

# Japan Country Profile

**March 2003**

## **Employment of People with Disabilities: The Impact of Legislation (Asia and the Pacific)**

*Prepared by the ILO InFocus Programme on  
Skills, Knowledge and Employability  
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## 1. INTRODUCTION

Many countries throughout the world have, in recent years, adopted policies aiming to promote the rights of people with disabilities to full and equal participation in society. This has often been in response to the ILO Convention No. 159 concerning Vocational Rehabilitation and Employment of Disabled Persons (1983) policy on employment opportunities for people with disabilities is frequently supported by legislation and implementation strategies as essential tools to promote integration and social inclusion.

Countries in Asia and Pacific have made considerable progress in introducing legislation concerning the equalisation of opportunities for persons with disabilities, particularly during the Asian and Pacific Decade of Disabled Persons 1993-2002. Many of these laws have yet to be effectively implemented, however. The Biwako Millennium Framework for Action toward an Inclusive, Barrier-Free and Rights-Based Society for Persons with Disabilities in Asia and the Pacific refers to this in identifying critical issues to be tackled in the second decade which will span the period 2003 – 2012:

‘The challenge of integrating and including persons with disabilities in the economic mainstream has not been met. Despite international standards and the implementation of exemplary training and employment legislation, policies and practices in some countries, persons with disabilities, and especially women, youth and those in rural areas, remain disproportionately undereducated, untrained, unemployed, underemployed and poor.’

The question of the effectiveness of laws in improving employment opportunities for disabled persons – whether they are vocational rehabilitation laws, quota legislation anti-discrimination or employment equity legislation - is central, not only in terms of the economic rights of disabled people, but also to their broader social and political rights, which are closely linked to economic empowerment.

This country study for Japan is part of the ILO project ‘Employment of People with Disabilities – the Impact of Legislation’ which aims to enhance the capacity of national governments in selected countries of Asia and East Africa to implement effective legislation concerning the employment of people with disabilities. Starting with a systematic examination of laws in place to promote employment and training opportunities for people with disabilities in selected countries of Asia and the Pacific (Australia, Cambodia, China, Fiji, Japan, India, Mongolia, Sri Lanka and Thailand), the project sets out to examine the operation of such legislation, identify the implementation mechanisms in place and suggest improvements. Technical assistance is provided to selected national governments in implementing necessary improvements.

The country study outlines the main provisions of the laws in place in Japan concerning the employment of people with disabilities. A brief review of the implementation of the legislation is also provided, insofar as this was possible, based on a survey of documentary sources, a study by an in-country consultant and feedback from Japanese delegates to a Project Consultation held in Bangkok, 17 January 2003. It may be read in conjunction with the regional overview prepared for this Consultation ‘*Employment of People with Disabilities – the Impact of Legislation (Asia and the Pacific). Project Consultation Report, Bangkok 17 January*’, ILO 2003.



## 2. CONTEXT

Japan is a constitutional democracy with a Symbol Emperor System. After dictatorship by the military was abandoned through the defeat of World War II, a parliamentary democracy was restored. Post-war Japan, rapidly recovered from the damage of the war to improve its economy at an astonishing pace, chose to live by the national principles of peace and democracy. These two national principles were drivers of social and economical development of Japan and its better services for people with disabilities.

With a population of 126,771,662<sup>1</sup>, Japan is ranked 9 out of 173 on the Human Development Index (HDI) according to the UNDP Human Development Report of 2002. Four key indicators used to calculate the HDI, longevity, educational attainment, standard of living and adult literacy rate show the following:

- Longevity, measured as life expectancy at birth, was 77.4 years for men and 84.4 years for women.
- Educational Attainment, measured as gross enrolment ratio was 83 per cent for men and 81 per cent for women.<sup>2</sup>
- Standard of Living, measured as annual per capita GDP, was US\$ 26,753 in 2002.
- Adult Literacy rate was 99 per cent for men and women.

