

Current Situation of Employment of PWDs in Japan

ASAHI, Masaya

Associate Professor, Dept. of Social Work,
School of Health and Social Services
Saitama Prefectural University

The Purpose of the Lecture

To understand the current situation of employment of PWDs in Japan from both perspectives of a regular labor market and welfare facilities with their problems to be solved.

To understand the outline of the related laws and measures to promote employment of PWDs .

In particular, the issue of the transition from welfare facilities to open labor market will be focused in the lecture, because it is one of the significant issues the recent vocational rehabilitation is facing in Japan.

Key words:

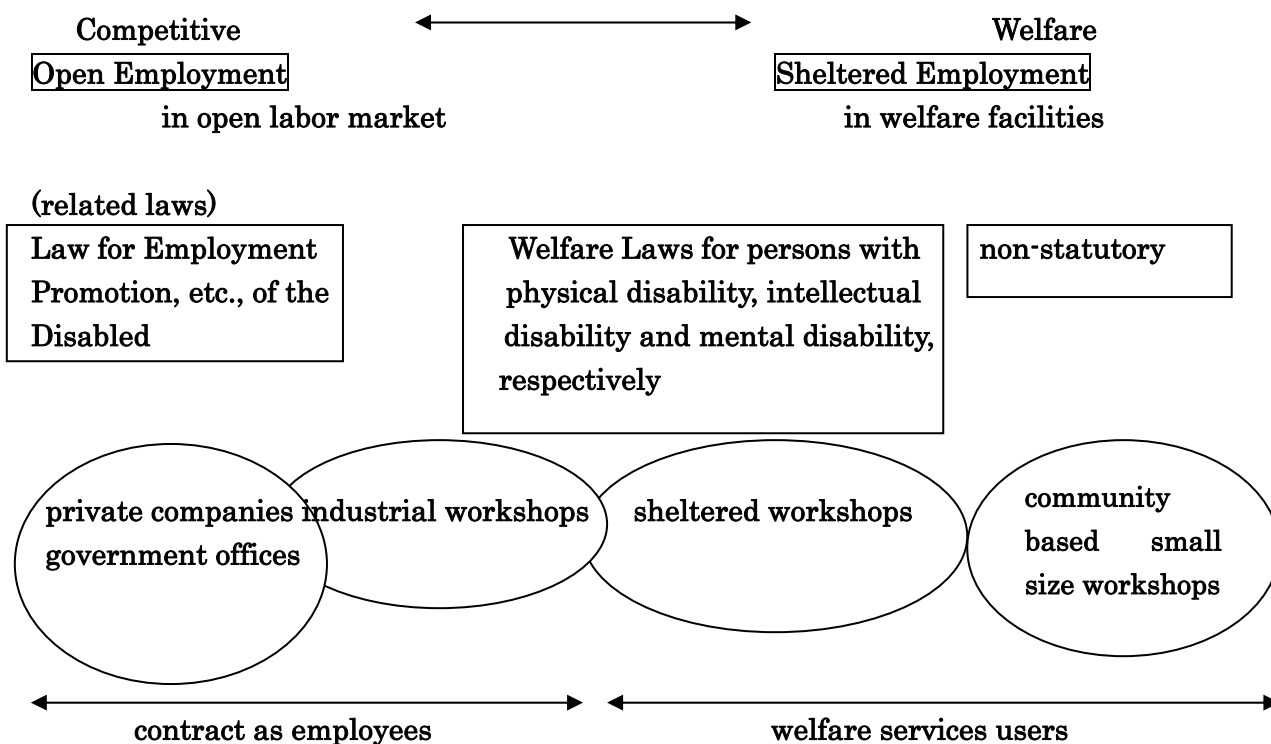
employment of PWDs open labor market
sheltered workshops social employment
small size community workshop
work settings in welfare facilities transition quota scheme legal quota
levy and grant system
special affiliated companies
The Law for Employment etc, of the Disabled Persons
Wages

Terms:

- ① Open employment: Competitive employment
- ② Industrial workshops: Welfare factories
- ③ Sheltered employment: Sheltered workshops, Social employment,
Social employment centers
- ④ Community (based small size) workshops
- ⑤ Work centers: ②, ③, ④

1. The outline of Employment of PWDs in Japan

■ Structure of employment of PWDs in Japan



Oct. 2006 ~

Independent Assistance Law for PWDs

(A new work-related services provision system starts under the law)

sheltered workshops
community based small size workshops ⇒

training oriented
high wages oriented

day activities oriented

Persons with physical disability, intellectual disability and mental disability

■ Basic figures of employment situation

Employment situation of PWDs in private companies with more than 5 regular employee

	1998	2003	increase rate	2008
physical disability	396,000	369,000	93%	
intellectual disability	69,000	114,000	165%	
mental disability	51,000	13,000		
total	516,000	496,000		600,000?

