Foreign labor developments

Employment programs for disabled youth: an international view

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The transition of young disabled people from school to work is an issue of increasing concern to U.S. government policymakers. Currently, only one-third of all disabled Americans with disabilities work, although the remaining two-thirds who are not working would like to have a job, but may or may not be looking for one. However, data show that more than 15 percent of individuals with disabilities are unemployed compared with approximately 5 percent for the general population.[1] For young disabled people, the employment situation has been even worse. The Disability Advisory Council, a commission created by Congress to study the effectiveness of the current Federal employment/disability policy and programs, noted in its *1988 Report to Congress* that few high school graduates with developmental disabilities make a successful transition from school to sustained, gainful employment. It is estimated that in 1986, more than 90 percent of these special education graduates became dependent in some way after high school.[2]

However, a number of emerging trends in the United States will likely improve the employment prospects for young people with disabilities in the years to come. First, the growth of the labor force is slowing as a result of declining birth rates. This will force employers to look beyond their traditional sources to other groups, such as people with disabilities, to fill entry level positions. Second, with the restructuring of the American economy and the relative decline in numbers of jobs requiring manual skills, physical limitations will become less hindering for young disabled persons. Third, the recent enactment of the Americans with Disabilities Act will remove many obstacles which have thwarted the job-search efforts of young disabled people.

While these trends are encouraging, criticisms remain as to the effectiveness of U.S. employment policies for people with disabilities. In its February 1986 report to the President, the National Council of the Handicapped attributed the ineffectiveness of the current transition process to the "absence of a systematic vocational transition process for youths with disabilities."[3]

What are other countries doing to ease the transition process? This report, which is based upon the findings of two cooperative U.S.–Organization for Economic Cooperation Development (OECD) activities, describes employment policies and programs, incentive plans, and job creation programs to aid disabled young jobseekers in Japan, Sweden, Italy, Denmark, and the United States.[4]

International overview

Although the emphasis of individual employment strategies for disabled persons differs among countries—quotas in Japan, subsidized employment in Sweden, elimination of barriers in the United States—there are areas of agreement. First, there is a growing realization that disabled people must become an integral part of society if they are to achieve independence. Danish disability policy is centered around three principles—normalization, integration, and decentralization. In Sweden, the aim of disability policy is to avoid special solutions for the disabled to the extent possible and make society as a whole accessible to all. In Italy, where local authorities are responsible for funding and programs, the successful Genoa Approach is being replicated in Venice and Rome and other Italian cities. This model seeks to place and sustain young persons with moderate and severe mental disabilities in regular, rather than sheltered, employment. Japanese measures for the disabled are based on the ideal of "normalization." In the United States, Federal policy has similarly stressed the importance of integrating people with disabilities into society.

The importance of gainful, unsubsidized employment is another area of agreement. While Sweden's policy of "Employment for All" has resulted in the creation of 80,000 subsidized jobs for the disabled, the overall goal is to place these people in unsubsidized employment.[5] In Denmark, the combination of the "Kurator," or Case Advocate, approach and the flexibility of upper secondary vocational options has produced impressive results in that more than 75 percent of disabled high school graduates ultimately achieve gainful, competitive employment.[6] In Italy, the Genoa Approach has succeeded in placing 90 percent of moderately and severely disabled graduates in competitive employment.[7] The goal of Japanese policy is to enable all disabled persons who have the will and ability to work to do so in the open labor market, along with those who have no disability. This is achieved primarily through a quota system.[8] In the United States, the enactment of the Americans with Disabilities Act provides new job opportunities in the private sector by removing various obstacles to employment.

Labor market strategies

Employment quotas. Central to the Japanese employment policy for the disabled is a Quota–Levy Program. Under this program, employers are legally required to

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employ disabled persons in proportion to their representation in the overall labor market. Levies are collected from enterprises failing to achieve the appropriate employment quota rate and grants are offered to those enterprises that employ the physically disabled. While the Quota–Levy program has traditionally been limited to people with physical disabilities, it now also includes mentally retarded people as well. Interestingly, in the Japanese private sector, more than half of the enterprises do not fulfill their quota obligations.

