Employment of persons with Intellectual disabilities in Japan

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http://www.jc-net.jp/
## Number of persons with disabilities in Japan

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Persons with physical disabilities</td>
<td>3,516,000</td>
<td>65 years old or older account for far more than 60%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Physical disorders, hearing disabilities, speech disabilities, visual disabilities, internal disabilities</td>
</tr>
<tr>
<td>Persons with intellectual disabilities</td>
<td>459,000</td>
<td>Under 18 account for 25%</td>
</tr>
<tr>
<td>Persons with psychiatric disabilities</td>
<td>2,584,000</td>
<td>450,000 with mental disability certificate</td>
</tr>
<tr>
<td>(Total)</td>
<td>6,559,000</td>
<td></td>
</tr>
</tbody>
</table>

With the Japanese population of 126,200,000, the rate of persons with disabilities is 5.2%.

## Estimated breakdown of 18 years or older with intellectual disabilities

<table>
<thead>
<tr>
<th>Classification</th>
<th>Number of persons</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed (in accordance with labor law)</td>
<td>100,000</td>
<td>29.2%</td>
</tr>
<tr>
<td>Working (at welfare institution, etc.)</td>
<td>64,000</td>
<td>18.7%</td>
</tr>
<tr>
<td>Rehabilitation institution, day care services, etc.</td>
<td>31,000</td>
<td>9.1%</td>
</tr>
<tr>
<td>Others (home, hospitalized, not known)</td>
<td>28,000</td>
<td>8.2%</td>
</tr>
<tr>
<td>Residential institution</td>
<td>119,000</td>
<td>34.8%</td>
</tr>
<tr>
<td><strong>(Total)</strong></td>
<td><strong>342,000</strong></td>
<td></td>
</tr>
</tbody>
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Issues concerning employment of persons with intellectual disabilities

◆ Employment

1-1 Increase the number of persons with intellectual disabilities who are employed by enterprises, etc.
1-2 Continuous support for persons with intellectual disabilities who are working for enterprises, etc.

?-? (Establish environments in which it is easy for persons with disabilities to start and manage business)

◆ Job opportunities for persons who have difficulties in employment

2-1 Creation of jobs accompanied by certain wages

?-? (Reorganization by the institutional function instead of the kind of disability)

?-? (Structure to support transitions of life style such as employment, workplace, day care services)

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1-1 Increase the number of persons with intellectual disabilities who are employed by enterprises, etc.
Philosophy of Employment Promotion Act for People with Disabilities

【Constitution of Japan】

Article 27: All people shall have the right and the obligation to work.

【Law for Employment Promotion etc. of Persons with Disability (Employment Promotion Act for People with Disabilities）】

Article 3: Workers with disabilities shall be given opportunities to use their abilities in working as members of the economic society.

Article 4: Workers with disabilities shall be responsible for the duties, voluntarily develop and improve their abilities, and try to be independent professionally.

Article 5: In employing persons with disabilities, all entrepreneurs shall be responsible to cooperate with workers with disabilities in their efforts to be professionally independent based on the philosophy of social association, evaluate their abilities, provide appropriate job opportunities, and implement appropriate employment management to stabilize the employment.

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Outline of Employment Promotion Act for People with Disabilities

Employment obligation system

Enterprises, etc. shall be obliged to employ persons with physical and intellectual disabilities in accordance with the employment rate of persons with disabilities (the legal employment rate of private enterprises is 1.8%).
Concerning persons with mental disabilities with certificate, while there is no employment obligation, their employment can be calculated into the employment rate (constructive employment).
In case that a large enterprise establishes a company that meets a certain requirement to employ persons with disabilities, the performance shall be subject to the employment rate of persons with disabilities of the entire group of enterprises (special subsidiary).

Payment system

Enterprises failing to reach the legal employment rate shall make the payment depending on the lack (¥50,000 per person per month). On the other hand, enterprises exceeding the legal employment rate shall receive the balance depending on the excess (¥27,000 per person per month).
Subsidies are provided to enterprises, etc. which are addressing to employment of persons with disabilities for installation of facilities or assignment of instructors as needed.

