

## Report on the employment of disabled people in European countries

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## **Background:**

The <u>Academic Network of European Disability experts</u> (ANED) was established by the European Commission in 2008 to provide scientific support and advice for its disability policy Unit. In particular, the activities of the Network will support the future development of the EU Disability Action Plan and practical implementation of the United Nations Convention on the Rights of Disabled People.

This country report has been prepared as input for the *Thematic report on the implementation of EU Employment Strategy in European countries with reference to equality for disabled people.* The purpose of the report (Terms of Reference) is to review national implementation of the European Employment Strategy from a disability equality perspective, and to provide the Commission with useful evidence in support of disability policy mainstreaming. More specifically, the report will review implementation of EU Employment Strategy and the PROGRESS initiative with reference to policy implementation evidence from European countries, including the strategies addressed in the EU Disability Action Plan (such as flexicurity and supported employment).

## **PART ONE: GENERAL EVIDENCE**

#### 1.1 Academic publications and research reports (key points)

The Czech Statistical Office recently (May 2008) published a document "Results of Selected Report on People with Disabilities 2007". It is historically first survey conducted across various sectors of life of people with disabilities. The Report revealed that there are 60% of men with disabilities who are active in employment and only 40% women. However, the report does not offer any concrete recommendations for positive action.

"Medium-Term Conception of State Policy towards People with Disabilities", June 2004
The Government accepted the Medium-Term Conception of State Policy towards People
with Disabilities (hereafter, Medium-Term Conception) in June 2004. Medium-Term
Conception contains suggested changes to State support in the area of employment,
including an increase in the number of active employment services, and identifies the
necessary financial resources for the maintenance of a new system of support state subsidies
for the employment of people with disabilities The conception prioritises the employment of
people with disabilities on the open labour market and sets as a long-term goal the creation
of inclusive workplaces. It also cites the need to create incentives for firms with less than 25
employees (to whom the quota law does not apply) to employ people with disabilities.

### **Research needed:**

According the policy documents and legislation labour offices should play a significant role in counselling for persons with disabilities. However, it is argued that people with disabilities rarely contact labour office and people living in large residential institutions in particular.







Research is therefore needed to analyze current role, use and effectiveness of labour offices and to propose suggestions for positive change.

# 1.2 Employment statistics and trends (key points)

Data on employment of disabled people are available at The Ministry of Labour and Social Welfare and the Czech Statistical Office. Data are well accessible via internet. However, comprehensive valid statistical data on numbers and structure of people with disability are still not available and estimates rely on sample inquiries and studies. The Czech statistical system in employment does not gather concise data according to categories of disabilities or ethnic minorities.

The Ministry of Labour and Social Welfare registered (31/12/07) in total 354 878 of unemployed population. Almost 20% (56022) are persons with disabilities. There is no discrete statistical data available on the number of people with disabilities employed in open labour market or in sheltered workplaces.

The administrative statistics chapter show that the number of people with disabilities participating in quota schemes increased by 31% between 2000 and 2006. Most people with disabilities employed in ordinary jobs are aged 45 or over.

## 1.3 Laws and policies (key points)

## **Policy Documents**

The Joint Inclusion Memorandum (JIM) recommends the improved preparation of disadvantaged groups of students, including people with disabilities, from mainstream and special schools for employment on the labour market.

The "National Plan on the Equalisation of Opportunities for Persons with Disabilities" (hereafter, National Disability Plan), which was first introduced in 1998 and last amended in 2007, is an important strategic Government document in the area of disability. The Government Board for People with Disabilities is the governmental body primarily responsible for the preparation of the National Disability Plan and for monitoring its implementation. The Government consulted widely before adopting each of the National Disability Plans. Public discussions were held and comments and suggestions were solicited prior to the adoption of the plan. The views of some stakeholders were exchanged in journals of education, health and social care. The draft proposals for each plan were also submitted to an "internal suggestion" procedure, whereby they were sent to relevant Government bodies and State or public organisations (such as trade unions), for their commentary. The National Council of Disabled Persons (NCDP) participated a great deal in the preparation of the National Disability Plan of 1998, which took more than a year. Representatives of the NCDP negotiated the proposed aims and objectives of the plan with experts from the Ministry of Education, Youth and Sport (hereafter, Ministry of Education).

