



Research on the Actual Status Regarding the Employment of Persons with Disabilities in the Industry Types Subject to the Exclusion Rate System

(Research Report No.158) Summary

[Key Words]

Industry types subject to the exclusion rate system, research on the actual status regarding the employment of persons with disabilities, abolition or reduction of exclusion rates, approaches in foreign countries, case studies

[Points for Practical Purpose]

This report summarizes the results of a questionnaire survey and hearings on the status of employment of persons with disabilities, the status of employment management improvement, the status of technology innovation introduction, and issues, etc. in occupations where it is considered difficult for persons with disabilities to work at establishments with set exclusion rates, as well as information collected on the status of approaches in foreign countries.

We hope that this information will be used as basic material for examining employment policies for persons with disabilities in the industries with exclusion rates, and as a reference for promoting the employment of persons with disabilities at workplaces.

In addition, based on the hearing survey, we have prepared a booklet "Case Studies of Employment of Persons with Disabilities in Industries with Exclusion Rates: Devising and Accommodations in the Workplace". We hope that it will be useful.

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2 Research Period

FY 2019 through FY2020

3 Composition of the Research Report

Chapter 1: Purpose and Background of this Research.

Chapter 2: Questionnaire Survey on Business Establishments

Chapter 3: Hearing Surveys on Companies

Chapter 4: Document Research on Foreign Systems

Chapter 5: Summary Report

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4 Background and Purpose of Research

The exclusion rate system in the employment rate system for persons with disabilities was abolished in principle in April 2004 as a result of the 2002 revision of The Act on Employment Promotion etc. of Persons with Disabilities (here in after referred to as the "Act"). However, in consideration of the impact on individual companies, it was decided to maintain the exclusion rate for the time being, and after being lowered in 2004 and 2010, the rate has been kept at the same level.

However, while the exclusion rate system is legally supposed to be abolished, there have been various advanced efforts to employ persons with disabilities in industries that have been considered difficult to hire, and there has been progress in the employment of persons with disabilities in all industries in recent years. It is also incompatible with the philosophy of "a society where working with persons with disabilities is the norm."

Therefore, we conducted this survey to understand the current situation, issues, and actual efforts of employment of persons with disabilities in the industries where the exclusion rate has been set, and to organize possible measures for abolishing the exclusion rate, through research on the actual situation of employment of persons with disabilities in the industries where the exclusion rate has been set and by collecting information on the approaches taken in other countries.

5 Method

The following methods were used to reveal the actual situation of employment of persons with disabilities in industries where the exclusion rate is set and in foreign countries.

(1) Questionnaire Survey on Business Establishments

The survey was conducted by selecting 25,700 establishments from those to which the exclusion rate was applied in the 2018 Report on the Status of Employment of Persons with Disabilities. The main survey items are as follows.

- Main businesses and business forms (For special subsidiaries (for special subsidiaries, challenges in hiring persons with disabilities at the special subsidiaries)
(Special subsidiaries: In case that an employer establishes a subsidiary company which gives special consideration for employing persons with disabilities in order to promote and stabilize their employment, and fulfills certain requirements, the workers employed at the subsidiary can be deemed to be employed by the parent company for calculating the employment rate.)
- Number of full-time employees and breakdown of employees with disabilities performing jobs in occupations that are considered difficult for persons with disabilities to perform (target occupations) as of June 1, 2019, and changes over the past 20 years or so.
- Status of implementation, ease of implementation, and effect of improvement in employment management for the target occupations
- Progress of technological innovation related to the jobs of the target occupations in the general public, status of its introduction into the surveyed establishments, ease of implementation, and effectiveness.
- Obstacles to assign persons with disabilities to the jobs that they are not currently assigned,

and what is needed to make it possible.

- Status of use of subsidies related to employment of persons with disabilities when persons with disabilities are assigned to the jobs in the target occupations.
- Challenges faced by persons with disabilities in comparison to healthy persons in performing tasks (free description)
- Ideas, opinions, etc., on efforts that contribute to the abolition or reduction of the exclusion rate (free description)

(2) Hearing Surveys on Companies

In order to gain a concrete understanding of the jobs performed by persons with disabilities employed in the target occupations, the issues they face, and the details of accommodations and devisings taken to resolve these issues, hearings were conducted with personnel in charge of human resources and labor management at companies in the types of industries for which exclusion rates were set. We then analyzed the case studies of eight companies. The main items for the hearing were as follows.