With a labour force of 67.7 million<sup>3</sup> in December 2000, Japan has enjoyed a low unemployment rate (1.2 per cent) for a long time in comparison to other industrialized countries.<sup>4</sup> In recent years the unemployment rate has risen and stood at 5 per cent in 2001.<sup>5</sup> The majority of the labour force (65 per cent) is employed and the service sector, around a third (30 per cent) in industry and 5 per cent in agriculture.<sup>6</sup>

### *2.1 People with disabilities*<sup>7</sup>

Generally, people with disabilities in Japan are classified into three categories “physically disabled” (including hearing & speech disabilities, and visual disabilities), “intellectually disabled”, and “mentally disabled”.

The current Ministry of Health, Labour and Welfare carries out stratified sample surveys on the three major disability categories every 5 years.

- The Ministry of Health and Welfare (now Ministry of Health, Labour and Welfare) have been conducting stratified sample surveys concerning persons (adult/children) with physical disabilities living at home every 5 years since 1951.
- Stratified sample surveys concerning persons (adults/children) with intellectual disabilities living at home have been carried out since 1990.

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<sup>1</sup> World Fact Book, Japan, July 2001

<sup>2</sup> Ministry of Education, Culture, Sports, Science & Technology have issued Official Statistics on Education. These indicate that the School Enrolment and Advancement Rate was 95.9 per cent and the University and Junior College Advancement Rate was 23.2 per cent for the year 2000.

<sup>3</sup>Ibid.

<sup>4</sup> Statistics Bureau and Statistics Centre, Ministry of Health, Labour and Welfare.

<sup>5</sup>Ibid

<sup>6</sup>Ibid.

<sup>7</sup> The statistics below are from the Japan Labour Bulletin, May 1, 1998 The Quota System for Hiring the Disabled

- The Ministry is very careful in conducting a general survey concerning persons with mental disabilities in order to protect the persons with mental disabilities from the prejudice in the society.

A general survey has not been carried out. An estimation is used for persons with mental disabilities as shown in Table 1. The total number of persons with disabilities is estimated to be about 5.6 million.

**Table 1. Number of Persons with Disabilities in Japan**  
Unit: 10,000 persons

	Total	Living at home	Living in institution
<b>Physical disability</b>			
Total	317.7	301.5	16.2
Below 18 years	9.0	8.2	0.8
18 years and over	308.7	293.3	15.4
<b>Intellectual disability</b>			
Total	41.3	29.7	11.6
Below 18 years	9.6	8.6	1.1
18 years and over	30.1	19.5	10.5
age unknown	1.6	1.6	0
Mental disability	204.1	170.1	34

Source: Cabinet Office Annual Report on Government Measures for Persons with Disabilities (White Paper on Persons with Disabilities)

Notes:

- (1) Data were acquired from various surveys by Ministry of Health, Labour and Welfare;
- (2) Persons with physical disabilities living at home; Basic Survey of Actual Status of Physically Disabled Persons 1996.
- (3) Persons with intellectual disabilities living at home; Basic Survey of Actual Status of Intellectually Disabled Persons 1995.
- (4) Persons with physical disabilities and persons with intellectual disabilities living in institutions; Survey of Social Welfare Facilities 1996.
- (5) Mental disability; estimation by Ministry of Health, Labour and Welfare, 1999

The results of surveys conducted by the Ministry of Health and Welfare (now the Ministry of Health, Labour and Welfare, hereafter (MHLW)) published in the White Paper on Persons with Disabilities 2001 (Cabinet Office, 2001), indicated there were 3,177,000 physically disabled persons in 1996 and 413,000 intellectually disabled persons in 1995. The same ministry indicated the number of mentally disabled persons in 1999 was 2,041,000. The total number of persons with disabilities was estimated to be approximately 5.6 millions.