Ministry of Health, Labor and Welfare

■ Basic figures of employment situation

★ Industrial workshops

107 workshops 3,000persons

★ Sheltered workshops

2007 workshops 78,000persons

★ Community Based Small Size Workshops

6000 workshops 84,000 persons

	average wages / month
physical disability	250,000
intellectual disability	120,000
mental disability	151,000
people with no disability	260,000

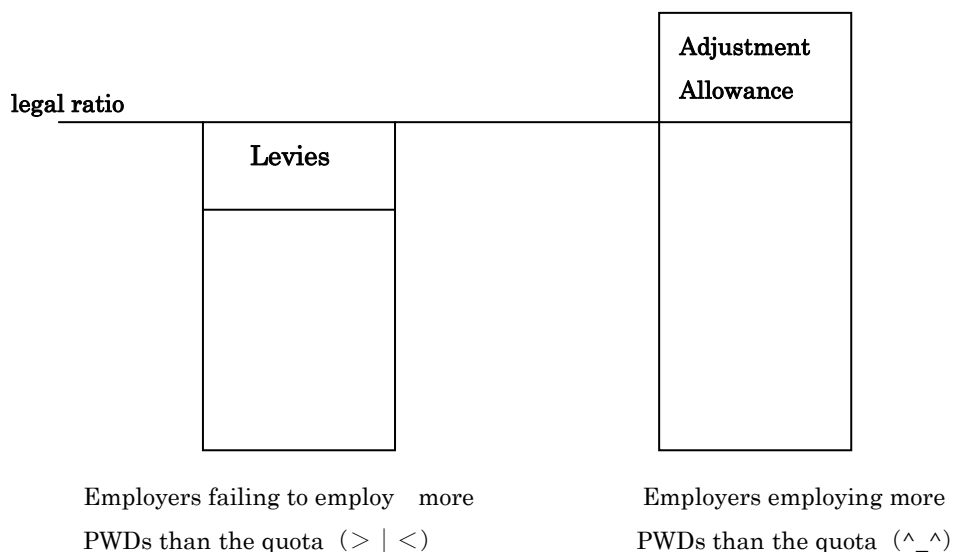
(1) Quota System for promotion of employment of PWDs

■ Quota System
 According to the Law for Employment Promotion, etc. of the Disabled includes, there is a quota system for employment of PWDs. Enterprises where the number of regularly employed workers is 56 or over have been required to employ physically or intellectually disabled persons equivalent to 1.8% or more of the workforce.

Legal ratio of employment of PWDs

Private companies	1.8%
Quasi governmental organization	2.1%
National, Local government	2.1%
Board of Education in prefectures	2.0%

■ Levy and grant system
 Employment of PWDs involves certain financial burdens, compared with that of persons without disabilities, such as the expense of modifying working facilities and equipment, special employment management, and so on.
 As a result, an imbalance exists in the financial burden between enterprises which faithfully observe their employment obligation and those which do not. According to the Law for Employment Promotion, etc. of the Disabled, from the viewpoint of creating collective social responsibility among employers, a Levy and Grant System for employing disabled persons has been established based on contributions from employers. The system aims to adjust economic burdens and promote employment of disabled persons



★Collection of Levies

Employers with 300 regular workers or less who fail to employ the legally required number of PWDs ※50,000 yen per person per month

●Payment of Adjustment Allowance for Employing Disabled Persons

※27,000 yen per person per month

●Payment of Rewards

※21,000 yen per person per month in excess of a fixed number (equivalent to the accumulative number, in the fiscal year, of 4% of regular workers per month, or 72 persons, whichever is greater)

●Payment of Grant for

- provision of workplace facilities, etc. for PWDs
- provision of welfare facilities, etc. for PWDs
- workplace attendants for PWDs
- commuting measures for PWDs
- provision of facilities, etc. in enterprises employing a large number of PWDs
- skill development of PWDs
- Employment Support Centers for PWDs, etc.,

Eligibility for quota scheme and vocational rehabilitation services

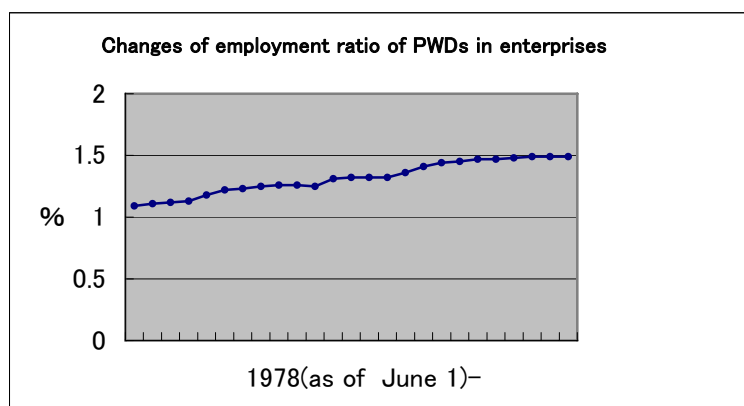
type of disability	physical disability	intellectual disability	mental disability
vocational rehabilitation services	○	○	○
Quota scheme	○	○	×
Levies and adjustment allowances	○	○	○
Several grants	○	○	○

