assessment of candidates.

Goal: Preparation for employment in the open labour market.

Activities: Training in skills required to enter employment (an extensive range of training courses are available). Most training involves an element of work experience and rehabilitation. Level 2 is concerned with skills training and Level 3 is certification level (basic and intermediate level, respectively).

Provider: Special training centres run by private, non-profit and state agencies (mainly health boards).

Individual eligibility criteria: Based on assessment of training needs and abilities.

Individual compensation: IEP 73.50 per week plus variable additions depending on individual circumstances. Source: As of 2000: National labour market appropriations. 1994–99: 25 % national labour market appropriations, 75 % ESF.

Compensation to provider: For operation costs, according to contract. Source: As above.

Provider obligations: Meet the certification standard and provide a training programme specification, which has to be approved by FAS (NBR) for funding.

Max programme time: 3 years. A further 2 years at a higher level of training may be approved in certain circumstances.

Sheltered employment programmes

Blindcraft

Introduction year: The 1950s.

Priority: Low.

Administration: The Department of Health and Children.

Goal: To create contractual and meaningful employment for the visually impaired.

Activities: Permanent work.

Provider: Blindcraft, a non-profit state sponsored organization under the supervision of the Board for the Employment of the Blind.

Individual eligibility criteria: Blindcraft recruits blind people to the company. (Alternatively, organizations for the blind refer people to the company. In practice, though, no new blind workers are employed.)

Individual compensation: Regular payment from the employer (average industrial wage).

Compensation to provider: Annual coverage of the deficit (equivalent to about 2/3 of the wage costs). Source: Public health appropriations.

Provider obligations: Ordinary employment contracts are applied.

Max programme time: Until retirement age.

Sheltered Work and Supported Work

Introduction year: 1960s.

Priority: Not predefined.

Administration: The Department of Health through Regional Health Boards.

Goal: No official goal except providing some sort of work for people with disabilities.

Activities: Work in sheltered or open environment.

Provider: Voluntary organizations, religious organizations and some health boards.

Individual eligibility criteria: Each workshop decides the eligibility criteria for itself.

Individual compensation: Retained social benefits, usually Disability Allowance (at an average of IEP 74.50 per week for a single person without dependants) and usually also a small discretionary additional weekly payment from the provider. The workers do not pay income tax or pay-related social insurance. Can earn up to IEP 75 per week in addition to the Disability Allowance without having the benefit reduced. Source: Disability Allowance: Public social appropriations.

Compensation to provider: An annual grant of IEP 1,400 per person on average (on discretion-

ary basis). Source: Public health appropriations.

Provider obligations: Sheltered workers are not employees and are not covered by employment protection legislation. Their status is variously described as trainee, long-term trainee or sheltered worker. In supported work, a job coach or similar support staff is used at the worksite.

Max programme time: Unlimited.

Mainstream labour market programmes

Current programmes

Ireland has four categories of mainstream labour market programmes: subsidized employment (Job Start, Job Initiative, Back to Work Allowance Employee and, Revenue Job Assist), self-employment (Back to Work Enterprise), work experience (Workplace, Community Youth Training, Local Training Initiatives, Traineeship, Job Training and Community Employment), and vocational training (Standard-Based Apprenticeship, Back to Education Allowance (for second and third level education courses), Vocational Training Opportunities Scheme (VTOS), Bridging and Return to Work (pre-training courses), Enterprise Training, Community Training Workshops, Linked Work Experience, and Specific Skills Training).

There are also part-time alternatives: Vocational Training Opportunities in the form of Part-Time Education Courses.

Some of the Irish programmes to encourage integration into the labour market are based on retaining social insurance benefits and are consequently included among the labour market programmes. Back to Work Allowance Employee is a three-year scheme in which previous social welfare payments (such as contributory and non-contributory unemployment benefits and disability related benefits like Disability Allowance and Invalidity Pension) are retained in addition to the wage from the employer, but reduced by 25 per cent and a further 25 per cent each year. There is also a corresponding four-year scheme for starting up in self-employment (Back to Work Allowance Enterprise), and yet another scheme when taking up education (Back to Education Allowance).

These types of incentives are also used in geographical areas with high long-term unemployment, and are then called Area Allowance. The Employers' Pay-Related Social Insurance (PRSI) Exemption Scheme makes use of labour cost reductions and may be combined with the Back to Work Scheme. These tax-reduction schemes are administered by the social welfare offices which also are responsible for the administration of unemployment benefits. Revenue Job Assist (administered by Revenue, the Irish taxation authority) is a

new two-part incentive in which employees benefit from special tax allowances over a three-year period and the employers benefit from a double tax reduction for wages paid and for the employer's PRSI contribution.

In principle, people with disabilities have access to all these programmes, but only a limited number of the programmes have participants with disabilities. A general eligibility criterion for most programmes is entitlement to Unemployment Benefit (pay-related), Unemployment Assistance (non-contributory), or a disability-related social welfare payment.

There is no predefined internal priority between the mainstream programmes, but the choice of programme should be based on the individual development and training needs and individual choice.

Community Employment is the predominant mainstream programme for people with disabilities before Vocational Training Opportunities, Back to Work and Back to Education, apart from the targeted programmes. *Table IE2* presents these programmes in detail.

New programmes

There are plans for introducing new mainstream labour market programmes, which are also available for people with disabilities:

Job Initiative is a pilot initiative, which operates in some areas. It is designed to provide full-time work in the social economy sector (i. e. within community and public organizations) for individuals who have not had regular employment in the past five years.

A new Social Economy Programme was[60] due to be introduced during 2000. It is based on economic activity to meet social objectives, aiming at maximizing employment opportunities within the community. Access criteria are receiving a disability payment for six months (or unemployment or one-parent family payment for at least three years) and over 35 years of age. Ten per cent of the places may be taken up by people from disadvantaged groups who are not long-term unemployed.

[60] At the time of data collection.

Table IE2. Specifications of the most important mainstream labour market programmes for people with disabilities in 1999/2000.

Subsidized employment programmes

Back to Work Allowance

Introduction year: 1993.

Priority: Low.

Administration: DSCFA through Local Social Welfare Offices.

Goal: To encourage the long-term unemployed to take up employment or self-employment by means of retained social security payments.

Activities: Work (as employed or self-employed).

Provider: Mainly smaller private and non-profit employers.

Individual eligibility criteria: People on Disability Allowance, Blind Persons Pension, Invalidity Pension and Unemployability Supplement. Unemployment Benefit, Unemployment Assistance, One-Parent Family Assistance and Carers Allowance are also qualifying payments. Applicants must be in receipt of the payment for 12 months.

Individual compensation: Regular wage from the employer (although about 35% of the employees seem to get a reduced wage of about 20 %) plus retained social security payments. Employed persons retain 75 % of the payment for the first year and the payments are tapered off by 25 % for each of the coming years. Self-employed persons start with a 100 % retained benefit. Source: Public social appropriations.

Compensation to provider: –.

Provider obligations: Are being discussed.

Max programme time: Employed: Up to three years. Self-employed: Up to four years.

Work experience programmes

Community Employment

Introduction year: 1994.

Priority: No predefined. The individual decides the choice of programme and the employer recruits the individual.

Administration: FAS.

Goal: To help long-term unemployed people to re-enter the active work force by breaking their experience of unemployment by a return to a work routine and to assist them to enhance/develop both their technical and personal skills.

Activities: Work experience within the community on a temporary basis, which may involve training/development elements. Two options with different qualifying conditions: Part-time Integration and Part-time Job.

Provider: Public bodies and voluntary organisations may sponsor and manage projects for community and public benefit. To facilitate provision of development and training, FAS especially encourages projects that employ 15 or more participants and a full-time supervisor. Ex-

amples of projects include heritage, arts, culture, tourism, sport, the environment and education. Projects that are politically or commercially oriented cannot be supported.

Individual eligibility criteria: In receipt of Disability Allowance, Invalidity Pension, Blind Person's Pension. Recipients of Disability Benefit for 6 months are also eligible. Invalidity Pension and Disability Benefit recipients are eligible provided advance approval is given by DSCFA to engage in employment of a rehabilitative nature. The latter criteria may be relaxed in certain situations. Part-time Integration Option: At least 25 years of age (for other than disability payment recipients: UB, UA or Lone Parents Allowance for at least a year). Part-time Job Option: At least 35 years of age (for other than disability payment recipients: UB, UA or Lone Parents Allowance for at least 3 years).

Individual compensation: Weekly fixed payment from the project provider equivalent to UB plus 20 % (the single adult rate is about IEP 97 per week). Disability (or other eligible) payments and secondary benefits may be retained. Disability Allowance and Blind People's Pension are reduced for earnings exceeding IEP 75 per week.

Compensation to provider: Wage subsidy equivalent to UB plus 20 % and a contribution to full-time supervision (on average about IEP 300 per week for 15 workers), participant development (annual IEP 300) and material and equipment costs (IEP 12 per week). Source: Public labour market appropriations (via FAS).

Provider obligations: The project should be approved by the relevant trade unions and must not displace or replace existing jobs. The project must offer valuable work opportunities for participants. The project sponsor is also expected to draw up a participant development plan and actively encourage and support the participant to seek employment.

Max programme time: Part-time Integration Option: 1 year (a second year for some projects) for an average of 39 hours per fortnight. Part-time Job Option: 3 years.

Vocational training programmes

Back to Education Allowance

Introduction year: 1990.

Priority: Low.

Administration: DSCFA through Local Social Welfare Offices.

Goal: Second chance education opportunities to raise educational skill levels to enable people to meet the requirements of the modern labour market.

Activities: Education and vocational training. From basic education up to university level.

Provider: The regular education system.

Individual eligibility criteria: People on Disability Allowance, Blind Persons Pension, Invalidity Pension and Unemployability Supplement. Unemployment Benefit, Unemployment Assistance, One-Parent Family Assistance and Carers Allowance are also qualifying payments. Applicants must be in receipt of the payment for 6 months.

Individual compensation: Retained social security payments (at maximum standard rates). Annual Cost of Education Allowance of IEP 200. Secondary benefits such as Fuel Allowance, Christmas Bonus and Rent Allowance may also be retained. People on BTEA may take up part-time employment while attending the course without affecting their entitlements. Source: Public social appropriations.

Compensation to provider: In accordance with the mainstream education system. Source: Public education appropriations.

Provider obligations: None.

Max programme time: According to the length of the degree course (up to 4 years for a university degree).

Vocational Training Opportunities Scheme (VTOS)

Introduction year: 1989.

Priority: Not predefined, but depending on individual need and choice.

Administration: Department of Education and Science through 33 regional Vocational Education Committees (semi-autonomous bodies responsible both for part of the regular secondary education system and adult education).

Goal: To give unemployed people education and training opportunities which will develop their employability and prepare people to go onto paid employment or further opportunities leading to paid employment.

Activities: Full time adult vocational training at secondary level.

Provider: 96 VTOS Centres.

Individual eligibility criteria: People on Disability Allowance, Disability Benefit, Invalidity Pension and Blind Persons Pension. Unemployment Benefit, Unemployment Assistance, One-Parent Family Assistance are also qualifying payments. Dependent spouses of persons receiving any of the above payments can alternatively take part in the scheme. Unemployed people not eligible for unemployment payments can also take part in the programme. The participant must be over 21 years of age and have received one of the payments for at least six months.

Individual compensation: Keep their relevant social security payment (at maximum standard rates). Those receiving unemployment payments will receive a Training Allowance instead (at the same rate) during the course. In addition there is a small travel and meal allowance, free courses, books and materials. An IEP 25 bonus payment per week is also available for those who have been unemployed for at least 12 months. Source: Social security payments: Public social appropriations. Training Allowance: Public educational appropriations. Bonus payments and additional cost payments: Public educational appropriations.

Compensation to provider: The VEC receive an annual grant of IEP 15,000 per each group of 20 students. *S*ource: Public educational appropriations.

Provider obligations: None.

Max programme time: As long as the course lasts (up to two years).

Additional support

In addition to the programmes, DSCFA provides interest-free loans and mentoring for the self-employed on the Back to Work Allowance, and guarantees

loans provided by Credit Unions. Funding is also available to Job Facilitators[61] at the local social welfare offices to provide training in the areas of start-your-own business, bookkeeping/accounts, preparation of business plans, marketing, literacy and computer training, and financial assistance for the purchase of minor items of equipment.

Services associated with integration into the labour market

Table IE3 presents an overview of central services available in connection with integration into the labour market and the administration responsible. As of the middle of 2000, all labour market related services previously delivered by the NRB are delivered by FAS via the public employment service. (NRB is denoted within brackets to explain responsibilities prior to the new organization.)

There is no special vocational rehabilitation programme within FAS (NRB). If special competence is needed for the assessment of work capacity in a specific job, work trials, tests of assistive devices and adaptation of the workplace etc., FAS (NRB) consults special equipment agencies, or agencies (often disability associations) with expertise concerning a certain disability.

Vocational guidance, job search and selection into labour market programmes are provided by both public employment service officers and the "Job Facilitators" at the local Social Welfare Offices. Even if people with disabilities had access to both targeted and mainstream labour market programmes, NRB previously served most of the clients in the target group. People who had been assessed by NRB were eligible for the mainstream programmes if they were also referred to the public employment offices by NRB.

Incentives for employers to employ persons with disabilities are mainly administered by FAS (NRB). The Social Welfare Office administers a programme in which the employer is exempted from pay-related social insurance contributions (Employers' Pay-Related Social Insurance (PRSI) Exemption Scheme). Inland Revenue also administers a tax exemption scheme (Job Assist) that involves both employers and disabled employees.

Incentives for people with disabilities to become active in the labour market: The Department of Social, Community and Family Affairs (through the lo-

[61] Job Facilitators encouraging unemployed people and lone parents to avail of the wide range of incentives and options available from the Department of Social, Community and Family Affairs and other agencies. They also encourage local voluntary and community groups to provide employment, training opportunities or work experience.

cal Social Welfare Offices) provides a small number of schemes, which allow for social welfare payment retention for limited periods when taking up employment (e g Back to Work Allowance which is not purely targeted at people with disabilities) or education (Back to Education Allowance).

Transportation to the work place exists in the form of a free travel pass for recipients of Invalidity or Blind Person's Pension or Disability Allowance, which allows them to use public transport and several private transport services free of charge.

Provision for technical aids and adaptation of the work place is administered by FAS (NRB).

Personal assistance at the work place is not yet generally available as a public service. However, some degree of service is available through people employed via the Community Employment programme.

Table IE3. Responsibilities of certain services associated with integration into the labour market.

Service	Administration
Vocational rehabilitation	FAS (NRB up to mid-2000).
Vocational guidance	FAS (NRB) and the social welfare offices.
Job search	FAS (NRB) and the social welfare offices.
Selection into labour market programmes	FAS (NRB) and the social welfare offices.
Incentives for employers when employing a person with disabilities	FAS (NRB), the social welfare offices and Inland Revenue.
Incentives for people with disabilities to become active in the labour market	The social welfare offices and Inland Revenue.
Transportation to the work place	Social welfare offices.
Technical aids and adaptation of the work place	FAS (NRB).
Personal assistance in the work place[1]	–

[1] Personal attendant care, not job coach.

The financing of some of these services is shown in *Table IE4*. Technical aids and adaptation of the work place are fully provided by FAS (previously NRB) if they, besides assisting the employee in question, do not benefit the employer. Otherwise, FAS (NRB) and the employer share the funding.

Table IE4. Financial sources of certain services associated with integration into the labour market.

Service	Financial source
Vocational rehabilitation	Public labour market appropriations.
Transportation to the work place	Public social appropriations.
Technical aids and adaptation of the work place	Public labour market appropriations.
Personal assistance in the work place	–

Disability pension

The Social Welfare[62] Services Office assesses eligibility for a disability pension (Invalidity Pension) with the assistance of medical experts. Disability Benefit is paid during the first 12 months of incapacity for work and is subsequently followed by an Invalidity Pension. To receive the Invalidity Pension, a person must satisfy the pay-related social insurance (PRSI) contribution requirements (260 weeks PRSI paid during working life and 48 weeks paid or credited in the last complete tax year compared to 39 PRSI weeks in both cases for the Disability Benefit). The beneficiaries may only engage in work of a rehabilitative nature up to 20 hours per week and must obtain an exemption from the Department of Social, Community and Family Affairs to work. Disability Benefit is paid between 16 and 65 years of age.

If a person is not eligible for either of these two alternatives (has not fulfilled the contribution requirement) there is a Disability Allowance. To receive this allowance, the work incapacity must be expected to last for more than a year and the person concerned is subject to medical and means tests. Disability Allowance is paid to people between 16–65 years of age. It is reduced proportionately if earnings from employment exceed IEP 75 per week (increased from IEP 50 in May 2000).

In addition, a special pension for blind people (also means-tested) is paid between 18 and 65 years of age.

Early retirement

Early retirement is used as a way out of long-term unemployment. A Pre-Retirement Allowance is a means-tested, weekly allowance available for per-

[62] The Irish Social Welfare Offices administer not only benefits that are based on income contributions, but also means tested welfare allowances.

sons aged 55 or over, who have been receiving Unemployment Benefit/Unemployment Assistance for at least 390 days and opt to retire. The allowance is payable up to the date the person qualifies for retirement pension (age 65) or old-age contributory pension (age 66).

7.3 Statistics

Disability, labour force participation and employment rates

No national survey has been conducted to measure the disability, labour-force participation and employment rates in the working-age population (16–65 years) in which respondents have defined themselves as having a disability or not in accordance with the United Nations Standard Rules or ICIDH. A "Census 2001 Pilot Test" survey was conducted by the Central Statistics Office in 1999, based on an earlier census conducted in 1996. Several new questions are being tested out for the new census, for example on disability, unemployment and income. No results from the pilot study are available.

However, there is ECHP data on people with disabilities. According to the survey, 11 per cent of the population aged 16–64 years have a disability. In this group, eight per cent are partially disabled and three per cent are severely disabled. The labour force participation rate for the whole group is 33 per cent and the employment rate per 27 cent. The corresponding percentages are 68 and 61 for the group with no employment restrictions.

No survey provides the corresponding statistics for persons in the working-age population with disabilities with employment restrictions due to disability.

Table IE5. Disability rate in the working-age population (16–64 years). Labour force participation and employment rates for people with/without disabilities (per cent).

Population	Of working age	In labour force	Employed
With partial disabilities	8	38	31
With severe disabilities	3[1]	15	14
With disabilities, total	11	33	27
Without disabilities	89	68	61

[1] Due to rounding, this figure is raised from 2 to 3 per cent to sum up to the total 11 per cent.
Source: ECHP 1996, Eurostat.

Participants in labour market programmes

No survey data is available for the average number of people with disabilities[63] enrolled in various labour market programmes, nor is survey data matched with register data. However, register data for the targeted programmes is available from NRB, in which a disabled person has been defined in the context of employment as a person with a physical, sensory or psychological impairment which may (a) have a tangible impact on their functional capability to do a particular job, or (b) have an impact on their ability to function in a particular physical environment or (c) lead to discrimination in obtaining or retaining employment of a kind for which they would otherwise be suited.

Participants in the FAS, DSCFA and Department of Education and Science programmes are defined as disabled if they receive any disability payment from social security.

The stock of participants with disabilities in targeted and mainstream labour market programmes in 1999 corresponds to about eight per cent of the number of people of working age with disabilities according to the 1996 ECHP, referred to above. About 77 per cent of the participants with disabilities in labour market programmes are in programmes especially designed for the target group. The predominant programmes are Sheltered and Supported Work, the Civil and Public Service Quota, and the mainstream Community Empoyment.

Table IE6 presents the average number of participants in various labour market programmes in 1999. Participants in programmes with paid income from the employer are regarded as employed, while participants in programmes with a focus on training are regarded as students and are thus not included in the labour force.

Main income source

No survey data is available for the main or most frequent source of income for people with disabilities[64], nor is survey data matched with register data. However, the proportion of disability pension recipients amounts to about 42 per cent of the number of people with disabilities in the working-age population.[65]

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[63] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.
[64] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.
[65] Sources: Own calculations of disabilty pension recipients according to the Department of Social, Community and Family Affairs (see specifications in Annex 3) and the number of people with disabilities of working age according to the ECHP 1996.

Table IE6. Numbers of people with disabilities enrolled in labour market programmes, stocks 1999.

Progr targeted at people with disabilities	Counted in the LF	Number of people with disabilities
Civil and Public Service Quota	Yes	3,850[1]
Employment Support Scheme	Yes	450
Training for People with Disabilities	No	3,000
Sheltered employment	Yes	190[2]
Sheltered and Supported Work	No	8,300[3]
Total	–	15,790
Mainstream programmes	**Counted in the LF**	**Number of people with disabilities**
Job Start	Yes	0
Job Initiative	Yes	0
Back to Work Employee	Yes	140
Revenue Job Assist	Yes	N a
Back to Work Enterprise	Yes	90
Workplace	Yes	10
Community Youth Training Programme	Yes	0
Local Training Initiatives	Yes	0
Traineeship	Yes	0
Job Training	Yes	0
Community Employment	Yes	3,790
Standard-Based Apprenticeship	Yes	0
Back to Education	No	180
Vocational Training Opportunities	No	410
Bridging	Yes	0
Return to Work	Yes	0
Enterprise Training	Yes	0
Community Training Workshops	Yes	0
Linked Work Experience	Yes	0
Specific Skills Training	Yes	0
Total	–	4,610

[1] Refers to 750 people with disabilities employed in central government administration in April 2000 (which represent 2.6 per cent of the total number of people employed in civil service) and 3,100 employed in public service at the end of December 1998 (which represent 1.7 per cent of the total number of people employed in public service).
[2] About 150 people are in the Pilot Employment Programme and 40 people in Blindcraft.

[3] Refers to "A Statistical Overview of Non-ESF Funded Programmes for People with Disabilities", NRB October 1995 (7,900 people in sheltered work) and the Irish Union of Supported Employment Survey on Supported Employment, 1996 (360 people in supported work, here rounded to 400).
Sources: Targeted programmes: Department of Finance (Civil Service Quota), Department of Justice, Equality and Law Reform (Public Service Quota) and, NRB. Mainstream programmes: FAS, DSCFA (Back to Work, Back to Education, Employers' PRSI Exemption Scheme), Department of Education and Science (Vocational Training Opportunities), and Office of the Revenue Commissioners (Revenue Job Assist).

7.4 Evaluation and research

Institutions

Competitive tendering applies to the evaluation of the government-financed labour market programmes (both the FAS programmes and those administered by the DSCFA), which makes non-government research institutes responsible for the evaluations (mainly private sector consultants with previous experience of evaluating public programmes). ESF co-financed programmes are evaluated by a unit of the Department of Finance. (The ESF Evaluation Unit, located in the Department of Enterprise, Trade and Employment up to mid-2000, previously evaluated the ESF programmes).

Policy, legislation and implementation issues

Concerning potential conflicts between different policy objectives, the interaction between social welfare benefits for people with disabilities and the progression to employment is recognized as an issue which can act as an disincentive for people taking up employment. These issues are being addressed by the Department of Enterprise, Trade and Employment, in consultation with other government departments and agencies.

It is too early to say what impact the new Employment Equality Act of 1998 has on the integration of people with disabilities into employment. The Equality Authority will be monitoring the impact.

When considering the implementation of the policy for integration of people with disabilities into the labour market, the present strategy is due to be amended during 2000 by providing a couple of tools to fulfil the policy objectives: Grants to employers for the raising of disability awareness in the work place, and also grants for retaining people who acquire a disability in working life. There will also be a greater emphasis on placement of people with disabilities in open employment via the new Supported Employment programme.

Repeated participation in labour market programmes (cycling) is viewed by the Department of Enterprise, Trade and Employment as a problem rather than a planned way of integrating a person into the labour market. With the transfer of responsibility for vocational training and employment of people with disabilities from NRB to FAS, greater emphasis will be placed on progression to employment in the open labour market.

Creaming effects are not regarded as a problem and there is no evidence of general creaming effects in Ireland. However, there is some concern that it may occur within the vocational training system for people with disabilities, leading to the selection of people with higher progression capabilities for training courses ahead of those with lower progression capabilities. FAS will monitor the vocational training system to ensure that creaming does not take place.

Another major issue in implementing the labour market policy for people with disabilities is funding limitations. The Department of Enterprise, Trade and Employment will be reviewing the funding mechanisms and delivery mechanisms for vocational training with a view to providing more flexibility in the way programmes are delivered, with an emphasis on maximizing utilization of available funds.

Evaluation of labour market programmes

Three of the four targeted programmes for people with disabilities (according to *Table IE1*) are mainly evaluated by means of implementation studies and follow-ups. Sheltered employment is not evaluated. *Table IE8* presents the results of the available evaluations. A follow-up study of the Pilot Employment Programme has been conducted by the Department of Health and Children, but the results are not publicly available.

Examples of programmes that are regarded as successful, in addition to the programmes mentioned, include the ESF co-funded pilots in Supported Employment which have been successful in placing people with disabilities in open employment.

Table IE8. Evaluations of targeted labour market programmes for people with disabilities.

Civil and Public Service Quota
Type of evaluation: (Civil service:) Not conducted but is currently being considered by the Department of Finance. (Public service:) A study was (at the time of data collection) due to be launched at the end of 2000.

Time period analysed: –.

Research organisation: The Equality Authority (overseeing) in partnership with the Department of Justice Equality and Law reform.

Positive results: –.

Negative results: –.

Employment Support Scheme (ESS)

Type of evaluation: Implementation study and follow-up.

Time period analysed: 68 of current and past participants (418) were interviewed in Nov/Dec 1995 and the corresponding employers (46) received a questionnaire in April/May 1996.

Research organisation: National Rehabilitation Board (NRB).

Positive results: Both participants and employers regarded the programme as successful. Encouragement by local contacts in training centres and NRB was noted as playing a major part in employers' involvement in the ESS in the first place. The most common adaptations made by employers were reorganization of work, raising of staff's disability awareness and provision of special training for p w d. 42 of 44 employer interviews indicated that they would employ p w d in the future under ESS.

Negative results: Low awareness among both employers and participants about the intentions of the ESS. The ESS administration should be regionalized to promote easier administration and increased monitoring. A more structured and standardized system for measuring productivity and monitoring progress should be considered. Instead of progression to a better job or the same job without a subsidy, many participants are unemployed after leaving the ESS or have another low-paid job.

Training for people with disabilities (level 1–3)

Type of evaluation: Follow-up.

Time period analysed: 290 of 1,184 leavers between July and December 1997 were interviewed in July–September 1998.

Research organisation: National Rehabilitation Board (NRB).

Positive results: 34 % of the leavers were in a job, of whom 58 % were in paid full-time jobs and 58 % were in paid permanent positions. 43 % of the leavers with a physical disability were in a job, while 31 % of those with learning disabilities and 27 % of leavers with mental health difficulties had a job. A third of the leavers in a job got their jobs through the training centre, 21 % on their own initiative and 20 % via FAS. Level 3 and 2 leavers were most likely to be in a job and TOPs (level 1) leavers were the most likely to be back in a training centre.

Negative results: 27 % of the leavers were at home or unemployed and the rest were back at a training centre. Another one third were back in a programme (including 18 % in subsidized or sheltered employment). 68 % of the leavers were in receipt of Disability Allowances, which represents an increasing trend. 2/3 of the leavers in a job received state benefits.

Training for people with disabilities (level 1–3)

Type of evaluation: Implementat-ion study.

Time period analysed: Primarily 1989–1994. 700 people involved in the training were inter-

viewed between June–October 1994

Research organisation: ESF Evaluation Unit (December 1995).

Positive results: Apart from measures of impact in terms of placement to employment, the report suggests that the impact in terms of development of quality services and training systems has been wide-reaching. This implies increased access and opportunities both for people with disabilities and for staff employed in the provision of services. Valuable experience is gained. It is likely that different models of training have a different impact on different types of disability and training/employment background.

Negative results: Re-referrals increased dramatically during the first years of the 1990s. People with mental handicap/learning difficulties were most frequent among the referrals, followed by those with psychiatric illness and people with physical disabilities. The majority of participants leave for other reasons than employment or further training, many for medical reasons or because they are unsuitable for the training. More people leave for further rehabilitative training or sheltered work than for open employment (which was the stated objective of the training).

7.5 Country-specific characteristics in brief

Table IE9. Summary of country-specific characteristics of labour market policies for people with disabilities.

Issue	Characteristics
Labour force participation	Labour force participation and employment rates below average. No national survey conducted.
Labour market programmes	Non-publicly financed programmes exist, but do not seem to be growing in importance. Government programmes are used to a large extent. Employment according to the quota obligation only applies to the public sector and cannot be combined with subsidized employment, and there is no levy. Sheltered employment is the predominant programme especially targeted at people with disabilities, followed by the quota scheme. Mainstream programmes are utilized to a lesser extent. Work experience is the predominant mainstream programme for the target group. When both targeted and mainstream programmes are taken into account, about 1/5 of the participants with disabilities are in work experience programmes and another 1/5 in vocational training programmes. In principle, there are no long-term subsidized employment programmes.
Mainstreaming of policy and institutions	The Department of Justice, Equality and Law Reform coordinates disability policy across government departments. In 2000**,** responsibility for employment for people with disabilities was transferred from the Ministry of Health and Children to the department responsible for the mainstream labour market policy. The same year, the front-line labour market administration function was transferred to the mainstream employment service. Anti-discrimination legislation since 1999. Explicit objectives for integration into open and unsubsidized employment. Relatively large proportion of disability pension recipients.

7.6 Acknowledgements

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7.7 Further reading

Printed matters

NACTE Steering Group on Sheltered and Supported Work and Employment (1997), *Employment Challenges for the Millennium: A Strategy for Employment for People with Disabilities in Sheltered and Supported Work and Employment*, National Rehabilitation Board, Dublin.

Lynch C, Mc Cormack B, Pierce A T & Kelly S, *Research into the Status of Supported Employment in Ireland*, Irish Association for Supported Employment & The Open Training College.

Internet

Overview of national institutions: www.gksoft.com/govt/en/ie.html

Department of Enterprise, Trade and Employment: www.entemp.ie
Department of Justice, Equality and Law Reform: www.justice.ie
Department of Social, Community and Family Affairs: www.dscfa.ie

Central Statistics Office Ireland: www.cso.ie

Comhairle: www.comhairle.ie
Training and Employment Authority (FAS): www.fas.ie

8 New Zealand

8.1 Policy

Institutional framework

Disability policy

No specific ministry has sole responsibility at national level for general disability policy, but in policy making, the disability perspective should be taken into account in each area as it arises, e g employment, health etc. This policy is not expressed in any official document but is rather a function of good practice.

No ministry is responsible for coordination of disability policies, but the Minister responsible may consult and cooperate with the Minister of Disability.

A New Zealand Disability Strategy is being developed and there was consultation with the public during 2000/2001. The Ministry of Health is managing the process in consultation with other government departments.

Labour market policy

Responsibility for employment in general and employment for persons with disabilities, is shared between the Department of Work and Income (implementation of policy and provision of services) and the Department of Labour (policy advice). In October 1998, the sections of the Department of Labour responsible for implementation and the provision of employment services (New Zealand Employment Service, Community Employment Group and Local Employment Co-ordination Groups) were merged with the New Zealand Income Support Service (a section of the former Department of Social Welfare) to form the Department of Work and Income (WINZ). The New Zealand Community Funding Agency[66], NZCFA, was previously responsible for funding community groups providing a variety of employment-related services for people with disabilities (sheltered employment, supported employment, vocational training and Day Activities[67]). In 1998, supported employment was transferred to the Department of Labour and subsequently WINZ. The remaining NZCFA-contracted services for people with disabilities were transferred to WINZ in 1999.

[66] Part of the Department of Social Welfare.

[67] A variety of services from recreational and social integration through to drop-in centres and "day care".

Policy focus

The policy for persons of working age with disabilities gives priority to programmes which are designed to integrate the target group into the labour market. The focus of the policy has become clearer during the 1990s and, even if it is not explicitly expressed in official documents, it has been part of the Government's overall approach. Prior to the election in 1999, there was a strong focus on reducing benefit dependency, and the idea that people should work to the extent that they are able and that they should regard this as a condition for receipt of benefits. A new Work Capacity Assessment process was introduced on a trial basis to determine the type of benefit, assistance and work expectations. The new Government has abolished Work Capacity Assessment trials. It is now less clear that paid work should be the priority for these people. There is a greater focus on trying to help people who wish to work to achieve this goal.

Legislation

Equal opportunities and equal participation in the labour market for persons with disabilities are expressed in an integrated act. An amendment (which came into force in 1993) to the Human Rights Act includes people with disabilities as one of the groups that it is unlawful to discriminate against in employment. It is unlawful to discriminate on the grounds of disability when employing (hiring), or to offer less favourable terms of employment (including conditions of work, superannuation, fringe benefits, opportunities for training, promotion or transfer), or to terminate an employee's employment where other employees are not be dismissed, or to retire the employee.

8.2 Implementation

Institutions

WINZ has overall responsibility for implementation of the labour market policy. Prior to the establishment of WINZ, implementation was the responsibility of the Department of Labour through the New Zealand Employment Service (NZES, the public employment service), the Community Employment Group (CEG) and Local Employment Co-ordination Groups (LECs) (which provided a type of networking service to local groups). In October 1998, NZES, CEG and LEC were merged with the New Zealand Income Support Services to form WINZ. WINZ divides its operations into 13 regions, where public employment services and income support are provided by local offices. There is a Regional

Commissioner responsible for each of the 13 regions and a National Commissioner based at the WINZ Head Office who supervises the Regional Commissioners. The CEG (which was transferred back to the Department of Labour in July 2000) works with communities and community groups to help them create local opportunities for employment and activities that lead to self-sufficiency. CEG focuses primarily on five priority groups facing difficult employment problems: Maori and Pacific people, women, rural and urban disadvantaged communities. The Department of Labour remains responsible for policy development (including employment policy), monitoring the labour market and also has a role in monitoring the performance of WINZ. The main aim of the reform was to improve services to job seekers by providing a "one-stop-shop" for income support and employment services. A person using WINZ services usually has one case manager who helps him/her with both income support and employment needs. A community wage, administered by WINZ, was introduced in 1998, replacing unemployment, sickness and training benefits.

Labour market programmes

Mainstream vs targeted labour market programmes

There are no official policy guidelines indicating whether mainstream labour market programmes are to be employed prior to labour market programmes targeted at people with disabilities, or vice versa, but in practice mainstream programmes are given priority. If they are going to participate in a labour market programme, people generally go to a local WINZ-office where the placement officer may then refer them to specialist providers of disability related services, e g Workbridge, if there are no suitable mainstream programmes for the person concerned. Alternatively they may directly approach Workbridge or one of the other agencies for assistance. Whether they are streamed into programmes targeted at people with disabilities or mainstream programmes depends on an assessment of their needs. However, Workbridge's contract states that funding should only be provided when no other source can meet this need.

Publicly financed labour market programmes

Publicly financed labour market programmes (both mainstream and targeted) for people with disabilities are principally arranged in the form of national programmes. WINZ provides services consistently on a national basis (although they can innovate new programmes in some circumstances, and different regions may also adapt a different focus depending on the needs of job seekers in

the area). Workbridge is a national organization and applies services consistently. The IHC[68] (an organization working with people with intellectual disabilities) also provides services nationwide. IHC is the largest provider of targeted vocational services and receives a significant proportion of funding from the Government. IHC's services are mainly day activities, sheltered employment, and some supported employment. This compares with Workbridge, which is the largest provider of services to help people obtain work in the open labour market. Other providers are mainly local community based operations, so there is little national consistency amongst them.

Labour market programmes which are not publicly financed

There are no programmes designed to integrate persons with disabilities that are not, at least partly, financed by public resources. The government does not fully fund the provision of many labour market programmes targeted to people with disabilities, e g sheltered employment, vocational training and supported employment. Government funding is generally between 50 and 75 per cent. The remainder of the cost is met by other means: donations, voluntary labour, selling goods and services or fees. Community-based providers run these programmes.

Labour market programmes targeted at people with disabilities

Current programmes

New Zealand has six categories of labour market programmes targeted at persons with disabilities: subsidized employment (Job Support), vocational training, supported employment, vocational rehabilitation (Day Activities), sheltered employment and, public job creation (Mainstream).

The internal priority between the programmes depends on the person's need and barriers and to what extent he/she is willing to help him/herself. The staff should also consider the expected results from the programme in relation to costs and the situation on the local labour market. Recipients of the Invalids Benefit are not required to work (or look for work), or take part in other activities as a condition for receipt of benefit. *Table NZ1* presents the programmes.

[68] IHC used to stand for Intellectually Handicapped Children, but now it is called simply IHC.

New programmes

There are no tangible plans for introducing new labour market programmes targeted at people with disabilities, but the recently elected Government has stated that it intends to look at ways to assist people with disabilities to enter employment, and it has initiated a number of projects to achieve this.

Additional support

In addition, several services and grants are available for persons with disabilities for integration into the labour market. A Modification Grant (administered by WINZ) of up to NZD 10,000 per year is available for employers to pay for a work place modification or special equipment that will allow a person with disabilities to get or keep a job.

Workbridge also provides a wide range of services through their Job Support programme, such as workplace modifications, special equipment, training after placement, job coaches, on-the job attendant care (personal assistance), mentoring, interpreter services, additional costs of transport and parking and disability awareness for co-workers. In addition, Workbridge provides a grant of up to NZD 5,200 for disability related costs when starting up in self-employment (Self-Start). Self-Start may be combined with an Enterprise Allowance, which provides income support for people setting up in self employment. Training Support involves grants to cover disability-related costs of up to NZD 15,600 over three years when attending training and education, work experience, or capacity assessments.

There is also a number of specialist providers (community-based agencies and voluntary providers) of supported employment which may also include attendant care and job coaching.

Table NZ1. Specifications of labour market programmes targeted at people with disabilities in 1999.

Subsidized employment programmes
Job Support
Introduction year: 1994.
Priority: No predetermined.
Administration: Workbridge (under contract to WINZ).
Goal: To help people gain employment in the open labour market when their productivity is such that that they cannot otherwise gain employment.
Activities: Work. Flexible programme including workplace modifications and special equipment

in the workplace (27 % of people assisted); job coaches (5 %) support person (9 %), interpreter services (5 %), additional transport and parking costs (9 %), temporary or ongoing wage subsidy (38 %), special induction training after placement, disability training for fellow workers, costs of productivity assessments and any other individual support services.

Provider: Must be open employment.

Individual eligibility criteria: People identified or self-identified as having a disability likely to continue for six months and resulting in reduction of independent function or social well being to the extent that ongoing support is required.

Individual compensation: Regular wage from the employer. (The individual may also be eligible for a reduced benefit.)

Compensation to provider: An annual wage subsidy of maximum NZD 16,900. Source: Public labour market appropriations

Provider obligations: The employer is obliged to pay at least the statutory minimum wage and meet other minimum standards for employment.

Max programme time: No limit.

Vocational training programmes

Vocational Training

Introduction year: The 1990s.

Priority: No pre-determined.

Administration: WINZ.

Goal: To provide vocational training programmes for people with disabilities. The training includes presentation skills, work readiness and entry to the workforce.

Activities: Training and skill development to facilitate entry into work.

Provider: A range of approved community-based service providers under contract to WINZ.

Individual eligibility criteria: People identified or self-identified as having a disability likely to continue for six months and resulting in reduction of independent function or social well being to the extent that ongoing support is required.

Individual compensation: Invalids Benefit, IB, ranges from NZD 180 to 300 per week (depending on marital status and number of children). Alternatively a Community Wage (CW) of approximately NZD 120–180. Source: Public social appropriations.

Compensation to provider: Subsidy of about 50–75 % of the operation costs. Some providers also access individuals' Disability Allowance (maximum NZD 43 per week to help cover operating costs. Source: Public social appropriations and non-government funding.

Provider obligations: The service provider is obliged to provide training.

Max programme time: No limit.

Supported employment programmes

Supported employment

Introduction year: 1992.

Priority: No predetermined.

Administration: WINZ.

Goal: To help p w d to gain or retain open employment.

Activities: Work in open employment with assistance from a job coach.

Provider: A range of approved community-based service providers and Workbridge under contract to WINZ. Must be open employment.

Individual eligibility criteria: People identified or self-identified as having a disability likely to continue for six months and resulting in reduction of independent function or social well being to the extent that ongoing support is required.

Individual compensation: Regular wage from the employer. (The individual may also be eligible for a reduced benefit.)

Compensation to provider: No subsidy is granted to the employer. The provider of support service receives between 50–80 % contributory funding from WINZ. Source: Public labour market appropriations.

Provider obligations: The employer is obliged to pay at least the statutory minimum wage and meet other minimum standards for employment.

Max programme time: Unlimited.

Vocational rehabilitation programmes

Day Activities

Introduction year: The 1990s.

Priority: No Predetermined.

Administration: WINZ.

Goal: To provide activities for people with disabilities and to extend individual skills to enable entry and participation in prevocational training, subsidized employment or regular employment.

Activities: Training

Provider: Community-based providers.

Individual eligibility criteria: People who are identified or self-identified as having a disability likely to continue for six months and resulting in a reduction of independent functioning or social well being to the extent that ongoing support is required.

Individual compensation: Invalids Benefit, IB, ranges from NZD 180 to 300 per week (depending on marital status and number of children). Alternatively a Community Wage (CW) of approximately NZD 120–180. Source: Public social appropriations.

Compensation to provider: Subsidy of about 50–75 % of the operation costs. Some providers

also access individuals' Disability Allowance (maximum NZD 43 per week) to help cover operating costs. Source: Public social supplies and non-government funding.

Provider obligations: The service provider is obliged to arrange appropriate activities.

Max programme time: No limit.

Sheltered employment programmes

Sheltered employment

Introduction year: The 1950s.

Priority: No predetermined.

Administration: WINZ.

Goal: Employment opportunities for people unable to work in the open market. Has changed over time. Increasingly the goal is to help people move into employment in the open labour market in the long term.