Another country which relies on employment quotas is Italy, where a special nationwide quota hiring law applies to young persons with certain types of disabilities who complete vocational and technical training. For firms with more than 35 workers, 15 percent of the work force must consist of those handicapped by industrial accidents, civilian invalids, the deaf and dumb, orphans and widows, or war veterans. Estimates are that, while approximately 200,000 people are employed through the quota system, there is a waiting list of 300,000.

Counseling, placement, and training. As a supplement to traditional employment service operations, Sweden has established Employability Institutes which provide intensified counseling and work testing for jobseekers who have difficulty in entering the labor market. A number of these Institutes have special resources for particular categories of disabled persons, such as the visually handicapped, the orthopedically handicapped, and the mentally handicapped. In addition, disabled students are assigned a special "liaison officer" to assist them and their families to cope with the transition from school to work by helping to coordinate the wide range of services provided by a variety of local and regional agencies.

In Japan, local vocational centers for the disabled evaluate the job readiness of the mentally retarded and, working with the Employment Service, help place them in jobs. In addition, two vocational consultants are assigned to selected public Employment Service offices to provide services for the disabled jobseeker—one serving the physically disabled and the other serving the mentally retarded.

Denmark's County Employment Agency provides traditional assistance to students with disabilities who are seeking employment. In addition, Denmark provides an experienced teacher or a "Kurator" (case manager/advocate) who develops individualized multi-year programs to support transition from school to gainful employment for young people with disabilities. The "Kurator" approach, combined with the flexibility of Denmark's vocational school options, has resulted in approximately 75 percent of "Folkeskole," or high school graduates who have disabilities, finding gainful, competitive employment.

In the United States, public employment service offices generally have at least one staff member to provide a variety of counseling and job-search services for all jobseekers, including the disabled. In addition, a number of Federal programs fund national organizations which provide employment services for people with disabilities, support statewide programs to assist disabled youth in transition from secondary school to vocational rehabilitation or employment, and finance programs which enable individual employers and other entities to establish jointly funded training and job placement projects in the private sector. For example, the Job Training Partnership Act promotes training to prepare the disabled for private sector employment.

Work environment. A number of countries have programs which support the modification of the work environment to accommodate people with disabilities. In Sweden, the Work Environment Act requires the employer to adapt working conditions to an individual's physical and mental requirements. To help cover the costs of such modifications, grants are provided to employers to fund the purchase of special workstation devices and other forms of support for disabled persons. In addition, the employment service office can make grants to disabled persons for technical aids at work and, subject to a means test, for the purchase of a car if one is required for work. In Japan, financial assistance is provided to employers who incur extra expenses for remodeling work facilities or equipment to ease the transition of disabled persons into the workplace. Italy's Genoa Approach requires that all workplaces be fully integrated and no enclave-type arrangements are permitted. "Reasonable accommodation" of disabled persons by industry has been part of U.S. law and policy for a decade. This policy has been strengthened with the recent enactment of the Americans with Disabilities Act which expands protections provided under the 1973 Rehabilitation Act to all private employers with more than 25 workers. Under the new act, employers are required to make existing jobsites readily accessible to, and usable by, disabled individuals. In addition, employers must restructure work schedules, acquire or modify equipment or devices, and provide qualified readers or interpreters to help disabled persons carry out their work assignments.

Wage subsidies. Both Sweden and Japan provide wage subsidies to compensate employers for the lower productivity of disabled workers. In Japan, the subsidy normally ranges from one-third to one-half of the wages paid and is usually effective for 1 to 1-1/2 years. The amount of the subsidy is dependent upon the seriousness of the disability. Funds are also provided to employers for on-the-job training of disabled workers with the hope that after the training period, the employer will continue their employment. In Sweden, public employers are reimbursed for 100 percent of the total wage cost, nonprofit employers receive 90 percent, and other employers receive 25 to 50 percent or, when necessary, 50 to 90 percent. In recent years, there has been consideration of a more flexible system which ties the wage subsidy to the seriousness of the disability. For Italy's Genoa Project, the local government subsidizes the first year of employment with a private sector employer for graduates of the project. At the end of the first year, the employee is either retained and compensated entirely from employer resources or terminated. In the United States, wage support for disabled workers can be provided through the Targeted Jobs Tax Credit program. Under this program, tax credits are provided to employers against the first-year wages paid to newly hired workers from certain designated groups, including those with disabilities.

