



Labour market inclusion of people with disabilities

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Objective: leave no one behind by providing decent work for all

The present contribution prepared by the ILO and OECD seeks to advance a common understanding of how to approach the employment of persons with disabilities in a way that respects social justice, human rights and decent work as a key element of more inclusive economies and societies. Having the employment of persons with disabilities on the G20 agenda is also a reflection of the increased attention to the rights of persons with disabilities both at a national as well as at an international level. The contribution focusses on one particular group of people with disabilities, namely those who may have been born with disabilities or may have developed some during their lives, but either way have remaining work capacities and are at working age. As such the analysis of the conditions of people with disabilities without work capacities, important as it is, lies beyond the scope of this document.

International frameworks on social development and on human rights commit to inclusion of persons with disabilities. This is essential to ensure the principle of “leaving no-one behind” of the 2030 Agenda for Sustainable Development and also makes important contributions to economic development. As ILO estimates have shown, if the employment of persons with disabilities, as a group, could be raised to the level of persons without disabilities, then economies could benefit from between three to seven per cent increase of GDP.

The 2030 Agenda for Sustainable Development pays significant attention to persons with disabilities, including in its Sustainable Development Goal (SDG) 8 on inclusive growth and decent work for all. The explicit reference to persons with disabilities in the SDG target 8.5 needs to be reflected in employment policies.

The attention to persons with disabilities in the SDGs is to some extent the result of the UN Convention on the Rights of Persons with Disabilities (CRPD) which entered into force in 2008 and which has been ratified so far by 175 States, including the European Union and all G20 countries apart from the United States, which has signed the CRPD. The CRPD provides detailed guidance to states on how to adjust their laws and policies in order to improve the participation of persons with disabilities in society, including the right to work. The CRPD has led and continues to lead to significant changes in national legislation and policies. Recent examples of this include the Law on the Rights of Persons with Disabilities adopted in India in 2016 and Indonesia Law no. 8/2016 on Persons with Disabilities.¹

Introduction: labour market situation of persons with disabilities

Persons with disabilities make up 15% of the world population, according to the WHO and World Bank *World Report on Disability*, 2011. Further, 3% of the world population are persons who experience more severe disabilities. Much of the variance is caused by significant differences in the definitions used while measuring the prevalence rate, in addition to cultural differences and differences in perception. This makes international, and sometimes even national, comparisons challenging. Disability as such is an evolving concept, and this is

¹ http://www.ilo.org/dyn/natlex/natlex4.detail?p_lang=en&p_isn=103080&p_country=IDN

reflected through the changes in policy frameworks. India, for example, increased the number of disability categories from 7 to 21 in its 2016 Rights of Persons with Disabilities Bill.

The prevalence of mental disorders, which are not always disabling, is even bigger. For example, OECD figures show that, at any moment in time, about one in five people in the OECD have a mental disorder and over the lifetime the share experiencing a mild to moderate mental illness -- predominantly mood and anxiety disorders, commonly referred to as "common mental illness" -- goes up to 40-50%. The prevalence of a severe mental disorder is close to 5% (OECD, 2012, OECD, 2014 and OECD, 2015). Mental disorders can be persistent and recurrent, they typically have their onset early in life, and they frequently occur co-morbid with other mental or physical health problems.

Available statistics show that people with disabilities are generally less likely to be employed than people without disabilities, as can be seen in Figure 1. The large differences among countries in terms of gap between persons with and without disabilities are partly due to the use of different definitions of disability. Furthermore, as shown by Figure 2, women with disabilities are employed at lower rates than women without disabilities or men with disabilities. The employment situation of people with disabilities can best be captured through the fact that in most countries, many people with disabilities are routinely classified, in labour market terms, as inactive. This means that they are by default not even registered as job seekers.

One of the commitments made by countries in the 2030 Agenda for Sustainable development is to have better statistics to allow monitoring of progress. The explicit references to persons with disabilities in the relevant target 8.5 and in its two indicators will result in better statistics on the labour market situation of persons with disabilities. Countries will achieve this by obtaining disability-disaggregated data in their regular Labour Force Surveys. If this is done by using the Washington Group questions, as recommended by the ILO and other global organizations, these data will also be comparable internationally.²

Where available, statistics show that among persons with disabilities in employment, a larger proportion is in self-employment. In many countries, this is an involuntary outcome that reflects the lack of opportunities in other types of employment and can effectively lead to informal employment. The average level of education of persons with disabilities tends to be lower than that of people without disabilities, a common result of non-inclusive school environments and other access barriers. This is particularly the case for those who are born with their disabilities or acquire them in childhood.

² The ILO is collaborating with the Washington Group on Disability Statistics, a UN city group, to adopt a module, to be included in Labour Force Surveys, which would not only provide information disaggregated by disability, but also provide information on a number of issues (onset of disability, availability of assistance, attitudes and disability benefits) which should explain the reasons for lower level of participation in the labour market.

Figure 1: Employment-to-population ratio for persons with and without disabilities: Most recent data close to year 2010 (ILO Department of Statistics, multiple sources)