Activities: Primarily rehabilitation for integration into open employment, secondarily work.

Provider: Community based organizations under contract to WINZ.

Individual eligibility criteria: People with significant disabilities unable to work in the open market.

Individual compensation: Invalids Benefit, IB, ranges from NZD 180 to 300 per week (depending on marital status and number of children). Alternatively a Community Wage of approximately NZD 120–180. Source: Public social appropriations. A wage from the employer (determined by the provider and the individual) is also possible. If the employer pays a wage the IB or CW is abated once they earn over NZD 80 a week.

Compensation to provider: Subsidy of about 50–75 % of the operation costs. Some providers also access individuals' Disability Allowance (maximum NZD 43 per week to help cover operating costs. Source: Public social appropriations and non-government funding.

Provider obligations: The employer is obliged to provide training and other services. The provider does not need to pay the statutory minimum wage that would otherwise apply. In many contracts, transition to open employment is an explicit objective.

Max programme time: Unlimited.

Public job creation programmes

Mainstream

Introduction year: 1976.

Priority: No predetermined.

Administration: State Services Commission

Goal: To assist participants into meaningful, long-term employment.

Activities: Work.

Provider: New Zealand's State sector (public service departments and some Crown entities).

Individual eligibility criteria: People with significant disabilities which severely limit their em-

ployment prospects. The disability must have been present for at least 6 months and expected to last at least 4 years.

Individual compensation: Regular wage from the employer (must not differ from what an able bodied person would receive for the same work). Up to NZD 1,500 is allocated annually by the Mainstream Programme to meet the cost of additional, vocationally related training, or training to meet specific disability needs.

Compensation to provider: Up to 100 % wage subsidy during the first year, up to 50 % the second year. Source: Public non-departmental appropriations (from the New Zealand Treasury)

Provider obligations: To act as a good employer in terms of Section 56 of the State Sector Act 1998. To take part in induction and other training provided by Mainstream. To provide on-the-job training, over and above the usual amount. To make a plan for eventual permanent tenure.

Max programme time: Full or part-time (five hours per week minimum) for two years.

Mainstream labour market programmes

Current programmes

New Zealand has four categories of mainstream labour market programmes: subsidized employment (Job Plus), self-employment (Enterprise Allowance), work experience (Job Connection, Taskforce Green and Community Work) and vocational training (Training Opportunities Programme and a number of smaller training programmes). People may participate in Job connection, Community Work and Taskforce Green on a part-time basis.

Career counselling in the form of short-time work experience to try out work in a particular workplace or industry is available through the Work Experience programme.[69] WINZ also refers long-term unemployed people and people at risk of becoming long-term unemployed (including people with disabilities) for sessions of career guidance or career counselling from the Careers Service. Residential motivation training courses, Outdoor Education Programmes, are available to improve self-esteem and boost the job search for young people. Limited Service Volunteers in the New Zealand Defence Force for six weeks is one of these courses. Conservation Corps and Youth Service Corps are other youth programmes, involving projects such as planting native trees and restoring historical buildings, respectively. There are also reading, writing and numeracy training programmes, and English courses for speakers of other languages.

[69] Job Link and Job Intro were replaced by Work Experience in the beginning of year 2000.

In principle, people with disabilities have access to all these programmes, unless the programme has other (non-disability specific) eligibility rules, e g restrictions on age or duration of unemployment. A general eligibility criterion is enrolment with the public employment service (WINZ), but the job seeker does not always have to be unemployed. Eligibility for some of the more expensive programmes (wage subsidies and some training courses) is restricted to people who have been unemployed for at least six months, or people who are at risk of becoming long-term unemployed. There is no predefined internal priority between the mainstream programmes. WINZ is required to use the appropriate intervention, depending on the needs of the person concerned. This means that high cost assistance should only be given to people most at risk of long-term unemployment. Other people will find work relatively easily with little or no help. Limited resources should be targeted at people most at risk of long-term unemployment, where the net benefits are the largest.

Job Plus, Training Opportunities (TOP), Taskforce Green and Community Work are reported as the predominant mainstream programmes for people with disabilities, apart from the targeted programmes. *Table NZ2* presents these programmes in detail.

New programmes

There are plans to introduce new mainstream labour market programme. The new Government has signalled its intention to introduce some new programmes for example for young people and older job seekers.

Additional support

In addition to the programmes, several job search services are provided by WINZ. "Job search assistance" aims to assist job seekers to gain employment by providing motivation, confidence, information on job search techniques and resources to assist job searching. Case Management provides job seekers with ongoing individualized assistance to increase the speed with which job seekers move into employment. Work Start grants aim to remove small financial barriers that prevent job seekers taking up or applying for a specific vacancy. The maximum annual grant is NZD 250. Applicants for Enterprise Allowance may also apply for an additional grant for business training and advice (Be Your Own Boss).

Table NZ2. Specifications of the most important mainstream labour market programmes for people with disabilities in 1999.

Subsidized employment programmes

Job Plus

Introduction year: 1991.

Priority: No predetermined.

Administration: WINZ.

Goal: Assist disadvantaged job seekers to secure permanent employment by compensating employers through provision of a wage subsidy.

Activities: Work.

Provider: Private, public or/and non-profit sector.

Individual eligibility criteria: Registered as unemployed for at least 26 weeks, or at risk of long-term unemployment.

Individual compensation: Regular wage from employer.

Compensation to provider: Wage subsidy of up to NZD 214 per person and week. Up to NZD 325 a week for a person with a significant disability. Source: Public labour market appropriations.

Provider obligations: The employer is obliged not to displace other workers due to subsidized work. The employer is also obliged to pay at least the statutory minimum wage, provide other statutory minimum working conditions (e g holidays), and provide safe working conditions.

Max programme time: 52 weeks.

Work experience programmes

Task Force Green

Introduction year: 1992.

Priority: No predetermined.

Administration: WINZ.

Goal: Improve job seekers' chances of finding unsubsidized employment by providing them with the opportunity to learn new skills and habits, gain or regain self-esteem and self confidence.

Activities: Work experience and rehabilitation.

Provider: The job must be project based, fulltime, of benefit to the job seeker and the community or environment, additional to the normal work of the organization, not displace existing staff or contractors.

Individual eligibility criteria: Registered as unemployed for at least 26 weeks, or at risk of long-term unemployment.

Individual compensation: Regular wage from the employer.

Compensation to provider: Wage subsidy of NZD 214 per week. NZD 322 per week for people

acting as supervisors for four or more other workers. Source: Public labour market appropriations.

Provider obligations: The employer is obliged to pay at least the statutory minimum wage, provide other statutory minimum working conditions (e g holidays), and provide safe working conditions.

Max programme time: Up to 26 weeks.

Community Work

Introduction year: 1998.

Priority: No predetermined.

Administration: WINZ.

Goal: To develop or maintain the self-esteem, motivation, work diciplin and ethic, and dignity of the job seeker. CW should only be used where it is the most appropriate and cost effective way of moving a job seeker towards and into unsubsidized employment.

Activities: Part-time work experience in form of projects that might never happen otherwise.

Provider: Private and public organizations.The activity must be of benefit to the community and participant and resemble the paid work. It may not displace paid workers or be of private benefit to the sponsor environment or result in sponsor dependency on CW or the participant.

Individual eligibility criteria: Registered as unemployed for at least 26 weeks or at risk of long-term unemployment. The participant must continue to look for a regular work. Paid regular work, both part-time and full-time should take precedence over CW.

Individual compensation: Remain on Community Wage or other income support from WINZ, The participant may also receive a participation allowance of up to NZD 21 per week, plus up to NZD 20 for other work related expenses.

Compensation to provider: –.

Provider obligations: To provide adequate supervision, a safe, healthy working environment and to provide written references to participants on completion of activity.

Max programme time: According to the length of the project. Full time job seekers: Max 20 hours CW per week. Part time job seekers: Up to 10 hours CW per week.

Vocational training programmes

Training Opportunities Programme

Introduction year: 1992.

Priority: No predetermined.

Administration: Skill New Zealand (a Crown Entity) is contracted by WINZ.

Goal: To assist eligible job seekers to acquire skills and gain employment or enter further education and training which will ultimately lead to employment.

Activities: Class room training and education with possible modules of work experience.

Provider: A range of private training providers are contracted by Skill NZ.

Individual eligibility criteria: Must have been registered at the public employment office for at least 26 consecutive weeks and have low formal education or aged under 18 with low qualifications or aged under 20 with low qualifications and have left school within the last six months. Refugees, Workbridge clients and ex-prisoners with low qualifications are also eligible together with people with low qualifications on Domestic Purposes (full time care for someone other than partner or child that would otherwise be in hospital) or Widows Benefit for one year or more.

Individual compensation: Community Wage or Invalids Benefit. Source: Public labour market appropriations.

Compensation to provider: A weekly fee per individual which is expected to cover their full costs. Source: Public labour market appropriations.

Provider obligations: To provide training to the standard of the National Qualifications Framework.

Max programme time: The time it takes them to achieve 240 credits from the National Qualifications Framework.

Services associated with integration into the labour market

Table NZ3 presents an overview of central services available in connection with integration into the labour market and the administration responsible.

Table NZ3. Responsibilities of certain services associated with integration into the labour market.

Service	Administration
Vocational rehabilitation	WINZ, ACC and other service providers
Vocational guidance	WINZ, Careers Service, Workbridge and other service providers, ACC
Job search	WINZ, Workbridge and other service providers
Selection into labour market programmes	WINZ, Workbridge
Incentives for employers when employing a person with disabilities	WINZ, Workbridge (Job Support)
Incentives for people with disabilities to become active in the labour market	WINZ, Workbridge (Self Start)
Transportation to the work place	Workbridge (Job Support)
Technical aids and adaptation of the work place	WINZ, Workbridge (Job Support)
Personal assistance in the work place[1]	Workbridge (Job Support) and Disability Support Services

[1] Personal attendant care, not job coach.

Vocational rehabilitation and training was transferred on 1 July 1999 from NZCFA of the Department of Social Welfare to WINZ. WINZ has contracted all targeted labour market programmes to external providers. Some of the services in question have been contracted out to Workbridge[70], a provider of specialist employment services (including placement) for people with all types of disabilities, established and funded by the Government in 1990.
Other contracted specialist providers also supply a variety of types of assistance, including job coaches, translator services or any other services that would help the person gain or retain work. These agencies do not provide wage subsidies or fund work place modifications, but people using their services can apply to Workbridge for such support. The Accident Compensation Corporation, ACC, provides rehabilitation services to people who are unable to work due to an accident.

Workbridge or Disability Support Services (DSS) may provide personal assistance at the work place. DSS is funded via the Health Funding Authority to disabled people requiring ongoing support. These services are predominantly community based and provided by private and non-profit providers.

The financing of some of these activities is indicated in *Table NZ4* below. The services provided through WINZ are funded through the Department of Work and Income's appropriations, which cover both social security payments and employment assistance/labour market interventions. ACC payments (vocational rehabilitation and training) are fully funded from employer and employee contributions.

Table NZ4. Financial sources of certain services associated with integration into the labour market.

Service	Financial source
Vocational rehabilitation	Public labour market appropriations and funds
Transportation to the work place	Public labour market appropriations
Technical aids and adaptation of the work place	Public labour market appropriations
Personal assistance in the work place	Public labour market and health appropriations

[70] Workbridge is run by a board that consists of representatives of disabled people, employers, unions and the Government.

Disability pension

The local WINZ Service Centres administer the disability pension (Invalids Benefit). Medical experts are contracted to assess occupational handicaps and the level of employability for persons with disabilities with respect to disability pension. In order to qualify for disability pension (the Invalids Benefit), two conditions must be met: Firstly, the reduced working capacity must be judged to last for at least two years (or the person must have a life expectancy of less than two years), due to sickness, injury or disability or total blindness. Secondly, the person must be incapable of regularly working for 15 hours a week or more in open employment. A person who does not meet these conditions may get a Community Wage (equivalent to earlier unemployment benefit or sickness benefit). Prior to 1 October 1998, a person had to be classified as 75 per cent disabled. There is no partial pension in New Zealand. The pension is reduced for any earnings over NZD 80 a week.

Early retirement

Pensions and disability benefits are generally not used as a way out of long-term unemployment. There are no government funded early retirement schemes in New Zealand, instead people are being encouraged to work longer; the age for entitlement for National Superannuation has been increased from 60 to 65 years. The current primary focus of government is to emphasize a move from welfare into work and to encourage independence. It is expected that if people, including people with disabilities, are capable of working they should be actively seeking employment. The Invalids Benefit exists for people who cannot work full time due to sickness or disability.

8.3 Statistics

Disability, labour force participation and employment rates

A national survey was conducted to measure the disability, labour force participation and employment rates in the working-age population (15–64 years), in which the respondents have defined themselves as having a disability or not according to ICIDH. The data refers to New Zealand's first national Household Disability Survey conducted by Statistics New Zealand in 1996. Persons in private households were asked whether they experience any difficulty performing certain activities due to a long-term (had lasted or was expected to last six months or more) condition or health problem. People were not considered as having a disability if they used an assistive device that completely eliminated

their limitation. Psychiatric, psychological and intellectual disability was also identified. The answers represent the respondents' own perception of their situation and are therefore subjective. The survey provides data on the socio-demographic characteristics of the non-institutionalized population with disabilities, including their age, sex, ethnicity, marital status, educational qualifications, labour force status, income and household and family circumstances. No distinction was made between partial and severe disability. According to the survey, 17 per cent of the working-age population are disabled. The labour force participation rate for this group is 58 per cent and the employment rate is 53 per cent. For the group without disabilities, the corresponding percentages are 76 and 72.

No question in the survey was designed to identify whether the disability also implied employment restrictions.

Table NZ5. Disability rate in the working-age population (15–64 years). Labour force participation and employment rates for people with/without disabilities (per cent).

Population	Of working age	In labour force	Employed
With partial disabilities	–	–	–
With severe disabilities	–	–	–
With disabilities, total	17	58	53
Without disabilities	83	76	72

Source: Statistics New Zealand, New Zealand Household Disability Survey 1996.

Participants in labour market programmes

No survey data is available which identifies the average number of people with disabilities[71] enrolled in various labour market programmes, nor is survey data matched with register data. However, some register data from the public employment service is available, together with the number of contracted programme participants (full-time equivalents) during the year. The specific number of participants with disabilities in various mainstream programmes is not available due to technical problems with the database.

The stock of participants in labour market programmes targeted at people with disabilities in 1999 corresponds to about four per cent of the number of

[71] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.

people of working age with disabilities according to the New Zealand Household Disability Survey 1996, referred to above. Day Activities is the predominant programme targeted at people with disabilities, followed by sheltered employment and Vocational Training.
Table NZ6 presents the number of participants according to contracted programmes and not actual number of participants.

Whether or not programme participants are counted as employed in the labour force surveys is based simply on whether they work for one hour per week or more in paid employment. If they do, then they are counted as employed. Participants in training programmes would not meet the criteria but they may receive income from other sources and therefore be regarded as employed.

Table NZ6. Number of people with disabilities enrolled in labour market programmes. The figures refer to the number of contracted full-time equivalents (which is approximately equivalent to the average stock over the year) in 1999.

Progr targeted at people with disabilities	**Counted in the LF**	**Number of people with disabilities**
Job Support	Yes	410[1]
Vocational Training	No	2,890
Supported employment (specialist providers)	Yes	2,840
Day Activities	No	7,130
Sheltered employment	Yes	3,280
Mainstream	Yes	80
Total	–	16,630
Mainstream programmes	**Counted in the LF**	**Number of people with disabilities**
Job Plus	Yes	N a
Enterprise Allowance	Yes	N a
Job Connection	Yes	N a
Taskforce Green	Yes	N a
Community Work	No	N a
Training Opportunities	No	N a
Total	–	N a

[1] In 1999/2000, about 680 new persons were assisted by Job Support and another 280 had their assistance renewed. About 38 per cent of the participants received a wage subsidy (about 360 persons) and five per cent a job coach (about 50 persons). There is no information about the average programme time with these ongoing activities. However, an average programme time of one year is here assumed.
Source: Contracts with programme providers (WINZ).

About 30,000 or 14 per cent of people registered with WINZ as actively seeking work on last December 1999, had a disability. This figure is based on whether people identified themselves as having a disability that is a barrier to employment when they enrolled as a job seeker.

Main income source

Survey data that identify different income sources for persons with disabilities is available, even if the individual's main income source is unknown. The data comes from New Zealand Household Disability Survey 1996. The respondents were asked what income sources they had in the previous 12 months and total income. No questions were asked concerning the breakdown of total income from different sources were not asked. Thus, a respondent may have reported several different income sources in the answer, and therefore the row totals do not correspond to the population.

Although income transfer programmes are a more frequent source of income for persons with disabilities compared to people without disabilities, employment is the most frequent source, according to the survey. *Table NZ7* below presents the results. The percentages are calculated with the population (with disabilities and without disabilities, respectively) in the numerator.

Table NZ7. Most frequent income sources for people with disabilities (15–64 years) compared with people without disabilities.

Income source	Number of p w d	Number of p without d
Income transfer programmes[1]	185 000 (48 %)	420 000[2] (22 %)
Employment[3]	260 000 (67 %)	1 687 000 (87 %)
Other sources	94 000[4] (24 %)	508 000 (26 %)
Total	386 000 (100 %)	1933 000 (100 %)

[1] Including Unemployment Benefit, Domestic Purposes Benefit, Sickness Benefit, Invalids Benefit, or other government benefits, government income support payments or war pensions. Private pensions and annuities are also included.
[2] Another 39,000 people declared to have no income source and 175,000 did not answer the question.
[3] Including self-employed (anyone in work for pay or profit for one hour a week or more).
[4] Another 7,000 people declared to have no income source and 28,000 did not answer the question.
Source: Statistics New Zealand, New Zealand Household Disability Survey 1996.

In addition, the proportion of disability pension or long-term sickness benefit recipients amounts to about 16 per cent of the number of people with a disability, of whom one per cent received partial disability pension.[72]

8.4 Evaluation and research

Institutions

WINZ, the Department of Labour and the Ministry of Social Policy are responsible for evaluating the government financed labour market programmes.

Policy, legislation and implementation issues

A potential conflict between different policy objectives reported is between providing someone with assistance to move into work and the reality of limited resources to provide assistance. Hence the aim is to provide the most cost-effective assistance.

The legal protection for persons with disabilities in the labour market has not been evaluated. Although the number of people with disabilities integrated into the labour market has been increasing over time, there is no evidence that the increase is a result of the legislative protection.

When considering the implementation of the policy for integration of people with disabilities into the labour market, the present strategy needs better tools for determining the best type of assistance to help people with disabilities move into the labour market.

Repeated participation in labour market programmes (cycling) is viewed as a problem if people continue cycling between programmes. This is especially true for people who have been out of employment for some time but are referred to a number of programmes. For other people, there may be a number of areas in which they need skills before they can enter the labour market, so they may need a variety of programmes. It is regarded as important that programmes designed to help people into the labour market actually do this. Individualized case management of employment assistance is one method used to deal with this problem. It helps refer people to the most useful assistance. In this way people should only be referred to assistance that is appropriate for them and helps them move into employment, or become employment-ready.

[72] Sources: Own calculations of disabilty pension recipients according to the Department of Work and Income (see specifications in Annex 3) and the number of people with disabilities of working age according to the 1996 Household Disability Survey (Statistics New Zealand).

Creaming effects are regarded as a problem. The method used to avoid such effects is individualized assistance and targeted support. Individuals receive individualized case management to establish what barriers they face to gaining employment. Job seekers, regardless of whether or not they are disabled, should be referred to programmes that are the most cost effective way of addressing their barriers to employment. Officials responsible for deciding who gets referred to particular programmes must consider the costs of the programme and the probability that the product or service will move the individual into employment. The most expensive forms of assistance are targeted at people most facing the greatest risk of long-term unemployment.

Other major problems in implementing the labour market policy for persons with disabilities are: (1) Attitudes of society and employers. This can result in people with disabilities being seen as having a low capacity to work and hence reluctance on the part of employers to offer them jobs. (2) Labour market conditions. Sometimes a programme may successfully give the user the skills that were intended, but labour market conditions may mean there are few opportunities. (3) Incomplete information about the types of services that help people with disabilities to move successfully into open employment.

Evaluation of labour market programmes

There are evaluation reports of two of the six targeted programmes (Job Support and Mainstream).

Table NZ8. Evaluations of labour market programmes targeted at persons with disabilities.

Job Support
Type of evaluation: Implementation study.
Time period analysed: 1994–95.
Research organisation: Department of Labour.
Positive results: 82 % of Job Support participants found employment. Including those already in work. A key reason is that the programme provides direct funding for specific costs for removing barriers to employment.
Negative results: A large proportion of participants (44 %) were already in work, indicating that Job Support funds have often been used to help clients to improve their work performance, rather than directly save jobs. This indicates that the Workbridge staff was not rigorously applying the eligibility criteria for applicants already in employment.

Mainstream

Type of evaluation: Placement Progress Reviews.

Time period analysed: Every sixth month.

Research organisation: State Services Commission

Positive results: 76 % of the participants completing the programme during 1999 gained employment. 97,4 % of the participants and supervisors were satisfied with the programme.

Negative results: N a.

An example of a programme that is generally regarded as successful is Job Support. A key reason for success is that the programme provides direct funding for specific costs for removing barriers to employment. There are also a number of small providers of supported employment services who are generally regarded as successful. They focus on providing support to people with disabilities while in work. These are seen as successful because they help people find work and also show a gradually decrease in the amount of support required. *Table NZ8* presents the results of the evaluations which are available.

8.5 Country-specific characteristics in brief

Table NZ9. Summary of country-specific characteristics of labour market policies for people with disabilities.

Issue	Characteristics
Labour force participation	Labour force participation and employment rates above average. Special disability survey conducted once (1996). Thorough screening of the target population. No questions concerning employment restrictions. The survey also includes most frequent income source.
Labour market programmes	Labour market programmes are used to a medium extent. Vocational rehabilitation is the predominant programme especially targeted at people with disabilities, followed by sheltered employment, vocational training, and supported employment. A vast menu of various programme types. No statistics on people with disabilities in mainstream programmes, but subsidized employment, vocational training and work experience are reported to be the predominant programmes for the target group.
Mainstreaming of policy and institutions	A Minister of the Disabled coordinates disability issues between government departments. "One-stop-shop" concept applied since 1998. Anti-discrimination clause in the Human Rights Act since 1993. Objectives for labour market integration, but not explicitly for integration into open or unsubsidized employment. Small proportion of disability pension recipients.

8.6 Acknowledgements

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8.7 Further reading

Internet

Overview of national institutions: www.gksoft.com/govt/en/nz.html

Department of Labour: www.dol.govt.nz

Accident Compensation Cooperation: www.acc.org.nz
State Services Commission: www.ssc.govt.nz
Statistics New Zealand: www.stats.govt.nz
Work and Income New Zealand (WINZ): www.winz.govt.nz

9 Norway

9.1 Policy

Institutional framework

Disability policy

No specific ministry has sole responsibility at the national level for the general disability policy, but, in policy making, each ministry has to consider the consequences for people with disabilities. The principle of sectoral responsibility in disability policy was first expressed in a white paper in 1977[73], and has been reiterated in white papers and subsequent action plans for people with disabilities during the 1990s. A recent white paper concerning the Action Plan for people with disabilities 1998–2001[74], states that programmes for people with disabilities are to be included as a part of the ordinary activities within the various policy sectors. The Ministry of Social Affairs and Health is responsible for safeguarding the coordination of the general disability policy between the different ministries, and a board of State Secretaries has been appointed for this task.

Labour market policy

The Ministry of Labour and Government Administration is responsible for employment in general and its Department of Labour is responsible for labour market policy concerning the employment of persons with and without disabilities.

Policy focus

The policy for people of working age with disabilities gives priority to programmes which are designed to integrate them into the labour market. The focus on labour market policy was emphasized in the early 1990s, and is formulated in the "Rehabilitation and Work for Occupationally Disabled"[75] white paper as "the working line" in contrast to the "social security line" of passive

[73] Stortingsmelding No 23 (1977-78), "Funksjonshemmede i samfunnet" (people with disabilities in society).
[74] Stortingsmelding No 8 (1998-99), "Om handlingsplan for funksjonshemmede 1998-2001" (concerning the action plan for people with disabilities 1998-2001), p 6.
[75] The authors own translation of Stortingsmelding No 39 1991-92, "Attføring og arbeid for yrkeshemmede".

support. As a result of a vocational rehabilitation reform in 1994, whereby the Labour Market Administration assumed total responsibility for vocationally oriented rehabilitation, the number of occupationally disabled persons registered at the public employment service increased by 25 per cent. In the white paper concerning the action plan for people with disabilities, the Government states that the goal is to give as many disabled people as possible an opportunity to participate in working life.

There is an explicit policy objective of integrating people with disabilities into employment in the open labour market. The 1994 reform aimed to increase the proportion in active schemes and the possibilities of participating in working life, rather than receiving social insurance benefits, and ultimately ensuring that as many people as possible could have ordinary jobs. Employment for people with disabilities in the open labour market may still include a combination of a pension and a regular wage/salary.

Legislation

Equal opportunities and equal participation in working life for people with disabilities are not specifically mentioned in any statute, but people with disabilities are covered in general legislation, together with other citizens.

9.2 Implementation

Institutions

The Labour Market Administration, a national authority which is subordinate to the Ministry of Labour, has overall responsibility for implementation of labour market policy. This agency covers the entire country via 18 county employment offices, which are responsible for the local public employment service. Since 1994, the labour market authorities have overall responsibility for measures targeted at vocationally disabled people, following the transfer of certain responsibilities from the social security office.

Labour market programmes

Mainstream vs targeted labour market programmes

There are no official policy guidelines indicating whether mainstream labour market programmes are to be employed prior to targeted programmes for people with disabilities, or vice versa, but in practice, targeted labour market programmes are given priority. The reason is that appropriations for targeted programmes are exclusively destined for people with occupational handicaps.

Publicly financed labour market programmes

Publicly financed labour market programmes (both mainstream and targeted) for people with disabilities are arranged in the form of national programmes. The national Labour Market Administration administers all labour market programmes via the regional and local public employment service.

Labour market programmes which are not publicly financed

There are hardly any programmes designed to integrate people with disabilities into the labour market that are not financed by public appropriations. However, vocational training is arranged on a small scale by organizations for people with disabilities. These programmes are not extensive[76] compared with publicly financed programmes, and are not growing in importance.

Labour market programmes targeted at people with disabilities

Current programmes

Norway has seven categories of labour market programmes especially designed for people with disabilities: subsidized employment (Wage Subsidy, Integration Subsidy and Job-Training Groups), work experience (Temporary employment in ordinary enterprises), vocational training (Education in the regular school system), supported employment, vocational rehabilitation (In-Plant Rehabilitation, Special Rehabilitation Schemes, and Work Preparation Training Schemes), sheltered employment (Labour Market Enterprises and Work Cooperatives) and public job creation (Public Sector Employment).

A general eligibility criterion is that the job seeker has a physical, mental or social handicap which reduces his/her job opportunities and is therefore registered as vocationally disabled at the public employment service. The employment service decides whether occupational rehabilitation is necessary and appropriate to find or maintain a job and which labour market programme is suitable. About 80 per cent of the occupationally handicapped persons registered at the public employment service are in targeted or mainstream labour market programmes. There is an internal priority between the programmes, which has changed during the 1990s. Programmes aiming to integrate people with disabilities into open employment are emphasized rather than sheltered programmes. *Table NO1* presents the current programmes.

[76] Counted as the number of people with disabilities enrolled.

New programmes

There are plans to introduce new targeted labour market programme for people with chronic diseases whose ability to work changes from time to time (mental diseases and muscle pain for instance).

Additional support

In general, the employer or provider is obliged to adapt the training/work place in accordance with the existing legislation and the social security office is obliged to provide technical aids and personal assistance and to finance these services. This also applies to participation in labour market programmes.

Table NO1. Specifications of targeted labour market programmes for people with disabilities in 1999.

Subsidized employment programmes
Wage Subsidy
Introduction year: 1965.
Priority: First.
Administration: The public employment service.
Goal: Contribute to ordinary employment with standard wages and working conditions.
Activities: Work.
Provider: Open employment providers in the private, public or non-profit sector.
Individual eligibility criteria: Individuals who have completed a rehabilitation process and/or are job ready.
Individual compensation: Ordinary wage from employer.
Compensation to provider: 75 % wage subsidy for the first 6 months. Up to 40 % the next 18 months. Source: Public labour market appropriations.
Provider obligations: Ordinary employment contract.
Max programme time: 2 years.
Integration Subsidy
Introduction year: 1996 (pilot since 1992).
Priority: First.
Administration: The public employment service.
Goal: Help p w d to acquire and keep ordinary jobs.
Activities: Job training in ordinary jobs with assistance from the employer.
Provider: Open employment providers in the private, public or non-profit sector.

Individual eligibility criteria: People with extensive disabilities.

Individual compensation: Disability pension. (Salary from employer up to about NOK 25,000 per year without reduction of pension.) Source: Public social appropriations.

Compensation to provider: Subsidy for operating costs NOK 39,900 (year 1), NOK 31,000 (year 2) and NOK 20,000 (year 3). Source: Public labour market appropriations.

Provider obligations: During the programme time the contract should be renewed and the work capacity and possibilities of further rehabilitation and integration into the work place reassessed.

Max programme time: 3 years.

Job-Training Groups

Introduction year: Late 1970s.

Priority: First.

Administration: The public employment service.

Goal: Improve prospects for transition to ordinary work or education.

Activities: Extraordinary, temporary jobs. Up to 10 months in a job-training group and the rest of the time in the open labour market.

Provider: Public organizations (local, regional and national).

Individual eligibility criteria: Socially disabled young people.

Individual compensation: Wage from employer up to NOK 9,640 per month.

Compensation to provider: 65–100 % wage subsidy during the first 10 months and 50–100 % wage subsidy the following 10 months. 50 % lump sum subsidy of operating and investments costs. Source: Public labour market appropriations.

Provider obligations: The programme is implemented in close cooperation with the public employment service.

Max programme time: Max programme time: 20 months.

Work experience programmes

Temporary employment in ordinary enterprises

Introduction year: Late 1940s.

Priority: First.

Administration: The public employment service.

Goal: Assessment: To establish a rehabilitation objective for an action plan. Work experience: To acquire skills for ordinary work.

Activities: (1) Assessment of working capacity and suitable occupation or (2) work experience.

Provider: Open employment providers in the private, public or non-profit sector.

Individual eligibility criteria: People with uncertain possibilities in the labour market.

Individual compensation: Rehabilitation or sickness benefits or disability pension. Source: Pub-

lic social appropriations. Special rehabilitation initiatives. Source: Public labour market appropriations.

Compensation to provider: –.

Provider obligations: Written report on assessment to the public employment service.

Max programme time: Assessment: 3 months, may be prolonged another 3 months (by the same employer). Work experience: normally 12 months, but up to 3 years for disability pension recipients.

Vocational training programmes

Education in the regular school system

Introduction year: Late 1950s.

Priority: First.

Administration: The public employment service.

Goal: Necessary and useful education to get a suitable job.

Activities: Formal education.

Provider: The regular school system. Also private schools for special courses.

Individual eligibility criteria: People in need of further general education.

Individual compensation: Rehabilitation benefit and rehabilitation grants study materials etc. Source: Public social appropriations.

Compensation to provider: No additional. Source: Public education appropriations. Private provider: Public social appropriations (for school fees for the p w d).

Provider obligations: Not reported.

Max programme time: No formal limit.

Supported employment programmes

Supported Employment

Introduction year: National basis 1996 (pilot since 1993).

Priority: First.

Administration: The public employment service.

Goal: Help p w d to acquire and keep ordinary jobs.

Activities: Job coaches assist in adjustment and training and provide follow-up in ordinary work.

Provider: Open employment providers in the private, public or non-profit sector.

Individual eligibility criteria: People with extensive disabilities.

Individual compensation: Ordinary wage from employer. Also combination disability pension and wage or full disability pension and up to NOK 23,500.

Compensation to provider: Wage and operating costs for job coach, NOK 29,200 per job coach and month. Source: Public labour market appropriations.

Provider obligations: Report every six months to the public employment service or if there are changes or the person leave.

Max programme time: 3 years.

Vocational rehabilitation programmes

In-Plant Rehabilitation

Introduction year: About 1980.

Priority: First.

Administration: The public employment service.

Goal: Encourage employers to undertake rehabilitation measures in the company to prevent exclusion of employees from their work.

Activities: Testing working capacity, provide adjustment in the work place, labour market training and job training.

Provider: Employers in the private and public sector.

Individual eligibility criteria: Individuals in ordinary work who need rehabilitation at their place of work.

Individual compensation: Ordinary wage from employer.

Compensation to provider: 50 % wage subsidy for 6 months, 40 % next 6 months. Operating costs NOK 110 per working day. Source: Public labour market appropriations.

Provider obligations: The employer is obliged to report on health, environmental and safety conditions at the work place before first placement.

Max programme time: 1 year.

Special Rehabilitation Schemes (Project)

Introduction year: Late 1970s.

Priority: First.

Administration: The public employment service.

Goal: Improve prospects of transition to ordinary work or education.

Activities: Training/re-education through school and/or visiting positions in ordinary business and job training.

Provider: Foundations or non-profit organisations.

Individual eligibility criteria: Socially disabled who are not entiteled to social security benefits or await decision on application for social security benefits.

Individual compensation: Social security or UB/training allowance. Source: Public social or labour market appropriations.

Compensation to provider: Compensation for operation costs through approved budget. Source: Public labour market appropriations.

Provider obligations: The programme is implemented in close cooperation with the public em-

ployment service.

Max programme time: 3 years.

Work Preparation Training Schemes

Introduction year: Mid-1970s.

Priority: First.

Administration: The public employment service.

Goal: Help p w d to find ordinary jobs, participate in other programmes or commence education.

Activities: Job training, vocational education and social training to clarify abilities etc.

Provider: Rehab centres within special Labour Market Enterprises (LME).

Individual eligibility criteria: Individuals with uncertain work capacity who need considerable assistance.

Individual compensation: Rehabilitation or sickness benefit or disability pension. Source: Public social appropriations.

Compensation to provider: Operating costs NOK 9,300 per month. Source: Public labour market appropriations.

Provider obligations: Assessment and rehabilitation plan within four weeks. Results reported every third month to the public employment service.

Max programme time: 10 months.

Sheltered employment programmes

Labour Market Enterprises (LME)

Introduction year: Present form 1993 (1955).

Priority: High (Phase 1–2). Low (Phase 3).

Administration: The public employment service.

Goal: Vocational rehabilitation of people with disabilities.

Activities: (1) Assessment and recruitment phase. Assessment of prospects of transition to ordinary work or education or training in LME Phase 2. (2) Rehabilitation phase including on the job-training and formal training. (3) Permanent sheltered employment.

Provider: Community owed limited companies. (2) At least 2/3 of the employees must have a disability.

Individual eligibility criteria: (1) According to general definition. (2) All kinds of disabilities. (3) People with limited prospects of ordinary work. Reduced w c of at least 50%.

Individual compensation: (1a) Rehabilitation or sickness benefit. (1b) UI or special rehab initiatives (socio-medical handicaps). (2)–(3) Ordinary wage from employer. Source: (1a) Public social appropriations. (1b) Public labour market appropriations.

Compensation to provider: (1) Rehabilitation grants NOK 74,900 per year. (2) Wage subsidy NOK 10,700 per month. Rehabilitation grant NOK 64,200 per year. (3) Wage subsidy NOK

10,700 per month. Rehabilitation subsidy NOK 21,400 per year. All figures are per employee with disabilities. Source: Public labour market appropriations.

Provider obligations: (1) Assessment report to the public employment service. (2) Temporary job contract on ordinary conditions. Reports to the public employment service on rehabilitation plans and rehabilitation results every six months. (3) Ordinary employment contract. About 8 %[1] of the participants in Phase 1–3 are transferred to open employment (unsubsidized or subsidized).

Max programme time: (1) 6 months. (2) 2 years. (3) No limit.

Work Cooperatives

Introduction year: 1979.

Priority: Third.

Administration: The public employment service.

Goal: Create permanent jobs that may develop the capacities of p w d.

Activities: Permanent employment in sheltered sector.

Provider: Community owed limited companies. At least 15 % of the employees must have a disability.

Individual eligibility criteria: People with extensive disabilities who receive social security and cannot benefit from other labour market programmes. Reduced w c of at least 50 %.

Individual compensation: Disability pension or rehabilitation benefit. Source: Public social appropriations.

Compensation to provider: Operating costs NOK 77,500 per year and person. Source: Public labour market appropriations.

Provider obligations: Written report on changes or ending to the public employment service. About 5 %[1] of the participants are transferred to open employment (unsubsidized or subsidized).

Max programme time: No limit.

Public job creation programmes

Public Sector Employment

Introduction year: Late 1970s.

Priority: First-second.

Administration: The public employment service.

Goal: Improve employability and prospects for transition to ordinary work.

Activities: Job training in extraordinary, temporary jobs.

Provider: The public sector.

Individual eligibility criteria: No completed rehabilitation process.

Individual compensation: Ordinary wage from employer.

Compensation to provider: Civil service: 100 % wage subsidy. County or municipality: 85 %

wage subsidy first 10 month, then 65 %. Source: Public labour market appropriations.

Provider obligations: Temporary job contract.

Max programme time: 3 years.

[1] Calculated as the number of transitions to open employment over the year as a fraction of the number of remaining participants at 31 December 2000.
Source: "Norwegian Labour Market Policies 1999", Ministry of Labour and Government Administration together with Arild Rygge and Pål Håvorsen, of the Directorate of Labour.

Mainstream labour market programmes

Current programmes

Norway has six categories of mainstream labour market programmes: subsidized employment (Wage Subsidy), self-employment (Private Job-Creation Projects), work experience (In-Plant Training and Trainee Places), vocational training (Apprentices in Government Agencies and Labour Market Training), job rotation (Job Rotation Schemes (education or care leave) and public job creation (the Public Job Creation Programme)

In principle, people with disabilities have access to all these programmes. A general eligibility criterion for all the mainstream Norwegian labour market programmes is registration as unemployed at the public employment service and that the ordinary placement service is insufficient. It also depends on performance of the local labour market. There is no predefined internal priority between the mainstream programmes.

Labour Market Training is the predominant mainstream programme for people with disabilities, apart from the targeted programmes. *Table NO2* presents this programme.

New programmes

There are no tangible plans to introduce any new mainstream labour market programme which are available also for people with disabilities.

Additional support

In addition to the programmes, job-clubs and job search services, such as mobility promoting grants, are also available.

Table NO2. Specifications of the most important mainstream labour market programmes for people with disabilities in 1999.

Vocational training programmes
Labour Market Training
Introduction year: Late 1950s.
Priority: First.
Administration: The public employment service.
Goal: Increase chances for transition to ordinary working life and prevent unemployment. Reduce labour market imbalances caused by lack of skills. Motivate further education.
Activities: Vocational training.
Provider: Unemployed, those at the risk of becoming unemployed and p w d.
Individual eligibility criteria: Employer, the ordinary school system or other provider.
Individual compensation: UB and/or training allowance NOK 215 or NOK 160 (up to 18 years of age) per day. In addition allowances for dependants and travel, housing et cetera. Source: Public labour market appropriations.
Compensation to provider: Contracted education in accordance with tendering procedure. Source: Public labour market appropriations.
Provider obligations: Not reported.
Max programme time: Up to 10 months.

Source: "Norwegian Labour Market Policies 1999", Ministry of Labour and Government Administration. The officers responding have also provided supplementary information.

Services associated with integration into the labour market

Table NO3 presents an overview of the central services available in connection with integration into the labour market and the administration responsible.

In accordance with the current Environment Act, an employer is responsible for the vocational rehabilitation of its employees. The public employment service is primarily responsible for people with disabilities who are unemployed. The public employment service decides if occupational rehabilitation is necessary and appropriate to find or maintain a job and what possible labour market programme is suitable.

As regards transportation to the workplace, the social insurance office is responsible for financial assistance for adaptation of a vehicle, while the county and the municipality are responsible for transport services.

The social security office administers technical aids, while the employer is responsible for supplying technical aids and for adaptation of the workplace for

its own employees, but not during the first six month of employment. The public employment service has a coordinating role in this matter.

Table NO3. Responsibilities of certain services associated with integration into the labour market.

Service	Administration
Vocational rehabilitation	The public employment service and employer
Vocational guidance	The public employment service
Job search	The public employment service
Selection into labour market programmes	The public employment service
Incentives for employers when employing a person with disabilities	The public employment service
Incentives for people with disabilities to become active in the labour market	The public employment service
Transportation to the work place	The social insurance office and local authorities
Technical aids and adaptation of the work place	The social insurance office and the employer
Personal assistance in the work place[1]	The social insurance office

[1] Personal attendant care, not job coach.

The financing of some of these services is presented in *Table NO4*.

Table NO4. Financial sources of certain services associated with integration into the labour market

Service	Financial source
Vocational rehabilitation	Public social and labour market appropriations[1] and employers
Transportation to the work place	Public social appropriations
Technical aids and adaptation of the work place	Public social appropriations
Personal assistance in the work place	Public social appropriations

[1] About 65 per cent of the rehabilitation and training programmes are financed from social appropriations and 35 per cent from labour market appropriations. During the vocational rehabilitation programme most of the participants receive vocational rehabilitation benefits from the National Insurance Scheme.

Disability pension

The social insurance office assesses occupational handicaps and the level of employability for people with disabilities, with the help of medical experts. An investigation is made to see whether the requirements for gainful employment

are permanently reduced or not, or whether the possibilities of choosing an occupation are substantially reduced due to sickness or injury. People whose working capacity is reduced by at least 50 per cent for every possible occupation, may receive a 50–100 per cent (stepwise by intervals of ten percentage points) disability pension or equivalent, and remain at work for the rest of the time. At full disability pension, a person can still have an annual income of about NOK 46,000 (1998) without any reduction in the pension.

