Employment measures for Persons with Disabilities

Ministry of Health, Labour and Welfare 2012
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1. The Act for Promotion of Employment of Persons with Disabilities
## The basic principles of the Act

### 1. The principle of normalization

- Normalization refers to the idea of enabling persons with disabilities to participate in various kinds of activities as members of society in the same way as other ordinary citizens.
- Workers with disabilities are given opportunities to make effective use of their abilities in their working lives as members of economic society.

### 2. Efforts to become independent as professionals by persons with disabilities

- In order to realize a society based on the principle of normalization, more than anything, efforts on the part of persons with disabilities to become independent as capable professionals are important.
- Workers with disabilities must be conscious of their responsibility to pursue a career and take initiatives to develop and improve their abilities in order to become independent as capable professionals.

### 3. Responsibilities of employers

- In order to create a society that realizes 1 and 2 above, understanding and cooperation on the part of the general public, in particular, employers, are indispensable.
- Based on the principle of social solidarity, employers have the responsibility to support efforts of persons with disabilities to become independent as capable professionals, properly assess their abilities, offer them appropriate work, and strive to stabilize their employment.

### 4. Responsibilities of the national and local authorities

- The national has the responsibility to develop measures for securing the employment of persons with disabilities, based on the principles stipulated in Art 25 (right to life) and Art 27 (right and obligation to work), etc. of the Constitution of Japan, in a proactive way.
- The national and local authorities must promote necessary measures for promotion of employment and securing the employment of Persons with Disabilities on educational activities for the general public, assistance for employers and persons with disabilities, vocational rehabilitation, etc., in a comprehensive and effective manner.
Outline of the Act for Promotion of Employment of Persons with Disabilities

**Purpose:** To stabilize the employment of persons with disabilities through measures to promote employment with respect to their employment obligations and measures for vocational rehabilitation.

### Measures for Employers

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<th>Employment Obligation System</th>
<th>Oblige employers to employ a certain number of persons with physically or intellectually disabilities equivalent to the employment rate.</th>
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<tbody>
<tr>
<td></td>
<td>Private companies: .................................................................................................................................1.8% (2.0%, starting in April 2013)</td>
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<td>National, local authorities, statutory corporations and others: ........................................................................... 2.1% (2.3%, starting in April 2013)</td>
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<td>Education boards of prefectural and city governments: ....................................................................................... 2.0% (2.2%, starting in April 2013)</td>
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<tr>
<td></td>
<td>*1 An employer of a large company can apply the employment rate for the business group that it belongs to if the company establishes a special subsidiary company meeting certain requirements, such as employing a large number of persons with disabilities.</td>
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<td></td>
<td>*2 As for certified mentally persons with disabilities, an employer does not have the obligation to employ them, but can add the number of these employees in calculating the company's overall actual employment rate.</td>
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<th>The Levy System</th>
<th>Adjustment for the economic burden incurred by employing persons with disabilities</th>
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<td>○ Disabled employment levy (For employers who do not reach the required employment rate)</td>
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<td>Per person less than the required number: Levy of 50,000 yen per month (Eligibility for companies with more than 200 regular workers)</td>
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<td>○ Disabled employment adjustment (For employers who have reached the employment rate)</td>
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<tr>
<td></td>
<td>Per person in excess of the required number: Allowance of 27,000 yen per month (Eligibility for companies with more than 200 regular workers)</td>
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<tr>
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<td>*1 From April 2015, employers employing more than 100 workers will become eligible for the employment levy system.</td>
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<td></td>
<td>*2 A reward system applies to employers employing 200 or fewer workers (100 or fewer workers from April 2015).</td>
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<td>(If an employer employs four percent or six persons with disabilities who are regular workers (whichever is greater), the employer will receive 21,000 yen per person per month.)</td>
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<td>• In addition, there are special systems for the adjustment allowance and rewards for employers who order jobs to persons with disabilities engaged in home-based work.</td>
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<td>(This is through the support system for home-based work by persons with disabilities.)</td>
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<th>Various subsidies</th>
<th>Provide subsidies for provision of workplace facilities for the purpose of employment of persons with disabilities and allocation of workplace attendants.</th>
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<tr>
<td></td>
<td>• Grants for the provision of workplace facilities, etc. for persons with disabilities</td>
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<td></td>
<td>• Grants for workplace attendants, etc. for persons with disabilities</td>
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### Measures for Persons with Disabilities