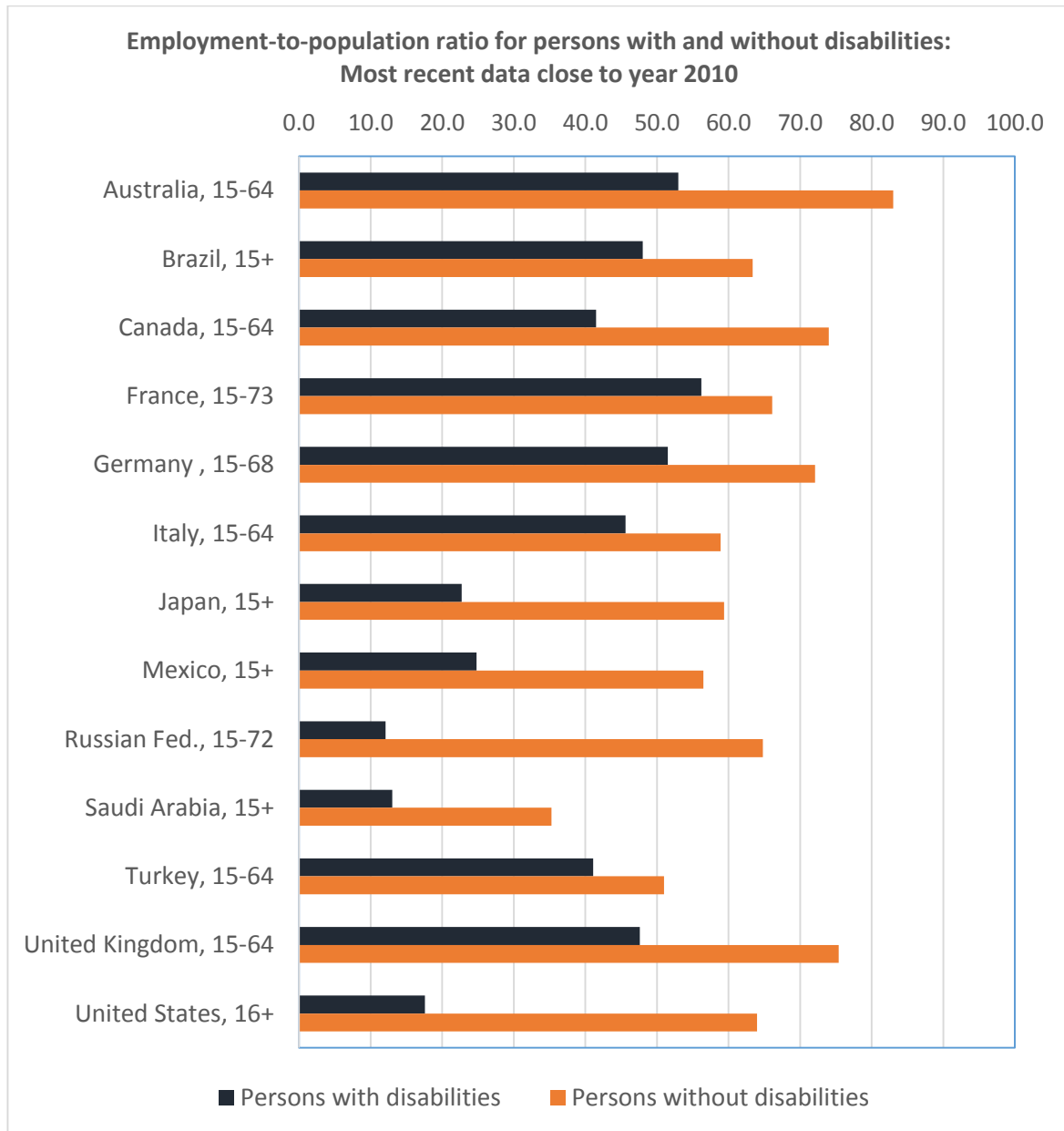
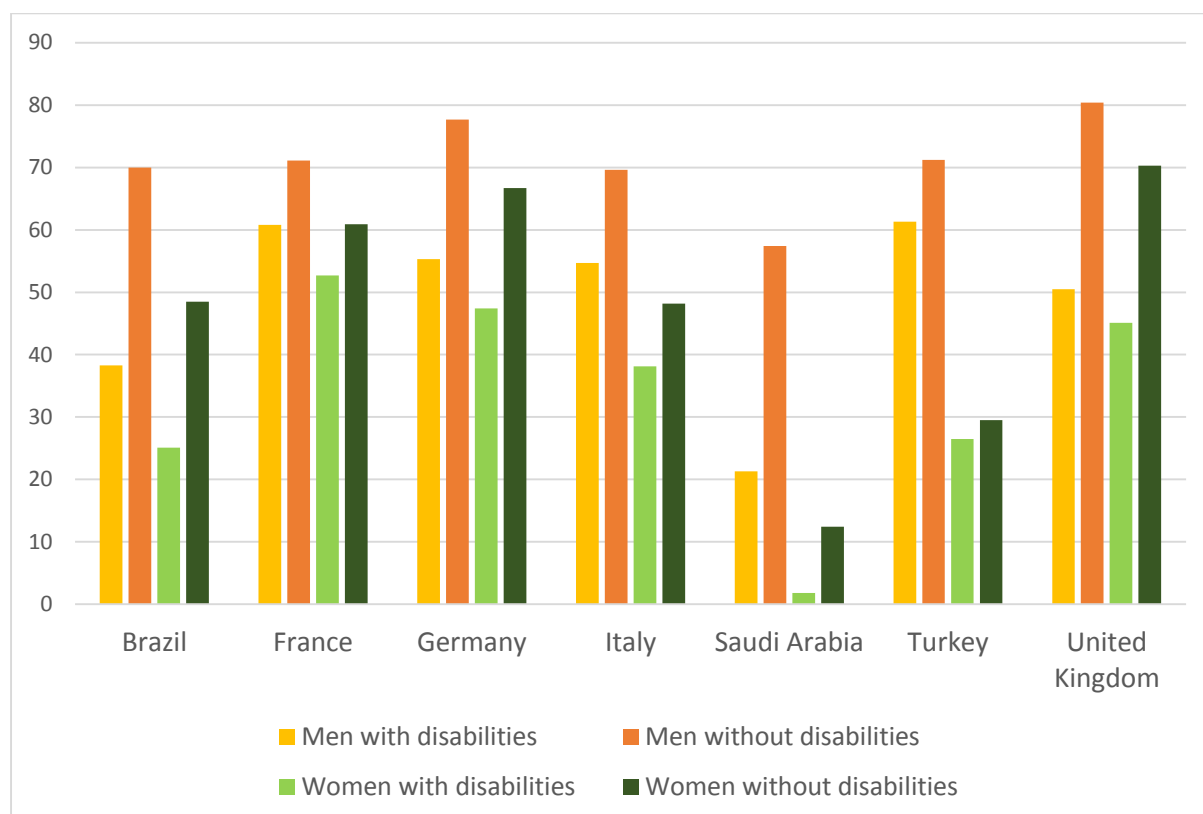