Early retirement

Early retirement is used as a way out of long-term unemployment to a limited extent. The medical requirements for entitlement to disability pension have become more stringent during the 1990s, since disability pension usually implies that the individual leaves the labour force for good.

There is a contractual early retirement pension which is applied from 62 years of age, depending on the industry. It seems to have a substitution effect on the number of disability pension recipients.

It is also possible to receive unemployment benefit for up to three years before retirement age (67).

9.3 Statistics

Disability, labour force participation and employment rates

No national survey is conducted to measure the disability, labour force participation and employment rates in the working-age population in which the respondents have defined themselves as having a disability or not in accordance with the UN Standard Rules or ICIDH, or any other survey with an alternative definition of disability.

However, there is survey data on people with employment restrictions due to disability. This data refers to an ad hoc module in a labour force survey conducted by Statistics Norway in the first quarter of 1995.[77] Individuals living in private households were asked whether they experienced any difficulties in finding or retaining an ordinary job due to physical, mental or social conditions. No distinction was made between partial and severe employment restrictions. According to the survey, 14 per cent of the working-age population (16–

[77] A similar survey was (at the time of data collection) due to be conducted in the fourth quarter of the year 2000, with questions about all kinds of disabilities and not confined to questions about disabilities resulting in employment restrictions.

66 years) have employment restrictions due to disability. The labour force participation rate for this group is 41 per cent and the employment rate is 37 per cent. The corresponding percentages are 82 and 77 per cent for the group with no employment restrictions.

Table NO5. Employment restriction rate in the working-age population (16–66 years). Labour force participation and employment rates for people with/without employment restrictions (per cent).

Population	Of working age	In labour force	Employed
With partial employment restrictions	–	–	–
With severe employment restrictions	–	–	–
With employment restrictions, total	14	41	37
Without employment restrictions	86	82	77

Source: Labour force survey first quarter of 1995, Statistics Norway.

Participants in labour market programmes

No survey data is available for the average number of people with disabilities[78] enrolled in various labour market programmes, nor is survey data matched with register data. However, register data on people with employment restrictions registered at the public employment service is available. The public employment service defines employment restrictions as physical, mental or social handicaps which reduce a person's job opportunities.

The stock of participants with disabilities in targeted and mainstream labour market programmes in 1998 corresponds to about ten per cent of the number of people of working age with disabilities according to the 1995 labour force survey, referred to above. About 97 per cent of the participants with disabilities in labour market programmes are in programmes especially designed for the target group. Education in the regular school system is the predominant programme followed by Work Cooperatives and Labour Market Enterprises. *Table NO6* presents the average number of participants in various labour market programmes in 1998.

[78] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.

Table NO6. Numbers of participants with disabilities enrolled in labour market programmes, average monthly stocks in 1998.

Progr targeted at people with disabilities	Counted in the LF	Number of people with disabilities
Wage Subsidy	Yes	1,670
Integration Subsidy	Yes	510
Job-Training Groups	Yes	260
Temporary Employment	Yes	4,440
Education in the regular school	No	15,930
Supported Employment	Yes	950
In-Plant Rehabilitation	Yes	720
Special Rehabilitation Schemes	Yes	100
Work Preparation Training Schemes	Yes	940
LME Phase 1	Yes	1,050
LME Phase 2	Yes	2,480
LME Phase 3	Yes	1,920
Work Cooperatives	Yes	5,640
Public Sector Employment	Yes	1,880
Total	–	38,490
Mainstream programmes	**Counted in the LF**	**Number of people with disabilities**
Wage Subsidy	Yes	0
Private Job-Creation Projects	Yes	0
In-Plant Training	Yes	0
Trainee Places	No	20
Apprentices in Government Agencies	No	0
Labour Market Training	No	1,090
Job Rotation Schemes (edu leave)	Yes	0
Job Rotation Schemes (care leave)	Yes	0
Public Job Creation	Yes	0
Total		1,110

Source: The Labour Market Administration.

Participants in programmes with paid income from the employer are regarded as employed, while participants in programmes focussed on vocational education are regarded as not in the labour force. According to Statistics Norway, more than 50 per cent of the participants in government measures are classified

as employed in the LFS, about 15 per cent are classified as unemployed and the rest are classified as not in the labour force[79].

Main income source

No survey data is available for the main or most frequent income source for people with disabilities[80], nor is survey data matched with register data. However, the number of disability pension recipients amounts to about 68 per cent of the number of people with employment restrictions in the working-age population, of whom about 13 per cent received a partial pension[81].

The Ministry of Labour makes a rough estimation that about 60 per cent of those who are registered as vocationally handicapped at the public employment service receive vocational rehabilitation benefits from the social security system. A further 15–20 per cent receive a regular wage and the remainder receive unemployment benefits, training allowances, or disability pension.

9.4 Evaluation and research

Institutions

Several different research institutions (universities, government authorities, trade unions and independent research organizations) submit competitive tenders for the evaluation of the government financed labour market programmes.

Policy, legislation and implementation issues

A potential conflict between different policy goals is, for instance, between programmes which aim at integration into ordinary working life and sheltered employment. If the available financial resources are tied up in permanent (sheltered) programmes with almost no transitions to ordinary working life, placements in mainstream programmes have to be reduced.

Legal protection for people with disabilities in the labour market is not regarded as having an impact on integration. Norway has no special legislation intended to promote the integration of people with disabilities into working life.

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[79] According to a study based on the combination of LFS and register data for 1993 and 1997 conducted by Statistics Norway.

[80] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.

[81] Sources: Own calculations of disabilty pension recipients according to the National Insurance Administration (see specifications in Annex 3) and the number of people with employment restrictions in the working-age population according to the labour force survey in 1995 (Statistics Norway).

There is a political consensus that integration of people with disabilities into working life is best achieved through financial measures. The absence of legislative measures indicates that legislation is not regarded as a well-defined or effective measure to promote integration.

When considering the implementation of the policy for integrating of people with disabilities into the labour market, no official document indicates the lack of any tool to fulfil the policy objectives in the present strategy. It is more a matter of how many people each programme can employ, and what priority each programme is to have.

Repeated participation in labour market programmes by people with disabilities is not viewed as a problem by the labour market authorities.

Creaming effects are not officially regarded as a problem, but independent researchers have paid some attention to this issue. One question is whether certain groups, such as social welfare recipients, have sufficient access to labour market programmes. There is an official emphasis on examining the possibilities of participation in labour market programmes for people with uncertain prospects in the labour market.

Another issue in implementing the labour market policy for people with disabilities in Norway is the cooperation between different institutions (e g the public employment service, community authorities, social security office and health care). This particularly involves the group of severely disabled and people with multiple disabilities.

Evaluation of labour market programmes

Eight of the 12 labour market programmes especially targeted at people with disabilities are evaluated, mainly in the form of implementation studies. There are no evaluations of Job Training Groups, Special Rehabilitation Schemes, Work Preparation Training Schemes and Public Sector Employment reported. Examples of programmes that are regarded as successful include education in the regular school system for participants with satisfactory prerequisites (which seems to have a good employment effect) and supported employment (which seems to have an integrating effect on people with severe occupational handicaps). *Table NO8* presents the results from available evaluations.

Table NO8. Evaluations of targeted labour market programmes for people with disabilities.

Wage Subsidy

Type of evaluation: Follow-up.

Time period analysed: 1995.

Research organisation The Directorate of Labour.

Positive results: Two out of three participants enter ordinary employment after completing the programme.

Negative results: N a.

Integration Subsidy

Type of evaluation: Follow-up.

Time period analysed: 1994.

Research organisation: The Institute for Applied Social Science (FAFO).

Positive results: More than 70 % of the participants were still employed when the subsidy expired.

Negative results: N a.

Temporary Employment in Ordinary Enterprises

Type of evaluation: Implementation study with econometric impact analysis.

Time period analysed: 1229 participants who had left the programme between 1 April 1993 and 31 March 1994 answered a questionnaire in November 1995.

Research organisation: The Institute for Applied Social Science (FAFO).

Positive results: About as many people were in full time work as those receiving disability pension (45 % altogether) at the time of the survey. 2/3 said that the work tasks were in line with their wishes and expectations. Completion of the programme and whether the participant gives an active picture and views the programme as useful ex post, have a considerable impact on integration into employment or education.

Negative results: Many of the participants were displeased with the public employment service support during the programme. 30 % of the leavers in ordinary work were employed by the same employer as on the programme. 24 % obtained their employment by contacting the employer directly, 15 % via an ad in the newspaper, 13 % via their social network and only 10 % via the public employment service.

Education in the regular school system

Type of evaluation: Implementation study with econometric impact analysis.

Time period analysed: 581 persons who had finished the programme during the second half of 1996 responded to a questionnaire 11–18 months after they had completed the course.

Research organisation: The Institute for Applied Social Science (FAFO).

Positive results: About 1/3 of the leavers immediately found a job and about 2/3 had a job at the

time of the survey. Generally, men manage to get into work more frequently than women. Schooling background has an impact, but participants with vocational training school are at least as successful as those who have a college or university background.

Negative results: Young people aged 18–24 are less likely to proceed to work compared with adults. Heath has an important impact on integration into the labour market. Many sectors of the labour market (even the sheltered market) do not accept severe disabilities.

Supported Employment

Type of evaluation: Implementation study.

Time period analysed: 1996–97.

Research organisation: The Work Research Institute.

Positive results: The programme enhances the possibilities of integration in ordinary jobs for people with a comprehensive reduction in their working capacity.

Negative results: N a.

In-Plant Rehabilitation

Type of evaluation: Follow-up study.

Time period analysed: 1995.

Research organisation: The Institute for Applied Social Science (FAFO).

Positive results: Most effective in large enterprises.

Negative results: Lack of information.

Labour Market Enterprises (LME)

Type of evaluation: Implementation study.

Time period analysed: 1995.

Research organisation: The Work Research Institute.

Positive results: The enterprises were reformed in 1993, and the study confirms that the quality of the vocational services has improved.

Negative results: N a.

Work Cooperatives

Type of evaluation: Implementation study.

Time period analysed: 1997–98.

Research organisation: The Work Research Institute and Nordland Research Institute.

Positive results: The cooperatives are oriented towards vocational training and production.

Negative results: No clear-cut line between state and municipal authorities with regard to state-financed sheltered workshops and municipal day centres.

9.5 Country-specific characteristics in brief

Table NO9. Summary of country-specific characteristics of labour market policies for people with disabilities.

Issue	Characteristics
Labour force participation	Average labour force participation and employment rates. No survey conducted covering the broader group of people with disabilities. Two dimensions of employment restrictions included in the labour force survey once (1995). The results are sensitive to participation in labour market programmes.
Labour market programmes	Labour market programmes are used to a large extent. Vocational training is the predominant programme especially targeted at people with disabilities, followed by sheltered employment. A vast menu of various programme types. Econometric evaluation studies reported. In principle, mainstream programmes are not utilized at all. Vocational training is the only mainstream programme for the target group. When both targeted and mainstream programmes are taken into account, more than 2/5 of the participants with disabilities are in vocational training programmes and only a minor proportion in subsidized employment or work experience programmes.
Mainstreaming of policy and institutions	The Ministry of Social Affairs and Health coordinates disability policy across government departments. No anti-discrimination legislation. Explicit objectives for integration into open employment. Medium proportion of disability pension recipients.

9.6 Acknowledgements

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9.7 Further reading

Printed matters

Ministry of Labour and Government Administration (1998), *Norwegian Labour Market Policies 1999*, Summary Report No 1 to the Norwegian Parliament (1998/1999), Ministry of Labour and Government Administration, Olso.

Internet

Overview of national institutions: www.gksoft.com/govt/en/no.html

Ministry of Labour and Government Administration: odin.dep.no/aad
Ministry of Health and Social Affairs: odin.dep.no/shd

Labour Market Administration: www.aetat.no
National Insurance Service: www.trygdeetaten.no
Statistics Norway: www.ssb.no

10 Poland

10.1 Policy

Institutional framework

Disability policy

The Ministry of Labour and Social Policy is responsible at the national level for establishing the general disability policy but each ministry has to consider the consequences for people with disabilities. In accordance with the Employment and Vocational Rehabilitation of the Disabled Act of 1991, a position of Secretary of State, the Government Plenipotentiary for the Disabled, was created within the Ministry of Labour and Social Policy. The Plenipotentiary is responsible for shaping and creating the national social policy for people with disabilities, the employment policy for these people and for the coordination and supervision of the tasks resulting from the Act.

In 1994, a governmental "Programme of Activities for the Benefit of People with Disabilities and their Integration in Society" was implemented. The programme defines the long-term, strategic and ultimate goals of the state towards people with disabilities. The main objective of the programme is the undertaking of multi-sectoral activities to create conditions to enable people with disabilities to freely carry out activities in all areas of society. The programme was implemented in annual cycles up to the year 2000. Government departments and central offices notify and implement tasks designed to meet strategic goals on an annual basis. The activities are financed from budgetary resources, and co-financed with the resources of the State Fund for Rehabilitation of Disabled Persons (PFRON), which is the compensatory levy fund in Poland. Prior to 1991, there were no general and comprehensive regulations concerning persons with disabilities in the field of social and vocational rehabilitation and employment.

Labour market policy

The Ministry of Labour and Social Policy is responsible for employment in general and, as described above, a specific unit (the Office of the Government Plenipotentiary for the Disabled) within the Ministry is responsible for employment of people with disabilities.

Policy focus

The policy for people of working age with disabilities gives priority to programmes which are designed to integrate the target group into the labour market. The focus of the policy was changed in the early 1990s in line with the transition from the previous East- European economic structure. The legal basis for the new policy was first expressed in the Employment and Vocational Rehabilitation of People with Disabilities Act of 9 May 1991. This Act was replaced by the Vocational and Social Rehabilitation and Employment Act on 27 August 1997.

The quota system involves an explicit policy of integrating people with disabilities into employment in the open labour market. This objective was first expressed in the Act of 9 May 1991. However, employment via the quota obligation may be combined with subsidized employment.

Legislation

Equal opportunities and equal participation in working life for persons with disabilities are expressed in integrated and general legislation.

The Labour Code (Article 11.3), which is a collection of laws related to the rights and duties of the employees and employers, states that any discrimination in labour relations, for example for disability reasons, is inadmissible.

The Employment and Vocational Rehabilitation of People with Disabilities Act of 1991 (replaced by the Act of 27 August 1997) takes into account "the necessity to implement the principle of equal opportunities for people with disabilities within society and to create an employment policy for these people."

The Constitution of the Republic of Poland in 1997 forms a basis for the implementation of the objective of ensuring fundamental equality of opportunities and integration in the community for people with disabilities. Article 2 of the Constitution provides that the Republic of Poland is a democratic state of law, fulfilling the principles of social justice, and Article 32 contains a statement that "all persons shall be equal before the law" and that "no one shall be discriminated against in political, social or economic life for any reason whatsoever". Thus, this rule also forbids discrimination on grounds of disability.

The Charter of Rights of Persons with Disabilities is a resolution of the Seym (the lower chamber of the Polish Parliament) in 1997 stating that "the disabled have rights to an independent, self-reliant and active life and that they cannot be discriminated against". A ten-point list defining the above statement, mentions (among other things) the right of persons with disabilities to have ac-

cess to goods, properties and services which enable them to participate fully in the life of the whole society. It also says that people with disabilities have rights to employment on the open labour market in accordance with their qualifications, education and abilities. They are also entitled to vocational guidance, job placement services and, if required due of disability and health state, the right to work in environments adapted to the needs of persons with disabilities.

10.2 Implementation

Institutions

The National Labour Office, a national authority subordinate to the Ministry of Labour and Social Policy, has overall responsibility for implementation of labour market policies which involve regional government policy, cooperation and conclusion of contracts with autonomous authorities at regional and local level, and funding via the Labour Fund.

There are two administrations at regional level: the government administration and the autonomous authority. The central-government regional administration is subordinated to the Prime Minister and the tasks comprise, in particular, control (on the administration's own initiative or at the request of the Minister of Labour and Social Policy or the President of the National Labour Office) of the realization of tasks which fall within the scope of government administration and which are implemented by autonomous authorities. The administration also exercises supervisory functions concerning the required standard of services delivered by the regional and local autonomous authorities and the appropriate qualifications of the staff of these offices.[82]

Local labour offices (the public employment service) are responsible for the registration of unemployed persons or job seekers, job placement, vocational guidance, vocational training and retraining, and for financial support of the employment of disabled and non-disabled persons involving the use of Labour Fund resources.

In addition, the local authorities are responsible for providing support from the compensatory levy fund (the "PFRON") for the employment of persons with disabilities who are registered with the employment service. This will for example involve refunding employers' costs in connection with the organization of new jobs, or the adaptation of existing positions, and to meet needs re-

[82] The tasks are determined in the Act on Employment and Counteracting Unemployment of 1994 (with amendments).

sulting from a disability. Wage subsidies for recently employed persons with disabilities referred by the local employment service, the granting of favourable loans for self-employment start-ups, and co-financing of the costs of the re-training of disabled employees provided by employers may also be part of the support. Local authority family centres are responsible for co-financing (through PFRON) costs related to holiday rehabilitation stays for people with disabilities, occupational therapy workshops[83] and the removal of architectural barriers (at home and in the environment).

The responsibilities of the authorities mentioned above are the result of the public administration reform, which was universally applied as from 1 January 1999. Until the end of 1997, there were regional centres which provided specialist services for people with disabilities at the regional labour offices. These centres were responsible for vocational guidance, training, retraining for the target group and subsidies to employers who took on disabled workers. In 1998, these tasks were incorporated into the mainstream organization of the regional labour offices. From 1 January 1999, some responsibilities concerning vocational and social rehabilitation and employment for people with disabilities were transferred from the central-government regional administration to the regional and local autonomous authorities. From 1 January 2000, regional labour offices have been incorporated into the regional autonomous authorities, together with many of their tasks, and local employment offices are incorporated into local autonomous authorities.

Labour market programmes

Mainstream vs targeted labour market programmes

There are no official policy guidelines indicating whether mainstream labour market programmes are to be employed prior to labour market programmes targeted at people with disabilities, or vice versa, but in practice targeted programmes are given priority. This is because these programmes are only funded from the compensatory levy fund for people with disabilities (and cannot be used for other purposes).

[83] The occupational therapy workshops are day centres, which ensure the social rehabilitation, connected with elements of vocational rehabilitation, for people with disabilities who due to their health conditions and disabilities are not capable to perform paid work even within the sheltered employment system. The participants are not employees and they do not receive wages (they receive pocket money to 20 % of a minimum wage).

Publicly financed labour market programmes

Publicly financed labour market programmes (both mainstream and targeted) for people with disabilities are arranged in the form of national programmes, administered by the local joint administration (which includes the employment service). The head of the central-government regional administration decides and establishes the status for sheltered work establishments.

Labour market programmes which are not publicly financed

There are no known programmes designed to integrate people with disabilities into the labour market that are not financed from public appropriations.

Labour market programmes targeted at people with disabilities

Current programmes

Poland has four categories of labour market programmes designed for people with disabilities: statutory employment quota (Quota scheme with levy), subsidized employment (Reimbursement of wages and employment costs), vocational training (Vocational training for people with disabilities) and, sheltered employment (Sheltered work establishments). Vocational rehabilitation is not arranged as a programme of its own, but as a way of enabling a person with disabilities to use vocational guidance, vocational training and job placement services. A general eligibility criterion for participation in targeted labour market programmes is legal confirmation of disability by local authorities and registration as unemployed with the local employment service, or being a job seeker without work[84].

There is no predefined internal priority between the programmes. The quota system is a way of increasing employment for people with disabilities. Other targeted programmes are viewed as complementary instruments which contribute to this objective. *Table PL1* presents the programmes in detail.

New programmes

There are tangible plans for introducing new labour market programmes targeted at people with disabilities. A regulation concerning "Vocational Activity Establishments" was issued at the beginning of 2000. These arrangements aim

[84] Those receiving income from the social insurance system, e g disability or old age pension, cannot be registered as unemployed at the public employment service, but may still be eligible for the targeted labour market programmes.

to support a person with disabilities to create an independent, self-reliant and active life in accordance with his/her individual abilities, and who is preparing for life in the open environment or for work in a sheltered work establishment. This initiative is financed by the compensatory levy fund, and may be established by non-profit organizations or by separate units within local authorities. In order to receive this status, the proportion of severely disabled workers must be between 70–75 per cent, depending on whether the activities are manufacturing or services. The employee must have a working time of at least four hours per day and between one and two additional hours of rehabilitation activities.

Additional support

In addition, several services and grants are available for persons with disabilities, e g favourable loans for start-up initiatives in business or farming, which may be written off by half if the activity continues for at least 24 months. The local offices for the compensatory levy fund grant a subsidy for the purchasing and possible adaptation of a car as a means of transportation to the work place. This involves a five-year interest-free loan (or co-financing of a bank credit) of up to 80 per cent of the price of the car, with a upper limit of PLN 18,000.

The same offices administer preferential loans for blind and weak-sighted persons for the purchasing of a computer to permit a vocational activity, education and social rehabilitation at home, involving an interest-free loan equivalent to as much as ten average salaries, with a repayment period of ten years. Fifty per cent of the loan granted may be written off when the first half is repaid. In general, the employer is responsible for providing work-place adaptations and technical aids for participants with disabilities in labour market programmes, which may be partially or fully reimbursed by the head of the local authority, in accordance with the contract concluded with the employer.

Table PL1. Specifications of labour market programmes targeted at people with disabilities in 1999.

Statutory employment quota
Quota scheme (with levy)
Introduction year: 1991.
Priority: Mandatory.
Administration: The national office of the State Fund for Rehabilitation of Disabled Persons.
Goal: Providing employment for people with disabilities and ensuring the resources of the com-

pensatory levy fund.

Activities: Work.

Provider: All private and public employers with more than 25 employee (full time equivalents). Non-profit organizations are only included if they are not active in the field of social or medical rehabilitation, education or care of persons with disabilities. Before 1 January 1999 the number of employees was 50.

Individual eligibility criteria: Persons whose physical, psychical or mental state permanently or temporarily hinders, limits or makes it impossible to fulfil social functions, especially to perform work, and who have received legal confirmation which states that they: (1) are qualified by the authorized assessment bodies for one of the three degrees of disability (severe, moderate or minor), (2) have full or partial disability to perform work, or (3) have the kind and degree of disability which applies to a person under 16 years of age.

Individual compensation: Regular wage from the employer. At the same time a disability pension or social pension may be paid depending on the amount of income from work.

Compensation to provider: (Not applicable from 1 January 2000, but the employer may benefit from other employment subsidies, see Reimbursement of wages and employment costs). Eligible employers whose work force consists of at least 7 % disabled people, have the right to the corresponding percentage of corporate income tax relief. If there are more than 50 % disabled in the work force, the employer is exempted from tax. Half the gain has to be repaid to the compensatory levy fund. Source: Reduction of national tax revenue.

Provider obligations: 6 % of the work force shall comprise people with disabilities otherwise, there is a levy of 40.65 % of one average wage for each employee with disabilities less than 6 %. The percentage may be reduced if persons with disabilities which considerably restrict working ability are employed. For state and autonomous organizational units and agencies and some cultural institutions, the quota obligation is only 2 %. For educational institutions the quota is 0.5 % in 2000, to be increased to 1 % in 2001–2004 and 2 % in 2005. Disabled students are also included in the fulfilment of the quota.

Max programme time: Unlimited.

Subsidized employment programmes

Reimbursement of wages and employment costs (may be combined with the quota obligation)

Introduction year: 1991.

Priority: Not predefined.

Administration: The head of the local authority.

Goal: To give employers incentives to employ people with disabilities.

Activities: Work.

Provider: Private, non-profit and public organisations. Special rules apply to small companies with up to 24 employees.

Individual eligibility criteria: As in the quota scheme, plus registration with the public employment service as unemployed or job seekers without work (recipients of disability pension or social pension)[1] and referred by the public employment service.

Individual compensation: Regular wage from the employer. At the same time a disability pension or social pension may be paid, depending on the income from work.

Compensation to provider: (1) Reimbursement of wages for new work positions, including employer's mandatory social insurance contributions for old-age pension, disability pension, work accidents and occupational diseases (excluding the costs reimbursed in item (3) below) in accordance with agreements between the local autonomous authority and the employer. (2) One-off reimbursement of costs for adaptation and equipment at the work place equivalent to 25 average salaries[2] for every position filled with people with disabilities. The reimbursements may be increased to between 25 and 40 average salaries if new jobs are created or existing jobs are adapted for people with severe disabilities. (1)–(2) may be combined. (3) Small companies (up to 24 employees) employing people with moderate or severe disabilities not applying for (1) and (2) may benefit from: (a) The employee's mandatory old-age pension insurance contributions remain at the disposal of the employer (paid by the compensatory levy fund to the National Insurance Institution.) (b) Wage costs are reduced corresponding to the employer's mandatory old-age pension contributions. No limit in time. (c) The employer may also apply for reimbursement of wages equivalent to 50 % of 12 minimum wages (paid every second month) including employer's mandatory social insurance contributions. (a)–(c) may be combined. Source: (1)–(3): The compensatory levy fund. (3b): Reduction of the national tax revenue.

Provider obligations: Costs for adaptation of the work place and technical aids are included in the reimbursement of costs for creating a new work place for a person with disabilities.

Max programme time: (1) Reimbursement of wages every second month for up to 36 months but obligation to employ for 54 months. (2) Obligation to employ for 54 months. (3) (a) and (b): No limit in time. (c) Up to 24 months. No further employment obligation.

Vocational training programmes

Vocational training for people with disabilities

Introduction year: 1991.

Priority: Not predefined.

Administration: The local employment service.

Goal: To give p w d new or different vocational skills.

Activities: Includes both classroom training and work experience in a company.

Provider: Private, non-profit and public providers. There are also plans for establishing special centres for rehabilitation and training. Alternatively, an employer may arrange the training (applicable to all sectors). A person with disabilities may also arrange training.

Individual eligibility criteria: As in the quota scheme, plus registration with the public employment service as unemployed or job seekers without work (those who are recipients of disability pension or social pension) and directed to work by the public employment service. Also persons during the period of dismissal with notice for reasons related to the employer, and persons receiving special training pension who are referred for re-qualification.

Individual compensation: If not arranged by an employer the individual may receive one of the following benefits: (1) Unemployment benefit and an additional 20 % training supplement. (2) Disability pension. (3) Training pension for people not qualified for disability pension but referred for retraining due to inability to continue previous profession. (4) Social pension granted to persons of lawful age, completely incapable of work due to congenital disability. Source: (1)

Labour market appropriations. (2)–(4) Social appropriations. If arranged by an employer, the employer pays a regular wage.

Compensation to provider: If not arranged by an employer and the person is referred by the public employment service, the cost of the vocational training course may be covered fully. If arranged by the individual him/herself the cost of the vocational training course may be covered to an equivalent of 10 average salaries. If arranged by an employer, the cost may be refunded up to 75 %, but not exceeding 2 average salaries on condition that the person is employed at least 24 months after the training is completed. Source: The compensatory levy fund.

Provider obligations: Not reported.

Max programme time: Up to 36 months.

Sheltered employment programmes

Sheltered work establishments

Introduction year: 1991.

Priority: Not predefined.

Administration: The Government Plenipotentiary for Disabled Persons. From 1 January 2000 also the central-government regional administration.

Goal: To ensure employment on sheltered conditions for p w d not having access to the open labour market due to disability.

Activities: Work in a sheltered environment.

Provider: Mainly private enterprises and some cooperatives. An employer with at least 20 employees (full time equivalents) where the rate of disabled persons is at least 40 %, of whom 10 % are people with severe or moderate disabilities. Alternatively the work crew may be made up of 30 % blind or mentally ill or mentally handicapped people with a severe or moderate degree of disability. The employer makes an application for a status as a sheltered work employer, which will be valid for 3 years.

Individual eligibility criteria: As in the quota scheme.

Individual compensation: Wage from the employer. A disability pension or social pension may be simultaneously paid depending on income from work. Source: Public social appropriations.

Compensation to provider: (1) 90 % of the employee's personal income tax may be paid into the workshop's Fund for Rehabilitation of Disabled Persons (destined for funding of vocational, social and medical rehabilitation and individual assistance in the workshop) and the remaining 10 % to the compensatory levy fund. (2) Reimbursement of value added tax. (3) Reimbursement of wages (excluding costs covered by item (6) and (7) below) for new work posts, in accordance with agreements between the local autonomous authority and the employer. (4) One-off reimbursement of costs for adaptation and equipment at the work place, equivalent to 25 average salaries[2] for every position filled with people with disabilities. The reimbursements may be increased to between 25 and 40 average salaries if new jobs are created or existing jobs are adapted for people with severe disabilities. (5) For people with a mental handicap, mental illness or epilepsy, a wage subsidy of up to 75 % of the minimum wage may be paid. (6) Partial reduction of wage costs corresponding to the employer's mandatory contribution to (a) old-age pension and disability pension insurance, (b) work accidents and occupational diseases. (7) Partial reduction of the employee's mandatory old-age pension and sickness insurance contributions which continue to be at the disposal of the employer (paid by the compensatory levy fund to the

National Insurance Institution). (1)–(7) may be combined. Source: (1)–(2), (6a) Reduction of national tax revenue. (3)–(5), (6b), (7): The compensatory levy fund.

Provider obligations: To provide first aid and special medical care, vocational guidance and rehabilitation services. The buildings and premises must comply with provisions and rules for work safety and hygiene. Adaptation and accessibility of the work station must be provided.

Max programme time: (1)–(2) Unlimited. (3) Reimbursement of wages every second month for up to 36 months but obligation to employ for 54 months. (4) Obligation to employ for 54 months. (5)–(7): No limit.

[1] Training pension is granted by Social Insurance Institution to persons not qualified for disability pension but directed for requalification because of inability to continue his/her profession. Social pension is granted to persons of legal age, completely incapable for work due to permanent disability existing before the age of 18, irrespective of income.
[2] "Average salary" is an average salary in the economy for the past quarter of the year presented by the Central Statistical Office.

Mainstream labour market programmes

Current programmes

Poland has three categories of mainstream labour market programmes: multi-programme (School-Leavers Employment which includes training, work experience and subsidized employment), vocational training, and public job creation (Relief Work and Public Work). In principle, people with disabilities have access to all these programmes but, in practice, the targeted programmes are used for all individuals with legal confirmation of disability. A general eligibility criterion is that a person is registered as "unemployed". There is no predefined internal priority between the mainstream programmes.

New programmes

There are no tangible plans for introducing any new mainstream labour market programmes which are also available for people with disabilities, but every new mainstream programme will include persons with disabilities. There are no data on people with disabilities in mainstream programmes and no information concerning which of the mainstream programmes is predominant for people with disabilities, apart from targeted programmes.

Additional support

In addition, subsidies in form of loans are also available from the head of the local autonomous authority for employers who create additional work places for people registered as unemployed, and also loans for start-up initiatives in business, including farming. The loans may be remitted on special terms.

Services associated with integration into the labour market

Table PL3 presents an overview of central services available in connection with integration into the labour market and the administration responsible.
Vocational rehabilitation: The local employment offices (which, since 2000, are units within the local authority offices) provide vocational training which (combined with vocational guidance and placement services) aims to facilitate obtaining and retaining an appropriate job and vocational promotion. The employers may also provide vocational training for their employees.

Specialized training and rehabilitation centres are planned to provide such rehabilitation in the future, which may include vocational training for people who cannot take part in training by other means, and are referred by the local employment service. It may also include assessment of psycho-physical abilities in relation to the requirements of various professions, specification (by means of ability tests) of capabilities and development prospects. Board and lodging, didactic aids, medical care and rehabilitation services will also be available in these centres. Since 1998, co-financing via the State Fund for Rehabilitation of Disabled Persons is available for local authorities for the establishment of such centres.

Table PL3. Responsibilities of certain services associated with integration into the labour market.

Service	Administration
Vocational rehabilitation	The public employment service and the employer.
Vocational guidance	The public employment service
Job search	The public employment service and authorized NGO:s
Selection into labour market programmes	The public employment service and the head of the local authority
Incentives for employers when employing a person with disabilities	The head of the local authority and the local offices of compensatory levy fund
Incentives for people with disabilities to become active in the labour market	The public employment service, the head of the local authority and the local offices of compensatory levy fund
Transportation to the work place	(No general scheme exists. The compensatory levy fund and some sheltered work establishments may provide it.)
Technical aids and adaptation of the work place	The employer and the head of the local authority
Personal assistance in the work place[1]	–

[1] Personal attendant care, not job coach.

Job search: In addition to job placement provided by the local employment services, the President of the National Labour Office may authorize various agencies, organizations (both private and non-profit) and institutions to provide placement services.

Incentives for people with disabilities to become active in the labour market: Favourable loans are available for start-up activities with co-financing of 50 per cent of the interest rates of a bank credit incurred for continuing economic activity. The head of the local autonomous authority administers the loans from the resources of the State Fund for Rehabilitation of Disabled Persons, which is the compensatory levy fund for payments from employers who do not fulfil the quota obligation.

The financing of some of these services is shown in *Table PL4*. The services for which the local authorities are responsible are refunded from the resources of the State Fund for Rehabilitation of Disabled Persons.

Transportation to the work place is not regulated in legislation, but some employers (mainly sheltered employment providers) may fund it. The compensatory levy fund also gives favourable loans for the purchase and adaptation of a car.

Technical aids and adaptation of the work place are subsidized by the compensatory levy fund to a certain level. If an employer arranges a work place for a person with disabilities, the cost of adapting it may be reimbursed by up to 25 average salaries, and increased by up to 40 average salaries for each work place organized for a person with a severe disability.

Table PL4. Financial sources of certain services associated with integration into the labour market.

Service	Financial source
Vocational rehabilitation	The compensatory levy fund
Transportation to the work place	Employer, employee and the compensatory levy fund
Technical aids and adaptation of the work place	The compensatory levy fund and employer
Personal assistance in the work place	–

Disability pension

For non-pension related purposes: Teams (consisting of physicians, psychologists, pedagogues, vocational advisers and other specialists, when necessary, where the physician is the chairman) from the local authority (as the first instance) and teams from the regional authority (as the second instance) assess

the degree of disability. They also issue certificates making individuals eligible for disability services and benefits in accordance with the Vocational and Social Rehabilitation and Employment of People with Disabilities Act of 1997. Such certificates may include recommendations concerning training (including specialist training), adequate employment in the light of the psycho-physical abilities, the use of rehabilitation appropriate for needs and abilities, social assistance services, the provision of orthopaedic devices and other aids, participation in occupational therapy, the use of community assistance systems for independent living – regarded as the use of social and care services provided by a network of social institutions, NGOs and others. The certificate is also recognized as the basis for various entitlements and reliefs (for example: tax relief, reduced charges for public transport, and reductions for postal and telecommunication services).

For disability pension purposes: Authorized physicians of the Social Insurance Institution assess incapacity to work for employed persons and issue certificates for this purpose which also makes the customer eligible for the services mentioned under non-pension purposes.

People employed in "uniform services" (the police and the army, etc.) are assessed by special boards, subordinate to the ministries responsible. Medical boards of the Agricultural Social Insurance Fund issue statements regarding incapacity to work for employees in the farming sector.

A person threatened with incapacity for work because of his/her illness is entitled to receive sickness benefit for not longer than six months. If a person thereafter is still incapable of work and if it is expected that continued medical treatment or rehabilitation will bring the person back to work, the duration of sickness benefit entitlement may be prolonged for not more than three months. After these periods, if the person is still incapable of work and it is expected that further medical treatment or rehabilitation will result in resumption of his/her capacity for work, he/she may receive rehabilitation benefit for a period not longer than 12 months.

Disability pension may be granted to an individual deemed to be unable to work, i e to a person who has totally or partially lost the ability to perform paid work for health reasons and is unlikely to regain the ability to work after he has been retrained. In this context, totally unable to work means an individual who has lost the ability to perform any kind of work. Partly unable to work means an individual who, to a significant extent, has lost his/her ability to perform work in keeping with his qualifications. To be eligible for disability pension, a

five year contribution period during the last ten years is required (between one and four years for those under 30) and that the disability occurred in the course of employment or within 18 months of cessation of work. The amount paid in the case of total disability is equivalent to the old-age pension and the partial disability pension amounts to 75 per cent of the full disability pension.

Recipients of disability pension may be employed, but an income from work of more than 70 per cent but less than 130 per cent of average national salary results in partial suspension of disability pension and an income of more than 130 per cent results in total suspension of the benefit. A person who receives disability pension may not receive unemployment benefit.

A person of lawful age, completely incapable of work due to permanent disability before the age of 18, during studies in secondary school, in a higher education institution before reaching the age of 25, or during doctoral studies or scientific research, is entitled to a social pension (from social welfare), irrespective of income (from family income or survivor's pension, for example). A person who is also qualified for disability or old-age pension is only entitled to one of the pensions, the most beneficial one or the one that the individual chooses.

A training pension may be granted by the Social Insurance Institution to people who are not qualified for disability pension if authorized physicians refer them for requalification due to their inability to continue in their existing occupation.

Early retirement

Disability pension is used as a way out of long-term unemployment, but this tendency was more predominant in the early stages of economic transition in the early 1990s, when the unemployment problem emerged. At this time, a sharp increase of the number of persons receiving disability pension was observed, and the pension was probably used as a substitute for unemployment. The eligibility criteria for receiving disability pension have become more stringent and the remarkable increase in disability pension recipients ceased after 1995. Nowadays the number of recipients is roughly constant.

The statutory retirement age for people born in 1949 and later is 60 for women and 65 for men and there is no general early retirement scheme. Early retirement is available for people born earlier on the following conditions: For men of at least 60 years of age with contribution and non-contribution periods of at least 25 years and declared totally unable to work. For women the corre-

sponding years are 55 and 20, but there is also an alternative of 55 years and 30 contribution and non-contribution periods without the criteria of being unable to work. It is also possible for people born between 1949 and 1968 to take advantage of the same early retirement conditions, if they choose.

10.3 Statistics

Disability, labour force participation and employment rates

No national survey is conducted to measure the disability, labour force participation and employment rates in the working-age population, in which the respondents have defined themselves as having a disability or not in accordance with the United Nations Standard Rules or ICIDH.

However, two different surveys provide the corresponding statistics for people with disabilities with employment restrictions due to disability. In Poland the legal confirmation of disability is strictly related to limited working capacity and ability to fulfil social roles. Therefore, the registered disabled may constitute the group with employment restrictions.

In the 1996 Health Interview Survey, persons in private households were asked whether they had a legal confirmation of the disability or if they considered that their possibility of performing everyday activities was limited in relation to other persons of the same sex and age. A distinction was made between partial and severe disability. According to the survey, 12 per cent of the working-age population have a disability. The labour force participation for this group is 28 per cent and the employment rate is 24 per cent. For the group without disabilities, the corresponding percentages are 73 and 63.

Labour force surveys conducted by the Polish Statistical Office since 1992 also provides the corresponding statistics for persons in the working-age population with disabilities with employment restrictions due to disability. Individuals living in private households are asked whether they have a confirmation of disability and, if so, to what degree (minor, moderate and severe). According to the 2000 survey, 11 per cent of the working-age population have employment restrictions due to disability. The labour force participation rate for this group is 27 per cent and the employment rate 22 per cent. The corresponding percentages are 76 and 63 for the group with no employment restrictions.

In addition to the two surveys mentioned above, *Table PL5* presents the corresponding results for the 1996 and 1998 Labour Force Surveys. There is a decrease in the disability rate over the years but also notable changes in the labour

force participation for non-disabled people, due to the development of the labour market situation in the country.

Table PL5. Employment restriction rate in the working-age population (men 15–64 years, women 15–59 years). Labour force participation and employment rates for people with/without employment restrictions (per cent).

Population		Of working age	In labour force	Employed
With partial employm restr	1996 HIS	11	31	26
With severe employm restr	1996 HIS	1	7	6
With employm restr, total	1996 HIS	13	28	24
	1996 LFS	14	29	25
	1998 LFS	13	27	24
	2000 LFS	11	27	22
Without employm restr, total	1996 HIS	87	73	63
	1996 LFS	86	91	81
	1998 LFS	87	80	71
	2000 LFS	89	76	63

Sources: Employment restrictions: Health Interview Survey, Central Statistical Office, 1996 (results for the working-age population previously unpublished), Labour Force Survey for November 1996 and 1998, and for second quarter 2000, Central Statistical Office.

Participants in labour market programmes

No survey data is available for the average number of people with disabilities[85] enrolled in various labour market programmes, nor is survey data matched with register data. However, register data on participants with a legal confirmation of disability is available for a few programmes. The only available stock number refers to the number of participants in sheltered work establishments. *Table PL6* presents the average number of participants in 1999.

Participants in programmes with paid income from the employer are regarded as employed, while participants in education and training programmes (including government-sponsored scholarships for work experience at a work place) are regarded as students and thus not included in the labour force.

[85] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.

Table PL6. Number of people with legal confirmation of disabilities enrolled in labour market programmes, stock 1999.

Progr targeted at people with disabilities	Counted in the LF	Number of people with disabilities
Quota scheme with levy	Yes	N a[1]
Reimbursment of wages and empl costs	Yes	N a
Vocational training for p w d	No	N a[2]
Sheltered work establishments	Yes	218,000[3]
Total	–	
Mainstream programmes	**Counted in the LF**	**Number of people with disabilities**
School-Leavers Employment		N a
Subsidized work	Yes	
Work experience	If gov scholarship: No	
Training	No	
Vocational Training	No	N a
Relief Work	Yes	N a
Public Work	Yes	N a
Total	–	N a

[1] Only statistics on employers who do not fulfil the quota is available.
[2] The number of completions during 1999 was 5,145.
[3] Estimated stock as at 31 December 1999. The number of new recipients during 1999 was 16,565.
Source: Quota scheme with levy: The State Fund for Rehabilitation of Disabled Persons (data is available only for employers who have not fulfilled the quota obligation. Subsidized employment: The State Fund for Rehabilitation of Disabled Persons by the reports from the local autonomous authorities. Vocational training: The State Fund for Rehabilitation of Disabled Persons in reports from the local labour offices.