The main legal instruments concerning the employment and training of people with disabilities in Japan are:

- Disabled Persons' Fundamental Law (Law No. 84 1970) 1993
- Law for Employment Promotion, etc. of the Disabled (Law No. 123, 1960)
- Law No. 132 Respecting Manpower Organisation, 1966
- Employment Countermeasures Law (Law No.132, 1966)
- Human Resources Development Promotion Law (Law No. 64 1969)

### 3. LEGISLATIVE FRAMEWORK

#### 3.1 *The Constitution of Japan, 1946*

The Constitution of Japan (1946) proclaims the equality of the whole population, including persons with disabilities. Article 14 describes “all of the people are equal under the law and there shall be no discrimination in political, economic or social relations because of race, creed, sex, social status or family origin.” The constitution is interpreted as the legal foundation to pursue the rights of people with disabilities and to fight against segregation. Article 27 covers the right and obligations to work.

Article 11 also describes fundamental human rights,  
Article 12 discusses prohibits abuse of freedom and rights,  
Article 13 covers respect of individuals,  
Article 25 the right of maintaining the minimum standard of life,  
Article 26 for the rights and obligation of education; and  
Article 27 for the right and obligation to work.

Various other laws such as the School Education Law (1947, Law No.26) and the Labour Standard Act (1947, Law No.49) express the equality of rights and abolishment of segregating practices.

There have been discussions and movement towards the establishment of anti-discrimination legislation specifically for people with disabilities in the past several years. Diet members including both in-party members and out-party members, who are opposing on other political issues, have been participating and they initiated amendments of currently enacted laws.

#### 3.2 *Laws*

##### 3.2.1 **Disabled Persons’ Fundamental Law (Law No. 84 1970) 1993**

The objectives of the Disabled Persons’ Fundamental Law are, firstly to establish the fundamental principles to be considered when enacting measures for people with disabilities, and to designate the responsibilities of the State and local public entities in this regard. Secondly, to clarify the basis of these measures, “...in order to comprehensively and systematically promote measures for disabled persons and thereby to promote the independence of disabled persons and their full participation in social, economic, cultural and other area of and activity.”<sup>8</sup>

###### 3.2.1.1 *Definition of Disabled Persons*

"Disabled persons" is defined as referring to “...persons whose daily life or life in society is substantially limited over the long term due to a physical disability, mental retardation or mental disability (hereinafter referred to as "disability/ies").”<sup>9</sup>

The Fundamental Law states the “...dignity of all disabled persons shall be respected...” and all disabled persons shall have the right to be treated, “...as members of society, be provided with opportunities to fully participate in social, economic, cultural...” activities.<sup>10</sup>

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<sup>8</sup> Disabled Persons’ Fundamental Law (Law No. 84 1970) 1993, Article 1

<sup>9</sup> Ibid Article 2

<sup>10</sup> Ibid Article 3

### 3.2.1.2 Summary of Employment Related Provisions

This Act states that measures will be taken “...in order to enable disabled persons to engage in appropriate occupations according to their abilities with due consideration for the type and severity of their disability...” by the State and local public entities. These services will include vocational guidance, vocational training and employment referral.<sup>11</sup> In addition, study and research concerning the types and areas of occupations which are suited for disabled persons will be promoted.<sup>12</sup>

Further measures will be taken, by the State and local public entities, to ensure people with disabilities are given “...priority in employment in the types and areas of occupations, which are suited for them...”<sup>13</sup> Employers are obliged by virtue of this fundamental law on the basis of the principle of solidarity “...to properly [evaluate disabled persons] abilities, [provide] suitable places of employment and [conduct] proper employment management.”<sup>14</sup> The State and local public entities shall take measures “...to reduce the economic burden on employers hiring disabled persons, and to promote their hiring and continued employment...” by supplying “...grants to defray to improve facilities or equipment for employing disabled persons.”<sup>15</sup>