The National Disability Plan is a Government resolution and is therefore not a legally binding document. It sets broad goals for the different ministries but the Government has not established an enforcement mechanism for its implementation.

Also relevant is the "Medium-Term Conception of State Policy towards People with Disabilities" 2004, which prioritises the employment of people with disabilities on the open







labour market and sets as a long-term goal the creation of inclusive workplaces. The Medium-Term Conception contains suggested changes to State support in the area of employment, including an increase in the number of active employment services, and identifies the necessary financial resources for the maintenance of a new system of support The conception prioritises the employment of people with disabilities on the open labour market and sets as a long-term goal the creation of inclusive workplaces. It also cites the need to create incentives for firms with less than 25 employees (to whom the quota law does not apply) to employ people with altered working capacity.

#### Legislation

Amendments to the Labour Code in 2004 introduce a definition of direct and indirect discrimination in employment. The most important legislation on the employment of people with disabilities is the Law on Employment, which entered into force in 2004. The law establishes the responsibilities of employers towards people with disabilities. As with the Labour Code, the law on employment distinguishes between direct and direct discrimination. The new law also governs the quota system and available State subsidies for the employment of people with altered working capacity.

The main ways in which the Government presently encourages the employment of people with disabilities is through a quota system and State subsidies. The Law on Employment 2004 established a quota requirement for firms and organisations that employ more than 25 employees. Employers must ensure that four per cent of their workforce consists of people with altered working capacity or people disadvantaged on the open labour market. The quota requirements are the same for the public and private sectors.

To meet the quota requirement, firms may instead commission goods from employers whose workforce is made up of at least 50 per cent of employees with altered working capacity or people at a disadvantage on the open labour market.

The final option for firms is to make payments to the State budget. In practice, most employers currently choose this option, as this is the least expensive and most convenient. However, under the Law on Employment 2004, for each non-fulfilled quota place, payments to the State budget are now equivalent to 2.5 times the average monthly wage.

Employers who do not meet the quota requirement in one of these three ways can be penalised by the labour offices.

In accordance with the Law on Employment 2004, State subsidies are now also available for supported employment agencies. The new law also increases the level of funding to sheltered workshops. Nevertheless, it does not provide adequate incentives (tax advantages or subsidies) for the employment of people with disabilities in small- and medium-sized enterprises, which are not covered by the quota system.







The State also reimburses firms for capital expenditures that are directly connected to manufacturing programmes that engage people with disabilities.

Sheltered work positions and sheltered workshops A sheltered work position is a position created by an employer for an individual with a disability based upon a written agreement with the Labour Office. A sheltered work position must be maintained for at least 2 years from the day specified in the agreement. A sheltered workshop is an employer's work unit in which a minimum of 60 per cent of the employees are persons with disabilities.

The Labour Office may award an employer a contribution towards the creation of a sheltered work position and a sheltered workshop. An employer who provided training for disabled individuals may receive full costs of such training for disabled individuals, from the Labour Office. An employer who employs more than 50 per cent persons with disabilities, out of the total number of employees, is entitled to a contribution.

In creating public works and other socially useful job opportunities, preferential treatment is given to people identified as "extremely difficult to place on the open labour market". The Ministry of Labour and Social Affairs subsidises the salaries for public works and socially useful jobs. An employer may establish a public works or a socially useful job opportunity through a contractual agreement with a labour office; municipalities also establish such positions.

Employers of people with disabilities may also benefit from tax deductions. The total available tax deduction depends primarily on the number of disabilities and the legal status of the employer (a corporation or a natural person). However, the amount of the tax deductions is not much of an incentive for firms.

# **European Union's Council Directive 2000/78/EC**

To date, the Czech Republic has not fully complied with the provisions of the European Union's Council Directive 2000/78/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin (hereafter, Equality Directive); nor the Council Directive 2000/78/EC of 27 November 2000, establishing a general framework for equal treatment in employment and occupation (hereafter, Employment Directive).

The Government intends to fully comply with the two EU directives through the introduction of a general law on anti-discrimination. With amendments to the Labour Code in 2004, legislation in the area of employment is in compliance with the requirements of the two directives, but outside this area similar protections against discrimination are not yet in place.