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<th>Implementation of Vocational Rehabilitation</th>
<th>Relevant job assistance organizations in local communities support persons with disabilities’ independence in work. This support service should be promoted through integrated coordination with welfare policies.</th>
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<td>○ 545 Public Employment Security Offices (PESOs) (“Hello Works”) throughout the country</td>
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<td></td>
<td>Job placement, occupational guidance, and development of job offers, etc. in accordance with the individual’s situation</td>
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<td></td>
<td>○ 47 Regional Vocational Rehabilitation centers for Persons with Disabilities throughout the country</td>
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<td></td>
<td>Professional vocational rehabilitation services, such as work assessment, readiness training, and job coaching.</td>
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<td></td>
<td>○ 316 Employment and Livelihood Support Centers for Persons with Disabilities throughout the country</td>
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<td></td>
<td>Counseling and support services for work and life</td>
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</table>
① Outline of the Employment Rate System for Persons with Disabilities

The system shall give persons with physical/intellectual disabilities with the same level of regular employment opportunity as that of general employees. It sets a certain employment rate of persons with disabilities to the number of regular workers (designated employment rate of persons with disabilities), and guarantees the rate by obligating employers to achieve the rate.

○ Standard for setting employment rate in general private companies

Designated employment rate of persons with physical/intellectual disabilities = \[
\frac{\text{Number of regular workers with physical/intellectual disabilities} + \text{Number of unemployed persons with physical/intellectual disabilities}}{\text{Number of regular workers} + \text{Number of unemployed workers}}\]

* One part-time worker is counted as 0.5 person.
* One full-time worker with severe physical/intellectual disabilities is counted as 2 persons. One part-time worker with severe physical/intellectual disabilities is counted as one person.
* Persons with mental disabilities are not covered by the obligation, but allowed to be counted as the person with disabilities when calculating the actual employment rate of each company.

○ Designated employment rates of persons with disabilities in statutory corporations, national and local authorities

They shall not be below the employment rate of persons with disabilities in general private companies.

(Reference) Current designated employment rate of persons with disabilities
(Figures in parentheses will be enforced from April 1, 2013)

<Private companies>  <National and local authorities>
General private companies: 1.8%(2.0%)  National and local authorities: 2.1%(2.3%)
Statutory corporations, etc.: 2.1%(2.3%)  Education board of prefectures, etc.: 2.0%(2.2%)
Employers with low actual employment rate are given guidance to achieve the legal employment rate in the following way. Employment of persons with disabilities is promoted through steady implementation of the hiring plan.

- **Report of employment status (as of June 1 every year)**
- **Order for developing a hiring plan (2-year plan)**
- **Recommendation of appropriate implementation of the hiring plan**
- **Special guidance**
- **Announcement of company name**

*The PESO chiefs order to make the 2-year hiring plan starting January next year (Article 46-1 of the above Act)*

*Companies with low achievement are given recommendation to implement the hiring plan appropriately (at the end of the first year of the plan) (Article 46-6 of the above Act)*

*Companies that go especially behind the improvement schedule in terms of employment are given special guidance on the premise of announcement (for 9 months after the plan completion)*

*(Article 47 of the above Act)*

By collecting levies from companies that failed to satisfy the legal employment rate (those with more than 200 regular workers), the system provides companies that satisfied the legal employment rate, etc. with adjustment allowance, rewards, and other grants.

Companies that satisfied the legal employment rate
- Providing adjustment allowance
  - [¥27,000/month per person in excess]

Companies that failed to satisfy the legal employment rate
- Collection of levy
  - [¥50,000/month per person in deficiency]

Number corresponding to the Legal Employment Rate (*)
- Actual Number of workers with disabilities

Companies unsatisfying legal rate
- Collecting levy

Companies satisfying legal rate
- Providing adjustment allowance

Others
- Providing rewards
  - (Small/medium-sized enterprises with 200 workers or less)
    - [¥21,000/month per person in excess]
- Providing grants
  - (for facilities, etc.)

*1: The legal employment rate was set based on the ratio of the total number of workers and unemployed persons with physical/intellectual disabilities to the total number of workers and unemployed persons.
Subsidies based on the Disabled Employment Levy System

Subsidies when installing or developing facilities that are designed for persons with disabilities to work easily

- **Grants for the provision of workplace facilities, etc. for persons with disabilities**
  This grant is paid to the employer (to a maximum of 4.5 million yen per disabled person for the construction of a workplace facility) who builds, remodels, or leases a workplace facility, etc. (remodeled to suit the working ability of persons with intellectual disabilities, etc. or equipped with safety devices) in which persons with disabilities are able to work easily.