### 3.2.2 Law for Employment Promotion, etc. of the Disabled (Law No. 123, 1960)

This Law established an employment quota for physically disabled persons. Premised upon the principle of social solidarity “...all employers are persons with a public duty to provide appropriate places of work...and shall actively endeavour to hire the physically [and intellectually] disabled...”<sup>16</sup> An amendment in 1997, extended the application of this law to intellectually disabled persons as well as physically disabled persons. The law states particularly “workers who are disabled shall be given the opportunity to utilize their abilities in vocational life as workers who are members of the economy and society.”<sup>17</sup> Such workers will also “...strive to achieve self-support as capable workers by achieving an awareness of themselves as persons engaged in work and by personally striving to develop and improve their own abilities.”<sup>18</sup> Since the 1997 revision “the quota rate for physically disabled persons” is to be replaced with “the quota rate of disabled persons” including intellectually disabled persons as well as physically disabled persons effective.<sup>19</sup> Cabinet Orders prescribes the employment quota rate for disabled persons.<sup>20</sup>

The Law’s objective is to take comprehensive measures for the promotion of employment “...based on the obligation for employment of the physically [and intellectually] disabled...”<sup>21</sup>. These measures include vocational rehabilitation “...and other measures for promoting self-support in vocational life through the placement of disabled in occupations

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<sup>11</sup> Ibid Article 14.1

<sup>12</sup> Ibid Article 14.2

<sup>13</sup> Disabled Persons’ Fundamental Law (Law No. 84 1970) 1993, Article 15.1

<sup>14</sup> Ibid Article 15.2

<sup>15</sup> Ibid Article 15.3

<sup>16</sup> Ibid Article 10

<sup>17</sup> Ibid Article 2.2

<sup>18</sup> Ibid Article 2.3

<sup>19</sup> 140<sup>th</sup> Ordinary Session of the Diet, a partial revision of “Law for Employment Promotion etc of the Disabled” was approved (Promulgated 8 April 1997; Effective 1 July 1998)

<sup>20</sup> Ibid Article 14.2, Article 11 describes the procedure for enumerating the number of people with disabilities working in a particular organisation and whether the number is within the quota.

<sup>21</sup> Law for Employment Promotion, etc., of the Disabled (Law No. 123, 1960) Article 1

suited to their abilities, and thereby to contribute to the occupational stability of the disabled.”<sup>22</sup>

#### *3.2.2.1 Definition of disabled persons*

The definitions of disabled persons in this Law focuses specifically on occupation and employment. The Law defines: "the disabled' [as meaning] those who, because of physical and/or mental impairment, are subject to considerable restriction in their vocational life, or who have great difficulty in leading a vocational life, over a long period of time." This Law shall apply to persons of any disability meeting this requirement, regardless of the type of disability.<sup>23</sup>

#### *3.2.2.2 Summary of employment-related provisions*

Policies<sup>24</sup> to establish measures to promote the employment of disabled include the scrutiny of trends among the working disabled; the consideration of policies required to implement measures regarding vocational rehabilitation; policies necessary to promote appropriate employment management on the part of employers in accordance with the type and extent of a disabled employee's disability and measures designed to promote the employment of the disabled and achieve vocational stability.

#### *3.2.2.3 Vocational rehabilitation*

With regard to the measures to be taken for vocational rehabilitation “...such conditions as the type and degree of disability and the desires, aptitude and vocational experience of each disabled person...” shall be considered.<sup>25</sup> Vocational rehabilitation measures shall be coordinated with measures for medical rehabilitation and social rehabilitation.<sup>26</sup>

#### *3.2.2.4 Employment placement*

The law endows the Public Employment Security Offices to promote the employment of disabled persons through gathering information on disabled persons seeking jobs, provide information to employers and encourage employers to employ disabled persons and seek to expand openings suited to the abilities of the disabled.<sup>27</sup>

#### *3.2.2.5 Vocational centres for disabled persons*

The National Institute of Vocational Rehabilitation, Large Region Vocational Centres for Disabled Persons and Local Vocational Centres for the disabled are to be established with the purpose of promoting self-support in vocational life for disabled persons.<sup>28</sup>

This Act also established the Japan Association for the employment of the Disabled<sup>29</sup> and Disabled Persons Employment Deliberative Council.<sup>30</sup>

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<sup>22</sup>Ibid.