- The main industry type of the company and the number of employees
- Changes over the past 20 years in the number of workers engaged in the target occupations, specific details of the work, required qualifications, and work procedures, etc.
- The number of persons with disabilities employed and its transition, the number of persons with disabilities engaged in the target occupation and their specific job descriptions
- Reasons for hiring persons with disabilities in the target occupations, the content of accommodations given to them, support from external support organizations and issues that HR personnel, etc. feel about the employment environment for them.
- Future policy on employment of persons with disabilities, and views on the exclusion rate system.

(3) Document Research on Foreign Systems

The following document research was conducted on trends in foreign countries regarding employment of persons with disabilities involving the exclusion rate system.

- Rationale for the necessity of a system equivalent to the exclusion rate system in France, which has both the employment rate system for persons with disabilities and the exclusion rate system, and the process of developing policies considering the abolition of the current system
- The fundamental rationale for not requiring exclusion rates in Germany, which has an employment rate system for persons with disabilities but no exclusion rate system
- The fundamental rationale for not requiring exclusion rates in the United States, which does not have both employment rate systems for persons with disabilities and exclusion rates

6 Survey Content

(1) Questionnaire Survey on Business Establishments

We received responses from 7,341 establishments (28.6% response rate). A total of 1,870 establishments (about 25%) responded with the number of persons with disabilities engaged in the jobs of the target occupations, and more than 80% of persons with disabilities engaged in the jobs of the target occupations were physically disabled except for some occupations. As for the change in the number of persons with disabilities engaged in the target occupations over the past 20 years or so, the highest percentage of respondents answered "Increased" or "Remained unchanged" in all the occupations.

As for improvements in employment management for the target occupations, about 60% of the respondents responded with "Not implemented" and the highest rate of implementation was for "Devisings and improvements that can ensure the safety of the persons with disabilities themselves" (26.3%) (Figure 1).

As for technological innovation related to the jobs of the target occupations, more than 40% of the respondents answered that there was no progress in the world in general, and less than 60% of the respondents answered that there was no introduction. The highest rates of adoption were for "Tools and equipment that allow persons with disabilities to do their jobs with fewer physical movements" and "Tools and equipment that can ensure the safety of persons with disabilities themselves" (both 9.1%) (Figure 2).

Looking at the results by the target occupation type, regarding the improvement of employment management, the implementation rates of all items for "Persons whose duties include caring for, teaching, or nurturing children in child welfare facilities" and "persons engaged in security work" exceeded the overall average rate for each occupation. In terms of technological innovation, the introduction rates by job category for all items for "Educational staff at elementary schools, special-needs schools (excluding schools that exclusively provide education for the visually impaired), and kindergartens" and "Those whose duties are heavy construction machinery operation, crane operation, or slinging" were higher than the overall average rate of introduction.

As for the contents of technological innovation, while there were some unique devices and systems that seemed to be developed for specific target occupations, there were also many descriptions related to things that are widely used in daily life, such as tablets, car navigation systems, and automatic cars.

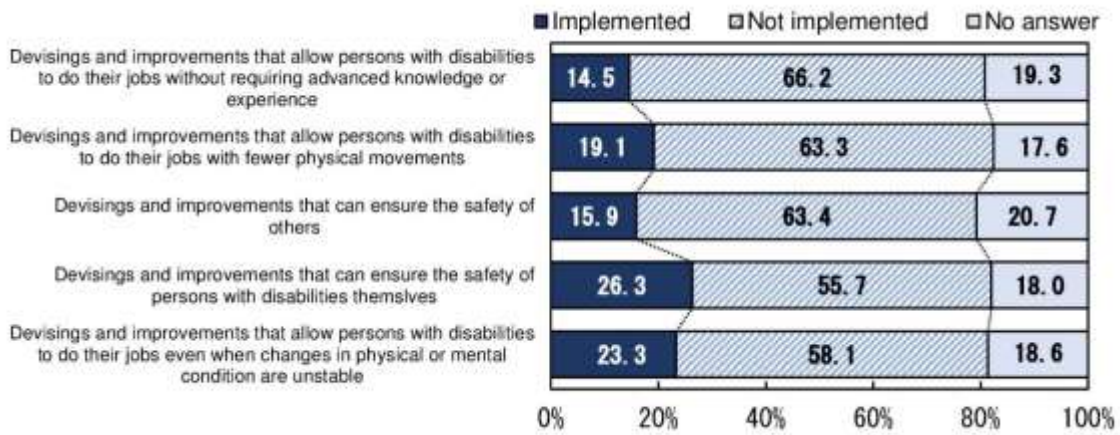


Fig.1 Implementation status of the improvement in employment management for the target occupations (Pertaining to 1,870 business establishments that employ persons with disabilities in the target occupations)