Main income source

No survey data is available for the main or most frequent source of income for people with disabilities[86], nor is survey data matched with register data. However, the proportion of disability pension recipients amounts to about 83 per

[86] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.

cent of the number of people with employment restrictions in the working-age population, of whom about 41 per cent receives a partial pension.[87]

10.4 Evaluation and research

Institutions

The National Labour Office is responsible for the evaluation of mainstream programmes and is continuously monitoring these programmes in terms of post-programme placement and programme costs. The Government Plenipotentiary for Disabled Persons is responsible for the supervision of the performance of public financed labour market programmes for people with disabilities. The State Fund for Rehabilitation of Disabled Persons collects information and statistical data from the local authorities. A special employment service for people with disabilities was previously responsible for monitoring the targeted programmes. Local authorities now collect such information. There are no known independent evaluations of the targeted programmes.

Policy, legislation and implementation issues

No potential conflicts between different policy objectives are reported.

Legal protection for people with disabilities in the labour market is regarded as having an impact on integration. The legislation has created instruments stimulating vocational activity of persons with disabilities. A slow, but noticeable decrease of the unemployment rate for persons with disabilities was observed during the second half of the 1990s (according to the Labour Force Survey). However, no visible increase of the employment rate for people with disabilities was observed during the same period. It should be noticed that it is difficult to use objective and comparable measures, due to continuing changes of general economic and social policies.

Bearing in mind that the Polish labour market policy for people with disabilities was established in 1991 and that all the present measures have been launched since then and developed continuously, there is no information available concerning whether any further tools are required to fulfil the policy objectives of the present strategy.

[87] Sources: Own calculations of disabilty pension recipients according to the Bureau for European Integration (see specifications in Annex 3) and the number of people with employment restrictions in the working-age population (15–64/59) according to the Labour Force Survey of the second quarter 2000, Central Statistical Office.

Repeated participation in labour market programmes (cycling) is viewed as a planned way of integrating a person into the labour market.

Creaming effects may exist but, until research is conducted to investigate the extent of such phenomena, they are not regarded as a problem.

Other major issues in implementing the labour market policy for people with disabilities are architectural and transport barriers, and services which supplement vocational training, such as special advisers, a more thorough assessment procedure and training designed for people with severe disabilities. The future special training and rehabilitation centres will meet these needs. Legal provisions for architectural and transport barriers are established but the process of reducing the existing barriers is slow and very expensive.

Evaluation of labour market programmes

Evaluation results from one of the four programmes targeted at people with disabilities are reported. No specific programme is regarded as more successful than the others.

Table PL8. Evaluations of targeted labour market programmes for people with disabilities.

Vocational Training
Type of evaluation: Follow-up study.
Time period analysed: 1 January 1999–30 September 1999. 60 employment offices providing vocational training were monitored.
Research organisation: The Office of Control, Complaints and Motions within the Ministry of Labour and Social Policy.
Positive results: 30 % of the persons trained found employment.
Negative results: About 4 % of the persons with disabilities enrolled with the employment service received training. The effectiveness of the training varies considerably between the geographical areas.

10.5 Country-specific characteristics in brief

Table PL9. Summary of country-specific characteristics of labour market policies for people with disabilities.

Issue	Characteristics
Labour force participation	Labour force participation and employment rates below average. Question on certificate of reduced working capacity included in the ordinary labour force survey (since 1992).
Labour market programmes	No statistics on people with disabilities in labour market programmes. Employment according to the quota scheme may be combined with subsidized employment, for example. Other targeted programmes available are subsidized employment, vocational training and sheltered employment. In principle, people with a certificate of disability only participate in targeted programmes.
Mainstreaming of policy and institutions	Shared responsibility for disability not applied between policy sectors at the ministerial level. A Government Plenipotentiary for the Disabled coordinates disability issues between government departments. In 1998, the former special units for people with disabilities at the regional labour market offices were included in the mainstream employment service. No anti-discrimination legislation. Explicit objectives for integration into open employment. Large proportion of disability pension recipients.

10.6 Acknowledgements

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10.7 Further reading

Printed matters

Social Insurance Institution (1999), *Social Insurance in Poland: Information and Facts*, Social Insurance Institution, Warsaw.

Internet

Overview of national institutions: www.gksoft.com/govt/en/pl.html

Ministry of Labour and Social Policy: www.mpips.gov.pl

Poland Official Statistics: www.stat.gov.pl
Social Insurance Institution: www.zus.pl

11 Portugal

11.1 Policy

Institutional framework

Disability policy

No specific ministry has sole responsibility at the national level for the general disability policy but, when establishing policies, each ministry has to consider the consequences for people with disabilities. The principle of sectorial responsibility was first expressed in the fourth Article of the Basic Law on Rehabilitation[88] of 1989, which states that every government department has its commitment towards the population, within their area of policy responsibility, and must also adopt differentiated measures required by people with disabilities.

Labour market policy

The Ministry of Labour and Solidarity[89] is responsible for employment in general, and the State Secretary of Labour is responsible for drawing up labour market policy. The National Secretariat of Rehabilitation, established in 1977, is subordinate to the State Secretary for Social Insertion[90] of the Ministry of Labour and Solidarity. The secretariat coordinates several departments' rehabilitation policies (education, social security, health services etc.) and also advises on policy, programmes and services. The ministries, trade unions, employers and non-profit organizations appoint representatives to the Secretariat.

Policy focus

The policy for people of working age with disabilities gives priority to programmes which are designed to integrate the target group into the labour market. The focus of the policy has not changed during the 1990s, and the objectives were first expressed in Article 71 of the Portuguese Constitution of 1976, and are also referred to in other statutes: "The Constitution of the Republic enshrines the State's obligation to pursue a national policy of prevention and treatment, rehabilitation and social integration for the disabled who should thus

[88] Law No 9/89, 2 May (1989).
[89] The former Ministry of Employment and Social Security changed its name to the Ministry of Labour and Solidarity in 1996.
[90] Social insertion refers to individual, professional and social integration and independence for people with disabilities.

be allowed to exercise effectively the rights recognised and attributed to citizens in general, in particular the right to work."[91] Article 22 of the Basic Law on Rehabilitation states that: "Employment policy should include measures, as well as technical and financial incentives that favour disabled people's vocational integration in the labour market and the formulation of alternative occupational activities."

There is no explicit policy objective for the integration of persons with disabilities into regular work (i e unsubsidized employment in the open labour market). Article 10 (vocational rehabilitation) of the Basic Law on Rehabilitation states that: "The object of vocational rehabilitation is to enable the disabled person to perform a professional activity and involves a set of specific interventions within the scope of orientation and vocational training, as well as measures to enable integration either in the normal labour market or in alternative working environments."

Legislation

Equal opportunities and equal participation in working life for persons with disabilities are expressed in general legislation (the Constitution of the Portuguese Republic) and in integrated legislation. Article 4 of the Basic Law on Rehabilitation states that: "Equalization of opportunities proclaims the elimination of all forms of discrimination with regard to disability, and that the physical environment, welfare and health services, education, work, cultural and social life, in general, should be accessible to all."

11.2 Implementation

Institutions

The Institute of Employment and Vocational Training (IEFP), a national agency established in 1979 which is subordinate to the State Secretary of Labour at the Ministry for Labour and Solidarity, has overall responsibility for implementation of the labour market policy. The IEFP Employment Department includes the division of Service of Insertion Programmes, which is responsible for promoting programmes and measures for people with disabilities and other target groups at risk of social exclusion (ethnic minorities, prisoners

[91] Decree 40/83, 25 January (1983). Ordinance 52/82, 25 May also refers to this Article in the Constitution.

and drug addicts). The Rehabilitation Unit of this division is responsible for the labour market programmes targeted at people with disabilities. IEFP operates 84 local Job Centres (the public employment service) across the country and 54 Vocational Training Centres. At the national level, IEFP also operates three vocational rehabilitation centres[92] where people with disabilities are referred for assessment, vocational training and other support services such as adaptation of work places and technical aids. In addition, over 100 public and private non-profit institutions provide vocational training for people with disabilities.

Labour market programmes

Mainstream vs targeted labour market programmes

There are no official policy guidelines indicating whether mainstream labour market programmes are to be employed prior to labour market programmes targeted at people with disabilities, or vice versa, but in practice, mainstream programmes are given priority. Wherever possible, people with disabilities are encouraged to participate in mainstream labour market programmes.

Publicly financed labour market programmes

Publicly financed labour market programmes (both mainstream and targeted) for persons with disabilities are arranged in form of national programmes, administered by IEFP.

Labour market programmes which are not publicly financed

There are no programmes designed to integrate persons with disabilities into the labour market which are not financed by public appropriations.

Labour market programmes targeted at people with disabilities

Current programmes

Portugal has four categories of labour market programmes targeted at persons with disabilities: subsidized employment (Employment Incentives), self-employment, vocational training and sheltered employment. In general, "any individual who, because of limited physical or mental capacity encounters difficulty in obtaining or holding a job suited to his or her age, qualifications and professional experience" is eligible for these programmes. An expert team at

[92] Of which two are operated in cooperation with private providers.

the Job Centres consisting of an employment expert, a doctor, a vocational guidance counsellor or psychologist and a social worker, assesses working capacity for subsidized and sheltered employment. Sheltered employment in Portugal is organized as Sheltered Employment Centres (SECs), enclaves and sheltered employment in the home. While a SEC is a production unit of an industrial, craft, agricultural or commercial nature or a unit providing services, an enclave is a group of people with disabilities who work together, under special conditions, in a normal working environment. Sheltered employment at home for people with disabilities who cannot leave their homes or be integrated into collective work for medical, family, social or geographical reasons, can be arranged both by SECs and enclaves. The internal priority between the present programmes has changed during the 1990s: The part played by pre-vocational schemes has diminished during the 1990s, in favour of vocational training. *Table PT1* presents the current programmes.

New programmes

There are experimental projects for training and employment of people with disabilities, such as integrated training and employment of young persons with mental disabilities and deaf and blind people.

A Public Service Quota of five per cent was decided in late 2000 and was[93] due to be introduced during 2001.

There are also a number of other new measures that will be introduced to meet the needs of the target group:

There will be increased cooperation between the Job Centres and the vocational rehabilitation institutions, in which the Job Centres will operate as the mediating institution in the whole rehabilitation process. Job Centres will also provide intensified placement assistance and post-placement monitoring.

Information technologies will be utilized to provide pilot teleworking projects in partnership with rehabilitation centres for people with disabilities looking for their first employment. There will also be a telework employment exchange.

A new subsidized employment programme will provide employers with technical and financial support to integrate people with disabilities into the regular/competitive labour market.

[93] At the time of data collection.

Additional support

In addition, several services and grants are available for persons with disabilities. In general, the employer/provider is responsible for providing work place adaptations, technical aids and personal assistance for participants with disabilities in labour market programmes, and receives allowances after assessment by IEFP. The allowance for individual attendance is granted for three months but may be prolonged for a maximum of six months. In addition, people with disabilities who have difficulties in participating in vocational training courses or getting or keeping a job, or advancing in a job, may receive a full contribution for the cost of the acquisition of special equipment. There are also Integration Awards which are paid to employers who recruit people with disabilities on permanent contracts and Merit Awards for employers who have made outstanding efforts to integrate people with disabilities into working life (see the section "Services associated with integration into the labour market").

Table PT1. Specifications on labour market programmes targeted at persons with disabilities 1999.

Subsidized employment programmes
Employment Incentives
Introduction year: 1989.
Priority: Second.
Administration: IEFP.
Goal: To compensate employers for the lower performance of disabled workers, while they adapt or readapt to work compared to the average performance of other workers of the same occupational rank.
Activities: Work.
Provider: Private bodies, cooperatives, state industry, local councils and public organizations (not part of central administration).
Individual eligibility criteria: In addition to general eligibility, the person concerned must also effectively fill the post for which he/she was recruited and must, at the outset, be able to achieve at least 25 % of the production capacity of the specific work station.
Individual compensation: Ordinary wage from employer.
Compensation to provider: Wage subsidy according to real reduction in working performance (confirmed by IEFP) in relation to collective labour agreements applicable or normal pay for this kind of work in the company or in the region, social security contributions included. The initial sum is reduced by 20 % after 3 months, by 40 % after 6 months and by 75 % at the end of 9 months. In addition to the wage subsidy, an Integration Bonus of 12 NMW[1] is available when a person with disabilities is employed. Source: Public labour market appropriations.

Provider obligations: The employer is obliged to give the p w d full worker status for all purposes. IEFP may grant an allowance to eliminate architectural barriers (up to 12 NMW) and adapting the work station (up to 12 NMW). Initial personal care allowance at the work place (by a co-worker) may be granted by IEFP up to 2 NMW for three months (may be extended to six months if clearly justified).

Max programme time: 1 year. If the worker has not received 80 % or more of the capacity within this period, the employer may apply for the lowest rate of subsidy for successive one year periods for a total period of up to 3 years. The employer is then obliged to employ the person for at least another 4 years.

Self-employment programmes

Help for setting up in self-employment

Introduction year: 1989.

Priority: Second.

Administration: IEFP.

Goal: Help people with disabilities to commence economically viable work on a self-employed basis.

Activities: Work.

Individual eligibility criteria: Registered with the public employment service; working capacity compatible with the nature and demands of the business; the business should not cause any risk of health or worsen the handicap; difficulties, due to handicap, in finding or holding a job in the ordinary labour market; unemployed and; lacking the financial resources required to set up self-employed operations.

Individual compensation: Grant equivalent of up to 16 NMW. In addition, interest-free loans are available: Up to 20 NMW for the purchase of equipment, raw materials, merchandise, breeding stock or other items needed to start a business. Another 10 NMW loan is available for the purchase, conversion or construction of premises or transport costs. Source: Public labour market appropriations.

Max programme time: Loans repayable after 2 years

Vocational training programmes

Vocational Training

Introduction year: 1989.

Priority: First.

Administration: IEFP.

Goal: To equip p w d with the skills and expertise needed to obtain a professional qualification which allows them to obtain and keep a job and to progress professionally in the regular labour market.

Activities: Training, work trials and testing of adaptations and technical aids, etc.

Provider: Vocational training and retraining to work is provided by vocational rehabilitation centres, which can be directly managed by IEFP or contracted out to private and non-profit organizations with the corporate aim of rehabilitation of p w d, or jointly managed by IEFP and such providers.

Individual eligibility criteria: At least 15 years of age.

Individual compensation: 80 % of NMW. Source: Public labour market appropriations or ESF.

Compensation to provider: Contracted training centres receive allowances for investments and running costs or interest-free loans. Source*:* Public labour market appropriations.

Provider obligations: Contracted training agreements must, for example, include a description and statement of aims of activities, training plans and technical and human resources.

Max programme time: 1 year for adjustment/guidance phase, 2 years for the qualification phase and 1 year for the specialization phase.

Sheltered employment programmes

Sheltered employment centres (SECs), enclaves and sheltered employment at home

Introduction year: 1983.

Priority: Fourth.

Administration: IEFP.

Goal: Enhance the vocational and personal standing of p w d and facilitate the transition to regular employment, if this can be arranged in an appropriate manner.

Activities: Work. SECs and vocational training.

Provider: Government, other public or private organizations or cooperatives, which must obtain authorization from the Ministry of Labour and Solidarity. SECs: The number of positions filled by non-disabled persons must not exceed 25 % of the total number of positions.

Individual eligibility criteria: At least 16 years of age, medical rehabilitation process completed, registered at the public employment service, sufficiently autonomous in everyday activities, must show the capacity to interpret and accomplish the procedures for the working tasks, the average working capacity must be not less than one third of normal working capacity required for a non-handicapped worker at the same work station. IEFP makes these assessments.

Individual compensation: The employer must pay at least 90 % of the national minimum wage for workers in the same sector. If the minimum vocational preparation is lacking, a probation period of not more than 9 months is applied and 70 % of national minimum wage is paid entirely from public labour market appropriations.

Compensation to provider: Up to 2/3 wage subsidy (social costs included). An increase in the unsubsidized proportion reduces the subsidy. The wage and the subsidy must not exceed 120 % of the national minimum wage for workers in the same sector. Source: Public labour market appropriations.

Provider obligations: Disabled workers in all types of sheltered employment are to be considered as workers for all purposes, with the rights, duties and guarantees due to a worker in normal employment. SECs are also obliged to (1) provide medical, psychological, social and educational support, (2) refrain from obstructing or discriminating against a worker in sheltered employment, (3) collaborate actively in raising the personal and professional standing of the worker in sheltered employment and facilitate the transition to open employment.

Max programme time: No limit.

[1] National Minimum Wage (NMW) is equivalent to ESC 63,800 per month in 1999.

Mainstream labour market programmes

Current programmes

Portugal has a number of different categories of mainstream labour market programmes: subsidized employment (Employment Incentives, Local Employment Initiatives, Micro-Business Incentive Scheme), start-up incentives (Self-employment for recipients of unemployment benefits and Support for self-employment), work experience (Vocational Work Placements), vocational training (Training/Employment Programme and Training at the initiative of the (employed) worker), job rotation (Rotating employment and training), and early retirement (Gradual reduction of working hours for elderly workers).

In addition, training and work experience projects for the preservation of the cultural heritage aim both at self-employment and third-party employment for young people and long-term unemployed adults.

There are also a number of social employment programmes provided by public and non-profit organizations aimed at (re)integrating unemployed people into society and working life by means of a diversified series of programmes which meet social needs not met by the regular labour market. Occupational Programmes provide socially useful employment in the non-profit and public sector for unemployed people waiting for a job or a vocational training opportunity, and prevent demoralisation and marginalization. Workshop Schools provide occupational qualifications within the traditional arts and crafts, environmental and the natural and urban heritage fields. Combined Ministerial Orders and Cooperation Agreements combine efforts and complementary actions between different policy sectors, in which the employment service pays a benefit and other public services create additional job projects. Integration Companies promote the development of personal, social and vocational skills to facilitate the integration of the long-term unemployed and disadvantaged into the labour market.

In principle, people with disabilities have access to all these programmes. The financial compensation is often reinforced for participants with disabilities.

A general eligibility criterion is that the person concerned is registered with the public employment service and is unemployed.

There is no predefined internal priority between the mainstream programmes but the choice of programme depends on the individual need and assessment by the employment officer.

There are no records of the number of people with disabilities in mainstream labour market programmes, but the predominant programme is probably Integration Companies. *Table PT2* presents this programme.

Table PT2. Specifications of the most important mainstream labour market programmes for people with disabilities.

Public job creation programmes
Integration Companies
Introduction year: 1998.
Priority: High priority among the mainstream programmes for p w d.
Administration: IEFP.
Goal: To promote occupational integration or reintegration in order to combat poverty and social exclusion and to enable people to acquire and develop personal, social and occupational skills which equip them for employment. It also aims to encourage local and social development via job creation in activities which meet unsatisfied social needs.
Activities: Work.
Provider: Public or non-profit organizations. The Social Employment Market Commission grants Integration Company status to companies. The project must involve the integration of between 5 and 25 persons. The company receives assistance to identify local needs, for management training, preparation of the integration process and for the monitoring of participants in the integration process.
Individual eligibility criteria: Long-term unemployed people registered with the employment service and unemployed people who are at a disadvantage in the labour market. Companies recruit workers in cooperation with public and private institutions active in the employment and social integration fields.
Individual compensation: Wage from the employer.
Compensation to provider: (1) 12 NMW Integration Bonus to employers who take on persons in the integration process permanently within 3 months of the completion of the integration process. (2) For investments: 50 % of investment costs are reimbursed (up to 18 NMW for each post) and interest-free loans to cover up to 20 % of the investment (limited to 18 NMW for each post). (3) Subsidies equivalent to up to 80 % of NMW for each employee to cover operational costs (training and skills) during the integration process. Source: Public labour market or social appropriations.
Provider obligations: The companies must have skilled administrative and management staff and orientation teams for the integration process.
Max programme time: 2 years.

New programmes

Apart from the new measures targeted at people with disabilities that are due to be introduced, there is no information concerning any new mainstream programmes which will also be accessible for the target group.

Additional support

In addition to the programmes, services such as mobility allowances, payment of up to ten advertisements a year in regional newspapers for long-term and very long-term unemployed people, and a self-placement bonus for very long-term unemployed persons, are available for job seekers registered at the public employment service. There are also several vocational guidance and information services such as individual and structured guidance to help long-term unemployed persons draw up viable and realistic personal and career plans, the promotion of self-esteem and the development of social skills and an active attitude towards challenges and opportunities in the labour market, and computerized psychological tests. Job Centres and Vocational Training Centres assist in developing effective job-search techniques. Mobility incentives (lodging, relocation and transport allowance and financial incentives) are available to promote mobility for unemployed, underemployed and part-time workers.

Services associated with integration into the labour market

Table PT3 presents an overview of central services available in connection with integration into the labour market and the administration responsible.

Vocational rehabilitation: An Employment Centre employment expert is involved in the assessment of working capacity, while work trials and work training are part of the vocational training programme provided by rehabilitation centres. Private rehabilitation centres, certified by IEFP, also provide assessment and vocational training.

Mainstream vocational training, which people with disabilities also have access to if they find themselves capable, is provided by the Vocational Training Centres, private bodies or at the normal workplace. Transition Units to Active Life (UNIVAs) are institutions assigned to promote the (re)integration of young people (up to 25 years of age) into working life in cooperation with the Job Centres. UNIVAs are, for example, located in schools, universities and professional rehabilitation centres, but are funded and technically linked to the local Job Centre.

Selection into labour market programmes is made on the basis of a formal assessment which must consider the possibilities and limitations of the person concerned for participation in different programmes. This assessment is performed by special Job Centre guidance units.

Incentives for employers when employing a person with disabilities in the form of reduced social insurance contributions are administered by the social insurance office. The employment office administers Integration Awards and Merit Awards. An Integration Award is a lump sum subsidy equivalent to an annual wage granted to employers who employ people with disabilities on permanent employment contracts. Merit Awards are symbolic yearly awards to distinguish employers who have made outstanding efforts to integrate people with disabilities into working life.

Table PT3. Responsibility of certain services associated with integration into the labour market.

Service	Administration
Vocational rehabilitation	Vocational rehabilitation centres.
Vocational guidance	The public employment service, ordinary schools and private rehabilitation centres, certified by IEFP.
Job search	The public employment service, UNIVAs, private rehabilitation centres and vocational rehabilitation centres.
Selection into labour market programmes	The public employment service
Incentives for employers when employing a person with disabilities	The public employment service and social insurance office
Incentives for people with disabilities to become active in the labour market	The public employment service (only start-up grants)
Transportation to the work place	The public employment service, employer or public transportation (special transportation is available in larger cities).
Technical aids and adaptation of the work place	Vocational rehabilitation centres and private rehabilitation centres.
Personal assistance in the work place[1]	The public employment service and the vocational rehabilitation centres (only initial phase).

[1] Personal attendant care, not job coach.

As regards transportation to the workplace, Job Centres administer subsidies for the acquisition and adaptation of a vehicle. Some enterprises arrange transportation to the workplace. Otherwise, the individual has to rely on public

transportation. Some of the larger cities provide transport by means of specially adapted vehicles.

No continuous personal assistance in the work place is available. During the introduction period, the employer may get a grant from the employment service or the vocational rehabilitation centres for the cost of letting a co-worker assist a person with disabilities in various respects.

The financing of some of these services is indicated in *Table PT4*. Vocational rehabilitation is financed both by labour market allocations (25 per cent) and the European Social Fund (75 per cent).

Table PT4. Financial sources of certain services associated with integration into the labour market.

Service	Financial source
Vocational rehabilitation	Public labour market appropriations and the European Social Fund
Transportation to the work place	Public labour market appropriations, employer or p w d
Technical aids and adaptation of the work place	Public labour market appropriations
Personal assistance in the work place	Public labour market appropriations and the European Social Fund

Disability pension

The Verification Commission of the Social Security Agency assesses eligibility for a disability pension based on a medical report. If necessary, the applicant will be referred for supplementary psychological examination or assessment of work capacity.

After receiving sickness benefit for one year, a period of sickness benefit for long-term illness of up to another two years, will follow. If the incapacity for work still persists, the worker may subsequently be entitled to a disability pension.

The eligibility criteria for disability pension are two thirds loss of earning capacity and a contribution period of at least five years. The pension amount is based on two per cent of average annual earnings during the highest 10 of 15 years, multiplied by the number of years of insurance. The minimum monthly payment is 30 per cent of average earnings during this period, or a minimum fixed amount, depending on the number of contributions, whichever is higher. The maximum monthly amount is limited to 80 per cent of average earnings and is paid for 14 months per year (double amount in December and in July).

Disability pension is converted into an old-age pension when the pensioner reaches retirement age.

Civil servants have a pension scheme, including a disability pension, that is independent of the public social security pension scheme (which covers the private sector). The eligibility criteria are five years of work and contributions. A medical board assesses whether the individual is able or unable to work. The pension amount usually corresponds to 100 per cent of the most recent earnings (multiplied by the proportion of 36 years in which the recipient has worked).[94]

An income-tested social disability pension may be paid to people between 18 and 65 years who are not entitled to the contributory disability pension scheme. In 2000, this amounted to PTE 25,000 per month.

Pensions are subject to taxation but it is only applied for an annual income of PTE 1,482,000 or more. This limit increases by 30 per cent to PTE 1,926,600 for persons with a permanent incapacity of at least 60 per cent (2000).

Early retirement

Early retirement is reported as not used as a way out of long term unemployment. However, there is a flexible old-age pension which also makes people who are long-term unemployed eligible for early retirement.

The normal old-age pension age is 65 years, but is flexible so that people of at least 55 yeas of age, who have completed the 15 year qualifying period, who work and who have paid contributions for a 30 year period, are eligible for early pension. The old age pension is then reduced by 4.5 per cent for each year of early retirement.

People in some occupations (for example miners, fishermen and aircraft pilots) are entitled to early retirement as a result of their occupation.

Long-term (involuntarily) unemployed persons over 55 years of age who receive unemployment benefits are entitled to an old-age pension from the age of 60, if they meet the terms of the qualifying period. The retirement age may also be reduced to 55 for those who, at the date of unemployment, are aged 50 or more and have a working period of 20 years. In the latter case, a reduction of the pension is applied.

[94] Civil servants can opt to retire at the age of 60 provided they have worked for 36 years, otherwise the upper age limit for retirement is 70. They can also claim retirement when they have worked 36 years, independent of age, but this is subject to special agreement with the employer.

11.3 Statistics

Disability, labour force participation and employment rates

No national survey is conducted to measure the disability, labour force participation and employment rates in the working-age population, in which the respondents have defined themselves as having a disability or not in accordance with the United Nations Standard Rules or ICIDH, or another survey with an alternative definition of disability or people with employment restrictions. However, European Community Household Panel data is available, in which a distinction is made between partial and severe disability. According to the 1996 ECHP survey, 18 per cent of the working-age population have a disability (of whom 11 per cent are partly disabled and seven per cent severely disabled). The labour force participation rate for this group is 51 (61 and 38) per cent and the employment rate is 48 (57 and 35) per cent. For the group without disabilities, the corresponding percentages are 74 and 70.

Table PT5. Disability rate in the working-age population (16–64 years). Labour force participation and employment rates for people with/without disabilities (per cent).

Population	Of working age	In labour force	Employed
With partial disabilities	11	61	57
With severe disabilities	7	38	35
With disabilities, total	18	51	48
Without disabilities	82	74	70

Source: ECHP1996, Eurostat.

Participants in labour market programmes

No survey data is available for the average number of people with disabilities[95] enrolled in various labour market programmes, nor is survey data matched with register data. However, register data on persons with employment restrictions registered at the local Job Centres is partially available. IEFP defines employment restrictions as a person who, due to limited physical or mental capacity, has difficulty in obtaining or retaining a job suited to his or her age, qualifications and professional experience. However, the local employment offices are only required to report the number of starts in the programmes, which means that stock figures cannot be calculated (no average programme periods are

[95] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.

available). The only available data comes from the Sheltered Employment Centres which report to IEFP, and the figure in *Table PT6* presents the average stock of participants in 1999.

All participants in labour market programmes are considered to be in the labour force, since they must be available for work.

Table PT6. Numbers of persons with disabilities (16–64 years) enrolled in labour market programmes in 1999.

Progr targeted at people with disabilities	**Counted in the LF**	**Number of people with disabilities**
Employment Incentives	Yes	N a
Self-employment	Yes	N a
Vocational training	Yes	N a
Sheltered employment	Yes	308 000[1]
Total	–	N a
Mainstream programmes	**Counted in the LF**	**Number of people with disabilities**
Employment Incentives	Yes	N a
Local Employment Initiatives	Yes	N a
Micro-Business Incentive Scheme	Yes	N a
Self-employment for recipients of UB	Yes	N a
Support for self-employment	Yes	N a
Vocational Work Placements	Yes	N a
Training/Employment Programme	Yes	N a
Training at the initiative of the employed worker	Yes	N a
Rotating employment and training	Yes	N a
Training and employment by the gradual reduction of working hours for elderly workers	Yes	N a
Preservation of Cultural Heritage	Yes	N a
Occupational Programmes	Yes	N a
Workshop Schools	Yes	N a
Combined Ministerial Orders and Cooperation Agreements	Yes	N a
Integration Companies	Yes	N a
Total	–	N a

[1] Remaining number of participants at 31 December 1999.
Source: Labour force participation: Luzia Estevens, INE and Leonardo Conceicao, IEFP. Number of persons with disabilities: IEFP.

Main income source

No survey data is available for the main or most frequent source of income for people with disabilities[96], nor is survey data matched with register data. However, the proportion of disability pension or long-term sickness benefit recipients amounts to about 42 per cent of the number of people with disabilities in the working-age population.[97]

11.4 Evaluation and research

Institutions

The Institute of Employment and Vocational Training (IEFP), is responsible for evaluating government-financed labour market programmes.

Policy, legislation and implementation issues

A potential conflict between different policy objectives is the integration into work and the criteria for receiving a disability pension. If a person earns money he/she loses the right to a life-long disability pension.

There is no information concerning the effects on integration of legal protection for persons with disabilities in the labour market. Although there is stronger legal job protection against dismissals for people with disabilities, this is not applied in practice. Instead, trade unions and employers often reach an agreement.

If it is to fulfil the policy objectives, the present strategy lacks tools for adult persons who become disabled during their life and gradually lose their capacities.

Repeated programme participation is primarily viewed as a planned way of integrating a person into the labour market, since the participant can receive more qualifications for a job in this manner.

Creaming effects are not regarded as a problem. In the case of sheltered employment an expert team consisting of an employment expert, a doctor, a vocational guidance counsellor or psychologist and a social worker assesses the working capacity and refers people with a working capacity of at least one third of that of a non-disabled worker. Thus, Sheltered Employment Centres cannot choose which workers they want to employ.

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[96] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.

[97] Sources: Own calculations of disabilty pension recipients according to the Directorate General of Solidarity and Social Security (see specifications in Annex 3) and the number of people with disabilities of working age according to the ECHP 1996.

Other major problems in implementing the labour market policy for persons with disabilities are the lack of legal protection and measures for people with disabilities which deteriorate with age or as the result of a disease process.

Evaluation of labour market programmes

It is reported that no programmes targeted at persons with disabilities have been evaluated using econometric methods, but annual follow-ups are conducted. Subsidized employment is regarded as a successful programme category together with the various incentives available for employers when recruiting a person with disabilities. These measures seem to promote and contribute to equal opportunities for people with disabilities.

Table PT8. Evaluations of labour market programmes targeted at persons with disabilities.

Employment Incentives
Type of evaluation: Follow-up.
Time period analysed: Annually.
Research organisation: IEFP.
Positive results: The programme promotes and contributes to equal opportunities for people with disabilities.
Negative results: Nothing reported.
Self-employment
Type of evaluation: Follow-up.
Time period analysed: Annually.
Research organisation: IEFP.
Positive results: Facilitates the initiatives of some people with disabilities.
Negative results: Difficulties in maintaining the business mainly due to lack of management know-how.
Vocational Training
Type of evaluation: Follow-up
Time period analysed: Annually
Research organisation: IEFP
Positive results: High degree of satisfaction of participants.
Negative results: Difficulties in obtaining a job.

Sheltered Employment

Type of evaluation: Follow-up.

Time period analysed: Annually.

Research organisation: IEFP.

Positive results: High degree of satisfaction of workers.

Negative results: Low degree of transition to the regular labour market (about 3 % in 1998).

11.5 Country-specific characteristics in brief

Table PT9. Summary of country-specific characteristics of labour market policies for people with disabilities.

Issue	Characteristics
Labour force participation	Average labour force participation and employment rates. No national survey conducted.
Labour market programmes	No statistics on people with disabilities in labour market programmes. Programmes especially targeted at people with disabilities are subsidized employment, self-employment, vocational training and sheltered employment. Public job creation is reported to be the predominant mainstream programme.
Mainstreaming of policy and institutions	The Ministry of Labour and Solidarity coordinates disability policy across government departments. No anti-discrimination legislation. No explicit objectives for integration into open employment but a more general approach is applied. Relatively large proportion of disability pension recipients.

11.6 Acknowledgements

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11.7 Further reading

Printed matters

Institute of Employment and Vocational Training (1999), *Employment Programmes, Measures and Provisions Currently Being Implemented 1999*, Department of Employment, Institute of Employment and Vocational Training, Lisbon.

Institute of Employment and Vocational Training (compilation of existing rehabilitation legislation), *The Frame Law on Rehabilitation*, Institute of Employment and Vocational Training, Lisbon.

Internet

Overview of national institutions: www.gksoft.com/govt/en/pt.html

Ministry of Labour and Solidarity: www.mts.gov.pt

Institute of Employment and Vocational Training (IEFP): www.iefp.pt
National Institute of Statistics Portugal (INE): www.ine.pt

12 Sweden

12.1 Policy

Institutional framework

Disability policy

No specific ministry has sole responsibility at the national level for general disability policy but, in policy making, each Ministry has to consider the consequences for persons with disabilities, although the Ministry of Health and Social Affairs is responsible for coordination of disability policy. The principle of sectoral responsibility was first expressed in "Culture for All", a Swedish Government Official Report published in 1976[98] which states that measures within each sector, which are necessary for people with disabilities, shall be viewed as an obvious part of the operation in that sector and each operation shall bear the cost of measures for people with disabilities. Since then, this principle has gradually become established practice, and it is also expressed in the organisation instruction of the Ministry of Health and Social Affairs.

Labour market policy

The Ministry of Industry, Employment and Communications, which resulted from the amalgamation in late 1998 of the former ministries of Labour, Communications and Industry and Trade, is responsible for employment in general. The Labour Market Policy Division of the new ministry is responsible both for the employment of persons with and without disabilities.

Policy focus

The policy for people of working age with disabilities mainly gives priority to programmes which are designed to integrate them into the labour market. In the case of unemployed people with no disabilities "the work policy line" has been applied since the 1930s. This means that the unemployed are put to work or placed in active labour market programmes prior to merely receiving passive unemployment benefits. The aim is to prevent passivity ("the maintenance line"). However, in the case of people with disabilities, this principle has not been applied to the same extent. The focus of the policy has not changed during the 1990s, and is, for example, expressed in a Government document to Par-

[98] SOU 1996:20.

liament (1996/97:120) concerning disability policy, which states that the labour market policy must be pursued in such a way that people with disabilities are also integrated into working life.

There is an explicit policy objective of integrating persons with disabilities into employment in the open labour market (even if this is accomplished via subsidized employment), expressed in the appropriation directions to the Labour Market Administration 1999: "The National Labour Market Board (AMS) shall cooperate with Samhall AB[99] to increase the number of lasting transitions from Samhall to the regular labour market." Furthermore "AMS shall cooperate with the National Social Insurance Board (RFV), the National Board of Health and Welfare and National Board of Occupational Safety and Health to achieve a more effective use of available resources within the rehabilitation field. The aim shall be to utilize the working capacity of each person, making it possible for the individual to support his/her own living through a job."[100]

Legislation

Equal opportunities and equal participation in working life for persons with disabilities are expressed in an anti-discrimination act, which entered into force in 1999. The act covers discrimination in recruitment, advancement, terms of employment and wage conditions, allocation of work and, dismissal.

12.2 Implementation

Institutions

The Labour Market Administration (AMV), a national authority which is subordinate to the Ministry of Industry, Employment and Communications, has overall responsibility for implementation of labour market policy. AMV includes the National Labour Market Board (AMS) and a County Labour Board in each county. AMS is the central administrative agency in charge of general labour market matters and supervises the County Labour Boards, which operate the public employment service and the Employability Institutes (AF Rehab, formerly AMI). Up to late 2000, AMI and the employment service were two separate organizations. Subsequently, the former AMI and the employment sevice were formally merged. AF Rehab focuses on people who need more

[99] National provider of sheltered employment.
[100] Own translation into English.

support than can be provided by the public employment service. AF Rehab provides special guidance and vocational rehabilitation services, including job-training, assessment of work capacity and work place adaptation, and mainly has a consultative role vis-à-vis the public employment service. In some counties, AF Rehab has taken over vocational training and education, job placements and the selection into labour market programmes for people with disabilities from the public employment service.

Since 1998, experiments involving decentralization of responsibilities to some of the counties have been conducted, which implies regional autonomy in using part of the labour market appropriations (targeted for mainstream measures) for other purposes (such as various projects), letting unemployed people take part in projects with retained UI and, relaxing the quantitative objectives for the number of participants in each programme. Since mid-1990s, the County Labour Market Boards are also assigned to conclude agreements with the municipalities for the employment of young people.

Labour market programmes

Mainstream vs targeted labour market programmes

There are official policy guidelines indicating that mainstream labour market programmes are to be employed prior to programmes targeted at people with disabilities. The Ordinance (1991:333) concerning Wage Subsidies states that a wage subsidy is granted to provide employment for occupationally handicapped persons for whom other measures cannot be taken to facilitate employment. The reason for this priority is that targeted programmes are only to be offered to people with disabilities if mainstream programmes do not provide sufficient support.

Publicly financed labour market programmes

Publicly financed labour market programmes (both mainstream and targeted) for persons with disabilities are arranged in the form of national programmes, administered by AMS via the County Labour Market Boards and the local public employment service or AF Rehab[101]. However, as a result of the free county

[101] However, the EU Programme Office administers the Inter-Practice programme and an adhocratic organization, the non-profit Swedish Information Technology (SwIT) vocational education association, administers the IT Initiative programme.

experiment, some County Labour Market Boards administer regional initiatives. The municipalities administer local youth programmes.

Labour market programmes which are not publicly financed

There are no programmes designed to integrate persons with disabilities that are not financed from public appropriations.

Labour market programmes targeted at people with disabilities

Current programmes

Sweden has three categories of labour market programmes especially designed for people with disabilities: Subsidized employment (Wage Subsidy), supported employment, and sheltered employment (Samhall and Public Sheltered Work). A general eligibility criterion for participation in the targeted labour market programmes is that the individual is registered with the public employment service and has a functional limitation that affects the amount or kind of work the person can/could do. There is an internal priority between the programmes, which has not changed during the 1990s. *Table SE1* presents the current programmes.

New programmes

There are no tangible plans to introduce new targeted labour market programmes for persons with disabilities.

Additional support

In addition, several services and grants are available for people with disabilities who are registered at the public employment service, e g grants for travel expenses for participants in the mainstream Labour Market Training programme or vocational rehabilitation and acquisition of work equipment or other costs in connection with starting up their own businesses. In general, when the public employment service contributes to a placement for a person with an occupational handicap, AMS is responsible for providing work place adaptations, technical aids and personal assistance during the first year of employment, and the employer is subsequently responsible. This also applies to participation in labour market programmes.

Table SE1. Specifications of targeted labour market programmes for people with disabilities in 1999.

Subsidized employment programmes

Wage Subsidy

Introduction year: 1980.

Priority: Second.

Administration: The public employment service or the special section for rehabilitation within the public employment service, AF Rehab (the former AMI).

Goal: Prepare employment for people with reduced working capacity when other programmes are not appropriate for facilitation of a placement.

Activities: Work in an ordinary workplace.

Provider: Private, public or non-profit organizations.

Individual eligibility criteria: Only for people whose working capacity is so reduced, due to physical, mental, intellectual or socio-medical disabilities, that no other employment is possible. The public employment service office refers job seekers to vacancies and assesses if work tasks and work conditions are adequate.

Individual compensation: Ordinary wage from employer.

Compensation to provider: Up to 80 % subsidy of wage costs for the p w d or alternatively a job coach, based on a wage of up to SEK 13,700 per month. Non-profit organizations up to 90 %. 100 % if the person never worked before or has not worked for a long time due to severe mental illness or having more than one severe disability. The average subsidy level for employers which are not non-profit organizations, must not exceed 60 %. Subsidies for continuous personal assistance at work and the wage subsidy must not exceed the wage cost of the p w d. Payment and emoluments in accordance with collective agreements or equivalent. Source: Public labour market appropriations.

Provider obligations: Non profit organizations: If the employer receives more than 80 % wage subsidy the work must be adapted to the person's needs and contribute to development, rehabilitation and increased working capacity.

Max programme time: 4 years. Opportunities to make the transition to regular employment must be reviewed regularly. With respect to the person's working capacity and possibilities of transition, the subsidy may be continuous and, in this case must be reviewed every third year. The time limit for a subsidy for a job coach is 1 year (may be extended to 2 years).

Supported employment programmes

Supported Employment

Introduction year: As pilot in 1993. National programme in 1998.

Priority: Second.

Administration: AF Rehab (the former AMI).

Goal: Prepare employment for people with reduced working capacity when other programmes are not appropriate for facilitation of a placement.

Activities: Special support by means of a job coach during an introduction period at an ordinary workplace with the prospect of employment.