Vocational rehabilitation

Job reference of Hello Work (591 locations) taking the status of the person with disability into consideration
Job evaluation, job preparation training, and specialized job rehabilitation such as job coach by National Institute of Vocational Rehabilitation (47 locations)
Integrated support for employment and life by Employment/Life Support Project (110 locations)
Status of the Employment Obligation Scheme

- **Legal employment rate of private enterprises** 1.8%
  - Actual employment rate in 2005 1.49% (0.03% increase from the previous year)
  - Enterprises achieving the legal employment rate 42.1%
  - Rate of persons with mental disabilities 38.5%

- **Legal employment rate in public organizations** 2.1%
  - Actual employment rate in 2005
    - National 2.14%  Prefectural 2.34%  Municipal 2.21%
  - Of those are employed, rate of persons with mental disabilities 0.6%

- Enterprises failing to achieve the employment rate shall receive administrative instructions such as submission of employment plan for persons with disabilities.

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Special Subsidiary System (Japan’s original system)

Minister of Health, Labour and Welfare approves a special subsidiary in accordance with the applicable standards. When approved, the parent company or the entire group can take the employment rate into calculation.

188 special subsidiaries as of March, 2006

Employment of persons with mental disabilities has expanded in the last few years thanks to the special subsidiaries.

- 5 or more persons with disabilities
- 20% or more of the employees are with disabilities
- 30% or more of employees with disabilities are with severe or mental disabilities
- Employment management in accordance with the characteristics of disabilities

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Payment/balance/subsidy system

Company A (1,000 employees)

- 10 persons with disabilities employed (Employment rate of persons with disabilities 1.0%)
- Lacking 8 persons with disabilities

Payment: ¥50,000 x 8 employees = ¥400,000 (M)

Company B (1,000 employees)

- 20 persons with disabilities employed (Employment rate of persons with disabilities 2.0%)
- Legal employment rate 1.8%
- 2 extra on top of legal obligation

Balance: ¥27,000 x 2 employees = ¥54,000 (M)

Company C (10 employees with disabilities)

- Equipments, facilities, etc.
- Job coach, etc.

Subsidy: http://www.jc-net.jp/
The Japanese employment system for persons with disabilities in which private enterprises are required to cooperate socially have expanded job opportunities for persons with mental disabilities in the past few years.

The chart on the right shows the jobs referred to by Hello Work. Persons with mental disabilities only.
The employment rate upon graduation (18 years old) from high school for children with disabilities never stops declining. While 13,000 students graduate, only about 2,500 are employed. Approximately 70% (9,000 or more) are using some kind of welfare institution services each year.
Persons of sheltered work institutions who want to work or who are employed

How many persons want to leave the sheltered work institutions and work for enterprises, etc. each year?

Don’t want to work

How many persons leave the sheltered work institution and work for enterprises, etc. each year?
There are apparently more and more persons with intellectual disabilities who “want to” and “can” work. Review of a structure to help employing more persons (for 2006 and on).

Example of setting a numerical target

- 2,000 persons each year (Institutions) vs. 2,000 persons each year (Enterprises, etc.)

- 8,000 persons each year

2004

2012

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1-2 Continuous support for persons with intellectual disabilities who are working for enterprises, etc.
Concerns of employing enterprises

- Various problems outside of the working hours are also considered to be part of the enterprise’s employment management?
  - Example: Being late for work because the family member is hospitalized and he/she can’t get up in the morning on his/her own.

- The legal retirement age applies to persons with intellectual disabilities (in terms of competence)?
  - Example: After 40, the working capacity decreased to less than 50% compared from start.