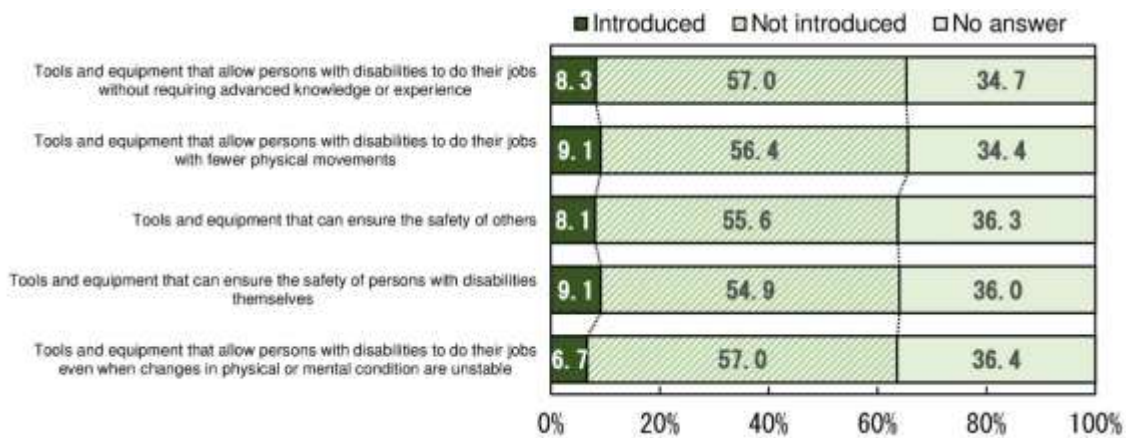


Fig. 2 Introduction status of technological innovation relevant to the work of the target occupations (Pertaining to 1,870 business establishments that employ persons with disabilities in the target occupations)

Those establishments that answered that the number of persons with disabilities engaged in the target occupations had "Increased" had the highest rate of answering "Implemented" to any of the employment management improvement items (Figure 3).

On the other hand, when we examine the status of the introduction of technological innovation by increase/decrease in the number of persons with disabilities engaged in the target occupations, the rate of introduction was highest among the establishments that answered "Unchanged" for all items except "Tools and equipment that allow persons with disabilities to do their jobs with fewer physical movements," followed by the establishments that answered "Increased".

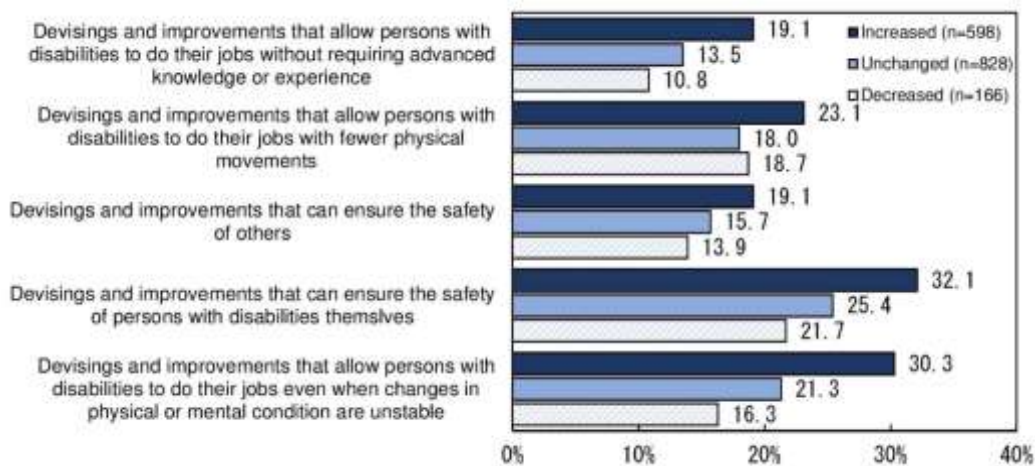


Fig.3 Percentage of respondents who answered "Implemented" to improvement of employment management in the target occupations
(By changes in the number of persons with disabilities engaged in the work of the target occupations)

As for obstacles to assign persons with disabilities to the jobs that they are not currently assigned, the answer, "It would require assistants and caregivers to help them perform their jobs" (63.1%) was selected by a high percentage of respondents. As for the question of what they thought would be necessary to place persons with disabilities in jobs that they do not currently do, a high percentage of respondents selected "Understanding from co-workers, supervisors, and other workers" (60.6%)."