Provider: People with disabilities who are assessed as requiring special individual job support. The public employment service office refers job seekers to vacancies and assesses if work tasks and working conditions are appropriate.

Individual eligibility criteria: Job coaches are provided by AF Rehab for placement in an open workplace in private, public or non-profit organizations. Not available for employment in Samhall.

Individual compensation: During the introduction period there is a rehabilitation benefit from the social insurance office or training benefit from the public employment service. (After the introduction period there is a normal wage from the employer.) Source: Public social or labour market appropriations.

Compensation to provider: No subsidy. A job coach is employed and paid for by AF Rehab. (After the introduction period, a wage subsidy may be provided if necessary.) Source: Public labour market appropriations.

Provider obligations: If necessary, the public employment service or AF Rehab is responsible for providing personal assistance at the workplace after the introduction period.

Max programme time: 6 months. The support is gradually de-escalated. Follow-up support may be provided for a further 12 months, if required.

Sheltered employment programmes

Samhall

Introduction year: 1980.

Priority: Third.

Administration: Samhall (the public employment service or AF Rehab may refer to a placement).

Goal: Creation of meaningful and developing employment for p w d where there is a need.

Activities: Work in sheltered workshops, enclaves or on contracts.

Provider: Samhall is the national provider of sheltered employment in Sweden. Since 1992, Samhall has been a state-owned limited company. Previously, it was a state-owned foundation, established in 1980. Over 90 % of Samhall's employees are persons assessed with reduced working capacity.

Individual eligibility criteria: Persons with reduced working capacity not able to get other work. At least 40 % of new employees are to be persons with multi-handicaps, and mental and intellectual handicap.

Individual compensation: Wage from employer (about 85 % of average wage in open employment).

Compensation to provider: Operating costs equivalent to 98 % of the wage costs of employed p w d (1998). Source: Public labour market appropriations.

Provider obligations: The employer is obliged to locate the activities to meet geographical needs, diversify the activities, make technical adaptations, provide more foremen, adapt the

work pace and promote transitions to the open labour market. At least 3 % of the employed p w d are to be transferred to open employment every fiscal year.[1]

Max programme time: Unlimited (up to 65 years of age).

Public Sheltered Work (OSA)

Introduction year: 1985.

Priority: Third.

Administration: The public employment service or AF Rehab.

Goal: To safeguard the entitlement of the p w d to paid work and provide rehabilitation opportunities with the ultimate objective of enabling disabled persons to find work in the regular labour market.

Activities: Work (and rehabilitation).

Provider: Mainly municipalities, but also government authorities and the state church. No manufacturing work.

Individual eligibility criteria: Unemployed persons with socio-medical impairments or long-term psychological occupational handicaps, who has never worked before or not worked for a long time.

Individual compensation: Ordinary wage from employer.

Compensation to provider: Up to 100 % subsidy of wage costs. Wage subsidy is based on a wage up to SEK 13,700 per month. No employment security. Source: Public labour market appropriations.

Provider obligations: Payment and other emoluments are to comply with collective agreements or equivalent.

Max programme time: Up to 65 years of age. The County Labour Board is assigned to regularly try transition to open employment (with or without wage subsidy).

[1] The actual transition rate calculated as the number of transitions to open employment (subsidized or unsubsidized) as a fraction of the number of remaining participants as at 31 December 2000 was about 5 per cent.

Mainstream labour market programmes

Current programmes

Sweden has eight categories of mainstream labour market programmes: subsidized employment (Individual Hiring Support), self-employment (Start-Up Grant), work experience (Inter-Practice Scholarship, Resource Work, Work Practice, Municipal Youth Programmes and the Development Guarantee (the last three programmes are aimed at young people)), vocational training (Labour Market Training, Computer/Activity Centre, In-Company Training and the IT Initiative), vocational rehabilitation (AMI Programme) and job rotation (Education Subsidy), early retirement (Generation Shift) and public job creation

(Public Temporary Work for older people). In principle, people with disabilities have access to all these programmes. A general eligibility criterion for all the mainstream programmes (except the targeted programmes for young and older people) is that participants shall be 20 years of age and registered at the public employment service (except on-the-job training and the IT Initiative).

There is no predefined internal priority between the mainstream programmes, but the priority depends, among other things, on individual needs and requirements. However, the occupationally handicapped are one of the priority groups in mainstream labour market programmes, which means that they should have a relatively larger share of mainstream labour market programmes than other categories of unemployed persons. Labour Market Training, Work Practice and the AMI Programme are the predominant mainstream programmes for people with disabilities, apart from the targeted programmes. *Table SE2* presents these three programmes.

New programmes

There are no tangible plans to introduce new mainstream programmes which are available also for people with disabilities.

Additional support

In addition to the programmes, services such as mobility grants are available for all job seekers registered at the public employment service.

Table SE2. Specifications of the most important mainstream labour market programmes for people with disabilities in 1999.

Work experience programmes
Work Practice Scheme
Introduction year: 1999 but was originally introduced in 1995 (under another name).
Priority: Not predefined.
Administration: The public employment service or AF Rehab.
Goal: To promote the individual's prospects of obtaining regular work.
Activities: Work experience.
Provider: Not specified.
Individual eligibility criteria: Must be registered as unemployed at the public employment service.
Individual compensation: Training benefit equivalent to UI, at least SEK 240 per day. Young p w d at least SEK 475 per day after 12 months. Source: Public labour market appropriations and

employer (private and non-profit employers SEK 3,000 per month, public employers SEK 1,000 per month for long-term unemployed). No contribution from employer for young p w d, occupationally handicapped, immigrants and participants for guiding purposes for 8 weeks at most.

Compensation to provider: Non-profit employers and public employers in forestry, nature conservation and cultural environmental protection may receive grants for additional costs. Source: Public labour market funding .

Provider obligations: No special obligations.

Max programme time: 6 months. May be prolonged another 6 months for occupationally handicapped and immigrants. For young p w d no limit.

Vocational training programmes

Labour Market Training

Introduction year: 1916.

Priority: Not predefined.

Administration: The public employment service or AF Rehab.

Goal: To promote the individual's prospects of obtaining regular work. To offer training to unemployed persons in sectors where the demand for labour is high, enhancing the prospects of regular work. LMT should also function as a tool for more equal income and gender distribution.

Activities: Mainly vocational training but also work experience or a combination of both.

Provider: Contracted education in the normal education system (long-term unemployed immigrants and occupationally handicapped persons without full education) or other provider. LMT may also be located at a work place. The employee must not replace the regular workforce or perform regular assignments.

Individual eligibility criteria: People registered at the public employment service who are unemployed or who risk unemployment.

Individual compensation: Training benefit equivalent to UI, at least SEK 240 per day. Source: Public labour market appropriations.

Compensation to provider: According to contract. Source: Public labour market appropriations.

Provider obligations: Adaptation of work place, technical aids and personal assistance in the workplace are included in the contracts with providers of the LMT.

Max programme time: Unlimited. Regular university education or other post secondary education limited to 40 weeks.

Vocational rehabilitation programmes

AMI-Programme

Introduction year: 1980.

Priority: First.

Administration: The public employment service or AF Rehab.

Goal: To make persons find, get and retain employment, primarily on the regular labour market.

Activities: Assessment of working capacity, guidance, rehabilitation and adaptation of the work

place.

Provider: AF Rehab (in cooperation with employer if the assessment is for a specific placement).

Individual eligibility criteria: Person in need of occupational rehabilitation who otherwise would not be able to get or keep a job and whose needs cannot be met by the public employment service.

Individual compensation: Training benefit equivalent to UI, at least SEK 240 per day or if not entitled to UI, SEK 103 per day. Source: Public labour market appropriations.

Compensation to provider: –.

Provider obligations: The employer is obliged to cooperate in the assessment of working capacity.

Max programme time: In principle unlimited, but AMS recommends up to 6 months.

Services associated with integration into the labour market

Table SE3 presents an overview of the central services available in connection with integration into the labour market and the administration responsible. The National Social Insurance Board and the local insurance offices are jointly responsible with the employers for the rehabilitation of people in employment. The employer may provide vocational rehabilitation himself, or buy it from an external provider (AF Rehab also provides this kind of rehabilitation).

Table SE3. Responsibilities of certain services associated with integration into the labour market.

Service	Administration
Vocational rehabilitation	Public employment service or AF Rehab
Vocational guidance	Public employment service or AF Rehab
Job search	Public employment service or AF Rehab
Selection into labour market programmes	Public employment service or AF Rehab
Incentives for employers when employing a person with disabilities	Public employment service or AF Rehab
Incentives for people with disabilities to become active in the labour market	No such incentive exists besides Start-Up Grant
Transportation to the work place	Municipalities
Technical aids and adaptation of the work place	Public employment service or AF Rehab
Personal assistance in the work place[1]	Public employment service or AF Rehab

[1] Personal attendant care, not job coach.

AF Rehab (or the public employment service) is responsible for providing vocational rehabilitation for categories other than employed persons. AF Rehab is responsible for providing technical aids and individual adaptation of the workplace during the first year of employment, whereupon the employer and the social insurance office take over responsibility. The employer is generally responsible for access to the work place, and also for providing aids and adaptation of the workplace for people who are employed, if it is profitable not only for the individual concerned, but also for other people at the workplace. However, AF Rehab is always responsible for providing personal assistance at the work place.

The financing of some of these services is shown in *Table SE4*. The public employment service has financial responsibility for vocational rehabilitation for unemployed people. In the case of employed persons, the employer is financially responsible but the social insurance office may contribute to larger, individual specific investments. If a person needs mobility services, transportation to the work place is subsidized so that the person in question pays (at least) the same amount as for the public transport.

Table SE4. Financial sources of certain services associated with integration into the labour market.

Service	Financial source
Vocational rehabilitation	Public labour market appropriations or employer and public social appropriations
Transportation to the work place	Public social appropriations and the individual
Technical aids and adaptation of the work place	Public labour market appropriations or employer and public social appropriations
Personal assistance in the work place	Public labour market appropriations

Disability pension

The social insurance office assesses occupational handicaps and the level of employability for persons with disabilities. People with reduced working capacity of at least 25 per cent have the possibility to get 25–100 per cent disability pension, stepwise by intervals of 25 percentage points, and remain at work for the rest of the time. Since only people who are at the disposal of the labour market for at least 50 per cent of the time, are eligible for UI, the "25-percenters" have a placement guarantee in sheltered employment (Samhall) following an attempt at placement on the open labour market. The social insur-

ance office pays the cost of these placements. People with full disability pension may still work or receive an income equivalent to 1/8 of full time work. The work injury scheme is applied as a top-up for the disability pension scheme, which means that work injury insurance fills the gap between the disability pension and previous income.

Early retirement

Officially, disability pension is no longer used as a solution for long-term unemployment. Between 1972 and 1991, it was possible to get disability pension purely for labour market reasons, and subsequently it was possible to get disability pension due to a combination of labour market and medical reasons. The National Insurance Act was amended on 1 January 1997, however, so that persons of 60 years of age are no longer eligible for disability pension for other than medical reasons. Previously, social, financial or labour market reasons were contributory factors in the assessment, and the only option considered was reintegration into the same occupation. Nowadays, if a transfer to another post with the same employer is not feasible, placement in another occupation and further rehabilitation are tried prior to disability pension.

Recent research indicates that there are new forms of unintended early retirement. For example, people are given notice when they have enough days left in the unemployment insurance system until retirement (65 years of age) or contractual pension (often the age of 63). In practice, this means that some people retire when they reach the age of 63.3 or 61.3. Other possibilities are to sandwich unemployment benefits and periods of employment (without an obligation to work) or contractual pension. In addition, cycling between active labour market programmes is used as a way to renew the right to unemployment compensation until retirement age.[102]

12.3 Statistics

Disability, labour force participation and employment rates

A national survey is conducted to measure the disability, labour force participation and employment rates in the working-age population (16–64 years of age), in which the respondents have defined themselves as having a disability or not,

[102] E Wadensjö & G Sjögren (2000), *Arbetslinjen för äldre i praktiken (The Working Line for Elderly People in Practice)*, Swedish Institute for Social Research, Stockholm.

in accordance with the United Nations Standard Rules. "The Situation for People with Disabilities on the Labour Market" survey was designed as an ad hoc module in the ordinary labour force survey and was conducted by Statistics Sweden (SCB) for the first time in 1996 and again in 1998 (to be repeated every second year). Persons in private households were asked whether they have a physical, medical or mental impairment which caused limitations in daily life. No distinction was made between partial and severe disability. According to the 1998 survey, 17 per cent of the working-age population have a disability. The labour force participation rate for this group is 65 per cent and the employment rate 60 per cent. For the group without disabilities, the corresponding percentages are 78 and 74.

Table SE5. Disability and employment restriction rate in the working-age population (16–64 years). Labour force participation and employment rates for people with/without disabilities and employment restrictions, respectively (per cent).

Population		Of working age	In labour force	Employed
With partial disabilities	1996:	–	–	–
	1998:	–	–	–
With severe disabilities disabilities	1996:	–	–	–
	1998:	–	–	–
With disabilities, total	1996:	19	61	55
	1998:	*17	*65	*60
Without disabilities	1996:	81	81	75
	1998:	*83	*78	74
With partial employment restrictions	1996:	N a	N a	N a
	1998:	N a	N a	N a
With severe employment restrictions	1996:	N a	N a	N a
	1998:	N a	N a	N a
With employment restrictions, total	1996:	12	54	48
	1998:	*11	*62	*56
Without employment restrictions	1996:	88	81	75
	1998:	*89	*78	74

*The results in the 1998 survey are significantly different from the 1996 survey (at 5 % level).
Source: Labour force survey last quarter of 1996 and 1998, Statistics Sweden.

The same surveys also provide the corresponding statistics for persons with disabilities with employment restrictions. The respondents with a disability were asked whether they judged that the disability reduced their working capacity. A distinction was made between partial and severe employment restrictions, but is not presented in the results. According to the survey 11 per cent of the working-age population have employment restrictions. The labour force participation for this group is 62 per cent and the employment rate is 56 per cent. The corresponding percentages are 78 and 74 respectively for the group with full working capacity.

Participants in labour market programmes

No survey data is available for the average number of people with disabilities[103] enrolled in various labour market programmes, nor is survey data matched with register data. However, register data on persons with employment restrictions registered at the public employment service is available. AMS defines employment restrictions according to limitations in the supply of labour or the set of possible work assignments.

The stock of participants with disabilities in targeted and mainstream labour market programmes in 1998 corresponds to about 11 (18) per cent of the number of people of working age with disabilities (employment restrictions) according to the labour force survey 1998, referred to above. About 76 per cent of the participants with disabilities in labour market programmes are in programmes especially designed for the target group. Wage Subsidy is the predominant programme followed by Samhall and the mainstream Work Practice programme. *Table SE6* presents the average number of participants in various labour market programmes in 1998.

Participants in programmes with paid income form the employer, are regarded as employed, while participants in programmes, which aim at training and education, are not included in the labour force in the national statistics[104].

[103] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.
[104] The national statistical information differs from international statistics. The national statistics does not take participants in educational programmes and other full time students, who are looking for a job, into account. This reduces the unemployment level with about two percentage points.

Table SE6. Numbers of persons with disabilities (16–64 years) enrolled in labour market programmes, average monthly stock 1998[105].

Progr targeted at people with disabilities	Counted in the LF	Number of people with disabilities
Wage Subsidy	Yes	49,030
Samhall	Yes	25,970
Public Sheltered Employment	Yes	5,940
Total	–	80,940
Mainstream programmes	**Counted in the LF**	**Number of people with disabilities**
Individual Hiring Support[1]	Yes	770
Start-Up Grant	Yes	1,060
Inter-Practice Scholarship	No	10
Resource Work	Yes	320
Work Practice[2]	No	8,440
Municipal Youth Programmes	No	50
Development Guarantee	No	90
Labour Market Training	No	6,270
Computer/Activity Centre	No	1,050
In-Company Training	Yes	N a
IT Initiative	No	30
AMI-Programme[3]	No	6,530
Education Subsidy	Yes	N a
Generation Shift	Yes	N a
Public Temporary Work	Yes	1,440
Total	–	26,060

[1] Includes remaining participants in the programmes which Individual Hiring Support replaced on 1 January 1998.
[2] Work Practice was introduced on1 January 1999. The figures refer to the programmes, which were replaced.
[3] Includes Supported Employment.
Source: AMS and the Swedish EU Programme Office (Inter-Practice Scholarship)

[105] According to AMS' definition of occupationally handicapped.

Main income source

No survey data is available for the main or most frequent source of income for persons with disabilities[106], nor is survey data matched with register data. However, the proportion of disability pension or long-term sickness benefit recipients amounts to about 50 per cent of the number of people with disabilities (82 per cent of those with employment restrictions) in the working-age population, 11 per cent (18 per cent) of whom received a partial disability pension.[107]

12.4 Evaluation and research

Institutions

The Office of Labour Market Policy Evaluation (IFAU), a national authority, which was established in 1997 and is subordinate to the Ministry of Industry, Employment and Communications, is responsible for evaluating government-financed labour market programmes. IFAU also cooperates with researchers primarily in labour economics, but also other disciplines at the universities. Other authorities, such as the Swedish National Audit Office (RRV) and the Swedish Agency for Administrative Development, also conduct (mainly implementation) studies of various labour market programmes. The National Labour Market Board (AMS) continually monitors both the targeted and mainstream programmes, and conducts follow-ups and other studies.

Policy, legislation and implementation issues

The main conflict between different policy objectives is between filling the vacancies as fast and effectively as possible and giving additional assistance to those who have special difficulties in obtaining a job.

Legal protection for persons with disabilities in the labour market may have reduced the number of job openings for people with disabilities, since job security is stronger for this group than for other people, which makes this type of labour more inflexible for the employer. In the 1990 recession, unemployment for people registered as occupationally handicapped at the public employment

[106] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.
[107] Sources: Own calculations of disabilty pension recipients according to the National Insurance Board (see specifications in Annex 3) and the number of people with disabilities and employment restrictions in the working-age population according to the 1998 survey "The Situation for People with Disabilities on the Labour Market" (in Swedish), Statistics Sweden (1999).

service rose by 91 per cent between 1991 and 1993, compared with 135 per cent for non-handicapped people.[108]

When considering the implementation of the policy for integration of people with disabilities into the labour market, there are no indications that the present strategy needs any new measures to fulfil the policy objectives, but there are, as always, budget restrictions.

Repeated programme participation is not viewed as a problem if it is a part of an action plan, aiming at a job. However, it is a problem if the various programmes fail to result in a placement. Targetting and intensifying measures for persons with disabilities then becomes the primary solution.

Creaming effects are not regarded as a problem.

Another major issue in implementing the labour market policy for persons with disabilities is employer attitudes and the need to make them understand that people with occupational handicaps are a positive resource, and may even be profitable.

Evaluation of labour market programmes

Of the four programmes targeted at persons with disabilities, the Wage Subsidy and Samhall are evaluated by econometric methods and implementation studies. No such evaluations are conducted of Supported Employment (since it became a national programme) or Public Sheltered Employment. Examples of programmes that are regarded as successful are Labour Market Training (including education in the regular school system), the Wage Subsidy and Samhall, since these programmes increase opportunities for people with disabilities to get a job. A low educational level is the main barrier for many of these people. *Table SE8* presents the results of the evaluations and follow-ups which are available.

[108] AMS (1998), "Arbetshandikappade på arbetsmarknaden" (Occupationally Handicapped in the Labour Market), Series Apin 1998:1, National Labour Market Administration, Stockholm.

Table SE8. Evaluations of labour market programmes targeted at people with disabilities.

Wage Subsidy

Type of evaluation: Macro economic cost-benefit analysis.

Time period analysed: 1984–87.

Research organisation: Lund University.

Positive results: Compared to the alternative of receiving disability pension, society's total gain as a result of the Wage Subsidy is probably substantial. The number of individuals in subsidized employment should be increased under the restrictions of more clear rules for assessment of the degree of occupational handicap.

Negative results: Possible displacement effects. The degree of handicap does not determine the level of subsidy but the type of employer does (public employers receive larger subsidies). On average, it takes six years from the first contact with the public employment service to employment. Occupationally handicapped people have a greater degree of job protection, which increases the hiring costs.

Wage Subsidy

Type of evaluation: Implementation study.

Time period analysed: 1991–93.

Research organisation: The Swedish National Audit Office (RRV).

Positive results: Despite the economic recession, the subsidies have, been kept at a low level. The number of people employed as a result of wage subsidies has increased during the period.

Negative results: Non-handicapped people also participate in the programme for labour market reasons. Only very few transitions to unsubsidized employment. The public employment service officers need better competence in negotiation with employers about the subsidy level.

Wage Subsidy

Type of evaluation: Implementation study.

Time period analysed: 1997.

Research organisation: The Swedish National Audit Office (RRV).

Positive results: Many occupationally handicapped people are employed as a result of subsidies every year. A formal objective of 3 % transitions to regular employment is fulfilled.

Negative results: Not only occupationally handicapped participants. The level of subsidy does not decrease over time. Overcompensation of employers.

Samhall

Type of evaluation: Macro economic cost-benefit analysis

Time period analysed: 1987–91.

Research organisation: Växjö University.

Positive results: Despite a low transition rate (3 %), break-even is achieved if these individuals

have a remaining career in regular employment of 9 years, which seems reasonable since their average age is 39 years.

Negative results: Possible creaming effects if the alternative to employment in Samhall is not pension. Financial incentives for transitions to regular employment for AMS, Samhall and people with handicaps are weak. The transition objective must have higher priority.

Samhall

Type of evaluation: Implementation study.

Time period analysed: 1998.

Research organisation: The Swedish National Audit Office (RRV).

Positive results: The policy objectives concerning labour demand, meaningful work and geographical location are fulfilled.

Negative results: Considerable creaming effects leading to displacement of the target group of severely handicapped persons. Insufficient rehabilitation.

12.5 Country-specific characteristics in brief

Table SE9. Summary of country-specific characteristics of labour market policies for people with disabilities.

Issue	Characteristics
Labour force participation	Labour force participation and employment rates above average. Disability module included in the ordinary labour force survey every second year (since 1996). Screening of disability is acceptable, but no definition of employment restrictions. The results are sensitive to participation in labour market programmes.
Labour market programmes	Extensive use of labour market programmes. The predominant programme especially targeted at people with disabilities is subsidized employment, which is utilized to an large extent, followed by sheltered employment of various types. Cost-benefit evaluation studies reported. Mainstream programmes are utilized to a lesser extent. Work experience and the AMI programme are the predominant mainstream programmes. If both targeted and mainstream programmes are taken into account, almost half the participants with disabilities are in subsidized employment programmes, while only a minor proportion is in vocational training or work experience programmes.
Mainstreaming of policy and institutions	The Ministry of Health and Social Affairs coordinates disability policy across government departments. In late 2000, the Employability Institutes (which serve most people with disabilities) became an integrated part of the mainstream employment service. Anti-discrimination legislation since 1999. Explicit objectives for integration into open employment. Large proportion of disability pension recipients, partly due to a the fact that work injury compensation recipients are included in the figures for disability pension recipients.

12.6 Acknowledgements

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12.7 Further reading

Printed matters

Swedish National Labour Market Board (1999), *Labour Market Policy Programmes in Sweden – Annual report 1998*, Series ISEKen 1998:8, Swedish National Labour Market Board, Stockholm.

Internet

Overview of national institutions: www.gksoft.com/govt/en/se.html

Ministry of Industry, Employment and Communications:
www.naring.regeringen.se
Ministry of Social Affairs: www.social.regeringen.se

National Social Insurance Board: www.rfv.se
National Labour Market Administration: www.ams.se
Statistics Sweden: www.scb.se

Samhall: www.samhall.se

13 United Kingdom

13.1 Policy

Institutional framework

Disability policy

No specific government department has sole responsibility at the national level for general disability policy, but in policy making each department has to consider the consequences for people with disabilities and their requirements. However, one of the Ministers in the Department for Education and Employment (DfEE) is the Minister for Disabled People, who, since 1974, has had a cross-departmental role in coordinating policy and implementation affecting people with disabilities. This function can be said to be the first step in underpinning the principle of sectoral responsibility, which is usually referred to in the UK as the "mainstreaming principle". The Minister for Disabled People was transferred to the DfEE from the Department of Social Security in 1997. In addition, individual departments such as the Department of Health, the Department of Social Security and the Department for Trade and Industry have specific responsibilities regarding disabled people.

Labour market policy

The Department for Education and Employment is responsible for employment in general. The Department for Education and the Department of Employment were merged in the mid-1990s. Within DfEE the Adult Disadvantage Policy Division (ADD), is responsible for employment policy for people with disabilities and the Disability Policy Division supports Ministers in the preparation of, and consultation on, proposals for enforceable and comprehensive civil rights for disabled people.

Policy focus

The policy for people of working age with disabilities gives priority to programmes which are designed to integrate the target group into the labour market. The focus of this policy has been reinforced during the late 1990s by the government's "Welfare to Work" strategy, helping people move from benefits to work by "providing work for those who can, and security for those who cannot".

At present, there is no explicit policy objective for integrating persons with disabilities into regular work (i e unsubsidized employment in the open labour

market), besides in line with what disabled people themselves want and the government's policy of labour market inclusion. However, a ministerial statement on modernizing supported employment in May 2000 emphasized progression to mainstream employment.

Legislation

Equal opportunities and equal participation in working life for persons with disabilities are expressed in anti-discrimination legislation (Disability Discrimination Act of 1995, DDA) which came into effect in 1996. The Act gives new rights to people who have or have had a disability which makes it difficult for them to carry out normal everyday activities. The disability could be physical, sensory, or mental. It must also be substantial and have a long-term effect (be expected to last for 12 months).

The DDA makes it unlawful for an employer to treat persons with disabilities less favourably than someone else due to their disability. This applies to all employment matters (including recruitment, training, promotion and dismissal). In order to help a disabled person to do the job, employers have to look at what changes they can make in the workplace or the way the work is done, and undertake any changes which are reasonable. The Act does not apply to employers who employ less than 15 people[109], although they are encouraged to follow good practice guidelines.

On 19 April 2000, the government launched the Disability Rights Commission (DRC). Its role will include educating, conciliating and, where necessary, enforcing the law, and assisting businesses to fulfil their obligations under the Disability Discrimination Act. The Commission has an independent chair and 15 other commissioners representing disability interests, business enterprises and trade unions interests, and specifically for Scotland and Wales. A majority of the commissioners are people with disabilities.

13.2 Implementation

Institutions

The Employment Service, an executive agency responsible to the Department for Education and Employment, has overall responsibility for implementation of labour market policy. The Employment Service national network is made up

[109] When the Act was introduced it covered employers of 20 or more.

of regional offices and local Jobcentres, which provide all the government's main employment services. Training and Enterprise Councils (TECs) in England and Wales and Local Enterprise Companies (LECs) in Scotland are private-sector managed companies set up to plan and deliver enterprise and training programmes and opportunities via a range of local organizations.

A new service, called ONE, was introduced in April 2000, initially on a pilot basis. It involves cooperation between the Employment Service and the Benefits Agency and the local authorities (based on Employment Service and Benefit Agency offices) to promote jobs and reduce benefit dependency. Claimants of certain benefits who live in the ONE pilot areas are required to take part in a work-focused interview as a condition for claiming and receiving benefit. They also have to participate in such an interview when certain events occur (e g when a period of education or training comes to an end). Failure to take part without good cause results in termination or reduction of benefit.

A new Working Age Agency (provisional name), combining the Employment Service and the Benefits Agency departments serving people of working age, will be established in 2001. The new agency will focus on helping people to become independent and to embed a culture of rights and responsibilities in the welfare system. The aim is to accelerate the shift from a welfare system that primarily provides passive support to one that provides active support to help people become more independent.

From 2001, a Learning and Skills Council (LSC) and a network of local councils will be set up to fund further education and advance government funded training and workforce development in England. The LSC is planned to succeed the Training and Enterprise Councils and the Further Education Funding Council. The enterprise role of TECs is to be advanced by the Department of Trade and Industry's Small Business Service.

Labour market programmes

Mainstream vs targeted labour market programmes

There are no official policy guidelines indicating whether mainstream labour market programmes are to be employed prior to labour market programmes targeted at people with disabilities, or vice versa. However, the majority of unemployed disabled people are supported via mainstream programmes. Access to targeted measures depends on individual needs.

Publicly financed labour market programmes

Publicly financed labour market programmes (both mainstream and targeted) for people with disabilities are arranged in the form of national programmes primarily provided by the Employment Service and the TECs/LECs.

Labour market programmes which are not publicly financed

Private sector, voluntary organizations and local authorities also provide employment support for disabled people funded from their own resources or with a contribution from central government by means of the targeted measures referred to above. They are similar to the targeted measures funded from central government sources, and include employment rehabilitation, supported employment and vocational training.

These programmes are quite extensive compared with publicly financed programmes, but there is no information as to whether they are growing in importance.

Labour market programmes targeted at people with disabilities

Current programmes

The United Kingdom has three categories of national labour market programmes especially designed for people with disabilities: work experience (Job Introduction), vocational rehabilitation (Work Preparation) and sheltered employment (Supported Employment). The earlier statutory quota system was terminated in late 1996.

A general eligibility criterion is being disabled within the definition of the DDA[110] and/or if assessment of their individual circumstances means that targeted programmes designed to meet particular needs will be more appropriate for them. Although, since late 1996 (when the quota system was terminated), there is no longer an obligation to register as disabled, a person may still register as disabled with the employment service to get a fast track access to employment programmes (the waiting period is reduced) and to programmes targeted to people with disabilities.

There is no predefined priority between the programmes, it primarily depends on individual needs. *Table UK1* presents the programmes in detail.

[110] The DDA defines a disabled person as someone who has: "a physical or mental impairment which has a substantial and long-term adverse effect on his (her) ability to carry out normal day-to-day activities".

New programmes

There are plans to introduce new labour market programmes targeted at people with disabilities. The New Deal is part of the Government's Welfare to Work strategy, created to help people find lasting, worthwhile work. The New Deal for Disabled People, helping people claiming incapacity benefits to get into work or stay in work has been piloted since 1997. It has been designed "to test the contention that many people with a disability or long-term illness would or could work given the right level of support"[111]. The main client group is people currently receiving Incapacity Benefit. Features of the New Deal for Disabled People include a strong network and coordination with other agencies, employers and local disability groups and a wider perspective in handling disability-related employment barriers. The programme bridges the gap between the local and health authorities and voluntary providers of pre-preparation measures and the vocational rehabilitation administered by the Employment Service. Several different measures, such as intensified counselling, guidance and placement service, subsidized jobs or full-time education and training opportunities, may be used within the programme to achieve the objectives.

A Personal Advisor Service to overcome barriers to work is set up under this New Deal as a joint initiative between the Department of Education and Employment and the Department of Social Security, and is piloted in 12 areas. The Employment Service runs six of the areas and another six are contracted out to the voluntary or private sector by open tender. There is also an information campaign to improve knowledge of existing assistance available to help people into work and to change the attitudes of benefit recipients, employers and the public and; a programme of research and evaluation. The Government has announced that it will prepare proposals for extending the New Deal for Disabled People more widely in mid-2001. At the same time a network of contracted Job Brokers will be introduced which will market their services directly to people who receive incapacity benefits. The Job Brokers will in part be paid according to outcomes that achieve sustained employment for people previously on incapacity benefits.

The Employment Service, through the National Disability Development Initiative, funds a number of external projects aimed at developing and disseminating new and effective approaches, and promoting and extending good practice. The projects focus on developments to help people with disabilities to

[111] The Government's Expenditure Plans, Departmental Report 1999–00 to 2001–02, p 135.

identify potential suitable occupations and jobs, and to improve their competitiveness in the employment market. Some projects are designed to cover all aspects of disability, others focus on particular disabilities and the specific barriers that may inhibit disabled people from finding and keeping work.

A ministerial statement in May 2000, announced modernization of the supported employment programme which, for example, put a greater focus on progression into mainstream employment. In April 2001, the current eligibility criteria (se *Table UK1*) were[112] due to be abolished. The new target group will include (a) former supported employment employees who lose their jobs in mainstream employment within two years of progressing, (b) people on incapacity benefit or (c) people with a disability on Jobseekers Allowance for 12 months or more. Quality standards for providers of supported employment will also be introduced to ensure that support is consistent across the country, and geared to the demands of working life. The standards will cover: entry to the programme; continued assessment of progress and needs of participants; targeted learning; effective relations with employers, and continuing help for participants once in work. Demanding targets for the number of people moving into mainstream employment within two years will also be set. A new funding system will be introduced which may involve payments at key stages and for outcomes. A recent review of Remploy recommends that the company should keep its current status as a Non-Departmental Public Body for at least the next two or three years while implementing a new strategy, Remploy 21. This new strategy will, among other things, involve an emphasis on training and development using a half-way house model instead of permanent employment and an increased emphasis on transition into open employment.

A new initiative, Job Retention, was introduced during 2000. It will aim to keep people in work and encourage employers to keep people in work rather than allowing them to claim benefits and leave the labour market. A range of activities will be piloted in the next two years to test alternative strategies for offering early and additional help both to individuals, who are at risk of losing their jobs due to prolonged illness or disability, and employers.

Additional support

In addition, several services and grants are available for people with disabilities in connection with employment:

[112] At the time of data collection.

Disability Employment Advisers (DEAs) are based in Jobcentres providing specialist advice and practical help to people with a wide range of disabilities, to provide job search support and identify employers wishing to recruit or retain disabled workers. The DEAs are part of a local Disability Service Team network and can draw, for example, on the professional expertise of occupational psychologists who specialise in working with disabled people. DEAs process applications for assistance from targeted programmes.

Through Access to Work, the Employment Service provides funding for alterations to work premises and special equipment, adaptations to a vehicle or contribution to taxi fares or other transport costs if public transport cannot be used to get to work or in work. It also includes sign language interpreters for deaf people or who have a hearing impairment and a reader at work for someone who is blind of visually impaired. In addition, the support funds a support worker, which besides communicators and readers includes a job coach in the introductory phase of a new job or an assistant to help with the personal needs at the work place or an escort to travel to and from work. The funding is available for disabled people in or about to enter employment, including self-employment. The support is available for any paid job, part-time or full-time, permanent or temporary.

Prior to the introduction of the DDA, employers had been encouraged to adopt voluntary "codes of practice" on the employment of disabled people, which means that they were given guidelines to assist in the formulation of objectives and drawing up a satisfactory disability policy. However, the DDA provides a statutory code of practice which give examples of what adjustments employers might be required to make to help remove any disadvantage experienced by disabled employees or job applicants.

The disability symbol is one way to promote the employment of disabled people. It has been developed by the Employment Service so that employers can show their commitment to good practice in employing disabled people and also enables disabled people to know which employers will have a positive approach to their disabilities when they are looking for a job.

Yet another "informative measure" is employer networks, such as Employers Forum on Disability, where good employment practices and information on other measures for promoting the employment of people with disabilities are shared among the employers. Networks are independent of, but encouraged by, central government.

Table UK1. Specifications of labour market programmes targeted at people with disabilities in 1999/2000.

Work experience programmes

Job Introduction Scheme

Introduction year: 1977.

Priority: Depending on individual needs.

Administration: The Employment Service.

Goal: To remove the disabled person's or the employer's doubts or reservations about whether the job is within the disabled person's capabilities and to help p w d to gain paid employment.

Activities: Short-term work experience and work trial on a full or part-time basis.

Provider: Private, non-profit and public organizations (but government departments or agencies).

Individual eligibility criteria: Disabled according to DDA and that JIS is appropriate according to an employment assessment by the ES.

Individual compensation: Regular wage from the employer.

Compensation to employer: GBP 75 wage subsidy per week. Source: Public labour market appropriations.

Provider obligations: It has to be a genuine job, and not specially created to take advantage of JIS. It must be expected to last for at least 6 months after the trial period ends. The employer has to contact the public employment service before the participant starts to work.

Max programme time: Six weeks initially. May be extended up to 13 weeks if necessary.

Vocational rehabilitation programmes

Work Preparation (formerly Employment Rehabilitation)

Introduction year: 1973. Reformed in early 1990s when contracting out was introduced.

Priority: Depending on individual needs

Administration: The Employment Service.

Goal: To help identify and overcome any barriers to employment.

Activities: Further assessment of employment abilities and aptitude, including work trials etc.

Provider: Contracted out to external providers in private, non-profit and public sectors. Within Remploy the programme is called Route Back.

Individual eligibility criteria: Disabled according to DDA. After the programme the participants should be job or training ready.

Individual compensation: P w d: Employment Rehabilitation Allowance or other benefits. Travel expenses will be reimbursed. Source: Public social or labour market appropriations.

Compensation to employer: Provider: According to tender contract. Source: Public labour market appropriations.

Provider obligations: According to tendering specifications.

Max programme time: Max programme time: Depending on the need of the individual, from a few days to a few weeks on part-time or full-time basis (average 6–8 weeks).

Sheltered employment programmes

Supported Employment

Introduction year: Mid-1940s.

Priority: Depending on individual needs.

Administration: The Employment Service.

Goal: To ensure, within available resources, the appropriate level of job opportunities for the target group.

Activities: Work in a sheltered factories and business (Supported employment) or through placement in an open host company (Supported Placement), where the employee works on the same terms and with the same day-to-day support/supervision as other employee (e g Remploy Interwork). The employee should have opportunities to gain and develop job skills and in some cases, progress to open employment. About 1/3 of the programme participants are in sheltered workshops. The ES also contributes to the Local Authority Blind Homeworkers Scheme.

Provider: About 230 contracted programme providers: local authorities, non-profit organizations (such as Scope and Mencap) and Remploy (a nationwide non-departmental public body which is a non-profit organization but which operates commercially) In Supported Placement, the programme contractors may also provide support to open employers to employ and retain supported employees. Alternatively, the contractor may be the legal employer of the supported employee, while the employee carries out their job within the open employment organization. Local authorities are responsible for home workers.

Individual eligibility criteria: People who, because of the nature or extent of their disability, are less likely to secure or retain work without the support of the programme or to be fully productive in work but who are able to make an effective contribution to the employing organisation or company with the appropriate support. A Disability Employment Adviser at the public employment service must confirm that the individual's potential productivity is between 30 and 80 % of that of a non-disabled person.

Individual compensation: Ordinary wage from the programme contractor or the employer (Supported Placement). The host company pays the provider for the value of work done, based on the employee's performance. Home workers are paid an allowance from the local authority during the start-up period. The employment service may provide capital funding.

Compensation to provider: The contractor receives funding of 75 % (local authorities) or 100 % (voluntary organizations) of the legitimate costs, subject to contracted maximum numbers and a ceiling of GBP 4760 per annually occupied place. However, Remploy receives annual grant-in-aid, currently set at GBP 94,160,000. The contractor agrees with the employer on the level of any financial or other support that may be offered to assist the person's employment. This may be a wage subsidy, flat rate, time-limited or tapered payment, or in the form of a job coach or other direct help to the individual or employer. Source: Public labour market appropriations. Local authorities may pay for spending over and above the 75 % subsidy.

Provider obligations: Open employment options must be considered before selection into Supported employment, and shown to be not feasible. A goal for transition to open employment to-

gether with other targets is proposed to be implemented in a reform of the programme in 2001. Remploy already has a progression target of about 4 % (negotiated as a part of its Annual Performance Agreement) which not only cover progression to mainstream employment. Supported Placement: The contractor assists the employer with recruitment, assessment and work place training to learn the job. The employee must receive wages and conditions of employment in line with the organization in which they are working.

Max programme time: At least 6 months, and is expected to be permanent. In the case of Remploy, the company operates a policy of no compulsory redundancy of its disabled workforce.

Mainstream labour market programmes

Current programmes

The United Kingdom has three categories of mainstream labour market programmes: multi-purpose programme (New Deal for Young People and New Deal 25+), work experience (Work Based Learning for Adults and Work Trials) and vocational training (Work Based Training for young People).

The New Deal programmes, aim at helping young, long-term unemployed, lone parents and people with disabilities out of benefit dependency by intensified counselling, guidance and placement service, including options of six months subsidized employment or 12 months training. The number of starts in unsubsidized jobs is especially monitored.

In principle, people with disabilities have access to all mainstream labour market programmes. A general eligibility criterion is that a job seeker is registered as unemployed with the Employment Service.

The internal priority between the mainstream programmes, depends on labour market needs and changing policy requirements at that particular time.

The majority of disabled people are supported through mainstream programmes. Work Based Training for young People and Work Based Learning for Adults are the predominant mainstream programmes for people with disabilities, apart from the targeted programmes, followed by New Deal for Young People and New Deal 25+. *Table UK2* presents these programmes in detail.

New programmes

No plans of introducing new mainstream labour market programmes are reported.

Additional support

In addition to the programmes, several services are available: The Jobcentres, for example, have information about contract work and vacancies paying commission only. Career Development Loan is a deferred repayment loan, which is available to job seekers for vocational training courses for up to two years. Travel to Interview Scheme involves an allowance for necessary travel and accommodation to encourage those who have been unemployed for 13 weeks to widen their jobsearch. Extensive help to find a job by yourself is provided by a "Job Kit" which gives the job seeker step-by-step self-support.

Since 1997 there is a new approach to job search training called Programme Centres, which are delivered by external organizations under contract to the ES. These Centres represent a shift away from the traditional fixed-length jobsearch courses to the delivery of modules that can be better tailored to meet the needs of individual job seekers. The Programme Centres will replace the Employment Service's mandatory Jobplan workshops and voluntary Jobclubs. Jobplan is a five-day programme for people over 24 and unemployed for 12 months, including individual assessment, jobsearch guidance and confidence building. Jobclubs offer two-week guidance in jobsearch techniques, including telephone and interview skills, CV preparation and where to look for job opportunities.

