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## Introduction

### **Current Employment Situation of Persons with Disabilities and Employment Support**

Recently, based on the concept of international normalization, Japanese government has promoted efforts toward the realization of a society in which everyone, with or without disabilities, can obtain equal employment opportunities. This issue introduces the historical transformation of legal systems on employment of persons with disabilities as well as reviewing the current employment situation of persons with disabilities in Japan. It also introduces papers which discuss the analysis of the effect of levy and adjustment subsidies for increasing employment opportunities for persons with disabilities from the economic viewpoint and the concrete ways and cases of assistance for employment of persons with disabilities in companies.

From an international standpoint, there are two approaches to expand employment opportunities for persons with disabilities: introduction of (i) a legal system on the antidiscrimination law and (ii) an employment quota system. The former approach forces employers to improve working environment for individual disabilities and calls for a penalty to those who breach the order for improvement as discrimination. The typical former approach is Americans with Disability Act (ADA) in the U.S. The latter approach legally provides a certain ratio of employment for persons with disabilities (the legally-prescribed minimum employment rate), obliges employers to hire persons with disabilities and imposes a levy on those who do not meet the minimum employment rate. Japan has introduced the latter approach and the effect of this system is discussed in several papers in this issue.

Kudo reviews Japan's employment situation of persons with disabilities from the perspective of comparisons with statistical surveys conducted by international organizations. Kudo points out that global average of appearance ratio of persons with disabilities is about 10% of the world's population while those in Japan is only 5% of the population according to the data released by the government, which shows that Japan's definition and scope of persons with disabilities are narrower than those in other countries. He also points out that although definitions and scope of persons with disabilities vary in different countries and therefore a strict international comparison is difficult, the employment rate of working-age persons with disabilities in Japan is relatively higher compared with data of OECD and the U.S. He also verifies the increase in the number of employees with disabilities working for private companies covered by the legally-prescribed minimum employment rate system for 16 years from 1993 to 2009 and mentions that total number of persons with disabilities has greatly increased from 2003 to 2009 and Japan's employment quota system has had a positive impact on the employment of persons with disabilities. On the other hand, he points out problems that the number of employed persons with disabilities in companies with less than 56 employees shows a downward trend, the percentage of employed persons with disabilities as general employment is low and many of those are working as welfare-oriented employment. He finally says, "it would be important that companies should more actively improve employment conditions and a working environment for making full use of their abilities in consideration of human-rights protection and disabilities at work and establish a

mechanism to socially monitor the development process and the government and society develop supporting policies.”

Hasegawa reviews various policies on employment of persons with disabilities centered on the historical transformation and specific contents of “Act on Employment Promotion etc. of Persons with Disabilities” which forms the foundation of Japan’s measures for employment of persons with disabilities. Act on Employment Promotion etc. of Persons with Disabilities consists of the following two pillars: (i) a quota system which is introduced by Kudo’s paper and (ii) a levy system for employment of persons with disabilities which charges employers a sanction when they cannot achieve the legally-prescribed minimum employment rate. Hasegawa states that “‘prohibition of discrimination on the basis of disability’ approach including ADA in the U.S. has expanded from an international standpoint while the ‘quota approach’ has been traditionally adopted and has a major impact on the employment of persons with disabilities in Japan. The ‘quota approach’ obliges employers to employ a certain percentage of persons with disabilities and imposes sanctions against those who fail in their obligation. The importance of this quota approach never changes even after the enactment of an antidiscrimination law for persons with disabilities.” She summarizes the enactment, historical transformation and contents of the Act on Employment Promotion of Persons with Disabilities centered on “employment quota system” in which the concept of the quota approach is concretely institutionalized.

Tsuchihashi and Oyama examine the effect of the disability employment levy-grant scheme which is implemented in connection with the employment quota system and the achievement of minimum employment rate from the economic viewpoint. Under Japan’s employment quota system, employers with 56 workers or more should employ persons with intellectual or physical disabilities at least as many as 1.8% of the total employees; upon failing, those with 301 workers or more have to pay a levy of 50,000 yen per person a month for the number short of the quota, or otherwise those who meet the quota receive a grant of 27,000 yen per extra person a month. They demonstrate that it is socially inefficient to uniformly impose an employment quota of rate on all firms due to the fact that different firms have different capacities in employing persons with disabilities depending on their businesses, facilities, or other various factors and, evaluates the current levy-grant system which can be utilized as an instrument that provides each firm with incentives to achieve its optimal employment level. They also introduce “Vickrey auction mechanism” and advocate applying it as a method to determine the levy-grant level to achieve an efficient employment of persons with disabilities.

In order to promote the employment of persons with disabilities, it is necessary to provide information and services so that establishments can positively employ persons with disabilities while increasing the employment rate by implementing legal regulations on the establishments. Yoda introduces results of interview and questionnaire surveys with employers and those in charge of human resources asking what kind of issues on employment of persons with disabilities companies have and what kind of support they need and clarifies that they are concerned about lack of understanding and know-how in sections where persons with disabilities are to be assigned. Then the point is what kind of support is spe-

cifically possible and effective for such companies feeling anxious about it. In this paper, he introduces the Job Coach System as a concrete example of employment support services. Although the visibility of the Job Coach System among companies is not so high according to the survey results, companies which have actually introduced the system recognize the effect. Yoda concludes that employment support services which are profoundly involved in workplaces will prove effective for expanding the competitive employment of persons with disabilities.

Lastly, Inose shows examples that employers' awareness and understanding of persons with disabilities promote the employment of them. This paper analyzes what are characteristics of workplaces where persons with intellectual disabilities can exercise their abilities and work with vigor and enthusiasm based on the cases of several special subsidiary companies. Using some successful cases, he analyzes the way of using persons with intellectual disabilities on the basis of their disability characteristics, organizational operation, acquirement of skills and evaluation methods of their working abilities and then, finds that there are well-defined efforts in the daily business management in which ordinary companies of non-disabled people have never done. With a good understanding of characteristics of persons with disabilities as well as extra care and consideration such as proper work assignment and environmental arrangement, a working environment in which they can exercise their abilities would be achieved.

In order to realize a society where persons with disabilities can live independently, it is necessary to create a mechanism so that they can get jobs and achieve economic independence. To that end, it is important to establish a system to increase the employment rate in companies and establishments, and a legal framework, i.e., Act on Employment Promotion of Persons with Disabilities, has been promoted in Japan. On the other hand, there is concern that persons with disabilities are employed just to meet companies' legally-prescribed minimum employment rate. To realize a true normalization, a proper working environment and support are needed for those with disabilities who are willing to work not only for their economic independence but for satisfaction in their work.

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