Regarding ideas and opinions about initiatives contributing to the abolition or reduction of the exclusion rate, about 65% of the respondents expressed negative opinions. Concrete ideas and opinions were divided into three main categories: ① Setting the exclusion rates from perspectives other than industry, ② Reviewing the method of calculating the statutory employment rate, and ③ Support for employers who employ persons with disabilities.

(2) Hearing Surveys on Companies

A. Employment of Persons with Disability in Target Occupations

At the hiring stage, it was often assumed that the applicant had a specific license or skill, and when persons with disabilities applied for general jobs, they were often hired based on their required qualifications.

In some cases, it was a challenge to decide where to actually assign them and which jobs to assign them. There was also a tendency to choose jobs that were easy to carry out at the individual's own pace, taking into consideration the physical burden and other factors. On the other hand, there were some cases where no special arrangements were made for placement or work assignments, but there was no problem with the work.

Technological innovations related to the work of the target occupations are not intended to improve the working environment for persons with disabilities, but they do contribute to the safety and convenience of workers and others around them, which subsequently leads to a

better working environment for employees with disabilities.

In terms of the employment of persons with disabilities in the target occupations, it became clear through the hearings that the persons with disabilities themselves are working actively, making use of their expertise and skills, while receiving various types of support.

B. Employment of Persons with Disabilities in Occupations Other Than Target Occupations

After initially being hired for the target position, the employee may be reassigned to a job that is considered more suitable. As for new hiring, many small and medium-sized companies do not offer jobs to persons with disabilities. Large companies may recruit new employees for jobs specifically for persons with disabilities, or they may hire from schools for special needs or employment support organizations.

C. Challenges in Employment of Persons with Disabilities in the Industries in which Exclusion Rates Are Set

It was mentioned that the major challenges in employing persons with disabilities in the target occupations are to ensure safety and to maintain qualifications and licenses that guarantee expertise and skills. It was also mentioned that, in terms of employment of persons with disabilities in occupations other than the target occupations, due to the heavy weight on the target occupations, it is difficult to achieve the employment rate even if companies try to hire persons with disabilities in other departments. There is a limit to the work that can be cut out for jobs other than the target occupations.

(3) Document Research on Foreign Systems

There are essential discussions in other countries about balancing the necessity of restricting the employment of persons with disabilities in certain occupations according to their occupational aptitude and safety considerations with the expansion of employment opportunities for persons with disabilities through the idea of prohibiting discrimination against persons with disabilities and reasonable accommodations, etc. In abolishing the systems equivalent to the exclusion rate, it is important to balance the two.

A. Trend in France

In France, the exclusion rate is not reflected in the employment rate count, but only in the amount of the contribution reduction. Starting in 2018, under the leadership of the national government, a review of the 36 target occupations has been conducted based on a detailed analysis of each occupation and the industry's intentions, taking into account "essential and definitive job requirements" and "reasonable accommodation of the working environment". The review is underway to promote the employment of persons with disabilities in those occupations by updating good practice guidelines, etc. with emphasis on ensuring the safety of colleagues and the public.

B. Trend in Germany

In Germany, there has been no exclusion rate system since before 1974 at the latest. In order to build a system that enables all employers to achieve the statutory employment rate even without an exclusion rate system, efforts are being made to count the employment rate on a broader basis than per establishment, to count short-time and work-at-home hours, to double- and triple-count, as well as to provide effective job referrals, subsidies for reasonable accommodation, and enhanced public awareness and support.

C. Trend in the U.S.

In the U.S., the ability of persons with disabilities to become qualified in their occupations through reasonable accommodations, including job redesign and job coach assistance, was the key point of the 2008 amendments to the Americans with Disabilities Act (ADA). Appropriate safety considerations, job fitness standards, etc. have priority over the prohibition of discrimination against persons with disabilities. However, when a complaint of discrimination is filed by a person with a disability, the ADA makes it clear that the ADA's prohibition of discrimination against persons with disabilities takes precedence, and that if safety-conscious legislation or the employer's job aptitude standards are not deemed essential, they must be reviewed on a case-by-case basis.

(4) Summary Report

A. Actual Situation of Employment of Persons with Disabilities in Industries where Exclusion Rates Are Set

As a result of the progress in the employment of persons with disabilities in the target occupations over the past 20 years or so, it is estimated that about 25% of the establishments to which the exclusion rate applies are employing persons with disabilities. It seems, more than 80% of the persons with disabilities working in the target occupations are physically disabled, except for some occupations, and the number of persons with intellectual and mental disabilities has not increased much. Currently, when assigning persons with disabilities to the jobs that are not performed by persons with disabilities, the two main obstacles are "human support" and "ensuring the safety of the person and others."