Figure 2: Employment-to-population ratio for persons with and without disabilities, by gender: Most recent data close to year 2010 (ILO Department of Statistics, multiple sources)



Disability policy faces a number of dilemmas and challenges that are closely related to the heterogeneity of the group. Disability policy must address the needs of the large majority of persons with disabilities who can work with no or little support, but also those that require more intensive support or have a limited work capacity. Similarly, disability policy must support persons who acquire a disability at some point in their life but also those persons who are born with a disability or acquire it before entering the labour market. In many countries there is much focus on the former group, especially if they have been contributing to the social security system, and little focus on the latter.

Until the end of the XX century, but still in many cases today, policies in many OECD countries, including G20 members, were biased towards relatively generous and easily accessible disability benefits with little or no emphasis on the drivers behind these unbalances. Policy objectives are now shifting in these countries towards the search for a new balance between two simultaneous goals: i) to provide an adequate and secure income for those who cannot work and their families; while ii) providing good incentives and supports to work for those who can. Just when this turn in policies started being implemented a new challenge emerged. The fast increase in G20 advanced countries in the number of disability benefit claims because of mental health problems, often at a relatively young age, is the added challenge that makes disability policies a moving target for policy makers. The combination of these multiple challenges makes working-age disability policy today one of the biggest and most complex social and labour market challenges for policy makers.

Some may argue that G20 emerging economies are at a comparative advantage in this particular context since they are potentially in a position to capitalize on the experiences of advanced economies, avoiding their past mistakes and benefitting from the opportunity to “leapfrog” them. This will require i) rigorous prioritisation of challenges that only the support of more granular assessments using reliable and internationally comparable data can ensure; ii) implementation of new rules; iii) monitoring of the impact of recent changes; and iv) readiness to build on experience through additional and more comprehensive reforms, where needed.

Persons with disabilities are a very heterogeneous group. People have different types of disabilities and these can be more or less severe and can be acquired at birth or later in life. Persons with disabilities also vary in all demographic characteristics including age, ethnic origin, rural/urban status and other conditions. These differences lead to different needs and challenges for their labour market inclusion. For example, many persons with disabilities work without any disability-related support, especially when workplaces are accessible. Others might require some individualized adaptations, or more intensive support, which can take the form of job coaches or similar on-the-job supports.

Economic and social determinants of low employment rates of people with disabilities

Persons with disabilities are confronted with a large number of barriers which can start at an early stage in life and taken together impact significantly on their capacity to find decent work.

One of the most significant barriers relates to education. In many countries persons with disabilities are still not included effectively in mainstream education. In many OECD countries, including G20 advanced economies, access to mainstream primary and secondary education appears to be especially difficult for people with severe disabilities. For others, it is more the access to higher education that poses difficulties. This leads to lower levels of education than those of the general population. Moreover, mainstream national education and vocational training are often not well adapted to the inclusion of people with disabilities. Existing training facilities for individuals who have been disabled from birth or an early age frequently lack a vocational character or focus on competences which are not aligned with labour market demands. This also applies to those who have vocational skills but, due to their acquired disability, cannot use them and have to be retrained.

Another significant access barrier relates to the limited options for accessible public transport for commuting between home and work. These problems are more significant for those who live in remote and rural areas. Particularly in G20 emerging economies, workers from poor families living in remote areas cannot afford to relocate or commute regularly with their private means of transport to urban centres, where suitable jobs are easier to find. While jobs are not easily accessible, alternative forms of work, such as teleworking, remain undeveloped.

There are also barriers stemming from misconceptions held by the business sector, which reflect a wider societal attitude. Notwithstanding the evidence on the benefits of employing persons with disabilities as part of a diverse workforce, many employers still perceive persons

with disabilities as less productive than persons without disabilities and are not aware that the costs for workplace adaptations are oftentimes minimal. People with mental health conditions are particularly affected by these negative attitudes, often leading them not to disclose their situation, which prevents them from requesting workplace adjustments, which then can lead to absenteeism and presenteeism (working while sick).

Taken together, these difficulties discourage many persons with disabilities from entering or staying in the labour market and, especially in the context of a difficult labour market, often to refrain themselves from seeking vocational or higher education.

Policies across G20 countries for the labour market inclusion of persons with disabilities

The experiences of many G20 countries show that a comprehensive policy approach is required to tackle both the demand and supply side of disability employment as well as to create enabling environments for persons with disabilities and employers, while at the same time taking into account the diversity of situations encountered by persons with disabilities.

Indeed, many policy measures are relevant for all persons with disabilities, whether they seek to enter, stay or re-enter the labour market. These can include non-discrimination legislation, mandated quotas in employment or training, provision of workplace adjustments, inclusive public employment services as well as fostering disability-confident employers who recognize the talent and skills of persons with disabilities.

A. Demand side: promoting disability inclusion within the private and public sector.

A.1. Private-sector employment

The private sector is a key actor in promoting the employment of persons with disabilities. In addition to a robust legal framework, which will be dealt with in a later section, experience shows the importance of engaging the private sector and building the confidence of companies to hire and retain workers with disabilities. Increasingly, employing persons with disabilities is understood to be a part of wider workforce diversity which has concrete economic benefits for private companies, including more effective problem solving, increased innovation, staff commitment and a more positive reputation among clients, business partners and society at large.