Table UK2. Specifications of the most important mainstream labour market programmes for people with disabilities in 1999/2000

Multi-purpose programmes
New Deal for Young People
Introduction year: As pilot in January 1998. As a permanent programme in April 1998.
Priority: Major initiative for young people.
Administration: The Employment Service.
Goal: To help the participants to find work and improve their prospects of remaining in sustainable employment through local partnerships.
Activities: Involves three phases: (1) Gateway, (2) Options and, (3) Follow Trough. (1) Initial interview, guidance, making an action plan, job search support and additional support (e g if there is debt problem or drug abuse). For self employment, an awareness session and a short course/1–1 counselling is available. (2) 4 options: (a) subsidized employment or self employment; (b) full time education and training; (c) environmental projects, and; (d) work in the voluntary sector. (3) Includes intensive help to find job or identify further action to improve prospect of finding work.
Provider: (1) The Employment Service. (2): (a) Private, non-profit or public employers. Self

employment: Contracted Business Advisers. (b) Local colleges and recognized training providers. (c) A framework within which organizations can get funding to provide high quality work placements for young people which will improve their employability and deliver environmental benefits at the same time. Individual organizations or partnership of organizations/employers are contracted. (d) Ranging from large national organizations to small groups working with local communities. A lead organization contracts all voluntary sector options in an area. (3) The Employment Service.

Individual eligibility criteria: (1) 18–24 year olds who have been unemployed and claiming Jobseeker's Allowance (JSA) for 6 months or more. People with disabilities can enter the programme earlier. (2) Those who do not obtain unsubsidized work during the Gateway phase. (3) Those who end an option without finding a job.

Individual compensation: (1) Continuous JSA. (2): (a) Wage from the employer. Self employment: An allowance equivalent to JSA plus a grant of up to GBP 400 spread over the programme period. (b) An allowance equivalent to JSA and retained entitlement to certain other benefits, such as Housing Benefit. Discretionary funding to cover special equipment, exceptional travel costs and childcare may be available. (c) and (d) Either a wage from the provider or an allowance equivalent to JSA plus a grant of GBP 400 spread over the programme period. The provider reimburses travel costs over the first GBP 4 per week. (3) Reclaiming JSA after an option will count as a new claim (new unemployment period), though the individuals will be eligible for continuous help during the Follow Through stage. Source: Public labour market appropriations.

Compensation to provider: (a) If entering an employment agreement: GBP 60 for work of at least 30 hours, GBP for work between 24–29 hours. Slight variations when employing p w d. In addition, there is a training payment of GBP 750 (one training day/week) which is paid in 3 stages (on completion of an Individual Training Plan, a mid-term payment to reward progress, and a final payment for achievement of objectives). Self employment: Business Advisers and organizations offering counselling and training receive a fee according to contract. (b) The provider receives a fee according to contract. (c) and (d) Providers receive a placement fee made up of an input fee of 20 % (on start), 50 % (on programme payments to cover help with supervision, materials and clothing, administration costs, travel expenses), 20 % value added fee paid (paid at the end of the placement for job search, progress made towards objectives, attendance and time-keeping to gauge employability) and 10 % outcome fee (for job outcome). In addition, GBP 750 per participant is available for training 1 day per week, paid in 3 instalments. Source: Labour market appropriations.

Provider obligations: Subsidized employment: The participant becomes an employee under the orgnization's normal terms and conditions. Employers will also give time for people to show the aptitude and commitment needed; arrange training for one day a week; monitor and record progress and; assign a work place supporter.

Max programme time: (1) Up to 4 months. (2): (a), (c) and (d): Up to 26 weeks. (b): Up to 52 weeks. (3) No specified period as it is continuing support.

New Deal 25+

Introduction year: 1998 (as pilot). As national programme in June 1998.

Priority: Main programme for adults.

Administration: The Employment Service.

Goal: To help the participants to find work and improve their prospects of remaining in sustain-

able employment through local partnerships.

Activities: Involves four phases (1) Gateway, (2) Jobmatch, (3) Options and, (4) Follow Through. (1) Initial interview, guidance, making an action plan, job search support and guidance on education and training and advice for self-employment. (2) Short term courses to refresh existing skills, short trial periods with employers, grants to take up jobs or start own business and, training in basic employability skills. (3) Three options: (a) subsidized employment, (b) self-employment, (c) full time education and training to learn new skills under the Education and Training Opportunities Programme or Work Based Learning for Adults. (4) Follow through for those who return to claim JSA after an option. Includes intensive help to find job or identify further action to improve prospect of finding work.

Provider: (1) The Employment Service. (2) The Employment Service. (3): (a) Local private, non-profit and public employers. (b) Contracted Business Advisers. (c) Local colleges or contracted training providers. (4) The Employment Service.

Individual eligibility criteria: (1) People 25 years of age and over who have been unemployed for at least one year (not disabled two years) and continuously claiming JSA. (2) Those who do not obtain unsubsidized work during the Gateway phase. (3) Those who do not obtain unsubsidized work during the Gateway or Jobmatch phases. (4) Those who terminate an option without finding a job.

Individual compensation: (1) Continuous JSA. (2) Allowance of GBP 50 per week for 26 weeks. (3): (a) Regular wage from the employer. (b) An allowance equivalent to JSA. (c) An allowance equivalent to JSA plus a GBP 10 supplementary allowance. (4) Reclaiming JSA after an option will count as a new claim (new unemployment period) though the individuals will be eligible for continuous help during the Follow Through stage. Source: Public labour market appropriations.

Compensation to provider: (3): (a) GBP 75 per week (for at least 30 hours) or GBP 50 (for 16–29 hours). (b) Business Advisers and organizations offering counselling and training receive a fee according to contract. (c) Payments of fee according to what is provided. Source: Public labour market appropriations.

Provider obligations: Subsidized employment: The participant becomes an employee under the orgnization's normal terms and conditions. Employers will also give time for people to show the aptitude and commitment needed; arrange training; monitor and record progress.

Max programme time: (1): Up to 4 months. (2): Up to 6 weeks. (3): (a)–(b) Up to 26 weeks. (c) Up to 52 weeks but usually for shorter periods. (4): No specified period as it is continuing support.

Work experience programmes

Work Based Learning for Adults/Training for Work (Sc)

Introduction year: Replaced Work Based Training for Work in 1998.

Priority: Major programme for long-term unemployed adults, other than New Deal.

Administration: Private local Training and Enterprise Councils (England and Wales) or Local Enterprise Councils (Scotland).

Goal: (1) To help unemployed people who lack the key skills that employers are looking for, to move into sustained employment. (2) To help long-term unemployed to gain occupational skills needed to fill locally identified skill shortages or move into self-employment.

Activities: Combination of guidance, structured work experience, training and approved qualifications in a mainstream training centre. For p w severe disabilities there are options of training in a residential training centre or special local training closer to home. Basic skills training (literacy and numeracy) is also provided within this programme. For self-employment: Initial support and advice, developing a business plan, skills training, ongoing mentoring and transitional support.

Provider: TEC/LEC contracted local providers (a range of private, non-profit or public training and placement providers). Employers can be involved in providing any necessary work experience.

Individual eligibility criteria: From age 18 to 63 who are at risk of exclusion from the job market (26 weeks unemployed and claiming social security benefits; unemployed people with disabilities and those those needing training in literacy, numeracy or basic English, Welsh or Gaelic; ex-armed forces personnel and ex offenders; those who return to the labour market after at least two years of domestic work; and victims of large scale redundancies). Must be considered likely to be capable of taking up employment following the training programme.

Individual compensation: A training allowance equivalent to of their benefit entitlement and a GBP 10 training premium plus possible expenses such as travel or childcare. Residential costs are met. Source: Public labour market appropriations.

Compensation to provider: According to contract. Are in part paid according to post-training outcome (work within a certain time period after the training is completed). Source: Public labour market appropriations and ESF funding.

Provider obligations: The training provider may provide specially adapted equipment, special aids and adaptations of the premises. The residential training may also offer additional support, longer training and medical and social care.

Max programme time: Full time or part-time programme. Average duration: Standard Vocational Training courses: 14 weeks. Basic Employability Training: 20 weeks. Residential Training: 44 weeks.

Vocational training programmes

Work Based Training for Young People

Introduction year: Replaced Youth Training in 1999.

Priority: Major programme for young people.

Administration: TECs/LECs.

Goal: To equip young people with the qualifications and practical skills needed to gain sustainable employment.

Activities: The umbrella term for a variety of training programmes including Advanced Modern Apprenticeships, Foundation Modern Apprenticeships and Other Training for Young People, focused on attainment of vocational qualifications.

Provider: All TEC/LEC approved local private, non-profit or public suppliers of training and associated work experience.

Individual eligibility criteria: 16–18 years of age but up to 25 if entry to the programme could not be undertaken earlier.

Individual compensation: Compensation to provider: According to contract. Are in part paid according to post-training outcome (the level of qualifications gained). Source: National labour market appropriations together with ESF funding.

Compensation to provider: According to contract. Are in part paid according to post-training outcome (the level of qualifications gained). Source: National labour market appropriations together with ESF funding.

Provider obligations: The provider may provide specially adapted equipment, special aids and adaptation to premises.

Max programme time: Normally 2 years but up to 25 years if earlier entry was not possible due to disability (normally 3–4 years of duration).

Services associated with integration into the labour market

Table UK3 presents an overview of central services available in connection with integration into the labour market and the administration responsible.

Vocational rehabilitation: The public employment service (via the Jobcentres) refers customers to (private and non-profit) specialist providers.

There are various incentives to encourage people with disabilities to become active in the labour market: Disabled Persons Tax Credit includes a basic tax credit of GBP 54 (a week) for income from work for people with a physical or mental disability which puts them at a disadvantage in getting a job. To be eligible a person must have one of a range of incapacity or disability benefits, or has been receiving certain benefits in the 182 days prior to the claim and have less then GBP 16,000 in capital. If working hours rise to 30 hours a week, an extra allowance of GBP 11 is awarded.

There are also a number of mainstream incentives which encourage people to take up work: Job Finders Grant, Jobmatch and Back to Work Bonus. The Job Finders Grant is a one-off payment of GBP 200 to people registered as job seekers for over two years who find employment that is expected to last at least six months. It was extended to recipients of long-term incapacity benefits in April 1999 as a pilot scheme but was discontinued. A new grant is to be announced.

Jobmatch pays an allowance of GBP 50 per week for six months for a part-time job or may pay training vouchers to the value of GBP 300 to young people who have been out of work for two years and are claiming benefit. Jobmatch was also extended to recipients of long-term incapacity benefits in April 1999 as a pilot project in 15 areas, but no new awards were made after 30 June 2000.

Back to Work Bonus encourages people to keep in touch with the labour market by undertaking small amounts of work whilst claiming benefit. It also

allows recipients of social security or unemployment benefit to build up and receive a tax-free lump sum of up to GBP 1,000 when they move off benefit into work. Back to Work Bonus is not available for recipients of long-term incapacity benefits.

The Employment Service administers the Access to Work service. This service offers advice and helps with the costs of special aids and equipment in the workplace and alterations to workplace premises and equipment. It may also help with taxi fares or other transport costs if an individual cannot use public transport to get to work, and personal assistance for getting to work or at work. Support workers also include personal readers for people with visual impairments; interpreters for people who have a hearing impairment; and a third group providing personal assistance such as helping with communications, driving, escorting to work personal care and doing part of the job with/for the user (a job aide). The service also offers communicator support at job interviews for people who are deaf and personal readers for those with a visual impairment.

Table UK3. Responsibilities of certain services associated with integration into the labour market.

Service	Administration
Vocational rehabilitation	The public employment service refers to specialist providers
Vocational guidance	The public employment service, private sector career advisers
Job search	The public employment service, private employment exchanges
Selection into labour market programmes	The public employment service
Incentives for employers when employing a person with disabilities	The public employment service and Inland Revenue
Incentives for people with disabilities to become active in the labour market	The public employment service
Transportation to the work place	The public employment service
Technical aids and adaptation of the work place	The public employment service
Personal assistance in the work place[1]	The public employment service

[1] Personal attendant care, not job coach.

The financing of (the public part of) some of these services is shown in *Table UK4*.

Table UK4. Financial sources of certain services associated with integration into the labour market.

Service	Financial source
Vocational rehabilitation	Public labour market appropriations
Transportation to the work place	Public labour market appropriations
Technical aids and adaptation of the work place	Public labour market appropriations
Personal assistance in the work place	Public labour market appropriations

Disability pension

Incapacity Benefit is a contributory income maintenance based on a person's incapacity for (1) work in their normal occupation for the first 28 weeks of incapacity (the Own Occupation Test) and (2) all work from the 29th week of incapacity (the All Work Test). Doctors at medical centres are contracted to do the latter assessment, which forms a basis for the decision maker at the Benefit Agency. A higher rate of benefit is paid as from the 29th week (about GBP 60 compared with about GBP 50 per week for the first 28 weeks). If there is no regular work at the time of claim, the individual is subject to the All Work Test. It is paid both to people where the non-contributory statutory sick pay runs out (after 28 weeks) and to people not eligible for sick pay because they are not in employment or self-employed.

From April 2000 the All Work Test was renamed the "Personal Capacity Assessment" to correct the impression that people who meet the qualifying conditions for incapacity benefits are unable to do any work.

In some pilot areas, the doctor also makes a supplementary "capability report", with positive and constructive advice on what the person can do despite their incapacity and general advice on what is needed at the workplace to help people who want to work back into work. This report is passed on to a personal adviser of the ONE service.

After 52 weeks of incapacity, a long term Incapacity Benefit is paid which corresponds to disability pension (ca GBP 67 per week). In practice, a review is conducted before long-term Incapacity Benefit (IB) is granted. On this occasion the medical expert also gives his/her view on when another review should be made, depending on the client's prospects of getting better. To enable claimants with recurring/fluctuating conditions to qualify for the long-term

benefit, a linking provision allows shorter periods of incapacity to be added together. For people who leave IB for paid work or employment training, no new qualifying period is needed within 52 weeks if they leave their job for reasons associated with their disability. For claimants who start work and receive Disabled Persons Tax Credit and have to stop working and re-claim the IB, the linking period is within two years of the end of the previous claim. Both the following two contribution conditions must be fulfilled: (1) National Insurance Contributions (as employed or self-employed) must have been paid on earnings equal to at least 25 times the lower earnings limit in any one tax year prior to the benefit claim. (2) NIC paid on earnings equal to at least 50 times the lower earnings limit in each of the two complete tax years prior to the benefit year in which a person claims IB.

No partial long-term incapacity benefit is available. In general, people cannot work while receiving IB. However, if a claimant has doctor's approval that work is beneficial for the condition which causes incapacity, the benefit can continue if work is for less than 16 hours and earnings do not exceed GBP 58.50[113] a week. Unpaid voluntary work is also permitted.

If a person has not paid National Insurance contributions, Severe Disablement Allowance is paid if he/she has not been able to work for at least 28 weeks because illness or disability. Also people who have never been able to work may get this allowance. It is paid to people aged 16 or over and up to 64 years of age.

Early retirement

There is no government programme for early retirement as a way out of long-term unemployment. Employers and trade unions in different industries have their own way of dealing with this issue, which may lead to early retirement in certain industries. Incapacity Benefit is not intended as an early pension scheme although in some cases people will clearly claim the benefit from the onset of their illness or disability until they reach state pension age and Retirement Pension becomes payable.[114]

[113] Up to April 2000.
[114] The State pension age is 65 for men and 60 for women. It will be equalized at age 65 from 2020.

13.3 Statistics

Disability, labour force participation and employment rates

National surveys are conducted to measure disability, labour force participation and employment rates in the working-age population (men 16–64 years, women 16–59), in which the respondents have defined themselves as having a disability or not in accordance with the ICIDH.

The surveys are designed as a module in the ordinary labour force survey, and has been conducted quarterly since the spring of 1998 by the Office for National Statistics. Since 1997, a definition of disability that corresponds to the DDA is used, but a survey of disability was conducted for the first time in 1973. Persons in private households are asked whether they have any health problems or disabilities that they expect will last for more than a year. No distinction is made between partial and severe disability.

According to the winter 1999/2000 survey, 18 per cent of the working-age population have a disability. The labour force participation for this group is 52 per cent and the employment rate is 46 per cent. For the group without disabilities, the corresponding percentages are 85 and 80.

The same survey also provides the corresponding statistics for persons in the working-age population (16–59/64 years) with disabilities, with employment restrictions due to disability. The respondents were asked whether the health problem affects the kind or amount of paid work that they might do. No distinction was made between partial and severe employment restrictions.

Table UK5. Disability and employment restriction rate in the working-age population (16–59/64 years). Labour force participation and employment rates for people with/without disabilities and employment restrictions, respectively (per cent).

Population	Of working age	In labour force	Employed
With partial disabilities	–	–	–
With severe disabilities	–	–	–
With disabilities, total	18	52	46
Without disabilities	82	85	80
With partial employment restrictions	–	–	–
With severe employment restrictions	–	–	–
With employment restrictions, total	15	45	39
Without employment restrictions	85	85	80

Source: Labour Force Survey Winter 1999/2000, Office for National Statistics.

According to the survey, 15 per cent of the working-age population have employment restrictions due to disability. The labour force participation rate for this group is 45 per cent and the employment rate 39 per cent. The corresponding percentages are 85 and 80 for the group with no employment restrictions.

Participants in labour market programmes

There is survey data on the number of people with disabilities[115] enrolled in various labour market programmes in the Labour Force Surveys, but these data is not available.

However, register data on people with disabilities (self-declared according to the Disability Discrimination Act of 1995) registered at the public employment service is available.

The stock of participants with disabilities in targeted and mainstream labour market programmes in 1999/2000 corresponds to about one (one) per cent of the number of people of working age with disabilities (employment restrictions) according to the Labour Force Survey Winter 1999/2000, referred to above. About 37 per cent of the participants with disabilities in labour market programmes are in programmes especially designed for the target group. Supported Employment is the predominant programme followed by the mainstream programmes Work Based Training for Young People and Work Based Learning for Adults. *Table UK6* presents the number of participants in various labour market programmes in 1999.

Participants in government employment and training programmes are included in the list of basic employment activities in accordance with the ILO definition of employment, but the respondents may not necessarily view a labour market programme as their main economic activity (they may also have a part-time job). Solely in terms of the programme activity, all participants except those in education and training activities are considered to be economically active

Table UK6. Numbers of people with disabilities enrolled in labour market programmes, stocks 1999/2000 and whether the participants are counted in the labour force or not.

[115] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.

Progr targeted at people with disabilities	Counted in the LF	Number of people with disabilities
Job Introduction Scheme	Yes	460[1]
Work Preparation	Yes	1,800[2]
Supported Employment	Yes	22,900[3]
Total	–	25,160
Mainstream programmes	**Counted in the LF**	**Number of people with disabilities**
New Deal for Young People		6,400[4]
Gateway	Yes	(7,000)
subsidized employment	Yes	1,400
education and training	No	2,700
work on the Environment Task Force	Yes	1,300
work with the voluntary sector	Yes	1,000
Follow Through	Yes	(2,700)
New Deal 25+		3,300[5]
Gateway	Yes	(12,800)
Employer Subsidy	Yes	1,000
Education and Training Opportunities	No	500
Work Based Learning for Adults	Yes	1,800
Follow Through	Yes	(200)
Work Based Learning for Adults[6]	Yes	13,690[7]
Work Trials	Yes	N a[8]
Work Based Training for Young People[9]	Yes	19,200[10]
Total	–	42,590

[1] Since the expected duration of the programme is only six weeks (even though it may, if necessary, be extended to 13 weeks), the stipulated programme time may constitute an approximation of the average programme time. The number of entries into the programme during the period April 1999–March 2000 was 3,995.
[2] In general, participants come off the programme after six weeks, according to the Employment Service, wherefore this is taken as an approximate of the average programme time. The inflow during April 1999–March 2000 was 15,220.
[3] About 10,700 of these represent employment in sheltered workshops and about 12,200 supported placement in mainstream employment.
[4] Number of participants at end of April 2000. The Gateway and Follow Through phases are not counted as programmes here, only the options.
[5] Number of participants at end of April 2000. The Advisory Interview Process and Follow Through phases are not counted as programmes here, only the options.
[6] Here, Work Based Learning for Adults also includes the remaining participants in the former Basic Employability and Occupational programmes.

[7] The number of starts on the Basic Employability programme during the period April 1999–March 2000 was 9,933, average stay 18.6 weeks gives a stock of 3,553 participants; Occupational: 11,910 starts, 14.7 weeks and a stock of 3,367 persons; Work Based Learning for Adults: 21,452 starts, 16.4 weeks and a stock of 6,766 individuals.
[8] No separate figure of participants with disabilities could be provided. The programme time is usually three weeks and the total number of entries into the programme during the period April 1999–March 2000 was 5,208. In the Total it is assumed that this stock number can be ignored.
[9] Here, Work Based Training for Young People also includes the remaining participants in the former Advanced Modern Apprenticeships, Foundation Modern Apprenticeships and Other Training for Young People.
[10] According to DfEE database, there were 2,784 starts (people with disabilities) on Foundation Modern Apprenticeships in the fiscal year 1999–2000 and the average length of stay in the programme during this period was 27.8 weeks for disabled participants, which results in an average stock of 1,488 persons. The corresponding figures for Advanced Modern Apprenticeships were 2,100 starts, 71.2 weeks and a stock of 2,875 persons; Other Training: 5,413 starts, 48.6 weeks and a stock of 5,059 participants and; Work Based Training for Young People: 10,236 starts, 49.7 weeks and a stock of 9,783 persons.
Sources: Targeted programmes for people with disabilities: Employment Service. Mainstream programmes: Employment Service (WBTYP and WBLA: DfEE Trainee Database). Labour force participation: Simon Wood, DfEE.

Main income source

Some survey data is available for the most frequent source of income for people with disabilities[116], which corresponds to *Table UK5* and shows that income from work is as common as income from state benefits. About one third of the of the working-age population with disabilties receives sickness/disability benefits, and about one fifth receives Incapacity Benefit.

The proportion of disability pension recipients (Long-Term Incapacity Benefit or Severe Disablement Allowance) amounts to about 26 per cent of the number of people with disabilities (31 per cent of the number of people with employment restrictions) in the working-age population. No partial pension alternative is available.[117]

Table UK7. Most frequent income source for people with disabilities of working age (16–59/64 years).

Income source	People with disabilities[1]	People with no disabilities

[116] According to the definition of "disability" stated in United Nations Standard Rules or ICIDH.
[117] Sources: Own calculations of disabilty pension recipients according to the Statistical Unit of the Department of Social Security (see specifications in Annex 3) and the number of people with disabilities and employment restrictions in the working-age population according to the labour force survey winter 1999/00 (Office for National Statistics).

Work	2,996,000 (46 %)	23,815,000 (80 %)
State benefits[2]	3,011,000 (47 %)	2,744,000 (10 %)
Sickness/disability benefits[3]	*2,105,000 (33 %)*	*340,000 (1 %)*
Incapacity Benefit	*1,377,000 (21 %)*	*61,000 (<0.5 %)*
Population 16–59/64 years	6,449,000 (100 %)	28,815,000 (100 %)

[1] "Disabled" here refers to long-term disabled (more than 12 months).
[2] State benefits includes: Unemployment Benefit (or National Insurance Credits), Income Support, Sickness or disability benefits, state pension, family related benefits (excluding child benefits), Housing or Council Tax (GB only), rent or rate rebate (Northern Ireland only) or other not specified.
[3] The Sickness/Disability benefits includes: Incapacity Benefit (short-term and long-term), Severe Disablement Allowance, Mobility Allowance, Statutory Sick Pay, Invalid Care Allowance (to replace earnings for carers), Disability Living Allowance, Attendance Allowance and Industrial Injury Disablement Benefit. Although some of these benefits have changed or no longer exist (but some people may still receive them), the questions are based on the respondents' self-assessment of the benefits they are receiving. (Mobility Allowance no longer exists, Invalid Care Allowance is for carers and not a sickness/disability benefit and, Attendance Allowance is not for people of working age.) Disability Living Allowance is a benefit to meet the extra costs for those with special needs for care or mobility (includes the former Mobility Allowance and Attendance Allowance).
Source: Disability Rights Commission (2000), "Disability Briefing: May 2000", DRC Research and Evaluation Unit, London (based on Labour Force Survey winter 1999/00, Office for National Statistics).

13.4 Evaluation and research

Institutions

Government authorities, universities, non-government research institutes and other organizations tender for the evaluation of government-financed labour market programmes. From April 2000, the Employment Service entered into a three year Framework Agreement under which its disability services research will be carried out by a consortium of research organizations headed by the Social Policy Research Unit at the University of York.

Policy, legislation and implementation issues

No potential conflicts between different policy objectives are reported.

It is too early to say whether legal protection for people with disabilities in the labour market is having an impact on integration of people with disabilities into the labour market. However, the establishment of the Disability Rights Commission, referred to above, is a major development in enhancing the civil rights of disabled people.

When considering implementation of the policy for the integration of people with disabilities into the labour market, there is no report of that any instrument is lacking in the present strategy which prevents fulfilment of the policy objectives. There are a number of different policy measures for the fulfilment of the objectives, but at the same time some reluctance to employ people with disabilities is reported.

Repeated participation in labour market programmes (cycling) is viewed as unacceptable. Pre-exit strategies such as better assessment before and after programme activity are used to minimize this.

Creaming effects are regarded as a problem rather than a planned way of integrating a person into the labour market. Better contracting, targets and monitoring are ways of avoiding such effects.

No other major issues in implementing the labour market policy for people with disabilities are reported.

Evaluation of labour market programmes

Two (out of three) of the targeted programmes for people with disabilities are evaluated by means of implementation studies. Work Preparation is not evaluated. No programme is regarded as more successful than the others. *Table 8* presents the results of available evaluations of national programmes. The New Deal for Disabled People was also evaluated in an interim report published in December 1999, but is not included in the table, since it was a pilot programme, not a national programme.

In addition to the programmes, an evaluation of the Access to Work (mainly special aids and equipment) support shows that this measure helps new groups, who were previously unaided by the employer or the state, to secure employment.

Table UK8. Evaluations of labour market programmes targeted at people with disabilities.

Job Introduction Scheme

Type of evaluation: Implementation study involving interviews with 40 Employment Service Officers, 40 employers and 10 participants.

Time period analysed: The interviews were conducted late summer and autumn 1997.

Research organisation: The Institute for Employment Studies[1]

Positive results: JIS is quick and simple to set up. It may help small employers or employers offering low wage or part-time jobs to assess the suitability of an employee with a moderate disability, with a minimum risk. JIS can also take the pressure off the individual during the first few weeks of employment and also increase his/her motivation.

Negative results: JIS is only attractive to a limited and shrinking cohort of employers and range of jobs and for people with moderate disabilities. Large employers consider the total value of the subsidy too low. JIS can draw attention to a disability which the employer may not otherwise have been aware of and therefore increase the concern. The "bribe" element is too overt to appeal to some employers. For those with a long-term health problem or a disability that may recur or worsen, JIS does not relate to the employer's concern that it might lead to a continuing sickness absence. Probably significant deadweight effects. Employers are likely to recruit people with disabilities anyway, but not when JIS is used together with other programmes as a package. Low profile in marketing JIS makes ES miss opportunities to make employers actively recruit people with disabilities.

Supported Employment (Remploy)

Type of evaluation: Implementation study.

Time period analysed: Quinquennial Report carried out between November 1999 and March 2000.

Research organisation: The Department for Education and Employment (DfEE).

Positive results: Good communication between Interwork coordinators and employers with Remploy responding quickly to issues arising. The Interwork host employers take lead in training the employee with disabilities with little prompting, direction or monitoring by Remploy Interwork coordinators.

Negative results: A tension between the need to be commercially viable and employing those with a severe disability may demand managers with a greater understanding of the client group, advances in technology and the role of Remploy. Government funding diminishes the incentives to changes concurrently with other companies. Product development, lead times and distribution need a new approach to meet the need of the customers. A decentralized and integrated approach has proved to be more effective in integrating people with disabilities into the local labour market. Factory training is good but limited to the specific factory jobs. The limited training provided by Interwork coordinators is focused on the initial job and not on progress into open employment.

[1] The Institute for Employment Studies is an independent, apolitical, not-for profit, international centre of research and consultancy in human resources issues.

13.5 Country-specific characteristics in brief

Table UK9. Summary of country-specific characteristics of labour market policies for people with disabilities.

Issue	Characteristics
Labour force participation	Average labour force participation and employment rates. Regular monitoring via a module in the ordinary labour force survey (quarterly since 1998; first disability survey in 1973). Screening of the target group may be improved. Two dimensions of employment restrictions covered. The survey also includes the most frequent income source.
Labour market programmes	Non-publicly financed programmes probably play an important role. Government programmes are used to a limited extent. The predominant programme type especially targeted at people with disabilities is sheltered employment (where most participants have an individual placement at a regular work place). Mainstream programmes are utilized to a large extent. Vocational training and work experience are the predominant mainstream programmes for the target group (and are also included in multi-purpose programmes). If both targeted and mainstream programmes are taken into account, about 1/3 of the participants with disabilities are in vocational training programmes and another 1/3 in work experience programmes. There are no long-term subsidized employment programmes.
Mainstreaming of policy and institutions	A Minister of the Disabled coordinates disability issues between government departments. "One-stop-shop" concept piloted since 2000. Anti-discrimination legislation since 1996. Explicit objectives for integration into open employment. Small proportion of disability pension recipients.

13.6 Acknowledgements

IFAU is grateful to Arthur Blacklock (Team Leader) and Glyn Satterthwaite of the Adult Disadvantage Policy Division of the Department of Education and Employment for answering the questionnaire and also providing further information. David Stuart, Jocelyn Dann and Philip Clark of the Jobseekers Services Disability Division, together with Jenny Weaver of the Jobseeker Mainstream Services Division of the Employment Service Head Office, have made valuable contributions to the specifications and statistics on the labour market programmes. Andrew Risdon of the Office for National Statistics was helpful on the statistical issues.

13.7 Further reading

Printed matters

Beinart S, Smith P & Sproston K (1996), *The Access to Work Programme: A Survey on Recipients, Employers, Employment Service Manager and Staff*, Social & Community Planning Research, London.

Blackburn V, Child C & Hills D (1999), *New Deal for Disabled People: Early Findings from the Innovative Scemes*, In-house report 61, Social Research Branch, Analytical Services Division, Department of Social Security, London.

Employment Service (1999), "Just the job – A guide to what your jobcentre can do for you", March 1999 Edition, Employment Service, Sheffield.

Employment Service (1999), "Make it Work – A guide to specialist services for disabled people", Employment Service, Sheffield.

Employment Service (1999), "The Supported Employment Programme. A Consultation on Future Development", Employment Service, Jobseeker Disability Services Division, Sheffield.

Hillage J, Williams M & Pollard E (1998), *Evaluation of Access to Work – Final Report*, The Institute for Employment Studies, University of Sussex, Brighton.

Internet

Overview of national institutions: www.gksoft.com/govt/en/gb.html

Department for Education and Employment: www.dfee.gov.uk
Department of Social Security: www.dss.gov.uk

Employment Service: www.employmentservice.gov.uk
Office for National Statistics: statistics.gov.uk

Remploy: www.remploy.co.uk

14 Cross-national comparison

This chapter summarizes the main findings in the country reports and systematically compares the countries in order to provide answers as to how the countries differ with respect to: (1) the target group's labour force participation and employment rate; (2) what labour market programmes are applied and to what degree; (3) to what extent the regular policy and institutional framework is used to integrate persons with disabilities into the labour market (the degree of mainstreaming).

Section 14.1 presents survey results for labour force and employment rates. In addition to the 11 countries in the country reports, another ten countries are included here. These 21 countries are compared with respect to whether they show results above or below the average country, in terms of integrating people with disabilities into the labour market. Possible over- or underestimations of the survey results are discussed.

The subsequent comparisons only cover the 11 countries that have been able to provide sufficient information for a country report. Section 14.2 deals with labour market programmes. It starts with a discussion of the influence of programme participants on the estimated labour force participation rates. Subsequently, the programme set-ups of the countries are compared, and the extent to which the various programme categories are used. The section ends with a discussion of which programme types may provide similar financial incentives for employers.

Section 14.3 covers the degree of mainstreaming in the policy and institutional framework. The initial question concerns whether a *single* government department is responsible for the general disability policy or if a disability perspective is applied and the responsibiltiy is *shared* across several different departments. The second question concerns whether the mainstream labour market institutions at the central and local levels apply for people with disabilities. The legislative actions taken to promote equal participation and equal opportunities in working life are also compared. The section ends with a discussion of whether the countries pursue an allowance or work-first policy, and to what extent the issue of barriers in the labour market due to disability is "solved" by disability pensions.

14.1 Labour force participation and employment rates

This section compares the survey results for the labour force participation and employment rates for people with and without disabilities/employment restrictions in 21 countries. In addition to the country reports, statistics from another nine EU countries and Canada are available, and are included as additional references. The European Community Household Panel (ECHP) 1996 is employed for EU countries that have not conducted a national survey of their own. For the countries that have both ECHP data and data from a national survey, the latter is utilized in the analysis if the reliability is judged to be higher.[118]

The surveys in Australia, Canada, Sweden and the United Kingdom include both disabilities (which do not necessarily have an impact on working life) and employment restrictions (when a disabilitiy does affect working life). Norway, Poland and the Czech Republic have only surveyed employment restrictions, while the surveys in New Zealand and the ECHP only involve disability.

Labour force participation refers to the proportion of people of working age who are economically active, and the employment rate refers to the proportion of people employed. The unemployment rate is the difference between the participation and the employment rate. The average participation rate for people with disabilities in the 21 countries is 48 per cent and the corresponding employment rate is 42 per cent, which is about 25 percentage points less than for people with no disabilities. For those with employment restrictions, the average participation rate is 43 per cent and the average employment rate is 37 per cent. This is 36–37 percentage points less than for people without such restrictions. Note that both people with disabilities and employment restrictions seems to be unemployed to about the same extent as others, and that people with severe disabilitites even tend to have somewhat lower unemployment rate.

However, labour force participation and employment *levels* are not a satisfactory starting point for a cross-national comparison, since a number of country-specific circumstances have an impact on such figures. A calculation of *relative* participation and employment rates between people with and without diabilities will reduce the impact of variables which affect both groups in a

[118] Austria has conducted a national survey, but the survey applies a very broad definition of disability and includes a large fraction of the population (which a definition according to the WHO or the UN might have excluded). Therefore the ECHP is applied. On the other hand, a national survey in the United Kingdom replaced the ECHP survey for this country, since the reliability of the national survey was judged to be higher. See Annex 1, Table 4.

country (e g variations due to the business cycle or labour market performance) and provide more comparable results. However, there are still variables which have an impact on one group, but not significantly on the other.[119] In Australia, for example, the ratio between the participation rate for people with and without disabilities (53 and 80 per cent, respectively) is 66, which means that the participation rate for the target group is 66 per cent of the partipation rate for people without disabilities. On average, this participation ratio amounts to 64 (only ECHP 62) and the employment ratio is 62 (ECHP 61). For people with employment restrictions, the corresponding ratios are 54 and 50, respectively.

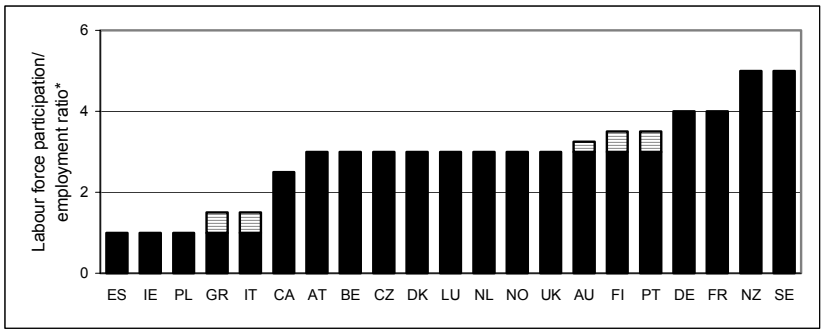
In order to compare all 21 countries with each other, the problem that some of the countries only have data from either disability *or* employment restriction surveys must also be taken into account. Therefore, intervals based on deviations from the average country are calculated for both groups. The lowest interval deviating from the average is given the value of one, while the highest interval is given the value of five. When a country has intervals for both people with disabilities and people with employment restrictions, an average of these is calculated.[120]

Figure CC1 shows the interval values of the countries concerned. This provides, in turn, a (somewhat arbitrary) division into three groups. A value of four or higher is regarded as above average, while a value of two or below is regarded as below average. The first group consists of Germany, France, New Zealand and Sweden. The latter group includes Spain, Ireland, Poland, Greece and Italy.

[119] For example, in countries with stronger legal protection against dismissals of people with disabilities than of others, the target group may be better off compared with people without disabilities in an economic downturn. If no such protection exists, it may be the other way around. Another factor that affects the participation rate for people with disabilities, compared with people with no disabilities, is the proportion of students in the respective group. If people without disabilities study to a larger extent and study for a longer period in life compared to people with disabilities, this will result in a higher participation ratio than what would otherwise be the case. This is due to the fact that people who study are, by definition, not regarded as economically active (if they do not work while they study). Likewise, if the proporion of women in the target group is large, the participation ratio may be reduced since women tend to have a lower participation rate than men. Whether such effects exist and, if so, how great an impact they might have, will not be analysed in this study.

[120] The same method is applied also to compare other variables below, for example the proportion of participants with disabilities in labour market programmes and disability pension recipients.

Figure CC1. Labour force participation/employment ratios between people with and without disabilities/employment restrictions in 21 OECD countries.



Key: ES (Spain); IE (Ireland); PL (Poland); GR (Greece); IT (Italy); CA (Canada); AT (Austria); BE (Belgium); CZ (Czech Republic); DK (Denmark); LU (Luxembourg); NL (Netherlands); NO (Norway); UK (United Kingdom); AU (Australia); FI (Finland); PT (Portugal); DE (Germany); FR (France); NZ (New Zealand); SE (Sweden).
Note: *The interval value (1–5) for grouped data is based on deviations measured as a percentage of the value for the average country (which is within the interval two to four in the figure).
The dashed bars indicate that the interval value for the employment rate is higher than the value for the labour force participation rate. The labour force participation/employment ratio refers to the ratio between the participation/employment rates for people with and without disabilities/employment restrictions.
Source: See Table 1–3 in Annex 1.

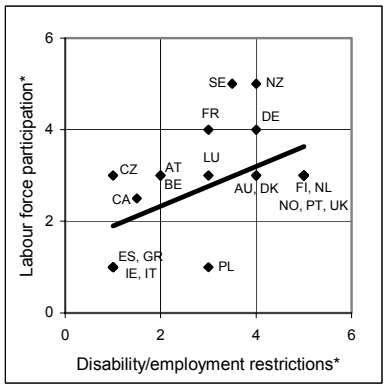
The dashed bars in the figure indicate that the employment ratio of the country has been given a higher value than the participation ratio. In principle, this involves countries where the unemployment ratio is lower than for the average country, that is the unemployment of the target group is lower than for other people. A reasonable explanation is that the individuals with the most serious employment restrictions due to disability are not in the labour force any longer (or have never been there), but that the remaining individuals with disabilities have a relatively secure standing in the labour market. Therefore, it is important to compare labour force participation and employment rates and not merely unemployment rates.

The comparability and reliability of the results

The average proportion of people with disabilities in the working-age population in the 21 countries is 15 per cent (only ECHP 14 per cent). The corresponding average for people with employment restrictions is 11 per cent. How-

ever, the proportions vary considerably across the countries. Finland, the Netherlands, Norway, Portugal and the United Kingdom all show a proportion that noticeably exceeds the average, while the proportion in Greece, Italy, Spain, the Czech Republic, Canada and Ireland is far below average.[121]

Figure CC2. Relationship between the labour force participation for people with disabilities/employment restrictions and their proportion of the working-age population.



Key: CZ (Czech Republic); *AT (Austria); BE (Belgium);* CA (Canada); *ES (Spain); IE (Ireland); GR (Greece); IT (Italy);* SE (Sweden); *FR (France); LU (Luxembourg);* PL (Poland); NZ (New Zealand); *DE (Germany);* AU (Australia); *DK (Denmark); FI (Finland); NL (Netherlands);* NO (Norway); *PT (Portugal);* UK (United Kingdom). Countries in italics refer to calculations based on ECHP data.
Note: *The interval value (1–5) for grouped data is based on deviations measured as a percentage of the value for the average country (which is within the interval two to four in the figure).
Labour force participation: The ratio between the participation rates for people with and without disabilities/employment restrictions. Disabililty/employment restrictions: The proportion of people with disabilities/employment restrictions in the working-age population.
Source: See Table 1–3 in Annex 1.

[121] For a presentation of the proportion of each country, see Annex 1, Table 1–2.

There is no reason to believe that the actual proportions differ in such a remarkable way.[122] *Figure CC2* shows a tendency for the participation rate for the target group to increase with the proportion of people with disabilities in the working age population. The possibility that surveys in countries with large proportions include individuals who do not belong to the target group, while individuals who do belong to the target group are excluded in countries with small proportions, can explain these variations to some extent. If this is the case, the participation rate for the target group is overestimated in countries with large proportions. However, in countries with small proportions, the participation rate will be underestimated both for people with (since individuals with moderate disabilites are probably excluded) and without disabilities (since part of the target group is included here instead). The net effect, though, is probably that the participation ratio between the target group and others will be slightly underestimated.

Concerning the surveys in Australia, Canada, New Zealand and Sweden, it is hard to find apparent explainations as to why variations in the proportion of people with disabilities in the working-age population should exist. In fact, apart from the Canadian survey, there are practically no variations at all. All four surveys have high reliability when it comes to the design of screening questions and do not have other factors that would cause biased results to any appreciable extent. The two first-mentioned surveys are good examples of how to identify both persons with disabilities and persons with employment restrictions with a number of screening questions.