Also, the fact that licenses and qualifications are required to work in the target occupations and the existence of systems, such as Security Services Act, are considered to be issues in employing persons with disabilities in the target occupations.

On the other hand, there are cases where persons with disabilities can play active roles by being placed in jobs that are easy to carry out at their own pace, taking into consideration their physical burden, or by obtaining the understanding and support of their supervisors, colleagues, customers, etc. It became clear that persons with disabilities are

making use of their expertise and skills, and playing active roles by receiving support.

For occupations other than the target ones, the employees may be hired as the target occupations and then reassigned to a job that is considered more suitable, or large companies may actively recruit new employees through job openings exclusively for persons with disabilities and hire from the schools for special needs or employment support organizations. The efforts to ensure that the hired employees would continue to work for the company are also emphasized. The actual employment rate counted by a company as a whole seems to contribute a certain extent to the promotion of employment of persons with intellectual disabilities, etc., which has not increased much in the target occupations in the industries where the exclusion rate is set.

B. Improvement of Employment Management and Introduction of Technological Innovation in Target Occupations

As for the improvement of employment management in the target occupations, "Not implemented" accounted for about 60% of the total. However, the rate of implementation was higher than the overall average in all items for "Persons whose duties include caring for, teaching, or nurturing children in child welfare facilities" and "Persons engaged in security work," and they were working to improve employment management from various perspectives. Since some employment management improvements can be achieved with low budgets and at low cost, it would be meaningful to provide companies with information on concrete examples of employment management improvement efforts. In addition, the rate of implementation of any employment management improvement was highest among establishments that reported an "Increased" in the number of persons with disabilities working in the target occupations, suggesting that it is important to implement a variety of employment management improvements in order to promote the employment of persons with disabilities in the target occupations.

In terms of technological innovation related to the duties of target occupations, more than 40% of the respondents in all target occupations considered that there was "No" progress in the general world, and the rate of introduction was limited to less than 10%. One reason for this may be that companies are using technological innovation for the entire workforce, rather than specifically for persons with disabilities, and may not be directly linking technological innovation to employment of persons with disabilities. In order to make the best use of technological innovation in the employment of persons with disabilities, it is necessary to show companies in concrete terms how technological innovation can be linked to the employment of persons with disabilities and what effects can be obtained.

C. Direction of Approaches for Abolishment or Reduction of the Exclusion Rates

Based on the fact that about 65% of the establishments expressed negative opinions about the abolition/reduction of the exclusion rate in the free comments of the questionnaire survey, we believe that it is necessary to fully explain the necessity of the abolition/reduction of the exclusion rate to companies and obtain their understanding before proceeding. At the same time, it is considered necessary to take measures to ensure that no unfairness remains among industries, including those for which no exclusion rate has been set.

The ideas and opinions regarding efforts to abolish or reduce the exclusion rate were roughly divided into the following categories: ① Setting the exclusion rate from perspectives other than industry, ② Reviewing the method of calculating the statutory employment rate, and ③ Support for employers who employ persons with disabilities. Regarding ①, since the exclusion rate system itself has already been abolished under the law, it would be difficult to set the exclusion rate from other perspectives such as job type, company size, and disability type. For ②, we expect that further research will be conducted in the future and that progress will be made in the study and discussion. As for ③, we believe it would be effective to consider the necessity of reviewing the requirements for granting subsidies, etc., based on the actual situation of employment of persons with disabilities in the target occupations, and to enhance tools for providing examples of employment of persons with disabilities in industries that set exclusion rates and the target occupations.

D. Future Challenges

Because the questionnaire survey asked for responses from each establishment to which the exclusion rate actually applies, we could not link the responses to the questionnaire to the employment status of the company as a whole, and thus could not grasp and analyze the approaches to employment of persons with disabilities as a company. Also, industries other than the industries for which exclusion rates were set were not targeted to the survey. Due to the impact of the epidemic of the new coronavirus infection and other factors, we were unable to collect enough cases in the hearings and could not maintain methodological uniformity among cases. Further studies are anticipated to take these points into account to further clarify the actual situation of the employment of persons with disabilities in industries in which exclusion rates are set.

7 Relevant Research Outputs

Case Studies of Employment of Persons with Disabilities in Industries with Exclusion Rates: Devising and Accommodations in the Workplace, 2021