At the international level, 25 multinational companies have come together to form the Global Business and Disability Network with the ILO. The network was established in 2010 and it includes national-level disability and business networks from, among others, Australia, Brazil, Canada, Germany, Indonesia, Mexico, Saudi Arabia, South Africa, the UK and the US as well as different initiatives in China and India. This network showcases the best practices of companies and promotes a narrative based on the advantages for business in employing persons with disabilities. Based on peer-to-peer cooperation between businesses, this

network shows the role the private sector can take in promoting employment of persons with disabilities, changing attitudes and increasing technical knowledge.

However, more needs to be done to increase the commitment and capacity from companies, including small and medium-sized enterprises. For instance, employers are in a good position to judge what work their employees can still do and what work or workplace adjustments might be needed to accommodate the health problem that has arisen. In cooperation with workers' representatives, employers are well placed to prevent chronic problems, ideally with the support of an employment-oriented occupational health service, which is most developed in some Northern European countries, and to intervene early, where necessary. Advice on appropriate workplace adjustment and corresponding financial supports should be easy to obtain because employers understandably shy away from cumbersome administrative procedures and contacts. In Norway, for example, each employer has a personal contact with specialised knowledge in the nearby public employment office. In order to stimulate more hiring of persons with disabilities, and to avoid that strengthened job-retention obligations and incentives discourage employers to hire persons with disabilities, employers need compensation of some form (including through wage subsidies) for the costs of reasonable adjustments and, where relevant, for reduced work capacity or productivity of their workers, for instance by allowing partial disability benefits and part time work. These subsidies, common especially in the Nordic countries, should be well targeted to the capacity of the worker but might be needed for a long period (even a permanent subsidy might be justified in some cases) and should include ongoing coaching where needed.

For persons who acquire a disability while working, there are many examples from companies applying return-to-work programmes as an element of a wider disability management approach. The guidance provided by the International Social Security Association (ISSA) and by organizations like National Institute of Disability Management and Research (NIDMAR) in Canada is useful in this respect. In some countries, this covers only persons who have acquired their disability as a result of a work accident.

OECD countries, including many of the G20, have developed different strategies for supporting the return-to-work of workers with reduced work capacity. One example is to allow workers to work fewer hours, but to receive full wages through subsidies for employers. This policy has the potential to encourage more hiring of people with disabilities while allowing them to access mainstream occupations, in inclusive work environments. This strategy could also be used to include people with disabilities, who enter the labour market for the first time. However, attention should be paid in the design of these approaches to prevent risks of moral hazard, especially where a system allows the transformation of an existing job into a subsidised job.

In addition to the work with individual companies, engagement of employers' federations, including those that represent small and medium-sized enterprises, as well as with trade unions has shown to have great potential to promote the employment of persons with disabilities. Trade unions can contribute to the employment of persons with disabilities by negotiating provisions in collective bargaining agreements that facilitate their employment and retention and by promoting an inclusive workplace environment.

A.2. Employment in the public sector and use of public procurement

Many of the previous recommendations apply to all employers, including public employers. This section provides some best practices from the public sector, which can play a leading role in the way the strategies for improving employment practices to support people with disability as employees are developed.

In 2010, the Executive Order number 13548 in the US aimed to increase the employment of persons with disabilities in federal agencies by 100,000.³ Furthermore, in 2017, the U.S. Equal Opportunity Commission issued a final rule according to which each federal agency must adopt “the goal of having at least 12% of its workforce be people with disabilities.” Out of these 12%, 2% must be people with targeted disabilities.⁴ In addition, Section 503 of the Rehabilitation Act of 1973 prohibits federal contractors and subcontractors from discriminating against persons with disabilities in employment and revised regulations have established a nationwide utilization goal of 7% for qualified individuals with disabilities.

In South Africa, Section 2(1) of the Procurement Act requires public organs to establish a preferential procurement policy, which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability

A.3. Entrepreneurship for people with disabilities

Barriers to wage employment in the private and public sector oftentimes lead persons with disabilities to consider starting their own businesses, self-employment thus often being a last resort for many persons with disabilities to enter the labour market. At the same time, self-employment, while being usually less secure in terms of income, can provide more flexibility than paid employment in terms of workload, work schedule and work location.

In addition to facing the general challenges to business start-up that all entrepreneurs face (e.g. a lack of entrepreneurship skills, access to finance), entrepreneurs with disabilities are likely to face additional barriers to entering and sustaining entrepreneurship activities. Policy makers can effectively support the self-employment of persons with disabilities by making mainstream entrepreneurship development schemes more inclusive of persons with disabilities, eliminating relevant barriers, provide required support and increase entrepreneurship awareness among and of people with disabilities.

A.4. New approaches for labour market inclusion of persons with disabilities facing particular challenges

In the past 15 years, there has been an expansion of initiatives to help people with more severe disabilities to integrate into the regular labour market. For instance, supported employment is a practice that is particularly effective for persons with intellectual disabilities

³ <https://www.gpo.gov/fdsys/pkg/FR-2010-07-30/pdf/2010-18988.pdf>

⁴ <https://www.eeoc.gov/laws/regulations/qanda-ada-disabilities-final-rule.cfm>

and is done through on-the-job-training in which the person with a disability is supported by a job coach in their initial period of work, support which will then gradually diminish. The person with a disability would be employed as any other employee and public funds would cover the costs of the job coach.

For persons with psychosocial disabilities (persons with more severe mental health conditions), Individual Placement and Support (IPS) is a method that has led to some interesting results, although still in rather small numbers.

Sheltered employment has historically played a relevant role for those persons with disabilities, usually persons with intellectual disabilities but sometimes targeting also persons with other disabilities. However, sheltered employment can become a trap for people with disabilities, particularly those with a stronger skills potential. This is because of high risks of segregation outside the mainstream labour market where they could continue to develop their competences and careers. This would happen when the providers of sheltered employment hold on to their best workers, for example. As a result recourse is declining in many G20 countries, and those that do not yet have sheltered employment should refrain from supporting the establishment of these structures.