<sup>23</sup> Ibid Article 2

<sup>24</sup> Ibid Article 2-6

<sup>25</sup> Ibid Article 3

<sup>26</sup> Ibid

<sup>27</sup> Ibid Article 3-2

<sup>28</sup> Ibid Article 9

<sup>29</sup> Ibid Article 40

<sup>30</sup> Ibid Article 72

### **3.2.3 Employment Countermeasures Law (Law No. 132, 1966)**

The law provides measures to improve vocational training for people with disabilities including vocational training facilities, improvement of the content of training programmes<sup>31</sup> and the quality of the training of guidance workers<sup>32</sup>. In addition, the law provides for allowances for adjustment training and a training allowance for employers.<sup>33</sup> One further counter measure is the provision of employment placement assistance.

### **3.2.4 Human Resources Development Promotion Law (Law No.64) 1969**

In accordance with Article 5 of this law the Minister of Labour (now MHLW) is obliged to work out basic plans for the development of vocational abilities. With regard particularly to people with disabilities Article 15-6 of the law propounds the establishment of vocational ability development schools (“human resources development facilities” “vocational ability development facility/center” “vocational skills development center” are also used interchangeably for this facility) for disabled persons.<sup>34</sup>

### **3.2.5 Other laws**

Other laws which also have an impact upon the employment of people with disabilities include the Law concerning Mental Health and Welfare for the Mentally Disabled Persons (Law No.123, 1950) 1995, the Law for the Welfare of Physically Disabled Persons (Law No. 283, 1949), the Law for the Welfare of Intellectually Disabled Persons (Law No.37, 1960), the Law for Promoting Businesses that Facilitate the Use of Communications and Broadcast Services by the Physically Disabled (Law No.54 1993), the Law for Buildings Accessible and Usable for the Elderly and Physically Disabled (Law No. 44 1994) and the Law for Promotion of Research, Development and Distribution of Technical Aids and Equipments (Law No.38, 1993)

### **3.2.6 Discriminatory laws**

There are laws and regulations on licensures that exclude persons with disabilities from participation. Rationality of the exclusions has been reviewed and laws have been amended in order to introduce participation of people with disabilities. A total of 36 laws pertaining to specific kinds of licenses from a car license and a license of nutritionist to a license of a dentist or a medical engineer or even a license for a prosthetist or orthotist were all amended to remove unconditional disqualification based on disability. Another 17 laws retained some disqualification but these could not be based solely on a disability, but must be performance based. A few examples are a license to open a pharmacy, and a license to carry out research on poison. Just 6 laws did not include disqualification based on disability but had new clauses added after this review which specified which actions could be excluded. The Headquarters for Promoting Welfare of Disabled Persons decided to review disqualification regulations due to disabilities from the point of normalization in 1999. By this decision, ministries and agencies carried out review of laws and regulations on licensures. Regulations which did not have appropriate grounds were abandoned, and criteria on disqualification were clarified when the regulations were necessary. After revision of various laws, a comprehensive law to amend disqualification articles on persons with disabilities in the laws was enacted (see table 2). The Law for Improvement and Adjustment of related Laws in order to correct disqualification

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<sup>31</sup> Employment Countermeasures Law (Law No. 132, 1966) Article 16

<sup>32</sup> Ibid

<sup>33</sup> Ibid Article 18

<sup>34</sup> ILO Country Report on the application of the vocational rehabilitation and employment (disabled persons) Convention 159, December 1994

regulations on persons with disabilities. (2002, Law No. 43) is comprehensive and covers all the related laws.