Job creation. In addition to the traditional sheltered workshop approach

which provides jobs in a protective environment, there are a number of innovative job creation approaches to assist disabled people to find gainful employment. In Sweden, the law requires that young persons under the age of 20 (24 for the disabled) be provided with a job opportunity through youth teams operated by local government agencies. These public sector jobs must be available within 3 weeks of notice from the employment service and must provide at least 4 hours per day of work at normal wage rates for all youth and 8 hours per day of employment for young persons with disabilities. Another new development is the built-in workshops in private industry in which disabled workers gain experience in ordinary work environments. A self-employment program, started shortly after World War I, provides grants to disabled people starting their own businesses.

Disabled persons in Japan who are able to work, but cannot find a job, are employed in Welfare Factories which are subsidized by the Government. The Welfare Factory differs from sheltered workshops in that there is a contract of employment between the disabled work force and the management body in the Welfare Factory. In recent years, a new program has created jobs for the severely disabled and mentally retarded persons through joint investment of local public agencies and private enterprises. It is known as "Third Sector Activities to Develop Enterprises Employing the Severely Disabled" and it uses private sector expertise in setting up workplaces for people with disabilities.

Supported employment. A relatively new and innovative approach to assist disabled young jobseekers in the United States is the Supported Employment program. This program, funded under the 1986 amendments to the 1973 Rehabilitation Act, provides long-run services to help moderately and severely disabled individuals to find a job and to keep that job. These services may include subsidies to employers to offset training and supervisory costs; stipends to supplement the incomes of workers; ongoing training and counseling; and assistance with housing, money management, and other nonwork-related activities. Under this program, large numbers of historically unemployed persons are now entering the open labor market for the first time.

IN 1983, THE UNITED NATIONS proclaimed 1982–93 the "International Decade of Disabled Persons," and former President Ronald Reagan designated this period as the United States' "Decade of Disabled Persons." In 1990, President George Bush signed into law the Americans with Disabilities Act, which many consider the most progressive disability legislation. While progress is being made, much remains to be done. Cooperative international efforts, such as the U.S.–OECD research into programs that support the gainful employment of young people with disabilities, greatly contribute to the overall goal of economic independence for people with disabilities. □

Footnotes

[1] Lex Frieden and Sandra Hopfengardner Warren, *Employment Initiatives for Individuals with Disabilities in the United States of America* (unpublished, 1989), pp. 4–6.

[2] *Report of the Disability Advisory Council* (U.S. Department of Health and Human Services, 1988), pp. 28–29.

[3] *Toward Independence* (Washington, The National Council on the Handicapped, 1986), pp. 22–23.

[4] Reports on a June 1990 U.S.–OECD international symposium on employment of disabled persons and on an OECD evaluation of employment programs for the disabled and selected countries are available from Melvin Brodsky, U.S. Department of Labor, Office of International Labor Affairs, 200 Constitution Ave. NW, Room S-5311, Washington, DC, 20210.

[5] All data on Sweden are from the *Swedish National Report for* OECD *Evaluation Panel 12—Employment Policies for People with Disabilities* (Sweden, Ministry of Labor, 1989, unpublished).

[6] All data on Denmark are provided in Martin Gerry, *School to Working Life in Denmark—The Transition of Young People with Disabilities* (Washington, 1989, unpublished).

[7] All data on Italy are provided in Martin Gerry, *School to Working Life in Genoa—The Transition of Young People with Disabilities* (Washington, 1989, unpublished).

[8] All data on Japan come from the *Japanese National Report for* OECD *Evaluation Panel 12—Employment Policies for People with Disabilities* (Ministry of Labor, Japan, 1989, unpublished).