B. Supply side: ensuring that persons with disabilities have the skills as demanded by the labour market

B.1. Promoting disability-inclusive skills development

Inclusive skills development policies that ensure that persons with disabilities, both women and men, have the same access to the labour market are more cost-effective and more successful in terms of results than specialized approaches. There are an increasing number of examples of mainstream vocational training services, including apprenticeship schemes that include persons with disabilities.

In Brazil, the National Service for Industrial Training (SENAI) leads the Programme for Inclusive Action that facilitates access for people with disabilities to SENAI courses. It provides reference materials on inclusive professional education, dictionaries of Brazilian sign language with specific terms in Electronics and other industrial areas as well as E-learning courses about inclusion for teachers.

In India, the Skills Council for Persons with Disability (SCPwD) carries out accreditation of training centres throughout the country, including those run by non-governmental organizations and organizes training for trainers. The SCPwD has prepared a manual for trainers on the training needs of persons with different disabilities, which is aligned with the UK standards.⁵

In Australia, a range of assistance is available to support Australian Apprentices with disability, including the Disabled Australian Apprentice Wage Support (DAAWS), which is paid to employers, and assistance for tutorial, interpreter, and mentor services for apprentices. The

⁵ <http://www.scpwd.in>

DAAWS is an Australian Government incentive payable to an employer who employs an Australian Apprentice who satisfies the disability eligibility criteria in an Australian Apprenticeship.⁶

In the United Kingdom, there is a special toolkit designed for employers that want to develop a more inclusive and accessible apprenticeship offer. It provides practical information, sources of support and inspirational case studies of employers who have benefitted from hiring and supporting apprentices from a diverse background, including persons with a disability.⁷

An area where more attention could be paid to disability inclusion is youth employment. Initiatives in the areas of apprenticeship⁸, digital skills and entrepreneurship, to cite just a few, are all essential for young women and men with disabilities.

These mainstream initiatives share a number of common elements:

- Accessibility of premises, by ensuring that premises meet national or global accessibility standards;
- Provision of reasonable accommodation where adjustments are needed on an individual basis of a person with disability;
- Accessible training materials;
- Accessibility of information materials online and offline;
- Staff that has been provided with disability awareness training;
- Outreach activities targeting persons with disabilities and their organizations.

B.2. Vocational rehabilitation for people who acquire a disability

Vocational rehabilitation addresses the situation of persons who acquire a disability and, due to this, need to undergo rehabilitation to restore and develop their skills and capabilities to resume their previous job or, if this is not possible, to apply for other jobs. Vocational rehabilitation is often done by specialized providers alongside the relevant medical rehabilitation.

The evidence shows that the longer the absence from work, the more challenging it will be to bring the person back into the labour market. Therefore, in recent years, a number of G20 countries have focused on increasing rehabilitation options at an early stage, as well as strengthening rehabilitation requirements. In Austria, for instance, vocational rehabilitation became compulsory in 1996 and each claim for a disability benefit is automatically treated as a request for rehabilitation. Early intervention kicks in when the present job cannot be resumed. Hungary follows, since 2008, a similar rehabilitation before-benefit principle with a comprehensive rehabilitation process.

⁶ <https://www.australianapprenticeships.gov.au/programs/support-australian-apprentices-disability>

⁷ <https://www.equalitiestoolkit.com/content/inclusive-apprenticeships-0>

⁸ A study done by Cornell University shows that companies that have an apprenticeship scheme for persons with disabilities are six times more likely to employ persons with disabilities than companies that do not have such a scheme

Countries are investing more into rehabilitation and employment measures than they used to, but the share of the total amount of disability funding going to rehabilitation and employment support averages around 5% - compared to around 33% in the unemployment system (OECD, 2010). In a recent study done for ISSA, the return on investment of rehabilitation measures is estimated at 3.7 for employers, 2.9 for social security systems and 2.8 for the society in general.⁹

B.3. Job placement services: matching the demand and the supply

As much as possible, the focus should be on effective mainstream employment support services which take the barriers of all job seekers into account. Public employment services play a key role in providing the required support to job seekers with disabilities. There are a number of examples of public employment services that are inclusive of persons with disabilities. All in all, they suggest that timely activation is a key policy tool at the disposal of policy-makers to limit the risk that clients with working capacity stay for too long in the disability benefit system. It is also essential to effectively support people with disabilities in their efforts to search for an occupation adapted to their work capacities.

Several OECD countries, including G20 members, have opted recently for the implementation of one-stop-shops service provision for people with disability. In the United Kingdom the Job Centre Plus provides a single point of delivery for jobs, benefits advice and support for people of working age. The example of the Northern European countries is also interesting in that it tries to merge the Public Employment Service and the National Insurance Authority into one new public administration to avoid that clients are continually shuffled between agencies. In New Zealand a more co-ordinated delivery of income support and employment assistance to clients has been created thanks to the merger of the Employment Service and the Work and Income Authority into the newly created Department of Work and Income. Some G20 countries – Australia, Canada, the United Kingdom and the United States, for example – have recently complemented the more traditional disability assessment process with a system of fast-track procedures for people with severe disabilities. The new mechanism allows accelerating claims thanks to the possibility to rely on sophisticated software and electronic processing.

Employment and rehabilitation services need to profile their clients in line with the results of assessments. International experience points to the critical importance of profiling, provided that it is enough individualised so to effectively bring together all relevant information of clients, based on medical files, employment history, and any services hitherto provided. At the same time, the profile should be sufficiently standardised so that its quality is independent from who had profiled the case and where it had been kept.