- Are there consultation services upon resignation and afterward?
  - Example: Special organizations frequently visit about employment, but there is no one to turn to about employees who are likely to quit.
Necessity of continuous support is now receiving recognition

**Philosophy**

- Period of basic training

**Recent system**

- Period of practical training
- Period of job matching
- Period of follow-up
- Period of continuous support

- A) Contracted training
- B) Group employment training
- C) Trial employment
- D) Job coach
- E) Employment/life support center

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The performance of 3 employment support centers operated by Social Welfare Corporation Denki Kanagawa Welfare Center. 9 employees in total. A higher work performance causes to increase the amount of work.

<table>
<thead>
<tr>
<th></th>
<th>New employees</th>
<th>Resigners within the FY</th>
<th>Staying employees at the FY end</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2002</td>
<td>53</td>
<td>18</td>
<td>238</td>
</tr>
<tr>
<td>FY2003</td>
<td>72</td>
<td>25</td>
<td>287</td>
</tr>
<tr>
<td>FY2004</td>
<td>81</td>
<td>26</td>
<td>341</td>
</tr>
<tr>
<td>FY2005</td>
<td>78</td>
<td>38</td>
<td>381</td>
</tr>
</tbody>
</table>

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### Status of continuous support for employees

#### Job breakdown

<table>
<thead>
<tr>
<th>Job Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cleaning, tree-planing</td>
<td>139</td>
</tr>
<tr>
<td>Cooking, food processing</td>
<td>49</td>
</tr>
<tr>
<td>Enveloping, packaging</td>
<td>37</td>
</tr>
<tr>
<td>Manufacturing, processing</td>
<td>33</td>
</tr>
<tr>
<td>Backyard</td>
<td>28</td>
</tr>
<tr>
<td>Recycling, assistance</td>
<td>27</td>
</tr>
<tr>
<td>Laundry</td>
<td>22</td>
</tr>
<tr>
<td>In-house e-mail</td>
<td>17</td>
</tr>
<tr>
<td>PC, clerical assistance</td>
<td>10</td>
</tr>
<tr>
<td>Sales, waiting</td>
<td>8</td>
</tr>
<tr>
<td>Printing, bookbinding</td>
<td>7</td>
</tr>
<tr>
<td>Logistics, transportation</td>
<td>3</td>
</tr>
<tr>
<td>Others</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>381</strong></td>
</tr>
</tbody>
</table>

#### Disability grade breakdown (certificate)

- Moderate: 42.0%
- Light: 48.3%
- Severe: 6.3%
- Physical disabilities: 2.9%
- Profound: 0.5%

It has become possible for enterprises to consult with many employment support organizations upon employment.

However, although employment support organizations have started reporting the performance of the annual numbers of consultation cases and employment cases, few organizations report about those who are already employed such as the number of support cases or resigners (There are few organizations providing long-term follow-up responsibly).

The necessity of medium-long term support system as well as its labor and special knowledge is an important issue.
2-1 Creation of jobs accompanied by certain wages
Wage of sheltered work institution is not enough to afford a living.

The graph below shows distribution of average hourly wage paid by sheltered work institutions (physical disabilities, mental disabilities and mental disorders).

Wages of sheltered work institutions for intellectual disabilities are expected to be even lower.
Targeted role sharing between sheltered work institutions and enterprises

- Employment contract
- Service contract

Continuous support project
- Employment style
- Non employment style

General enterprises (special subsidiaries)

Minimum wage
- 1/3
- 1/2
- Full wage

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Starting salary of college graduate: ¥186,000 per month

Starting salary of high school graduate

Livelihood subsidies: ¥76,000 per month

Disability basic pension: ¥66,000

Wage: ¥10,000, ¥60,000, ¥90,000, ¥120,000

Sheltered work institutions, etc.

Work 20 hours per week

Work 30 hours per week

Work 40 hours per week

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Wages for persons with intellectual disabilities working at protective workplaces such as sheltered work institutions are very low, and not enough to make an independent living.

The law amendment of this year is intended to classify sheltered work institutions by the function in order to establish institutions offering higher wages.

However, the wage standard of persons with intellectual disabilities working for enterprises, etc. is equivalent only to a starting salary of high school graduate even when working 30 hours per week and combined with disability basic pension. Making institution wages higher would not enable a completely independent living.