(2)Development of Employment of PWDs in Japan

1955	ILO Recommendation No.99
1960	Employment Promotion Law for Persons with Physical Disabilities : “moral obligation”
1976	Employment Promotion Law for Persons with Physical Disabilities (Revision) “legal obligation” Levy and Grant system Double Counting system of Persons with Severe Disabilities Reduction of Levies for employee with intellectual disabilities
1983	Convention No.159
1987	Law for Employment Promotion, etc. of the Disabled Vocational rehabilitation services for persons with all categories of disabilities could be provided
1992	Ratification of ILO Convention No.159
1997	Law for Employment Promotion, etc. of the Disabled (Revision) Quota scheme for persons with intellectual disabilities started
2006	Law for Employment Promotion, etc. of the Disabled (Revision) Persons with mental disability can be counted as the number of employees with disabilities in the Quota scheme (still out of legal obligation of employment)

3 Employment situation of PWDs in quota scheme

1.52% in total in private companies (2005)



The Present ratio, 1.52% is still far from the legal requirement, however, it has

been improved gradually through recent efforts by big companies .

The levy and Grant system and special affiliated companies system may take an important role for the improvement.

※special affiliated companies system

Over 200 companies (as of April 2007)

※double counting of persons with severe disabilities

4. Current Situation of Sheltered Workshops

For PWDs who do not have enough productivity to work as a contracted worker in open labor market, there are several sheltered workshops according to types of disability in Japan, which provide persons with disabilities suffering employment difficulty with work preparation and sheltered work opportunities, and help them achieve self support in the community.

(1)Types of Sheltered Workshops and their characteristics

Type of Disability	Name of Sheltered Workshops	No. Facilities	Capacity of placement	averaged wage *1 (monthly)
Physical Disability	Sheltered Workshops for Persons with physical disability (residential)	85	4,228	yen 11,390
	Sheltered Workshops for Persons with physical disability (non-residential)	195	4,872	19,873
	Sheltered Workshops for Persons with severe physical disability (residential)	127	8,311	14,449
	Industrial Workshops for Persons with physical disability	35	1,782	204,934
Intellectual Disability	Sheltered Workshops for Persons with intellectual disability (residential)	213	13,660	10,638
	Sheltered Workshops for Persons with intellectual disability (non-residential)	656	24,980	10,625

	Industrial Workshops for Persons with intellectual disability	25	735	123,844
Mental Disability	Sheltered Workshops for Persons with mental disability (residential)	11	314	22,805
	Sheltered Workshops for Persons with mental disability (non-residential)	91	2,091	
	Industrial Workshops for Persons with mental disability	4	110	112,250 *2
(Open Labor Market)				
Persons with physical disabilities (full time, involved in companies with more than 5 employees)				283,000 *3
Persons with intellectual disabilities (full time, involved in companies with more than 5 employees)				118,000 *3
Vocational Training Allowances				130,000 (approx.) *4
minimum wage (national average)				104,260*5

*1 as of 1997 *2 as of 1998 *3 as of 1998 *4 as of 1999 *5 as of 1999

(2) Problems sheltered workshops are facing

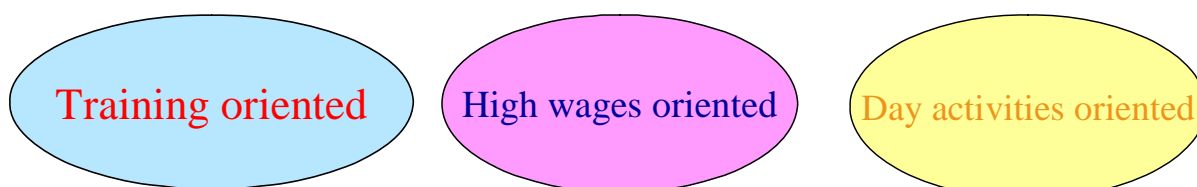
- 1) Few transition from sheltered workshop to competitive work settings
Approximately 1.0% of PWDs in the workshops move to open employment annually.
The reasons of very low transition rate are;
 - Lack of experiences of PWDs involved in workshops
 - Attitudes of their parents
 - Attitudes of staffs of workshops

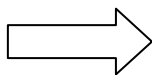
2) Difference of services, wages and functions among sheltered workshops

3) Expansion of aged users and ones with severe disabilities

(3) Future tasks for the improvement of sheltered workshops

- 1) Changes of role of sheltered workshops





Reform of functions of workshops have been started under the new welfare law for PWDs.

- 2) Separating accommodation from work sites
- 3) Promoting integrated services beyond different types of disabilities
- 4) Opening sheltered workshops to the community
- 5) Improvement the productivity of sheltered workshops

5.Changes in regard to employment of PWDs in Japan

- 1) Integration of two jurisdiction bodies related to employment of PFD
Ministry of Health & Welfare
Ministry of Labor
—————→ **Ministry of Health, Labor and Welfare (2001~)**
- 2) Promotion of combination of work oriented assistance and life oriented assistance in the community
- 3) Promotion of statutory basis services in the small size community workshops by

the reform of social welfare system

4) Transition from welfare sites and school to open employment has been emphasized

5) Promotion of employment of persons with mental disabilities