Australia's Job Seekers Classification Index, which is performed when a jobseeker first registers with Centrelink – the country's online account for social and health-related payment and services, including employment assistance – provides a relevant example of individual

⁹ <https://www.issa.int/en/details?uuid=f8ded415-513e-4326-9ecf-00231eb2a279>

profiling approach that is also streamlined. It recognises the jobseeker's labour market disadvantage, identifies people at risk of long-term unemployment and, especially for people with disability, may trigger a Job Capacity Assessment. In turn, the latter performs a dual role, to assess work capacity while at the same time to refer the person to appropriate assistance and coaching.

The Turkish Employment Agency (ISKUR), provided counselling for over 75,000 persons with disabilities in both 2014 and 2015, offering a range of services, including workplace adaptations, entrepreneurship training, grant supports, and prioritized application for public works. ISKUR also facilitates placement of persons with disabilities to help employers meet the Turkish employment quota.

Providing financial incentives for public authorities has proven to be an effective way to ensure meaningful employment. For instance, funding based on actual employment outcomes achieved, as done in Australia and the United Kingdom, has shown good results. More importantly, both countries link the payment for the provider to the level of disadvantage of the client (this reduces the risk that persons with larger employment barriers are not served well) and to the sustainability of the job found. Such a change in the funding system can be an important driver of service quality, irrespective of whether a system relies on private or public service providers.

When persons with disabilities require more intensive support, it is important to ensure that there is a collaboration between the mainstream employment services and the specialized services that will provide the required additional support. Collaboration with universities will also lead to higher chances of including graduates with disabilities in the labour market.

C. Making the environment more enabling

The policy and social environment has an impact on the demand and supply side. As some of the relevant issues, as well as inclusive policies and programmes, have already been addressed, this section will focus on four issues of particular relevance:

- Averting stereotypes
- The legal framework, often combining anti-discrimination legislation and affirmative action measures
- Disability benefits schemes, which should be designed to promote labour market participation
- The role of accessible technology as an enabling factor

C1. Averting stereotypes

In many countries, particularly developing ones and emerging economies, one important element of background is the legacy of outdated language and words to describe people with disabilities. This largely relates to the fact that the old medical model, whereby disability is frequently portrayed as tantamount to health impairment, remains pervasive. One illustrative example of this mind-set is the at-times frequent use within the laws and by-laws of some jurisdictions of the word "invalid". On top of being discriminatory, this terminology

underscores an outdated logic whereby assisting a person with disability is essentially a matter of providing health treatments and medical rehabilitation. It thus contributes to perpetuate old stereotypes.

To raise awareness towards correcting this bias, a “people first” language has now become common practice in many advanced G20 countries, in line with a practice that was initiated by the European Nordic countries and the English-speaking countries. Particularly, a broad international consensus has emerged for supporting the expression “person with disability” that all G20 countries could embrace more systematically in their legal settings. Likewise, international practice suggests that any differentiations in regulation by categories (such as the blind and the deaf, for instance), should be avoided. By setting the tone for policy makers, social partners, the media and others in leading positions to portray people with disabilities sensitively, the shift towards a more appropriate language helps to counter stigmatisation and discriminatory behaviours.

C.2. Legal framework

G20 countries have led the world in approaches to ensuring non-discrimination. Most countries have introduced anti-discrimination and equality legislation to ensure equal treatment of people with disabilities, which covers the different phases of employment, such as job promotion, hiring, career development and dismissal procedures, as well as issues such as education, transport and built environment. In many European countries, a ban on discrimination on the basis of disability was implemented more recently as part of the EU obligation (EC Directive 2000/78 on equal treatment in the workplace) to adopt similar legislation. In some countries, initial legislation has been strengthened gradually in terms of scope and eligibility.

One key element of disability discrimination legislation is the obligation to provide reasonable accommodation (individual reasonable adjustments), an issue that is of particular relevance for labour inclusion. The Job Accommodation Network (JAN) from the U.S. is a good example of a programme that has contributed to the effective implementation of the obligation to provide reasonable accommodation in the workplace.

Another legal measure, used in more than 50 countries worldwide, but not universally accepted, is *employment quotas* which require employers (usually, private and public) to retain or hire people with disabilities. Annex 1 reflects the use of quotas in the G20 countries. Several countries use a quota-levy system, which requires companies to pay a levy if they don't meet the established quota and in some countries there is also the option to meet the quota by buying goods and services from sheltered workshops or other companies with a significant share of workers with disabilities.

Both systems, anti-discrimination legislation and employment quotas, are complementary and many countries use both.

C.3. Disability benefits to support labour market participation

The World Social Protection Report¹⁰ shows that 27.8 per cent of persons with severe disabilities worldwide receive a disability benefit, with large regional variation. The Report further states that, “effective social protection measures to protect persons with disabilities and promote independent living and access to decent work are a precondition for achieving the SDGs and human rights.” It recommends that “Disability benefits should be designed in a way that enables persons with disabilities to actively participate in education, employment and society at large. This can be achieved through ensuring that benefits in cash and in kind cover disability-related costs and enable persons with disabilities to participate in salaried employment.”

The Report also highlights that countries like Brazil and Chile have reached universal protection and countries like South Africa are progressing to extend disability benefits.

Traditionally, disability benefit systems were built on the principle of providing benefits for people who could not be expected to work. Accordingly, the entitlement was related to the existence of a disability and proof of inability to work. Most people with disabilities, if provided with the adequate supports, have full working capacity while some have permanently or temporarily partially-reduced work capacity. To make the best use of people’s work capacity, disability systems should start with an assessment of the employment possibilities of a person applying for a benefit and provide adequate employment supports to try to establish or maintain the claimant’s connection to the workforce. The assessment and corresponding supports should be done quickly so as to avoid claimants being inactive for too long and losing contact with the labour market. Early intervention is of critical importance for people with disabilities and particularly for persons with mental health conditions.