Concerning employment restrictions, questions regarding to what extent a person is able to work and what kind of work can be achieved are asked. This also applies to questions concerning difficulties in changing jobs or advancing, and whether special adaptations and equipment or continuous assistance and supervision are required at the workplace. In addition, the Canadian survey has a question about the need for transport availability. The Swedish survey provides several examples of disabilities in the screening question, but does not

[122] Nonetheless, there are factors that contribute to actual differences in the proportion of people with disabilities. One factor is the age structure of the population. A large proportion of the population in the upper age groups, and the fact that the disability risk increases with age, should lead to a larger proportion of people with disabilities who are of working age. Likewise, a large proportion of people employed in, for example, physically strenuous occupations in combination with a weak protection against work injuries, may contribute to an increasing proportion of people with disabilities.

define employment restrictions.[123] Furthermore, the Australian and the Swedish surveys are relatively up-to-date, which means that the results may be expected to reflect the current policy to a rather great extent.[124]

However, in the case of the countries included in the ECHP survey, there are a number of possible explanations of the variation in the proportion of people with disabilities. Two factors that reduce the acuracy of the surveys are the problem of identifying the target population with only a single screening question and small samples. Even if one and the same question concerning resrictions in daily activities is asked in all countries, it may be differently interpreted in different countries, since it is not further specified.

The ECHP survey applies an age interval of 16–64 years for all countries. For the countries that have a lower public retirement age than 65 (Austria, for example) the participation ratio between people with and without diabilities will be overestimated. In addition, for all countries in this survey, the employment ratio is underestimated compared with countries that have utilized labour force surveys. Since persons with disabilities probably have a part-time job to a greater extent than other people, some individuals will not be included in the labour force, as the condition for employment is weekly work of at least 15 hours in the ECHP, compared with only one hour in a regular labour force survey.

The United Kingdom is the only country that has data from both the ECHP and a comparable national survey. The results of the national survey do not differ to any appreciable extent from the ECHP results. The proportion of people with disabilities is somewhat smaller in the national survey, which it should be since the public retirement age for women is 60 years. This also partly explains a higher participation rate for the target group. Even if such deviations vary from country to country, the ECHP results can still provide a reference framework, alongside the national surveys.

In the case of countries that have applied the national public retirement age as the upper age limit in their national surveys, the proportion of people of working age with disabilities will probably be smaller for the countries that have a lower retirement age than 65 years[125] (women 60 years in the United

[123] This applies to the 1998 survey.
[124] Table 4 in Annex 1 shows more in detail how the various surveys have defined the group concerned in the population (the target population) and also what kind of survey it is, when it was conducted, response rate etc.
[125] Most surveys apply an upper age limit for the working-age population of 64 years.

Kingdom and Poland, women 55 and men 60 in the Czech Republic). The apparent explanation is that the age group, in which the risk of acquiring a disability is the greatest, has been cut off. On the other hand, in countries with a higher retirement age (67 years in Norway), the proportion will be larger.[126] In the former countries, the participation ratio will be overestimated, while it will be underestimated in countries with a higher retirement age.

Accordingly, the survey design may to some extent explain the differences in (estimated) participation rates. Additional explanations are discussed in the subsequent sections for the 11 countries which have been able to provide more information.

14.2 Labour market programmes

An analysis of each country's labour market programmes[127] available for people with disabilities and the number of participants in the various programmes, contributes to further understanding of the differences in labour force participation. The programmes concerned and for which it has been possible to receive any information, are publicly financed programmes that are applied nationwide.

All 11 countries report a high degree of national programmes. Austria, though, applies an overlapping system in which the provinces, in principle, provide the same programmes as the national government. However, in most of the countries, labour market programmes targeted at people with disabilities are arranged as regional or local programmes to a greater extent than the regular programmes. It is, for example, quite common that local authorities provide sheltered employment to some extent.

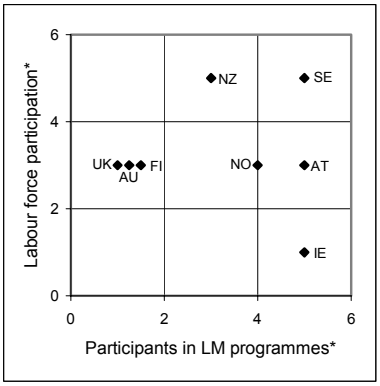
About half the countries report some kind of programmes targeted at persons with disabilities that are not publicly financed, but funded by donations, voluntary labour, selling goods or services or by charging fees. Only the United Kingdom reports relatively extensive use of these kinds of programmes, which in part may explain the small proportion of people with disabilities in national programmes which are publicly financed.

[126] In addition, in Norway, the target population has been extended by people with social disabilities.
[127] A definition of "programme" was presented in Section 1.4.

Programme participation and labour force participation statistics

The number of participants with disabilities in labour market programmes is available in all 11 countries, except in Poland, Portugal and the Czech Republic.[128] The number of participants as a proportion of the number of people with disabilities of working age varies considerably between the countries – from half a per cent in the United Kingdom to 14 per cent in Sweden. Viewed as a proportion of people with employment restrictions, the corresponding figures are one and 18 per cent, respectively. *Figure CC3* provides an estimate of the proportion of people with disabilities in labour market programmes in the various countries, and simultaneously the respecitve country's labour force participation rate.

Figure CC3. Labour force participation for people with disabilities/employment restrictions and their participation in labour market programmes.



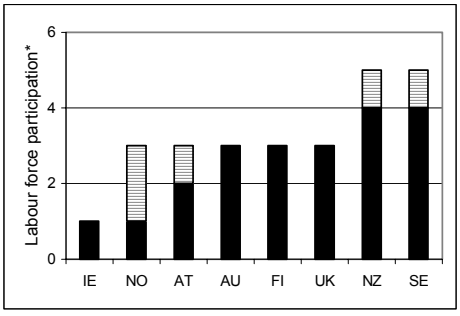
Key: UK (United Kingdom); AU (Australia); FI (Finland); NZ (New Zealand); SE (Sweden); NO (Norway); AT (Austria); IE (Ireland).
Note: *The interval value (1–5) for grouped data is based on deviations measured as a percentage of the value for the average country (which is within the interval two to four in the figure).
Labour force participation: The ratio between participation rates for people with and without disabilities/employment restrictions. Participants in labour market programmes: The number of participants with disabilities in labour market programmes as a proportion of the number of people with disabilities/employment restrictions in the working-age population.
Source: See Table 1c, 2b and 3 in Annex 1 and Table 1 in Annex 2.

[128] However, New Zealand and Austria only have data on the number of participants in programmes especially targeted at people with disabilities.

Sweden, Austria and Ireland have a considerable larger proportion of programme participants compared to the average country, while the United Kingdom, Australia and Finland have a considerably smaller proportion. However, the latter countries have a labour force participation as high as Norway and Austria, although Norway and Austria have a considerably larger proportion of people in programmes. Likewise, New Zealand has a participation as high as Sweden, but a considerably smaller proportion of people in programmes.

Of the individuals who participate in these programmes, a varying proportion is regarded as economically active in the different countries. This may differ between programmes but also between participants. An example of the first case is that participants in vocational training programmes are usually not regarded as actively looking for a job if they do not have to quit a training course for a job offer. In subsidized employment, on the other hand, the individual is regarded as economically active. An example of the latter case is participants who are allowed to retain their disability pension during the programme period. Usually, they are regarded as economically inactive (i e not in the labuor force), provided that they do not receive any income from work in addition to their pension.

Figure CC4. Labour force participation with (dashed) and without participants in labour market programmes targeted at people with disabilities.



Key: IE (Ireland); NO (Norway); AT (Austria); AU (Australia); FI (Finland); UK (United Kingdom); NZ (New Zealand); SE (Sweden).
Note: *The interval value (1–5) for grouped data is based on deviations measured as a percentage of the value for the average country (which is within the interval two to four in the figure).
Labour force participation: The ratio between participation rates for people with and without disabilities/employment restrictions.
Source: See Table 3 in Annex 2.

A labour market strategy implying extensive use of labour market programmes and including a large proportion of participants in the labour force appears to have a direct, and not unimportant, positive effect on labour force participation. *Figure CC4* compares the labour force participation when such accounting effects are reduced. Compared with the results in *Figure CC1*, Norway and Austria move down to the group of countries that have lower than average labour force participation. New Zealand was already close to the borderline for the average group and so is now Sweden.

Figure CC4 only takes the effect of programme participtation for people with disabilities into account. Since the comparison involves the participation ratio between people with and without disabilities, the programme effects on participation for people without disabilities should be included. If a large proportion of programme participants with no disabilities is not regarded as economically active, while the opposite is true of participants with disabilities, this will contribute to an increase in the relative participation rate. This is the case in Sweden. [129] If, in addition to the recalculation in *Figure CC4*, participants without disabilities in programmes in which they are regarded as inactive were added to the labour force, the participation ratio for people with disabilities in Sweden would fall from 83 to 69 and the ratio for people with employment restrictions from 79 to 58.[130]

Consequently, labour market programme participation exerts a direct influence on the labour force statistics, and this is especially apparent in Norway, Sweden and Austria.

Targeted or mainstream labour market programmes?

What do the various countries' programme set-ups look like, and what is the distribution of participants with disabilities between different types of programmes? In addition to various programme categories (vocational training, work experience, subsidized employment etc), the programmes can be divided into programmes especially targeted at people with disabilities and mainstream

[129] 77 per cent of the people without disabilities in mainstream programmes, participated in programmes in which they were not considered as economically active in 1998. (Source: own calculations of register data from the Labour Market Board, Sweden). The corresponding information has not been requested in the other countries.
[130] In the recalculation of participation ratios for people with disabilities, the number of participants with disabilities in both targeted and mainstream programmes is included.

programmes (that are not especially targeted at people with disabilities). Policy guidelines may indicate which should be applied first.

Most of the countries report that there are official policy guidelines, or established practices, stating that general programmes are to be utilized in the first place. In Norway and Poland, though, targeted programmes are utilized prior to mainstream programmes, due to the fact that the funding for these programmes is targeted at people with disabilities (and cannot be used for other purposes). Only Australia and the United Kingdom can show in available data that, in practice, they utilize general programmes to a greater extent than targeted programmes. Australia applies screening instruments (graded questionnaires) for the assessment of employability and work capacity to help to stream job seekers to the appropriate labour market programmes and to decide whether a targeted or mainstream programme should be employed, These instruments can serve as a means of avoiding discretion from employment officials and ensuring that the same policy is applied throughout the entire country. It may, for example, reduce "cream skimming", i e the tendency to select people into a targeted programme they do not actually need for a positive outcome at the expense of people who really need such measures.

Programmes targeted at people with disabilities

When it comes to the labour market programmes especially targeted at people with disabilities, *Table CC1* shows the countries' programme set-up and the size of the respective progamme category. Australia, New Zealand, Norway and Austria present a variety of programmes targeted at people with disabilities. The variety in the other countries is more limited.

The programme categories applied in most of the 11 countries are: sheltered employment, subsidized employment and vocational training. Austria, the Czech Republic, Ireland[131] and Poland apply a quota system. A 5 per cent employment quota, for example, means that there must be one person with disabilities for every 20 employees. Disregarding quota schemes (an important programme category in these countries), sheltered employment, vocational rehabilitation, vocational training and work experience are the predominant programme categories in the countries that are able to provide statistics on the number of participants. Short-term wage subsidies when a person is employed

[131] Ireland only applies the quota system in the public sector.

are included here in work experience programmes, in order not to make the comparison of subsidized employment misleading.

Table CC1. Set-up of labour market programmes targeted at people with disabilities and relative size of programme categories, per cent.

LFP in *Figure CC1*	**Above av**		**Average countries**							**Below av**	
Programme (fequency)	**NZ**	**SE**	**AU**	**AT**	**CZ**	**FI**	**NO**	**PT**	**UK**	**IE**	**PL**
Quota (4)	–	–	–	89	X	–	–	–	–	24[1]	X
Pref rights (1)	–	–	–	2	–	–	–	–	–	–	–
Subs empl (9)	2[2]	61	7	2	X	–	6	X	–	3	X
Self-empl (1)	–	–	–	–	–	–	–	X	–	–	–
Work exp (3)	–	–	2	–	–	–	12	–	2	–	–
Voc training (8)	17	–	2	4	–	41	41	X	–	19	X
Supp empl (3)	17	[3]	–	–	–	–	2	–	–	–	–
Voc rehab (5)	43	–	47	–	–	41	5	–	7	–	–
Shelt emp (11)	20	39	43	2	X	17	29	X	91	54	X
Publ job cr (3)	0.5	–	–	1	–	–	5	–	–	–	–

Key: LFP (labour force participation); NZ (New Zealand); SE (Sweden); AU (Australia); AT (Austria); CZ (Czech Republic); FI (Finland); NO (Norway); PT (Portugal); UK (United Kingdom); IE (Ireland); PL (Poland).

Note: Relative size of programme categories: The number of participants in each category as a proportion of all participants in programmes targeted at people with disabilities.

The number of participants is based on the stock, that is the number of participants at a certain point in time or the average number of participants at various points in time throughout the year. Information merely on the number of starts or completions of programmes does not fulfil the conditions for comparability unless there is also access to the average programme time. Countries which have not been able to provide stock figures probably only record either the number of participants entering or leaving a programme. Stock numbers include both aspects of flow and duration. Given equal inflows, this will result in a lower stock for a short-term than for a long-term programme. Note that the number of participants with disabilities is based on register data. Since the eligibility criteria for participating in a targeted programme vary between programmes and countries, they (usually) do not agree with the definition of disability/employment restrictions applied in the surveys referred to above.

When the percentages of the various programme categories in the table do not add up to 100 per cent in a country, this is due to rounding errors.

[1] Only concerns the public sector.

[2] In New Zealand, the multi-purpose Job Support programme provides both wage subsidies and supported employment. Participants assisted through supported employment are included under "supported employment" in the table.

[3] Very few participants. In the statistics for the first year as a national programme, the participants are included in the mainstream AMI-Programme (see *Table CC2* below).

Source: Table 6 in the country reports. CZ, NO and SE: data for 1998. Other countries: data for 1999 or 2000.

Subsidized employment only includes long-term wage subsidies, which are used to less extent in all the countries except Sweden, where this is a first priority programme.

As regards the other programmes, supported employment (job coach) is only utilized as a programme of its own in New Zealand, Norway and Sweden. However, it is not an extensive programme in any of these countries. Public job creation is a measure of last resort. Austria grants preferential rights to people with disabilities to obtain licences for tobacco retailing. Portugal applies a self-employment programme for the target group. Other countries may also offer self-employment programmes, but as part of their mainstream programmes.

Different programme types' financial incentives for employers

Different types of programmes may provide similar financial incentives for employers to take on people with disabilities. A brief discussion mainly concerning the duration of benefits follows. In addition, different prorgammes can of course provide different subsidy levels. However, a subsidy to the employer, a benefit to the individual, or a job coach is supposed to provide similar incentives for integration into the labour market.

When granted for several years, subsidized employment may give the employer incentives similar to sheltered employment or public job creation, provided the level of subsidy is the same.

Work experience (including short-term wage subsidies), supported employment and self-employment programmes may provide similar financial incentives in the sense that subsidies or benefits are granted during a shorter period of time (often up to three or six months).

The quota obligation in Poland and Austria involves a levy for employers who do not fulfil the quota of employees with disabilities. In Austria, these sanctions are not particularly perceptible. The Czech Republic and Ireland do not apply levies, and employment under the quota obligation cannot be combined with subsidized employment. In the Czech Republic, though, employers who employ people with disabilities according to the quota obligation receive a tax reduction (which is equivalent with a wage subsidy). In Poland and Austria, employment under the quota obligation can be combined with subsidized employment, which is probably a stronger incentive than the obligation itself.

One-off subsidies are another kind of employment incentive, which are distinguished here from programmes. This may involve various subsidies such as adopting a workplace and the purchasing of special equipment.[132]

Evaluations of labour market programmes targeted at people with disabilities

Evaluations of programmes targeted at people with disabilities reported are mainly monitoring reports or implementation studies. Monitoring reports present the number of people commencing or completing a programme and may also include a follow-up of the participants' occupation after programme completion. Implementation studies involve, for example, interviews with programme participants and providers (e g employers) to investigate different stages of the implementation process.

Only Sweden and Norway have reported any econometric studies. In principle, there are no reports of econometric studies, in which the outcome for programme participants is evaluated against a control group. Even if such impact evaluations exist, government departments and authorities do not seem to possess this information. This implies that policy makers establish policies do not get guidance from evaluations that take into accunt the different characteristics of programme participants and those who do not. Follow-ups may, for example, show that a large proportion of programme participants have commenced regular employment after completing a programme. Without impact evaluations, though, there is still no information as to whether these individuals would have been employed even without taking part in the programme. Thus, the impact of the programme on participants will remain unknown, as is the effect on non-participants.

The country reports present positive and negative evaluation outcomes for the studies reported.

Mainstream programmes

As already mentioned, the proportion of participants with disabilities in mainstream programmes varies across the countries. New Zealand and Austria have not been able to provide statistics on the number of participants with disabilities in mainstream programmes. This is, among other things, due to a practice of not registering people with disabilities by assigning a special code when they

[132] See the country reports for further information on financial incentives of programmes and one-off subsidies.

participate in a mainstream programme. In some countries (e g Australia) participants may identify themselves as having a disability or not. In some cases, the stock of participants has been estimated, since only individuals who commence a programme are registered and no average programme periods are available.

Table CC2. Set-up of mainstream labour market programmes and relative size of programme categories (participants with disabilities), per cent.

LFP in *Figure CC1*	**Above av**		**Average countries**							**Below av**	
Programme	**NZ**	**SE**	**AU**	**AT**	**CZ**	**FI**	**NO**	**PT**	**UK**	**IE**	**PL**
Multi-purpose		–	77			–	–		X[1]	–	(X)[2]
Subs empl	X	3	–	X	X	54	0		–	3	
Self empl		4	2			3	0		X[3]	2	
Work exp	X	34	6			8	2		47	82	
Voc train	X	28	13	X	X	35	98		53	13	(X)
Voc rehab		25	2			–	–		–	–	
Job rotat		N a	–			N a	0		–	–	
Early ret		N a	–			–	–		–	–	
Publ job cr		6	–			–	0	X	–	–	(X)

Key: LFP (labour force participation); NZ (New Zealand); SE (Sweden); AU (Australia); AT (Austria); CZ (Czech Republic); FI (Finland); NO (Norway); PT (Portugal); UK (United Kingdom); IE (Ireland); PL (Poland).

Note: Relative size of programme categories: The number of participants in each category as a proportion of all participants with disabilities in mainstream programmes. For countries which have not been able to provide statistics, the most important programmes are marked with X. When the percentages of the various programme categories in the table do not add up to 100 per cent in a country, this is due to rounding errors.

[1] The New Deal for Young People and New Deal 25+ have various categories of programmes as options. Since there are statistics for each programme category within these multi-purpose programmes, the participants are included under the respective category in the table in order to facilitate comparison with other countries.

[2] Poland has three mainstream labour market programmes. The brackets indicate that, in principle, all these programmes are available for people with disabilities, but in practice, targeted programmes are used for all people with legal confirmation of disability.

[3] Self-employment is one of the options in the New Deal. However, the number of self-employed people is included in the subsidized employment option, which is classified here as a work experience programme, since it is short-term.

Source: Table 6 in the country reports. CZ, NO and SE: data for 1998. Other countries: data for 1999 or 2000.

For countries with available statistics, *Table CC2* presents the programme mix, with the relative size of the programmes as percentages of all people with disabilities in mainstream programmes. For the rest of the countries, only the programmes considered as the most important for the target group are marked, without respect to internal order of size.

In Sweden and Ireland, work experience is the predominant mainstream programme, followed by vocational training. However, compared to Sweden, Ireland has a much stronger emphasis on work experience. In the United Kingdom, work experience is the second largest programme category and the third largest in Australia and Finland.

The Czech Republic, Sweden and the United Kingdom are the only countries which do not have special vocational training programmes for people with disabilities (see *Table CC1*), but instead utilize mainstream vocational training programmes. Vocational training is the top priority mainstream programme for people with disabilities in the United Kingdom, while in Sweden it is the second largest programme (no statistics are available for the Czech Republic). Vocational training is also the dominant mainstream programme in Norway and the second largest programme in Finland (after subsidized employment).

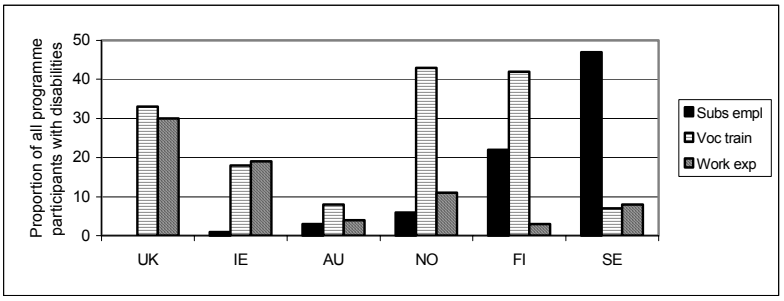
Mainstream self-employment programmes seem to be used only to a limited extent. However, the definition of "programme" in this study only refers to an activity with financial support for a certain period of time. Countries which cannot present such a self-employment programme typically provide one-off incentives for start-ups. Job rotation and early retirement programmes are not important programmes for people with disabilities in any country. Multipurpose programmes, utilizing several different categories of labour market programmes (e g vocational training, subsidized employment and work experience), are applied in Australia, the United Kingdom and Poland.

Comprehensive picture of vocational training, work experience and subsidized employment programmes

The absence of a programme category in the set-up of targeted programmes can partly be replaced by the same category among the mainstream programmes. For example, a country may not have a special vocational training programme for people with disabilities, but instead they are referred to a mainstream train-

ing programme.[133] Six countries have statistics on the number of participants in both targeted and mainstream programmes. *Figure CC5* presents a compilation of the total proportion of participants with disabilities in vocational training, work experience and subsidized employment programmes. The differences in programme strategies appear clearly. Sweden stands out in its extensive use of subsidized employment programmes. About half the participants with disabilities in labour market programmes are in a subsidized employment programme.

Figure CC5. Participants with disabilities in both targeted and mainstream vocational training, work experience and subsidized employment programmes, per cent.



Key: UK (United Kingdom); IE (Ireland); AU (Australia); AT (Austria); NO (Norway); FI (Finland); SE (Sweden).
Source: See Table 6 in the country reports.

The contrast is Ireland and the United Kingdom where, in principle, no long-term wage subsidies exist. Australia and Norway also use subsidized employment to a very limited extent. In Finland, about one fifth of the people with disabilities in labour market programmes are in such a programme.

Vocational training, on the other hand, is applied to a relatively small extent in Sweden, while it is used to a much higher degree in neighbouring countries (Finland and Norway). Ireland and the United Kingdom utilize vocational training to about the same extent as work experience programmes. Work experience is a low priority programme in all the Nordic countries.

[133] Education and training through the regular education system can also to some extent be a substitute for vocational training via the labour market authorities. To what extent this occurs in the different countries is beyond the scope of this study.

14.3 Mainstreaming

This section aims to elucidate, from various aspects, the extent to which the regular policy and institutional framework is applied to integrate people with disabilities into the labour market, and to what degree special solutions are applied. Concerning the institutional framework of central government departments,[134] the distribution of responsibility for the general disability policy is first discussed, and subsequently the specific responsibility for labour market policy issues. The framework for the implementation of the policy is analysed with respect to how the local offices are organized. Next, the various countries' legislation to promote integration into the labour market and prevent discrimination is compared. Finally, there is a discussion of whether the policy focuses on income maintenance or integration into the labour market. This involves the countries' reforms during the 1990s aimed at integrating people with disabilities into the labour market and preventing passive benefit dependency. The number of disability pension recipients in relation to the target group's labour force participation and the number of participants in labour market programmes are quantitatively compared.

Central disability policy institutions

Shared responsibility between ministries is referred to here as "the principle of sectoral responsibility", which means that all central government departments assume responsibility for disability policies within their field. Mainstreaming[135] across all policy sectors may contribute to increasing awareness of disability, thereby making each policy sector apply a disability perspective when establishing policies. According to national informants, most countries apply this principle, even though to various degrees. However, sectoral responsibility has been applied in several countries since the late 1970s, but was more formalized in the early 1990s. The Nordic countries, for example, have such a tradition and sectoral responsibility is also a function of good practice in several English-speaking countries. Only two countries (Australia and Poland) report that they do not apply this principle. In Poland, the Ministry of Labour and Social Af-

[134] "Central government department" and "ministry" are used synonymously. Both refer to central government administration.
[135] "Mainstreaming across central government departments" may be used as a synonym for "sectoral responsibility".

fairs establishes disability policies and, in Australia, this is the responsibility of the Department of Family and Community Services.

Rather than passing on responsibility for establishing disability policies in various areas to a sole ministry (typically the Ministry of Health and Social Affairs, or equivalent), which has traditionally often been the case, it is nowadays more common that one ministry or minister *coordinates* the disability policies of several departments. In New Zealand, Poland and the United Kingdom, a Minister of the Disabled coordinates the national disability policy. In the Czech Republic and Portugal, the Ministry of Labour and Social Affairs is the coordinating body, while in Ireland, the Department of Justice, Equality and Law Reform is responsible for coordination. In the other countries, the ministry of health and social affairs (or equivalent) is the coordinating body. Coordination across central government departments can make national disability policies more effective, thereby reducing conflicts between policy objectives and responsibility gaps and overlaps between policy sectors. An effective coordination body seems important, especially when sector responsibility is applied.

Central labour market policy institutions

In accordance with the principle of sectoral responsibility, in most of the countries, the central government department responsible for the mainstream labour market policy is also responsible for labour market policies for people with disabilities. This gives an important signal of normalization.

However, even here, the principle is implemented to various degrees. In Australia, the department handling labour market issues is responsible for labour market policies also for people with low impact disabilities, while the ministry handling social security issues is responsible for labour market policies for persons with moderate and severe disabilities. In Finland, the Ministry of Social Affairs and Health is responsible for sheltered employment and the responsibility for vocational rehabilitation is shared with the Ministry of Labour. The latter is also responsible for both mainstream labour market policies and other policies targeted at people with disabilities. In 2000, responsibility for mainstream labour market policies in Austria was shifted from the Ministry of Labour, Health and Social Affairs to the Ministry of Economy and Labour, while responsibility for labour market policies for people with disabilities still rests with the ministry responsible for health and social affairs.

In the remaining countries, the ministry responsible for the mainstream labour market policy is also responsible for the labour market policy for people

with disabilities. In most of the countries, this involves a merger between two or more policy sectors. The choice of sector tends to say something about the focus of the labour market policy. In the Czech Republic, New Zealand, Poland and Portugal there is an amalgamation between the Ministry of Labour and the Ministry of Social Affairs. However, in New Zealand this constellation has an additional implication. The sections of the Department of Labour responsible for employment services and the section of the Department of Social Welfare responsible for income security were merged to form the Department of Work and Income in 1998. This was the starting point for a more sweeping reform, when a community wage replaced unemployment, sickness and training benefits and a common organization for both income support and employment services was introduced.

In Sweden, the Ministry of Labour (which was responsible for employment for both people with and without disabilities) merged with the Ministry of Industry and Trade and the Ministry of Transport and Communication in 1998. In Ireland, responsibility for employment for people with disabilities was shifted from the Ministry of Health and Children to the Department of Enterprise, Trade and Employment in 2000, which was already responsible for mainstream labour market policies. Since 1992, the Department has a liaison role between the Department of Labour and the Industry Department. In the United Kingsdom the coalition consists of labour market and education. In Norway, the labour market issues were moved from the department for local and regional issues in 1998, to the Ministry of Labour and Government Administration.

Institutions for implementing labour market policies

The degree of mainstreaming in labour market policy institutions are analysed here in terms of the following two issues: (1) Is the front-line administration for labour market services the same for both people with and without disabilities? (2) Are the front-line offices for labour market services also the front-line offices for income support services?[136]

As regards the first issue, most of the countries apply the same front-line administration for both job seekers with and without disabilities, and this also seems to be increasingly common. Austria, though, largely applies separated

[136] Front-line offices refer here to the administration of first referrals (however, these offices may not be the providers of labour market programmes).

offices for people with and without disabilities, and to some extent also Finland. Austria applies an overlapping system in which several administrations (the Federal Offices for Social Affairs, provincial administrations and various social insurance offices) are responsible for programmes targeted at people with disabilities. Which administration people visit depends on the occasion or previous contacts. The mainstream labour market service is only responsible for vocational training targeted at people with disabilities. Finland has a similar system in which the employment service, the social insurance institutions and the private insurance market administer vocational rehabilitation, depending on the reason for the need for rehabilitation. The institution responsible also provides income support services. These institutions also refer clients to special vocational training (which the education system arranges).

The following changes are noted for the other countries: In 2000, labour market services for people with disabilities in Ireland were transferred from the National Rehabilitation Board to the mainstream labour market agency. Less radical changes are noted in Poland and Sweden. In Poland, special units of the regional labour market offices provided services and programmes for people with disabilities prior to 1998, when these units were incorporated into the mainstream employment service. In late 2000, the Swedish Employability Institutes became part of the public employment service. Previously, these institutes were parallel to the employment service, and employment officers referred job seekers with disabilities to the institutes (which they still do).

As regards the second issue concerning the local offices for labour market and income support, different administrations at the local level may seem to be a logical consequence of different administrations at the central level, but this is not necessarily the case. Australia has applied a system in which a number of central government departments share a common front-line organization ("one-stop-shops") since 1998. This type of office implies that the individual can receive services from various central government departments, through one and the same case manager. As already discussed, New Zealand has also recently introduced a one-stop-shop system, and a similar system is being piloted in the United Kingdom. These three countries are also examples of how economic incentives can be built into the institutional framework. They are contracting labour market programmes to a very great extent and the financial compensation to the provider may also be granted stepwise, according to performance.

Legislation

The way in which equal opportunities and equal participation in working life are expressed in the legislation is another aspect of the mainstreaming issue. There may be declarations to this effect in general law (i e the constitution, which includes all citizens without mentioning any specific target group), integrated law (legislation in which people with disabilities are especially mentioned in some respects) or special law (established especially for people with disabilities). The three different kinds of legislation may illustrate the degree of protection or promotion. On the other hand, they may depict the degree of mainstreaming in legislation, since a country may choose to use general legislation instead of special legislation in order not to single out a particular group of people. In this section, only anti-discrimination legislation will systematically be compared across the countries.

Following the Americans with Disabilities Act (ADA) in 1990, more than half the countries have adopted anti-discrimination legislation in this field. The purpose of this type of legislation may not only be to protect special groups, such as people with disabilities, but also to transfer responsibility for the implementation of disability policy from society to employers and individuals. The integration effects of anti-discrimination legislation may be questioned. For example, in a recruitment situation, the legislation is only applicable when a person with disabilities has the same qualifications as a person without disabilities.[137] Surveys of people with disabilities point to the fact that, on average, they have a lower level of education and therefore, the law does often not apply.

However, anti-discrimination legislation has definitely helped to put disability issues on the political agenda and may have served as an "awareness instrument". There seems to be a pattern of labour market reforms and an increased focus on labour market integration for people with disabilities in connection with the introduction of anti-discrimination legislation in several countries. Of the 11 countries, Australia (1993), the United Kingdom (1996) and Ireland and Sweden (1999), have a law which prohibit discrimination in working life against people with disabilities. As an alternative to a special anti-discrimination act, a country may choose to introduce an anti-discrimination clause in its general legislation, usually in the constitution. These countries are New Zealand (1993), Finland (1995) and Austria (1997). In Austria, the clause

[137] This refers to anti-discrimination without affirmative action (i e positive discrimination).

is not actionable, which, in practice, makes the law inoperative. The Czech Republic, Norway, Poland and Portugal have no anti-discrimination legislation. In Norway, the general view is that integration of people with disabilities into working life is best achieved by means of financial measures and legislation is not regarded as a well-defined or effective way of promoting integration.

Some countries (Austria, the Czech Republic and Sweden) report possible counteractive effects of granting people with disabilities greater protection from dismissal than people without disabilities. There is a risk that the target group is regarded as less flexible and, thus, less attractive to employers. Analogous to this, other forms of affirmative action (positive discrimination) may also counteract integration of the target group into the labour market.

Income maintenance vs integration into the labour market

As discussed in connection with the section concerning labour market institutions at central government level above, the constellation of government departments tends to say something about the focus of the policy. In the questionnaire, the countries were also asked whether the policy for provision for individuals with disabilities is geared towards income maintenance programmes (social policies) or programmes which are intended to integrate the target group into the labour market (labour market policies). To underpin their answer, they were asked to refer to some official document and to quote or paraphrase some statement within this document showing the direction of the policy. All 11 countries, with the exception of the Czech Republic, stated that the policy is aimed at integration into the labour market, rather than income maintenance.

The question is what type of integration the respondents are referring to. Is it confined to regular work, that is unsubsidized employment in the open labour market, or also to subsidized employment or sheltered employment? All countries have, in principle, work on the open labour market as the goal, while only Ireland can refer to unsubsidized employment as an objective in a policy document (even if a number of countries, in principle, do not apply long-term subsidized employment). In addition to the organizational reforms, the result of the Irish labour market reforms during 2000 was also a redirection of the policy for people with disabilities from income maintenance to labour market integration.

A mandatary quota obligation is treated here as if employment in the open labour market is a policy objective (Austria, the Czech Republic, Ireland and Poland). The Czech Republic reports that its policy is still focused on income

maintenance although, since 1990, the focus has shifted towards integration into the labour market, and further integration measures will be taken. Similarly, the focus in Poland changed in this direction in the early 1990s, in connection with the transition from the previous East-European economic structure. The Austrian Disability Concept of 1992 states that pensions and maintenance benefits should only be approved when all forms of rehabilitation have been exhausted.

The United Kingdom abandoned the quota obligation in 1996. However, employment in the open labour market has long been a policy objective in the UK. During the 1990s, the "welfare to work" strategy has been a distinctive policy trait in Australia, New Zealand and the United Kingdom. In essence, this involves helping people to move from benefit dependence to gainful work for those who can, and security for those who cannot. Up to 1999, there was a stronger emphasis on reducing benefit dependency in New Zealand, in accordance with the principle that people should work to the extent that they are able, and that they should regard this as a condition for receipt of benefit. In 1996, an Australian reform was announced with the primary objective of ensuring that labour market measures should achieve employment outcomes that make a genuine difference for those assisted. In addition to one-stop-shops, the instruments for achieving this are a thorough procedure to assess individual needs and to stream people into the appropriate programmes, and a network of contracted providers paid according to performance.

Sweden has pursued its "working line" policy during the few past decades, although to a lesser extent for older people. In Sweden, subsidized employment is given priority over sheltered employment. Even if self-support is an explicit policy objective, it is considered to be accomplished by means of subsidized employment. Both Norway and Finland apply a similar policy. As a result of a vocational rehabilitation reform in 1994, the Norwegian Labour Market Administration assumed full responsibility for vocational rehabilitation and the number of people with employment restrictions registered with the employment service increased by 25 per cent. In Finland, the focus on integration into the labour market evolved gradually during the 1990s. A rehabilitation reform in 1991 emphasized a more effective rehabilitation programme, promoting sustained participation in working life. A reform of the pension system in 1996 aimed at encouraging rehabilitation and discouraging early retirement.

In Portugal, employment in the open labour market is more of a general objective and, in principle, the focus on integration has remained unchanged since the late 1980s.

When studying the reforms and programmes for promoting employment for people with disabilities during the 1990s, it should be remembered that the various countries have had different starting points, and that any effects of policy changes on labour market statistics are likely to show up gradually.

The extent of disability pensions

Active labour market policy measures may help to counteract passive benefit dependence and ensure that people do not end up outside the labour force. However, the question of whether people with disabilities choose to enter/remain in the labour market prior to leaving working life, is not purely a labour market policy issue. Eligibility criteria and replacement rates for related social security schemes may provide incentives for remaining in working life or proceeding from welfare to work. Various types of programmes (such as disability pension, sickness benefit, early pension, etc) may serve as substitutes for labour market programmes for people with disabilities. Information about all types of benefits is required for an investigation of the total benefit situation of the target group. This study restricts the comparison to the number of disability pension recipients across the countries and the number of participants with disabilities in labour market programmes. However, the available data indicates that the countries with a large proportion of people receiving a certain type of benefit, also have a large proportion of people who receive other types of benefits.

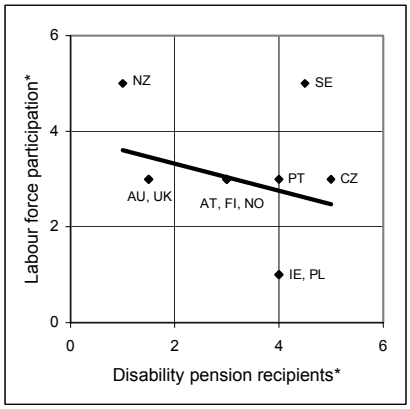
In this case, disability pensions exclude compensation from work injury insurance or early pension schemes. Work injury schemes often provide a greater compensation to the individual in comparison with disability pension, and the two schemes are usually separated.[138] As *Figure CC6* indicates, a limited pro-

[138] Disability caused by a work injury or occupational disease is only included in the compilation of disability pension recipients if the individual also receives compensation from the disability pension scheme. This may be due to various causes: (1) The individual may have a disability which is not caused by work *and* a disability caused by work so that payments are made from both systems. (2) The work injury compensation may be low so that the beneficiary still qualifies for a (means-tested) disability pension or the disability pension may fill the gap up to the universal or contributory disability pension. (3) The work injury scheme can be coordinated with the disability pension system in such a way that the work injury compensation is paid as a top-up of the disability pension.

portion of people with disabilities receive disability pensions in New Zealand, the United Kingdom and Australia, while a large proportion receive disability pensions in the Czech Republic, Poland, Sweden, Portugal and Ireland, compared with the average for the 11 countries.

There seems to be some negative correlation between labour force participation and disability pensions. For example, Ireland and Poland both have a low participation rate and a large proportion of disability pension recipients, while New Zealand has the smallest proportion of disability pensions and a high participation rate. The Swedish disability pension figures include work injury recipients, since compensation for work-related disabilities is based on the general disability pension system, and work injury compensation provides a top-up to the previous income level.

Figure CC6. Relationship between labour force participation and the proportion of disability pension recipients.



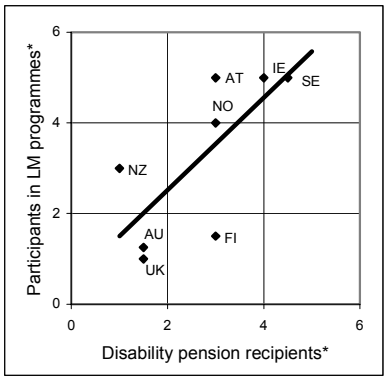
Key: NZ (New Zealand); AU (Australia); UK (United Kingdom); AT (Austria); NO (Norway); FI (Finland); IE (Ireland); SE (Sweden).
Note: *The interval value (1–5) for grouped data is based on deviations measured as a percentage of the value for the average country (which is within the interval two to four in the figure).
Labour force participation: The ratio between labour force participation rates for people with and without disabilities/employment restrictions. Disability pension recipients: The number of disability pension recipients as a proportion of all people with disabilities/employment restrictions in the working-age population.
Source: See Table 1c, 2b and 3 in Annex 1and Table 1 and 2 in Annex 3.

This overestimates the proportion of disability pension recipients in Sweden compared to the other countries, where beneficiaries from the work injury

scheme are not included in the figures. If this is corrected, a somewhat stronger correlation between disability pensions and and labour market programmes would be seen in the figure.

However, a stronger relationship exists between disability pensions and labour market programmes. According to *Figure CC7*, the countries with a large proportion of people with disabilities in labour market programmes also have a large proportion of disability pension recipients, and countries with few people in programmes also have a limited number of people who receive a disability pension. One explanation is society's and the policy's general approach to benefits and benefit dependency. In some countries, a large proportion of the working-age population receives various types of benefits, while in other countries this only applies to the most needy people.

Figure CC7. Relationship between the proportion of participants in labour market programmes and the proportion of disability pension recipients.



Key: I (interval value based on grouped data); NZ (New Zealand); AU (Australia); UK (United Kingdom); AT (Austria); NO (Norway); FI (Finland); IE (Ireland); SE (Sweden).
Note: *The interval value (1–5) for grouped data is based on deviations measured as a percentage of the value for the average country (which is within the interval two to four in the figure).
Participants in labour market programmes: The number of participants with disabilities in labour market programmes as a proportion of the number of people with disabilities/employment restrictions in the working-age population. Disability pension recipients: The number of disability pension recipients as a proportion of the number of people with disabilities/employment restrictions in the working-age population.
Source: See Table 1 in Annex 2 and Table 1and 2 in Annex 3.

The countries' different strategies to reduce benefit dependency may also explain their positions in *Figure CC7*. While some countries intend to reduce de-

pendency on both passive and active benefits (for example, disability pensions and subsidized employment programmes, respectively) by means of regular (unsubsidized) jobs, other countries may aim to transform passive benefits into active measures.

14.4 Conclusions

This chapter has compared the labour force participation and employment rates for people with disabilities/employment restrictions in 21 OECD countries. The survey results indicate labour force participation and employment rates for people with disabilities which represent about 60 per cent of the participation and employment rates of people without disabilities. The corresponding results for the population with employment restrictions are about 50 per cent. The survey results in France, Germany, New Zealand and Sweden, with regard to the integration of people with disabilities/employment restrictions into the labour market, exceed the result of the average country, while the results in Greece, Ireland, Italy, Poland and Spain are below average.

In several of the surveys, the degree to which the survey results correspond with reality may be questioned, due, for example, to the way in which the target population is defined. The surveys in Australia, Canada and New Zealand are examples of how the target population can be defined in a convincing manner. In the other countries' surveys, there is the problem of identifying the target group if only a single screening question is used.