- **Grants for the installation of welfare facilities, etc. for persons with disabilities**
  A grant is paid to the employer who develops employee service facilities, such as health care or food service facilities that are designed for persons with disabilities, in order to improve welfare of disabled workers. (to a maximum of 2.25 million yen per disabled person)

Subsidies when placing people who can assist persons with disabilities

- **Grants for workplace attendants, etc. for persons with disabilities**
  A grant is paid to the employer who places or commissions necessary assistants for appropriate employment management (150,000 yen/month per commissioned vocational consultant)

Subsidies when providing assistance by job coaches

- **Grants for providing job coaches for persons with disabilities**
  A grant is paid when the employer provides persons with disabilities with a support program by job coaches (welfare facility type) and places a job coach who offers necessary assistance to employ disabled workers (company type) (14,200 yen daily (in the case of welfare facility type)

Subsidies when arrangements are made for commuting persons with disabilities

- **Grants for commuting persons with severe disabilities**
  A grant is paid to the employer who takes measures for easy commuting for persons with disabilities (2,000 yen per commissioned commuting attendant each time)

Subsidies when providing programs to develop skills of persons with disabilities

- **Grants for skills development for persons with disabilities**
  This grant is paid to the employer, etc. that provides persons with disabilities with vocational training programs to develop and improve necessary work skills (to a maximum of 200 million yen in the case of the installation of facilities, etc.)
Outline of System for Vocational Rehabilitation

Vocational rehabilitation services such as occupational guidance and job offers, considering each disabled person’s characteristics should be conducted in partnership with the relevant organizations in the medical, health, welfare, and educational sectors.

1. **Public Employment Security Office (Hello Work)** [545 offices]
   When registering persons with disabilities who want to go to work, professional staff and vocational counselors provide them with job consultations, employment placement, and guidance to find regular work through casework in accordance with the type and degree of their disabilities. The registration system will be consistently used even after the registrants find a job.

2. **Vocation Support Center for Persons with Disabilities**
   - National Institute of Vocational Rehabilitation [1 center]
     This business conducts research and development on advanced techniques for vocational rehabilitation, and the training of professional personnel.
   - Regional Vocational Center for Persons with Disabilities [2 centers]
     These centers provide systematic vocational rehabilitation in close cooperation with vocational schools for persons with disabilities, medical institutions, etc.
   - Local Vocational Center for Persons with Disabilities of each Prefecture
     The centers provide persons with disabilities with professional vocational rehabilitation, such as vocational assessment, guidance, training, and support services to adapt to the workplace. For employers, the centers give advice on employment management.

3. **Employment and Livelihood Support Center for Persons with Disabilities**
   (Managed by social welfare corporations, non-profit organizations and others designated by the prefectural governors.) [316 centers]
   The centers provide persons with disabilities with comprehensive counseling on their work and lives as an accessible base for organizations concerned with the employment, health and welfare, educational and other sectors.
2 The Status of the Employment of Persons with Disabilities
**Employment Status of Persons with Disabilities**

*<Number of the persons with disabilities (1,000 persons)>*

- Mentally disabled
- Intellectually disabled
- Physically disabled
- Actual employment rate
- Legal Employment
  - Rate 1.5%
  - Rate 1.6%
  - Rate 1.8%
- Legal Employment

(Notes 1) Figures show the total number of employees in companies that have 56 or more employees and are obliged to employ persons with disabilities. *From 1977 to 1987, 67 or more persons; From 1988 to 1998, 63 or more persons.*

- Full-time workers with physical, intellectual disabilities, or mental disabilities, or part-time workers with severe physical or intellectual disabilities: counted once.
- Full-time workers with severe physical or intellectual disabilities: counted twice.
- Part-time workers with non-severe physical/intellectual disabilities, or with mental disabilities: counted half.

(Notes 2) Persons with disabilities are referred to as the total of the number of following persons.

Till 1987: Physically disabled (persons with severe physical disabilities are counted twice)
1988 1992: Physically disabled (persons with severe physical disabilities are counted twice), Persons with intellectual disabilities
1993-2005: Physically disabled (persons with severe physical disabilities are counted twice), Persons with intellectual disabilities (persons with severe intellectual disabilities are counted twice), Part-time workers with severe physical disabilities, Part-time workers with severe intellectual disabilities
From 2006: Physically disabled (persons with severe physical disabilities are counted twice), Intellectually disabled (persons with severe intellectual disabilities are counted twice), Mentally disabled, Part-time workers with physical/intellectual or mental disabilities (part-timer workers with non-severe physical/intellectual disabilities, or with mental disabilities are counted half)

From 2011: Physically disabled (persons with severe physical disabilities are counted twice), Intellectually disabled (persons with severe intellectual disabilities are counted twice), Mentally disabled, Part-time workers with physical/intellectual or mental disabilities (part-timer workers with non-severe physical/intellectual disabilities, or with mental disabilities are counted half)
Legal employment rate has been achieved among actual employment rate of companies with 1,000 or more employees (1.90%).

Efforts by Small and medium-sized enterprises have been lagging behind.
The number of persons with disabilities who have got employed and persons newly searching jobs in FY2011 have increased again from the previous year. Especially, the number of persons with disabilities who have got employed recorded an all-time high of approx. 60,000.