The decision to introduce a single general law on equal treatment and protection from discrimination was taken only after lengthy discussion in the Czech Republic, on how best to bring existing legislation in line with the provisions of the two directives. The ministries and the Government Legislative Council had argued that a general law was not needed, given that anti-discrimination provisions have already been incorporated into existing sectoral legislation.

The General Law on Equal Treatment and Protection against Discrimination, which explicitly prohibits discrimination on the ground of disability has been passed by the Parliament, but recently vetoed by the president.







## 1.4 Type and quality of jobs (summary)

### Employment in the open labour market and sheltered employment

The Czech Republic belongs to the countries with the highest share of people with disabilities in ordinary employment. Data indicate that in the Czech Republic the highest share in ordinary employment is mainly those who are "not severely disabled"

Within sheltered workplaces, Czech legislation does not clearly distinguish between employment and unpaid vocational therapy. The various sources of funding for sheltered workshops are also poorly coordinated. People with more severe and/or intellectual disabilities are mainly employed in sheltered workplaces established by NGOs, which are more focused on social and vocational rehabilitation than on income generation. However, employees often do not have an employment contract and do not receive a wage; in some cases, they may even need to pay a fee to attend. A second type of sheltered workplace is operated by large for-profit enterprises, which receive funding from labour offices. People in these workshops mainly receive the minimum wage and have an employment contract. The third type of workplace is that established in residential institutions for people with disabilities. However, the conditions under which residents within institutions work are poorly regulated.

- Different industries or employment sectors
- Full-time or part-time work
- Public or private sector employment
- 'Training' placements vs 'real' (paid) jobs

The Law on Employment 2004 treats the service user as a partner who, together with a labour office, will decide on the form and content of vocational rehabilitation. Vocational rehabilitation services are to be tailored to the individual; primarily through the development of "individual vocational rehabilitation plans" prepared in cooperation with an "expert group" The composition of the expert groups however is not be multidisciplinary. Moreover, under the new law, labour offices can contract out vocational rehabilitation services to NGOs and other service providers. With its emphasis on partnership and an individualised approach, if the new law is to benefit people with disabilities, labour office personnel needs to undergo training to acquire new skills and attitudes in particular, patience, using simple clear language in speech and writing, and cooperating with parents and support persons.

The composition of the expert group is one of the most controversial aspects of the Law on Employment 2004. The expert group will consist of NGO representatives and employers with a workforce in which there is more than 50 per cent of people with disabilities. During preparation of the new law it was proposed that the expert group be multidisciplinary, comprised of a medical doctor, representative of municipality, psychologist, and an expert on vocational rehabilitation, but unfortunately this is not the case (Šiška, 2005). Assessments are over-medicalised and not multidisciplinary. They do not adequately take into account the capabilities and employment potential of people with disabilities. In addition, there is a lack of coordination between all relevant sectors. The application procedures for employment services and for the various available social benefits are overly complicated, and the decision-making process is not sufficiently transparent.







#### **PART TWO: SPECIFIC EXAMPLES**

## 2.1 Reasonable accommodation in the workplace

Results of Selected Report on People with Disabilities 2007 indicated that accessibility and offer of technical aids for people with disabilities is limited in choice and availability.

The Law on Employment 2004 provides a definition of "people with disabilities essentially establishing a new target group of employment services, which includes people with full and partial disability. The new law is perhaps of most benefit to people declared fully disabled because they are now classified as "people with disabilities" are subsequently eligible for the full range of employment services offered by labour offices. Under the Law on Employment 2004, people with full disability now have access to services such as vocational rehabilitation, special requalification courses, theoretical and practical training, and subsidies for sheltered employment vacancies, sheltered workshops, and other financial support for the employment of people with disabilities.

# 2.2 Other activation policies

Supported employment is relatively new scheme implemented in the Czech Republic. Supported employment services, provided by NGOs, are already available in all the regions of the country, and provide people with disabilities with the support they need to secure and maintain employment in a mainstream environment. Importantly, since the Law on Employment 2004 now makes State subsidies available for providers of supported employment services, supported employment services should become more widely available. This funding makes it available within the framework of vocational rehabilitation services. However, the new law does not specifically mention the supported employment methodology, and implementing I egislation is not yet in place.