Of the 11 countries that have provided more detailed information in the country reports, all countries, except the Czech Republic, Poland and Portugal, have statistics on the number of participants with disabilities in labour market programmes. The labour force participation in Austria, Norway and Sweden appears, to a not unimportant extent, to consist of participants in labour market programmes. Therefore the target group's labour force participation in these countries will be reduced, if these participants are excluded from the statistics.

The proportion of participants with disabilities in various types of labour market programmes and the current programme set-ups have been compared, both with respect to programmes especially targeted at people with disabilities and general programmes. Sweden, Austria and Ireland have the largest proportions of participants with disabilities in programmes, while the United Kingdom, Australia and Finland have the smallest. In the United Kingdom and Australia, most of the participants are in mainstream programmes. If the number of participants with disabilities in both targeted and mainstream vocational train-

ing, work experience and subsidized employment programmes are compared, the proportions in vocational training and work experience are of equal size in the United Kingdom (about 30 per cent each) and in Ireland (about 20 per cent each). In the Nordic countries, vocational training predominates in Finland and Norway (slightly more than 40 per cent), while the predominant programme type in Sweden is subsidized employment (almost 50 per cent).

With the exception of Norway and Sweden, there are no reports of impact evaluations of programmes targeted at people with disabilities, only simple monitoring and implementation studies.

The final section has discussed to what extent the ordinary policy and institutional framework is applied for people with disabilities. All 11 countries, except Australia and Poland, report the sharing of responsibility for disability issues between different central government departments. This is traditional in the Nordic countries and in most of the English-speaking countries. One implication is that the same department is responsible for labour market policy both for people with and without disabilities. In Austria and Finland, however, only a minor proportion of responsibility for labour market policies for people with disabilities rests with the same ministry as mainstream labour market policy, and in Australia, this only applies to responsibility for people with low impact disabilities.

The same local offices are used for both people with and without disabilities in Australia, though, and also in the remaining countries. Australia and New Zealand (piloted in the United Kingdom) have introduced common local offices ("one-stop-shops") for the employment service and a number of social security services, where the individual has access to various services via one and the same case manager. Among the 11 countries, these countries were the first to introduce legislation to prevent discrimination against people with disabilities in working life. Another common factor is that they had an explicit policy objective, during the 1990s, to reduce benefit dependency by helping people to obtain or retain gainful employment.

All 11 countries, except the Czech Republic, report labour market integration as a documented policy objective for people with disabilities, prior to passive income maintenance. Even if most of the countries have shifted or reinforced their policy in the direction of labour market integration during the 1990s, they have had different points of departure. In principle, all 11 countries have employment in the open labour market as a goal, while only Ireland reports unsubsidized employment as an additional goal.

There seems to a positive correlation between the proportion of people with disabilities in labour market programmes and the proportion of disability pension recipients, which could provide another indicator as to whether the policy focus is on benefits or (regular) employment. Both the proportion of disability pension recipients and the proportion of programme participants are limited in Australia and the United Kingdom, while both proportions are substantial in Sweden and Ireland. The coordination between disability pensions and the work injury scheme may partly explain the large proportion in Sweden.

In addition to describing different countries' labour market policies for people with disabilities, this study attempts to establish some initial benchmarks for comparing national policies in this respect. This means of "measuring" the policy pursued can be as important as the policy itself in promoting the integration of the target group into the labour market. It may even be the case that quantitative comparisons effectively promote a more active policy in this area. However, more information than this study can provide is required to explain the statistical differences in labour force participation between the various countries. If people with disabilities are a high priority group in the labour market, statistical data to achieve more accurate and internationally comparable results shold also be a high priority.

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Annex 1. Labour force participation and employment rates

Table 1a. 14 EU countries: The proportion of people with disabilities in the working-age population (16–64 years). Labour force participation, employment and unemployment rates for people with and without disabilities, per cent.

Target group	AT	BE	DK	FI	FR	DE	GR	IE	IT	LU	NL	PT	ES	UK	*Av*
								Disability rate							
With disabilities, total	13	13	17	23	15	17	8	11	8	16	19	18	10	19	*14*
With partial disab	9	8	13	17	9	13	5	8	6	12	13	11	7	13	*10*
With severe disab	3	5	5	6	6	5	3	2	2	4	6	7	3	6	*5*
								Participation rate							
Without disabilities	75	67	86	76	73	78	66	68	59	66	76	74	66	83	*73*
With disabilities, total	50	39	51	52	53	58	33	33	30	44	50	51	30	46	*45*
With partial disab	54	46	63	60	60	65	42	38	34	47	56	61	36	57	*53*
With severe disab	37	25	20	31	42	36	19	15	19	36	36	38	16	22	*28*
								Employment rate							
Without disabilities	72	59	81	63	65	74	58	61	50	64	72	70	51	77	*66*
With disabilities, total	47	33	46	44	46	51	29	27	26	39	45	48	25	41	*40*
With partial disab	51	39	57	51	51	59	38	31	30	42	51	57	30	51	*47*
With severe disab	33	21	18	22	37	30	17	14	16	30	32	35	14	19	*25*
								Unemployment rate							
Without disabilities	3	8	5	13	8	4	8	7	9	2	4	4	15	6	*7*
With disabilities, total	3	6	5	8	7	7	4	6	4	5	5	3	5	5	*5*
With partial disab	3	7	6	9	9	6	4	7	4	5	5	4	6	6	*6*
With severe disab	4	4	2	9	5	6	2	1	3	6	4	3	2	3	*3*

Key: AT (Austria); BE (Belgium); DK (Denmark); FI (Finland); FR (France); DE (Germany); GR (Greece); IE (Ireland); IT (Italy); LU (Luxembourg); NL (Netherlands); PT (Portugal); ES (Spain); UK (United Kingdom); *Av* (Average).
Source: 1996 ECHP survey, Eurostat.

Table 1b. The 11 country reports plus Canada: Proportion of people with disabilities in the working-age population. Labour force participation, employment and unemployment rates for people with and without disabilities, per cent.

Target group	AU	AT*	CA	CZ	FI*	IE*	NZ	NO	PL	PT*	SE	UK	*Av*
						Disability rate							
With disabilities, total	17	13	13	–	23	11	17	–	–	18	17	18	*16*
With partial disab	13	9	11	–	17	8	–	–	–	11	–	–	*12*
With severe disab	4	3	2	–	6	2	–	–	–	7	–	–	*4*
						Participation rate							
Without disabilities	80	75	81	–	76	68	76	–	–	74	78	85	*77*
With disabilities, total	53	50	56	–	52	33	58	–	–	51	65	52	*52*
With partial disab	59	54	61	–	60	38	–	–	–	61	–	–	*56*
With severe disab	35	37	26	–	31	15	–	–	–	38	–	–	*30*
						Employment rate							
Without disabilities	74	72	73	–	63	61	72	–	–	70	74	80	*71*
With disabilities, total	47	47	48	–	44	27	53	–	–	48	60	46	*47*
With partial disab	52	51	53	–	51	31	–	–	–	57	–	–	*49*
With severe disab	31	33	18	–	22	14	–	–	–	35	–	–	*26*
						Unemployment rate							
Without disabilities	6	3	8	–	13	7	4	–	–	4	4	5	*6*
With disabilities, total	6	3	8	–	8	6	5	–	–	3	5	6	*6*
With partial disab	7	3	8	–	9	7	–	–	–	4	–	–	*6*
With severe disab	4	4	8	–	9	1	–	–	–	3	–	–	*5*

Key: AU (Australia); AT (Austria); CA (Canada); CZ (Czech Republic); FI (Finland); IE (Ireland); NZ (New Zealand); NO (Norway); PL (Poland); PT (Portugal); SE (Sweden); UK (United Kingdom); *Av* (Average). *Refers to the results in the 1996 ECHP survey.
Source: Table 6 of the country reports.

Table 1c. Labour force participation, employment and unemployment ratios between people with and without disabilities in 18 countries, per cent.

Interval	AU	AT	BE	CA	DK	FI	FR	DE	GR	IE	IT	LU	NL	NZ	PT	ES	SE	UK	*Av*
Participation ratio (P)																			
P < 52									50	49	51					45			
52 ≤ P < 58																			
58 ≤ P < 70	66	67	58	69	59	68						67	66		69			61	***64***
70 ≤ P < 76							73	74											
76 ≤ P														76			83		
Employment ratio (E)																			
E < 50										44						49			
50 ≤ E < 56									50		52								
56 ≤ E < 68	64	65	56	66	57							61	63					58	***62***
68 ≤ E < 74						70	71	69							69				
74 ≤ E														74			81		
Unemployment ratio (U)																			
U < 62									50		44					33			
62≤ U < 82			75			62									75				
82 ≤ U < 122	100	100		100	100		88			86								120	***102***
122 ≤ U < 142													125	125			125		
142 ≤ U								175				250							

Key: AU (Australia); AT (Austria); BE (Belgium); CA (Canada); DK (Denmark); FI (Finland); FR (France); DE (Germany); GR (Greece); IE (Ireland); IT (Italy); LU (Luxembourg); NL (Netherlands); NZ (New Zealand); PT (Portugal); ES (Spain); SE (Sweden); UK (United Kingdom); *Av* (Average).
Note: The intervals represent deviations from the average by steps of +/– ten per cent of the average.
Source: 1996 ECHP survey (Table1a above), Eurostat, and Table 6 in the country reports (Table 1b above).

Table 2a. The 11 country reports plus Canada: Proportion of people with employment restrictions due to disabilities in the working-age population. Labour force participation, employment and unemployment rates for this group and for people without employment restrictions, per cent.

Target group	AU	AT*	CA	CZ	FI*	IE*	NZ	NO	PL	PT*	SE	UK	*Av*
							Employment restriction rate						
With disabilies, total	12	–	7	5	–	–	–	14	11	–	11	15	*11*
With partial disab	–	–	–	3	–	–	–	–	–	–	N a	–	–
With severe disab	–	–	–	2	–	–	–	–	–	–	N a	–	–
							Participation rate						
Without disabilities	79	–	81	79	–	–	–	82	76	–	78	85	*80*
With disabilities, total	46	–	38	45	–	–	–	41	27	–	62	45	*43*
With partial disab	–	–	–	58	–	–	–	–	–	–	N a	–	–
With severe disab	–	–	–	20	–	–	–	–	–	–	N a	–	–
							Employment rate						
Without disabilities	73	–	73	74	–	–	–	77	63	–	74	80	*73*
With disabilities, total	40	–	29	33	–	–	–	37	22	–	56	39	*37*
With partial disab	–	–	–	42	–	–	–	–	–	–	N a	–	–
With severe disab	–	–	–	15	–	–	–	–	–	–	N a	–	–
							Unemployment rate						
Without disabilities	6	–	8	5	–	–	–	5	13	–	4	5	*7*
With disabilities, total	6	–	9	12	–	–	–	4	5	–	6	6	*7*
With partial disab	–	–	–	16	–	–	–	–	–	–	N a	–	–
With severe disab	–	–	–	5	–	–	–	–	–	–	N a	–	–

Key: AU (Australia); AT (Austria); CA (Canada); CZ (Czech Republic); FI (Finland); IE (Ireland); NZ (New Zealand); NO (Norway); PL (Poland); PT (Portugal); SE (Sweden); UK (United Kingdom); *Av* (Average). *Refers to the results of the 1996 ECHP survey.
Source: Table 6 in the country reports.

Table 2b. The 11 country reports plus Canada: Labour force participation, employment and unemployment ratios between people with and without employment restrictions in the working-age population, per cent.

Interval	AU	AT*	CA	CZ	FI*	IE*	NZ	NO	PL	PT*	SE	UK	*Av*
						Participation ratio (P)							
P < 44									36				
44 ≤ P < 49			47										
49 ≤ P < 59	58			57				50				53	***54***
59 ≤ P < 64													
64 ≤ P											79		
						Employment ratio (E)							
35 ≤ E < 40									35				
40 ≤ E < 45			40										
45 ≤ E < 55				45				48				49	***50***
55 ≤ E < 60	55												
60 ≤ E											76		
						Unemployment rate (U)							
U < 62									38				
62 ≤ U < 83								80					
83 ≤ U < 125	100		112									120	***104***
125 ≤ U < 146													
146 ≤ U				240							150		

Key: AU (Australia); AT (Austria); CA (Canada); CZ (Czech Republic); FI (Finland); IE (Ireland); NZ (New Zealand); NO (Norway); PL (Poland); PT (Portugal); SE (Sweden); UK (United Kingdom); *Av* (Average). *Refers to the results of the 1996 ECHP survey.
Note: The intervals represent deviations from the average by steps of +/– ten per cent of the average.
Source: Table 6 in the country reports (see Table 2a above).

Table 3. Calculation of average participation and employment intervals in 21 countries.

Interv	AU	AT	BE	CA	CZ	DK	FI	FR	DE	GR	IE	IT	LU	NL	NZ	NO	PL	PT	ES	SE	UK
P(d)	3	3	3	3	–	3	3	4	4	1	1	1	3	3	5	–	–	3	1	5	3
E(d)	3	3	3	3	–	3	4	4	4	2	1	2	3	3	5	–	–	4	1	5	3
P(er)	3	–	–	2	3	–	–	–	–	–	–	–	–	–	–	3	1	–	–	5	3
E(er)	4	–	–	2	3	–	–	–	–	–	–	–	–	–	–	3	1	–	–	5	3
Av	*3.25*	*3*	*3*	*2.5*	*3*	*3*	*3.5*	*4*	*4*	*1.5*	*1*	*1.5*	*3*	*3*	*5*	*3*	*1*	*3.5*	*1*	*5*	*3*

Key: AU (Australia); AT (Austria); BE (Belgium); CA (Canada); CZ (Czech Republic); DK (Denmark); FI (Finland); FR (France); DE (Germany); GR (Greece); IE (Ireland); IT (Italy); LU (Luxembourg); NL (Netherlands); NZ (New Zealand); NO (Norway); PL (Poland); PT (Portugal); ES (Spain); SE (Sweden); UK (United Kingdom); *Av* (Average). P (labour force participation ratio); E (employment ratio); (d) people with disabilities; (er) people with employment restrictions.
Source: See Table 1c and 2b above.

Table 4. Reliability and comparability of disability survey data.

	AU	AT	CA	CZ	FI	IE	NZ	NO	PL	PT	SE	UK
Survey	DACS	ECHP	HALS	LFS	ECHP	ECHP	HDS	LFS	LFS	ECHP	LFS	LFS
Survey year	1998	1996	1991	1999	1996	1996	1996	1995	2000	1996	1998	99/00
Age	15–64	16–64	15–64	15–59/54	16–64	16–64	15–64	16–66	15–64/59	16–64	16–64	16–64/59
Achieved sample size (*n*)	24600	6000	86100	41600	7200	6300	5400	17000	37000	9050	31100	83800
Response rate (%)	94[1]	>90	86	80[2]	>90	>90	86[3]	95[4]	78[5]	>90	81	97
Definit disability	ID	D	D	–	D	D	D	–	–	D	ID	ID
Screening q:s (no)	Many	One	Many	–	One	One	Many	–	–	One	One	One
Spec of disabilities	Yes	No	Yes	–	No	No	Yes	–	–	No	Yes	Yes[6]
Time restricton (months)	6	No	6	–	No	No	6	–	–	No	No	12
Coverage	*High*	*Low*	*High*	–	*Low*	*Low*	*High*	–	–	*Low*	*High*	*Med*
Definit empl restr	ACKSW	–	ACKSWT	DE	–	–	–	OM	DE	–	No	KA
Coverage	*High*	–	*High*	*Low*	–	–	–	*Low*	*Med*	–	*Low*	*Med*
Proportion in pop	M/H	M/L	L	L	H	L	M/H	H	M	H	M	H

Key: AU (Australia); AT (Austria); CA Canada); CZ (Czech Republic); FI (Finland); IE (Ireland); NZ (New Zealand); NO (Norway); PL (Poland); PT (Portugal); SE (Sweden); UK (United Kingdom). ***Survey:*** DACS (Disability, Ageing and Carers Survey); ECHP (European Community Household Panel); HALS (Health and Activity Limitation Survey); HDS (Household Disability Survey); LFS (Labour Force Survey). ***Definition of disability:*** D (Disability), I (Impairment). ***Time restriction:*** Possible least-expected future duration of disability. ***Definition of employment restrictions:*** A (Disability that affects the amount of work); C (Difficulties in changing jobs or advancing); DE (Decision by the appropriate authority concerning reduced work ability); K (Disability that affects the kind of work); M (Difficulties in maintaining a job); O (Difficulties in obtaining a job); S (Requires special equipment or adaptations); T (Requires accessible transportation); W (Requires ongoing assistance or supervision). ***Proportion in population:*** The proportion of people with disabilities and/or employment restrictions in the working-age population. L (Low); M (Medium); H (High).

[1] This is the response rate for all age groups, not merely the 15–64 age group (more exactly 94.4 per cent). A partial non-response was achieved for a further 5.3 per cent. These people only refused to answer questions on income, or failed to complete a special questionnaire for carers. This means a response rate of 99.7 per cent.

[2] Of 32,600 households visited, 26,073 agreed to an interview.

[3] This is the response rate for all age groups, not merely the 15–64 age group.

[4] The sample size for the supplement concerning employment restrictions for the labour force survey was about 18,000 and the response rate about 95 per cent.

[5] The response rate represents number of dwellings surveyed.

[6] Examples of disabilties are read to individuals who have defined themselves as having a disability in the initial question.

Source: ECHP and the respective country's national statistics bureau.

Annex 2. Labour market programmes

The countries are grouped according to the labour force participation in the surveys referred to in Annex 1.

Table 1. The number of participants with disabilities in targeted and mainstream labour market programmes as a proportion of the number of people with disabilities/employment restrictions in the working-age population, per cent.

LFP in *Figure CC1*	**Above av**		**Average**							**Below av**	
Ratio	**NZ**	**SE**	**AU**	**AT**	**CZ**	**FI**	**NO**	**PT**	**UK**	**IE**	**PL**
TP/Dt	4	9	2	9	N a	2	N a	N a	0.4	7	N a
TP/Ert	N a	14	2	N a	N a	N a	10	N a	0.5	N a	N a
TMP/Dt	N a	11	4	N a	N a	4	N a	N a	1	8	N a
TMP/Ert	N a	18	5	N a	N a	N a	10	N a	1	N a	N a

Key: LFP (labour force participation); *Av* (Average); NZ (New Zealand); SE (Sweden); AU (Australia); AT (Austria); CZ (Czech Republic); FI (Finland); NO (Norway); PT (Portugal); UK (United Kingdom); IE (Ireland); PL (Poland). TP (Number of individuals in labour market programmes targeted at people with disabilities); TMP (Number of individuals with disabilities in both labour market programmes targeted at people with disabilities and mainstream programmes); Dt (Number of individuals with disabilities, total); Ert (Number of individuals with employment restrictions, total).
Source: Table 5 and Table 6 in the country reports. CZ, NO and SE: programme data for 1998. Other countries: programme data for 1999 or 2000.

Table 2. Proportion of programme participants with disabilities who are not included in the labour force, per cent.

LFP in *Figure CC1*	**Above av**		**Average**							**Below av**	
Programme	**NZ**	**SE**	**AU**	**AT**	**CZ**	**FI**	**NO**	**PT**	**UK**	**IE**	**PL**
In targeted programmes	60	0	14	0	N a	72	41	0	0	72	N a
In mainstream programmes	N a	86	2	N a	N a	35	100	N a	8	13	N a
In targeted and mainstream progr	N a	21	8	N a	N a	58	43	N a	5	58	N a

Key: LFP (labour force participation); *Av* (Average); NZ (New Zealand); SE (Sweden); AU (Australia); AT (Austria); CZ (Czech Republic); FI (Finland); NO (Norway); PT (Portugal); UK (United Kingdom); IE (Ireland); PL (Poland).
Source: Table 6 in the country reports. CZ, NO and SE: data for 1998. Other countries: data for 1999 or 2000.

Table 3. Adjusted labour force participation rates due to reduction of the number of participants with disabilities in labour market programmes where they are regarded as economically active (unadjusted rates in brackets), per cent.

LFP in *Figure CC1*	Above av		Average							Below av	
Target group, progr	**NZ**	**SE**	**AU**	**AT**	**CZ**	**FI**	**NO**	**PT**	**UK**	**IE**	**PL**
Dt (TP)	56(58)	57(65)	52(53)	41(50)	–	51(52)	–	N a	52(52)	31(33)	–
Dt (TMP)	N a	56(65)	50(53)	N a	–	50(52)	–	N a	51(52)	29(33)	–
Ert (TP)	N a	48(62)	44(46)	–	N a	–	35(41)	–	45(45)	–	N a
Ert (TMP)	N a	47(62)	42(46)	–	N a	–	35(41)	–	44(45)	–	N a

Key: LFP (labour force participation); *Av* (Average); NZ (New Zealand); SE (Sweden); AU (Australia); AT (Austria); CZ (Czech Republic); FI (Finland); NO (Norway); PT (Portugal); UK (United Kingdom); IE (Ireland); PL (Poland). Dt (Number of individuals with disabilities, total); Ert (Number of individuals with employment restrictions, total); TP (Number of individuals in labour market programmes targeted at people with disabilities); TMP (Number of individuals with disabilities in both labour market programmes targeted at people with disabilities and mainstream programmes).
Source: Table 1a and Table 2a in Annex 1 together with statistics on programme participants in accordance with Table 6 in the country reports. CZ, NO and SE: programme data for 1998. Other countries: programme data for 1999 or 2000.

Table 4. Official policy guidelines (praxis in brackets) for referring job seekers with disabilities to mainstream or targeted labour market programmes and the actual proportion in targeted programmes, per cent.

LFP in *Figure CC1*	Above av		Average							Below av	
Policy	**NZ**	**SE**	**AU**	**AT**	**CZ**	**FI**	**NO**	**PT**	**UK**	**IE**	**PL**
Official policy	M	M	SI	–	(M)	M	(T)	(M)	(M)	M[1]	(T)
Proportion in TP	N a	76	46	N a	N a	62	97	N a	37	77	N a

Key: LFP (labour force participation); *Av* (Average); NZ (New Zealand); SE (Sweden); AU (Australia); AT (Austria); CZ (Czech Republic); FI (Finland); NO (Norway); PT (Portugal); UK (United Kingdom); IE (Ireland); PL (Poland). M (Mainstream programmes); N a (No information available); SI (Screening instruments); T (Targeted programmes).
[1] Since the new labour market organization came into force in 2000.
Source: Table 6 of the county reports.

Annex 3. Disability pensions

The countries are grouped according to the labour force participation in the surveys referred to in Annex 1.

Table 1. The number of persons in receipt of partial or full disability pension as a proportion of the number of people with disabilities (employment restrictions in brackets) of working age, per cent.

LFP (*Fig CC1*)	**Above av**		**Average**							**Below av**	
Pension	**NZ**	**SE**	**AU**	**AT**	**CZ**	**FI**	**NO**	**PT**	**UK**	**IE**	**PL**
Partial	1(Na)	*11(18)*	*4(6)*	Na(Na)	Na*(41)*	Na(Na)	Na*(13)*	Na(Na)	(–)	Na(Na)	Na*(41)*
Full and partial	16(Na)	50(82)	*27(38)*	34(Na)	Na(102)	40(Na)	Na(68)	44(Na)	26(31)	42(Na)	Na*(83)*

Key: LFP (labour force participation); *Av* (Average); NZ (New Zealand); SE (Sweden); AU (Australia); AT (Austria); CZ (Czech Republic); FI (Finland); NO (Norway); PT (Portugal); UK (United Kingdom); IE (Ireland); PL (Poland).
Note: Figures in italics indicate that the statistics are unreliable and may represent both missing data (which results in underestimation) and individuals who are over working age (which results in overestimation) in accordance with Table 2 below. In the case of Poland, this causes a minor underestimation on the bottom row of the table, while the underestimation for Australila is of greater importance.
Source: Information from the respective country's social security authority or central government department responsible (see Table 2 below) together with the disability surveys referred to in Table 1b and Table 2a of Annex 1. The year corresponds to the survey year, except for Norway (1996) and Portugal (1998–99).

Table 2. Specifications of disability pensions and equivalent long-term sickness benefits paid after 12 months of incapacity (working-age population).

Country	**Benefit**	**Date**	**Number of recipients**	
			Partial	Total
Australia	Disability Support Pension (m, f)	June 1998	88,540	553,383
	Newstart/YA Incapacitated > 12 m (m, f)		N a	N a
	Sickness Allowance > 12 m (m, f)		N a	N a
Austria	Invalidity Pension (c, e)	31 Dec 1996	N a	165,500
	Early Retirement (due to disability) (c, e)		N a	54,500
Czech Republic	Invalidity Pension (c, f)	31 Dec 1998	135,145	330,200
	Sickness Benefit > 12 m (c, f)		N a	6,981
Finland	Invalidity Pension (u, f + c, e)	31 Dec 1996	N a	231,200
	Individual Early Retirement (u, f + c, e)		N a	57,100
	Rehabilitation Benefit (u, f + c, e)		N a	13,600

Ireland	Invalidity Pension (m, f)	31 Dec 1996	–	41,128
	Disability Allowance (m, f)		N a	37,054
	Blind Person's Pension (c, f)		N a	1,680
	Disability Benefit > 12 m (c, f)		–	21,807
New Zealand	Invalids Benefit (i, f)	31 Dec 1996	2,480	44,378
	Sickness Benefit >12 m (i, f)		944	15,613
Norway	Disability Pension (u, f + c, e)	31 Dec 1996	51,908	239,429
	Rehabilitation Benefit (u, f + c, e)		N a	20,744
Poland	Work Incapacity Pension (c, e)	31 Dec 1999	1,028,000	1,906,000
	Rehabilitation Benefit > 6 m (c, e)		–	N a
	Social Pension (u, f)		–	*153,191*
	Discretionary benefit (m, f)		–	*7,000*
Portugal	Disability Pension (c, e)	31 Dec 1998	N a	348,543
	Civil servants disability pension		N a	*80,842*
	Social Disability Pension (i, f)		N a	49,254
	Long-Term Sickness Benefit 12–36 m (c, e)		N a	11,260
Sweden	Disability Pension (u, f + c, e)	31 Dec 1998	90,862	377,718
	Temporary Disability Pension (u, f + c, e)		13,280	43,906
	Sickness Benefit > 12 m (c, e)		N a	55,227
United Kingdom	Long-Term Incapacity Benefit (c, f)	May 2000	–	1,318,700
	Severe Disablement Allowance > 12 m (c, f)		–	348,700

Key: c = contributory; i = income-tested; m = means-tested; u = universal;
e = earnings-related; f = flat rate payment.
Note: Figures in italics indicate that people above the normal retirement age also may be included.
Source: The respective country's social security agency or central government department responsible.

Australia: Newstart Incapacitated is granted to people who are on Newstart Allowance (unemployment benefit) and are unable to meet the requirements of the activity test, which is a requirement for receiving the NA, due to sickness or disability. Newstart Incapacitated may be paid up to two years. There is also a corresponding allowance for young people (Youth Allowance Incapacitated). Another allowance is available for people who are not on income support, pending a decision for Disability Support Pension, Newstart/Youth Allowance Provisional, which is paid for up to six months.

Austria: Invalidity Pension is granted as a temporary or permanent benefit. The temporary benefit is granted for up to two years and may be extended for another two years after a medical examination, if there are prospects of improvement in health status. Early Retirement due to disability is granted to women above the age of 55 and men above the age of 57 who are unable to

continue the work predominantly pursued in the previous 15 years (provided there are 15 insurance years and 6 contribution years).

Czech Republic: The age group specified in the table is 15–55/59 corresponding with the age-group in the labour force survey the third quarter 1998.

Finland: The Rehabilitation Benefit is a temporary disability pension. The Individual Early Retirement is a special type of disability pension granted to people close to retirement age and based on less stringent criteria than the regular Invalidity Pension.

Ireland: Recipients of Disability Benefit and Invalidity Pension are not allowed to work. Recipients of Disability Allowance and Blind Person's Pension can have limited income from work (of a rehabilitative nature) up to a threshold level. Income in excess of this level will reduce the allowance by an equivalent amount.

New Zealand: Entitlement for the temporary Community Wage Sickness Benefit is medically reassessed every 13 weeks, but there is no time limit for the duration of benefit. There is no other temporary disability pension. The criteria for receiving the permanent Invalids Benefit are medically stricter than Sickness Benefit in that the disability must be of a permanent or serious nature. However many people move from the Sickness Benefit to Invalids Benefit if their condition deteriorates or they have been on Sickness Benefit for a long time. The partial benefit indicates that the person (and/or their spouse) is receiving income from another source which is of a sufficient level to reduce the amount of Sickness Benefit/Invalids Benefit paid to them.

Norway: Partial disability pension means that the individual may receive between 50–100 per cent of full-time disability pension, stepwise by intervals of ten percentage points. A prolonged sickness benefit (Rehabilitation Benefit) is paid during the waiting period (up to one year).

Poland: Work Incapacity Pension includes disabilities resulting both from non-occupational and occupational injuries or diseases. However, the figures in the table only cover disability caused by a non-occupational injury or disease. A temporary pension may be granted for one year or two. A rehabilitation benefit is paid after the six month period of sickness benefit has expired, provided there are prospects of a restoration of working capacity. This benefit is paid up to 12 months. In 1999, an average of 20,900 people received the benefit. There is no information concerning the proportion who received the benefit for more than six months, however (which implies that they were incapable of work for more than 12 months). The Social Pension is granted to adults who lost their work capacity before reaching the age of 18 or, while studying, before the age of 25. The Social Pension is paid in accordance with the social assistance legislation. In addition, there is a discretionary benefit granted by the President of the Social Insurance Institution in exceptional cases, which is paid at the same rate as the minimum old age pension. In 1999, there were about 7,000 persons who received this benefit, but there is no information as to how many of them were of working age.

Portugal: A special scheme for people in the agricultural sector is included (41,400 individuals). There is also a special disability pension scheme for civil servants. However, there is no information about how many of the recipients (80,842) were of working age or if they also received a pension from the general disability pension scheme.

Sweden: The sickness benefit is not limited in time, and provides a higher replacement rate than both the disability pensions. The temporary disability pension may be granted for one, two or

three years. Work injury is coordinated with the disability pension in such a way that the disability pension is the basis for compensation for work injuries, while the work injury scheme covers the gap between the disability pension and previous income. Disability pension is based on a universal disability pension and a contributory disability pension.

United Kingdom: The Long-Term Incapacity Benefit and Severe Disablement Allowance are suspended if the income from work (only rehabilitative work is allowed) exceeds a limited amount (no sliding scale).

Disability pension characteristics

Coverage

Universal disability pension is a flat-rate cash benefit to residents or citizens without regard to income, employment or means. The countries applying a universal programme often also have a second-tier earnings-related programme.

Means-tested disability pensions are often applied as a substitute for universal pensions. The means-tested schemes establish eligibility for benefits by measuring individual or family resources against a standard, which is usually based on subsistence needs (e g household resources or income).

Contributory pension schemes involve payments by the individual and the employer (related to income and wage costs, respectively). Means-tested and universal disability pensions are paid as a flat rate, while contributory pensions are paid as a flat rate, or in relation to previous earnings.

There is a varying mix of the three types of disability pensions across the countries. New Zealand and Australia only have a means-tested, non-contributory system, while the Nordic countries have a basic universal pension, and a supplementary contributory pension. Austria, the Czech Republic, and the United Kingdom only have contributory schemes. In Austria, the disability pension is paid in relation to previous earnings, while it is paid as a flat rate in the Czech Republic and the United Kingdom. In Ireland and Portugal there are both means-tested and contributory pensions. In Poland, all three types of pensions apply – a universal pension for those who have a disability before entering working life, and means-tested and contributory disability pensions for other categories.

Duration

Disability pensions may be temporary or permanent. Temporary pensions are usually paid during a waiting period, while permanent disability pensions are paid up to retirement age (and in some cases even afterwards). In several countries, sickness benefit is paid up to 12 months and subsequently, disability pension. Other countries apply a temporary disability pension which is usually paid for up to one to three years. In order to make the figures comparable between the countries, *Table 1* above includes temporary and permanent benefits and disability pensions which are paid due to long-term sickness or disability (from 12 months and more).

Extent

Full or partial pensions may be granted, both in terms of the amount and time. In some countries, the pension can be granted part-time and recipients remain employed the rest of the time. However, most countries apply a system in which only a full pension is paid, but the amount is reduced stepwise when earnings from work exceed a certain threshold level.

Annex 4. Abbreviations

CE	Council of Europe
EC	European Commission
ECHP	European Community Household Panel
ESF	European Social Fund
EU	European Union
ICIDH	International Classification of Impairments, Disabilities and Handicaps
ILO	International Labour Office
OECD	Organisation for Economic Co-operation and Development
P w d	People (person) with disabilities
UN	United Nations

Annex 5. Glossary

Activity
The performance of a task or action by an individual. (ICIDH-2)

Activity limitations
Difficulties an individual may have in the performance of activities. (ICIDH-2)

Administration
The body which administers and coordinates a service or a programme.

Creaming effects
When individuals eligible for more demanding programmes are selected into less demanding programmes, e g to fulfil a programme objective (e g to reach a certain rate of transitions from sheltered workshops to the open labour market).

Disabilities
Reflect the consequences of impairment in terms of functional performance and activity by the individual. A disability is any restriction or lack of ability to perform an activity in the manner or within the range considered normal for a human being. The disability may be temporary or permanent, reversible or irreversible, and progressive or regressive. (ICIDH-1)
A functional limitation as a result of physical, intellectual or sensory impairment, medical conditions or mental illness that may be of a permanent or transitory nature. (UN Standard Rules)

Disability rate
The number of people with a disability (here: according to the international definitions of disability) as a percentage of the (working-age) population.

Economically active population
All persons of either sex who furnish the supply of labour for the production of economic goods and services as defined by the UN's systems for national accounts and balances during a specified time-reference period. See also "labour force". ILO (1982)

Employed
All persons who, during a specific brief period such as one week, are at work or have a job but are temporarily absent during the reference period. Includes paid employment and self-employment. ILO (1982)

Employment rate
The number of persons employed as percentage of the working-age population.

Employment restrictions
A disability does not necessarily imply employment restrictions. Employment restrictions may vary according to the situation and the work task. This means that a person can experience an occupational handicap in one occupation but not in another. Aids and adaptation of the workplace may also reduce a potential handicap. A person can thus "move out" of a handicap. Yet, the person will experience a handicap in the sense of having a reduced set of possible choices when it comes to occupation and work tasks. Employment restrictions are for example: permanently inability to work; restrictions in the type of work a person can/could do; the need of at least one day a week off work on average; restrictions in the number of hours a person can/could work; requirements on employers to provide special equipment, modifications of the work environment or special arrangements; the need for ongoing assistance or supervision and; difficulties to change jobs or get a better job.

Evaluation
Impact, implementation or follow-up study.

Follow-up
Descriptive monitoring of statistics (such as the number of participants in different programmes or the number of people in work after a programme)

Forefront office
The office a person may visit to take part of the service or be referred to a programme.

Functions
The physiological or psychological functions of body systems. (ICIDH-2)

General legislation
Legislation in which people with disabilities are not separately mentioned in the wording of the law, but are included together with all the other citizens, e g the constitution of a country.

Handicaps
The disadvantages, experienced by the individual as a result of impairments and disabilities, that limit or prevent the fulfilment of a role that is normal for that individual. Handicaps thus represent the socialization of an impairment or disability. The key dimensions of handicaps ("survival roles") are orientation, physical independence, mobility, occupation, social integration, and economic self-sufficiency. (ICIDH-1)
The loss or limitation of opportunities to take part in the life of the community on an equal level with others. It describes the encounter between the person with a disability and the environment and focuses on the shortcomings in the environment and in many organized activities in society such as information, communication and education, which prevent people with disabilities from participating on equal terms. (UN Standard Rules)

Impact evaluation
Analysing (preferably by econometrics or other statistical method) the effect a programme has on programme participants (micro effects) or on the labour market at large (macro effects). Examples of micro effects are how programme participation affects the income of the individual or the probability of getting a job. Typical macro effects are effects on labour supply, displacement effects and the mobility of labour. Cost benefit analysis of the public benefit of labour market programmes may also be included in macro economic evaluations.

Impairments
Any loss or abnormality of psychological, physiological or anatomical structure or function, resulting from any cause. In principle, impairments represent disturbances at the organ level. (ICIDH-1)
Problems in body function or structure such as a significant deviation or loss. (ICIDH-2)

Implementation studies
A study on the implementation of a programme where, for example, the fulfilment of the policy objectives or the experiences of providers and participants are investigated.

Income maintenance programmes
Various types of income maintenance from social security institutions, e g sickness benefit, disability pension, unemployment benefit etc.

Integrated legislation
General legislation in which a target group (here: people with disabilities) is especially mentioned in certain respects.

Labour force
The current active population during a short reference period such as one week. See also "economically active population". ILO (1982)

Labour force participation rate
The number of persons in the labour force (i e employed and unemployed) as a percentage of the working-age population.

Labour market incentives
Lump sum payments, e g to individuals to encourage them to take up work or to employers to cover the costs of adapting the work place or provide special equipment.

Labour market measures
Include labour market programmes, services and incentives.

Labour market programmes (active)
Programmes intended to increase the labour demand or supply as a result of interventions in the labour market. The interventions may be in the form of regulations, compensations or substitutions. Labour market programmes typically occupy unemployed people in a full time activity for a specific period of time, and also include a financial compensation in form of subsidies to an employer/provider and/or benefits to the individual. Instead of full-time activities,

some countries employ part-time activities combined with job search activities. Thus, there is a time, activity and financial dimension involved in a labour market programme.

Labour market services
In contrast to labour market programmes, labour market services refer to services such as placement, vocational guidance and supplementary services when a person with disabilities is employed (e g assistance in the workplace, disability awareness training of work staff etc). If financial support is involved in the service, it is typically granted as a lump sum subsidy.

Vocational training
Mainly formal classroom training. May include some elements of work experience.

Local programmes
Programmes that are specific for a municipality (lowest administrative level).

Mainstream labour market programmes
Labour market programmes that are available for unemployed persons in general (not targeted) programmes.

National programmes
Programmes that are identical and applied in the same way throughout the country.

Participation
An individual's involvement in life situations in relation to health conditions, body functions and structure, activities, and contextual factors. (ICIDH-2)

Participation restrictions
Problems an individual may have in the manner or extent of involvement in life situations. (ICIDH-2)

Personal assistance in the work place

Ongoing personal assistance in the work place (on-the-job attendant care), which does not aim to provide support which develops a person's ability to work independently nor is gradually reduced (compare "supported employment").

Provider of labour market programmes
The agency running the labour market programme.

Publicly financed
Financed by a national, regional or local authority.

Regional programmes
Programmes that are specific for an administrative unit between central and local level.

Regular employment
Employment in the open labour market without subsidies or legal obligation.

Sector responsibility
Every Ministry or Government Department has to consider the consequences for people with disabilities in the course of its operations. According to this policy, disability issues are to be solved within the sector in which they arise.

Special legislation
Legislation specifically designed to protect or benefit a special target group (here: people with disabilities).

Structures
Anatomic parts of the body such as organs, limbs and their components. (ICIDH-2)

Supported employment
Assistance from a job coach with the aim to provide support which develops a disabled person's ability to work independently and is gradually reduced.

Targeted labour market programmes
Labour market programmes targeted at people with disabilities.

Unemployed
All persons who have no work during the reference period, are currently available for work or are looking for work. ILO (1982)

Work experience
Mainly work experience, but may include some elements of formal classroom training.

Working age
The age group between compulsory school and retirement age. For cross-national purposes it is here usually referred to as 16–64 yeas, unless otherwise indicated.

Annex 6. Purchasing power parities

Table 1 below provides an idea of how the price of a good or service in one country compares with the price of the same good or service in another country, if the price levels of the two countries are taken into account (i e money has equal value across countries). Example: If a good or service can be bought for GBP1, the same good or service can be bought for SEK14.8 (in the table: begin with the UK column and continue with the SE row).

Table 1. PPP rates for the eleven country reports, annual averages based on GDP 2000.

	AU	AT	CZ[1]	FI	IE	NZ[2]	NO	PL	PT	SE	UK
AU	1	0.0972	0.0964	0.2115	1.7597	0.8940	0.1211	0.6784	0.0101	0.1357	2.0077
AT	10.285	1	0.9915	2.1754	18.098	9.1942	1.2460	6.9767	0.1036	1.3954	20.648
CZ[1]	10.372	1,0085	1	2.1940	18.252	9.2726	1.2566	7.0362	0.1044	1.4073	20.824
FI	4.7276	0,4597	0.4558	1	8.3191	4.2264	0.5727	3.2070	0.0476	0.6414	9.4915
IE	0.5683	0,0553	0.0548	0.1202	1	0.5080	0.0688	0.3855	0.0057	0.0771	1.1409
NZ[2]	1.1186	0,1088	0.1078	0.2366	1.9684	1	0.1355	0.7588	0.0113	0.1518	2.2458
NO	8.2542	0,8026	0.7958	1.7460	14.525	7.3791	1	5.5993	0.0831	1.1199	16.572
PL	1.4741	0,1433	0.1421	0.3118	2.5940	1.3178	0.1786	1	0.0148	0.2000	2.9596
PT	99.315	9,6567	9.5750	21.007	174.76	88.785	12.032	67.371	1	13.475	199.39
SE	7.3704	0,7166	0.7106	1.5590	12.970	6.5889	0.8929	4.9998	0.0742	1	14.797
UK	0.4981	0,0484	0.0480	0.1054	0.8765	0.4453	0.0603	0.3379	0.0050	0.0676	1

Note: Purchasing power parities (PPPs) are the rates of currency conversion which equalise the purchasing power of different currencies. This means that a given sum of money, when converted into different currencies at the PPP rates, will buy the same basket of goods and services in all countries. In other words, PPPs are the rates of currency conversion which eliminate the differences in price levels between countries.
[1] Average for 1998.
[2] Average for 1999.
Source: Own calculations of OECD data.