In addition, a big challenge facing governments is how best to design tax and benefit systems for persons with disability with a view to providing appropriate financial incentives to take up jobs, remain in work and increase work effort. Work must pay under all circumstances. This issue has not received enough attention so far, although some countries have recently started to address it by more flexible approaches that combine disability benefits and wages, e.g. with in-work payments in the United Kingdom and Ireland; with a benefit which depends on the individual’s actual work effort in the Netherlands; or with payments which compensate disability-related additional costs and which are not lost when a person moves into work, as is done in the UK’s Personal Independence Payment.

Cash benefits alone are insufficient as an effective disability policy instrument. As an alternative, each person with a disability could be entitled to a “participation package” adapted to individual needs and capacities. This package could contain rehabilitation and vocational training, a range of employment supports as well as benefits, in cash and/or in kind.

Better co-operation and coordination is needed in most countries between the benefit authority and the public employment service, and among the different agencies involved in providing services. As described in the ISSA Guidelines on Return to Work,¹¹ an individual

¹⁰ http://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_601903/lang--en/index.htm

¹¹ <https://www.issa.int/en/guidelines/return-to-work>

case management approach can make it easier for the person concerned to manoeuvre through complex benefits and support systems, employer and worker obligations. Access to supports should be broadened so that those with partial work capacity could also benefit. Services should be adjusted flexibly to changing needs, and could include work-first and train-first elements. The same approach could also be applied to persons with disabilities seeking to enter the labour market for the first time.

C.4. Accessible technology as an enabler

For people with disabilities, the rapid progress in information and communications technology (ICT) and assistive technology offers ever-increasing opportunities to participate in the labour market. For this to happen, advances in ITC need to ensure that new technologies are accessible to all potential users, including persons with disabilities. For instance, though the Internet holds great potential for persons with disabilities as job seekers, workers and entrepreneurs, the vast majority of websites are not compliant with Web Content Accessibility Guidelines (WCAG) 2.0 and thus not compatible with assistive technologies. To make a significant impact in this area, large international efforts are required.

In addition, the use of assistive technologies for people with disabilities (e.g. brain–computer interfaces, screen readers for visually impaired or blind people) can be facilitated through grants, loans and training in their use.

D. Mental health as a special challenge

Increasingly, the reason for moving into disability benefits in OECD countries is because of mental health issues. Mental ill-health exacts a high price – on individuals, employers, and the economy. Apart from the distress they suffer individually, people with mental health problems also suffer economically through lower employment, higher unemployment and a high risk of poverty. Employers struggle with significant losses in productivity at work and high rates of sickness absence. And the economy at large bears the costs in the form of elevated social and health care expenditures.

The key elements of policy transformation that are needed to build a more mentally resilient workforce and improve the labour market inclusion of people who suffer from mental ill-health are discussed below. Respectively, they relate to the timing, quality and actors of intervention.

D.1 Timing of intervention

Mental ill-health is often identified too late. The standard approach taken in most countries' unemployment systems today is to exempt jobseekers with health problems from their participation and job-seeking requirements, and to hope that, and wait until, they return treated and cured. That is not the right approach. To address the issue, the United Kingdom introduced in 2014 the *Employment and Wellbeing Toolkit*, specifically aimed to support employment coaches in identifying well-being needs for employment and appropriate

interventions to enable job attainment among claimants with mental health problems. In Belgium, the Flanders have introduced pro-active practices for in-depth screening of the longer-term unemployed.

Return-to-work plans are particularly critical for employees suffering from mental ill-health. They have to contend not only with their personal problems, but also with workplace difficulties and conflicts that can be solved only if employers and, in particular, line managers get involved. Good management is therefore important. Binding obligations on employers to manage sickness absences and the return-to-work transition properly can help bring it about. Reforms in the Netherlands and in some other countries go in that direction.

More than one-half of all mental illnesses have their onset in childhood and adolescence. Education systems thus have a key role to play in ensuring good educational outcomes and successful labour market transitions for children with mental health problems. To avoid stigmatisation of young people struggling with mental health issues, schools should, as far as possible, promote general mental well-being and offer help that is easily available to all students and teachers. One good example is Australia's *KidsMatter* and *MindMatters* programmes, which aim of promoting mental health and well-being, preventing problems, and enabling early intervention within schools. Other countries have put in place freely accessible structures for general health promotion but with a special focus on mental health that teenagers can access easily without being labelled as mentally ill.

D.2 Quality of intervention

Different institutions, especially in the health and employment areas, often operate in isolation in pursuit of their own objectives. Such a dearth of integrated approaches typically reflects the fact that incentives, obligations and procedures are scattered and contradictory. Raising awareness among front-line actors of the high prevalence of mental ill-health, and the key role they play in good outcomes for the people concerned is an important first step.

Anti-stigma campaigns in many countries have successfully contributed to greater awareness by specifically targeting front-line actors (e.g. workplace campaigns such as *Business in Mind* in Australia and the *Mentally Healthy Workplace Programme* in the United Kingdom). Representative professional bodies (e.g. teachers' unions or general practitioners' associations) can also play a key part in building awareness, as can employers in their companies and human resource departments. Equally, managerial leadership is needed to helping employment services and line managers understand their role.

D.3 Key actors of intervention

The positive influence that front-line actors like teachers, managers, general practitioners and employment counsellors can have on education and labour market outcomes of people with mental ill-health is often poorly harnessed. These mainstream actors are best placed to help people early. One key element in empowering mainstream actors to deal with mental ill-health is the availability of an easily accessible support structure where people with mental health problems – students, workers, patients, jobseekers – get swift and proper professional

attention. Schools in some countries have such support structures – e.g. external care teams in the Netherlands and Belgium’s student guidance centres. However, they generally cater to young people with more severe mental health problems. Support, and even treatment for people with mild-to-moderate mental ill-health, is more forthcoming from front-line professionals – e.g. Australia’s Youth Connections, a programme that serves disaffected young people.