## **Proactive Labour Market Intervention Fund**

The Proactive Labour Market Intervention Fund (PALMIF) was established in 1991 and has been almost entirely funded by EU's Phare programme, which has provided approximately EUR 6.5 million over the lifetime of the project. PALMIF supports sustainable job-creating measures for disadvantaged groups in the Czech Republic, including people with disabilities. Over the past 16 years, the fund has financed hundreds of innovative job-creation projects throughout the country, all of which are aimed at assisting people who have been socially marginalised.

The "Evaluation of Comprehensive Services: Supported Employment" project is a good example of a PALMIF initiative that targeted people with intellectual disabilities. The project, which was co-ordinated by Rytmus, a non-governmental provider of supported employment services, was responsible for extending supported employment services from Prague to several regions across the country. Labour offices in the respective regions played a significant role in the project. In total, 338 people with disabilities, mostly people with intellectual disabilities, utilised supported employment services during the project. Overall, 127 people were hired (by 147 employers). After completion of the project, 93 of these people retained employment on the open labour market. Moreover, a significant number of employment contracts were signed between people with intellectual disabilities and their employers (45 temporary and 48 long-term employment contracts).







## **EQUAL**

Funded by the European Social Fund (ESF), the EU's EQUAL programme tests new ways of tackling discrimination and inequality experienced by those who are working or seeking employment. Within the first stage of the EQUAL programme in the Czech Republic, several projects targeting people with disabilities have been supported: (the "Supported Employment" project;, the "Integrative Counselling for Disadvantaged People on the Labour Market" project; and the project on "Developing a Methodology for the Employment of People Who Are Difficult to Employ in Waste Recycling".

## 2.3 One example of best practice

## Project "Fighting for our Rights"

In period 2004 – 2006 European NGO of persons with disabilties and their families Inclusion together with the national partners (Inclusion Czech Republic) condacted a project "Fighting for our Rights!" (FFOR).

The project was focused on:

- Analyse how the concepts relevant for persons with intellectual disability included in the Directive have been transposed and defined in national law.
- Analyse under which conditions and procedures legal action can be undertaken at national level to help people with intellectual disability to claim their rights.
- Analyse how the European Institutions shall enforce a complete and meaningful implementation of the Directive.
- Develop a comprehensive partnership with actors at different levels.
- Provide accessible information for people with intellectual disability on their rights and how to claim them effectively using existing non-discrimination legislation.
- Train disability activists and advocates at local, national and European level in the use of non-discrimination legislation.
- Identify and support potential plaintiffs with intellectual disability in defending their rights.
- Cooperate with the European Institutions to the greatest possible extent in ensuring a full transposition of the Directive into national law, both of the present Member States and the accession countries.

The overall purpose of the whole project was to influence the implementation process of the Employment Framework Directive (Council Directive 2000/78/EC) in order to maximize its positive effects for people with intellectual disability. The project promoted promote the establishment of a code of good practice to set up the way in which the directive should be implemented.







The FFOR project consisted of two phases:

- 1. The preparatory phase, or Phase I, started on 1 March 2004 for a six-month period.
- 2. The implementation phase started on 1 December for a two year period. The project went on until the end of 2006.

#### PART THREE: SUMMARY INFORMATION

#### 3.1 Conclusions and recommendations (summary)

At present, the Czech Republic does not have comprehensive anti-discrimination legislation, which ensures protection from discrimination for people with disabilities. The Government should, as a priority, adopt the General Law on Equal Treatment and Protection against Discrimination and ensure that it specifically prohibits discrimination on the ground of disability and includes a definition of disability.

It is recommended to broaden and expand the supply of counseling programmes and those of vocational training for job applicants who experience particular difficulties in finding a job according to their needs (persons with intellectual disabilities in particular); The Government should also ensure that employment services are more widely available and accessible.

According the policy documents and legislation labour offices should play a significant role in counselling for persons with disabilities. However, it is argued that people with disabilities rarely contact labour office and people living in large residential institutions in particular. Research is therefore needed to analyze current role, use and effectiveness of labour offices and to propose suggestions for positive change.

#### 3.2 References

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