ILO adopts new standards on night work, hazardous chemicals

The 77th Conference of the International Labor Organization (ILO) met in Geneva, Switzerland, in June of 1990. Highlights of the conference included the adoption of new labor standards on nightwork and the use of hazardous chemicals in the workplace.

Employer, worker, and government delegates from the United States and 138 other countries participated in this year's conference. Speakers included Elizabeth Dole, U.S. Secretary of Labor; Nelson Mandela, deputy president of the African National Congress; and Tadeusz Mazowiecki, Polish prime minister.

The conference adopted a resolution linking environmental protection with employment creation and formulated plans for promoting self-employment worldwide.

To force an end to apartheid, all of the ILO's 149-member governments were urged to maintain and strengthen political and economic sanctions against South Africa.

Conference actions

Nightwork. The conference adopted a new Convention and Recommendation which applies to both male and female workers, and a protocol revising Convention 89 (adopted in 1948) which prohibits nightwork in industry by women.

The Convention outlines measures to protect nightworkers' health, provide maternity protection, assist them in meeting family and social responsibilities, and provide them opportunities for job advancement, along with appropriate compensation.

The Recommendation centers on nightworkers' hours of work, rest periods, financial compensation, health and safety, and social services.

Occupational health. The conference adopted a Convention and Recommendation to prevent or reduce the incidence of chemically-induced illnesses. The Convention proposes to:

- Provide guidelines for evaluating chemicals to determine their hazards.
- Provide employers with a mechanism to obtain information from suppliers in order to set up effective protection.
- Provide workers with necessary information for their participation in protection programs.

The Convention's protective measures include standards for classifying all chemicals; compulsory labeling of all chemicals; and, for hazardous chemicals, data sheets showing identity, supplier, classification, hazards, safety precautions, and emergency procedures.

The new standard stipulates that the workers "shall have the right to remove themselves from danger resulting from the use of chemicals when they have reasonable justification to believe there is an imminent and serious risk to their safety or health."

Also, when the use of hazardous chemicals is prohibited in an exporting country, the importing country must be notified.

Other issues

In 1991, the conference will consider adoption of new standards on improving working conditions in the hotel and restaurant industries. The plan is to ensure that all workers in these industries are covered by minimum standards concerning hours of work, rest periods, paid annual leave, and social security entitlements.

The conference stressed the need for adequate social protection and respect for international labor standards for self-employed workers, pointing out that self-employment contributes to economic growth, alleviates unemployment and poverty, and helps create a more flexible economic environment.

An environmental resolution adopted by the conference called for governments, employers, and employees to cooperate in achieving full employment in a clean and healthful workplace. In addition, it adopted a resolution appealing for greater international cooperation in assisting the newly independent Namibia.

In his address to the conference, Nelson Mandela praised the 149-nation ILO for its "commitment to the struggle to end the evil system of apartheid." He called on the international community to maintain its economic sanctions against South Africa, explaining, "Sanctions were imposed as a peaceful means to end apartheid. Given the fact that apartheid has not ended, it is only logical that we should continue to use this weapon of struggle." Mandela noted that the "new" South Africa "will have to ratify the conventions that the ILO adopted over the decades, to ensure that the humane purposes intended by the promulgation of those conventions are realized in our country as well." □

Employer behavior in two countries

The efforts made by employers in the United States to escape from the pressures of unions and collective bargaining have been quite successful. Between the mid-1950's and the mid-1970's employers made modest "progress" in pushing back the tide of collective bargaining. Over the past decade, however, industrial democracy in America has been in rapid rather than merely slow retreat. At the high watermark of collective bargaining in the 1940's about 40 percent of American workers were covered by collective agreements; today the figure is perhaps only 20 percent. In Canada, by contrast, the coverage of collective bargaining made fairly steady progress in the postwar period before leveling off in the 1980's at about 45 percent of the labor force.

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"North American Industrial Relations: Divergent Trends in Canada and the United States," *International Labour Review* Vol. 128, No.1,1989, p. 54.