Employers and line managers rarely have access to professional support. Some countries, especially in Northern and Western Europe, have strong occupational health systems that support employers and, to some degree, employees. But occupational physicians, too, generally lack mental health knowledge, and very few countries call on occupational psychologists. In English-speaking countries, employee assistance programmes are common, and bigger companies in many G20 countries are increasingly building their own health units, although they suffer from low take-up by employees in need (and do not exist in small and medium-sized companies).

E. Measurement and quality data to inform evidence-based policies

The collection of quality data is a key to generate enough attention to benchmarking outcomes and policies against other countries. Placed in a comparative context, policies, institutions and practices that seem normal can come to be looked at through a more critical lens. By stimulating a political discussion, these new lens can catalyse a consensus on reforms that are better adapted to prevent people from flowing onto long-term disability benefit.

As soon as quality data are produced, sharing of information must follow for policy improvements to materialise. Different regions can develop and trial their own policy responses. The outcomes of diverse local approaches can be shared in order to allow mutual learning and peer exchanges of experiences that can hasten the identification of the best policy alternatives. This could generate healthy races to the top between performing regions or localities.

A number of countries have recently tried to achieve better overall results by publicising and sharing process outputs and employment outcomes obtained by municipal job centres and regional disability benefit authorities. Trial-and-error, experiencing new regional schemes and approaches, or pilots in a few service units, can be a useful approach before a country-wide roll-out. This is often done in the United Kingdom, for instance. One key lesson is that in order to minimise the probability of error when rolling out the scheme, the trial needs to produce enough benchmarking evidence to inform the ultimate roll-out. To the extent possible, evidence should be based on rigorous scientific evaluation with a comparison/control group.

Conclusions

The document has presented the labour market situation of persons with disabilities, a large and heterogeneous population facing challenges of labour market inclusion which, if not

addressed, will undermine the commitments made by states in the context of the 2030 Agenda for Sustainable Development.

Based on the experience of many G20 countries, the document shows the need for comprehensive and inclusive policies that address the demand and supply side of the labour market, working both with employers and persons with disabilities. Promoting the labour market inclusion of persons with disabilities requires mainstream and, where needed, specialized services, as well as promoting an environment that is more conducive to decent work for persons with disabilities. Incentives will need to be generated for persons with disabilities, employers and institutions to promote the entry and retention of persons with disabilities in the labour market. All these initiatives in order to be effective will need to take into account the diversity of situations faced by persons with disabilities, and ensure that women and men with disabilities benefit equally.

The rapid social, demographic and technological changes affecting the labour market worldwide create challenges and opportunities for persons with disabilities and policy responses will need to be prepared for those. Furthermore, the policy solutions that are designed for persons with disabilities offer important models that could be generalized to different population groups in future labour market fluctuations. The future of work must be fully inclusive of persons with disabilities.

Annex 1
G20 Countries with compulsory employment quotas for people with disabilities

Percentage of People with Disabilities in G20 Countries					
	Country	Compulsory Employment Quota	Public	Private	Percentage
1	Argentina	Yes	✓	✓ ¹²	4%
2	Australia	No	-	-	-
3	Brazil	Yes	✓	✓	2-5% ¹³
4	Canada	No	-	-	-
5	China	Yes	✓	✓	1.5%
6	France	Yes	✓	✓	6% ¹⁴
7	Germany	Yes	✓	✓	6% ¹⁵
8	India	Yes	✓	✓ ¹⁶	3% ¹⁷
9	Indonesia	Yes	✓	✓	1% ¹⁸
10	Italy	Yes	✓	✓	7% ¹⁹
11	Japan	Yes	✓	✓	2-2.3% ²⁰
12	Mexico	No	-	-	-
13	Russia	Yes	✓	✓	2-4% ²¹
14	Saudi Arabia	Yes	✓	✓	4% ²²
15	South Africa	No ²³	-	-	-
16	South Korea	Yes	✓	✓	2% ²⁴
17	Turkey	Yes	✓	✓	3% ²⁵
18	United Kingdom	No	-	-	-
19	United States	No	-	-	-
20	European Union	No ²⁶	-	-	-

¹² Within the private sector, only public service providers are mandated to comply.

¹³ Percentage varies depending on employee size: 100-200 %: 2%; 201-500: 3%; 501-1000: 4%; 1001 and beyond 5%.

¹⁴ Applies to any employer with more than 20 part-time or fulltime employees.

¹⁵ Over 19 employees

¹⁶ Although the Disability Law does not mandate reservation of the disabled in the private sector, private employers are required to identify posts/vacancies in the establishment that would be suitable for disabled persons and include details of the same in the Equal Opportunity Policy of the establishment. Further, private establishments receiving incentives from the appropriate government may need to ensure that at least 5% of their work force is comprised of persons having benchmark disabilities.

¹⁷ Reservation in vacancies in government establishments has been increased from 3% to 4% for certain persons or classes of persons having benchmark disability.

¹⁸ Article 14 states that employers/owners have to employ one person with disability per 100 employees. Article 28 sets out the penalty (around 20,000 USD) for companies that fail to fulfil the quota. However, regulations have not been adopted to give effect to this requirement, with the result that it has not been implemented.

¹⁹ Public and private sector over 50 workers, one/two places for 15-35/36-50 employees

²⁰ Public organizations: 2.3%, private organizations: 2.0%

²¹ Over 100 employees: 2-4%; 35-100 employees: 3%

²² All employers who employ 25 or more employees

²³ South Africa includes preferential treatment and numerical goals, but exclude quotas.

²⁴ Public and private over 200 employees

²⁵ Public and private sector over 50 workers

²⁶ The European Parliament adopted a resolution on Nov 30, 2017 calling for positive discrimination to be introduced in the labor market by setting minimum employment percentages for people with disabilities in the public and private sector.