### ***3.3 International commitments***

The Law for Employment Promotion etc. of Physically Disabled Persons (Law No.123, renamed the Law for Employment Promotion of Persons with Disabilities in 1987, hereafter “Employment Promotion Law”) was enacted in 1960 respecting the Vocational Rehabilitation (Disabled) Recommendation (ILO Recommendation No.99, 1955). Thereafter, the ILO Convention No.159 was ratified on 12 June 1992. Laws have been amended to improve conditions of people with disabilities while improving domestic systems to support people with disabilities. Japan was one of cosponsors of the Asia Pacific Decade Declaration which was signed on 22 April 1993. Numerous laws which improve condition of people with disabilities were enacted during the decade. Japan was also a key sponsor of the Biwako Millennium Framework for Action towards an Inclusive, Barrier-Free and Rights-Based Society for Persons with Disabilities in Asia and the Pacific, which will guide activities during a Second Decade of Disabled Persons 2003-2012.



## **4. IMPLEMENTATION**

### ***4.1 Institutional framework***

The Ministry of Health, Labour and Welfare (formerly the Ministry of Labour) is the main government department concerned with the employment of people with disabilities. The Ministry is particularly concerned with open employment. Sheltered employment was primarily the responsibility of the Ministry of Health and Social Welfare. As the two ministries were unified in 2001, both open employment and sheltered employment are now administered by the MHLW. The Japan Association for Employment of the Disabled (established by the Law for Employment Promotion etc. of the Disabled (Law No. 123, 1960)) also plays a central role in this area.

#### **4.1.1 Ministry of Health Labour and Welfare (MHLW)**

Since 1948 the Ministry of Labour (now the MHLW) in conjunction with the Japan Association for Employment of the Disabled has organised a Vocational Rehabilitation Week for Physically Disabled Persons each September. This has recently been succeeded by the Month for the Promotion of Employment for Disabled Persons.<sup>35</sup> This month is part of a campaign to increase public understanding and interest in hiring disabled persons by the government, local authorities.

The MHLW is required by the Law<sup>36</sup> to formulate policies to strengthen measures for the employment promotion and employment stability of disabled persons (Fundamental Policies for Employment Measures)<sup>37</sup> and to make its summary open to the public.<sup>38</sup> The implementation structure is comprised of three basic measures, the quota system (setting, guidance and attainment), the levy and grant system and the placement system for persons with disabilities. (See Section 4.5 below)

#### **4.1.2 Japan Association for Employment of the Disabled (JAED)**

This organisation is semi-governmental comprising of employers and employers' organizations, falling under the remit of the MHLW. Priority is given to the following six areas: (i) support for enhancing the employability of persons with disabilities, (ii) positive development of support related to the acceptance, employment and vocational stability of persons with disabilities, (iii) promotion of the links between employment policy and medical care and welfare policy, (iv) PR and application of the levy and grant system for employing persons with disabilities, (v) development of effective education and information services, and (vi) improvement of the basic framework for promoting the employment of persons with disabilities.

The Association also runs a number of centres<sup>39</sup> including the National Institute of Vocational Rehabilitation (NIVR), Vocational Centres for Disabled People, Vocational Skill

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<sup>35</sup> Paper: On the issues of employment for persons with disabilities in Japan- present and future by Hideki Sakamoto Director, Japanese Federation of Organisations of the Disabled

<sup>36</sup> Law for Employment Promotion, etc., of the Disabled (Law No. 123, 1960)

<sup>37</sup> Law for Employment Promotion of the Disabled (Law No. 123, 1960) Article 2-6

<sup>38</sup> Employment and its Promotion of Disabled People in Japan, A guide to employment for employers and disabled people, 1997 Edition, Produced by the Ministry of Labour and Japan Association of the Disabled.

<sup>39</sup> Information regarding these centres from the Employment and its Promotion of Disabled People in Japan, A guide to employment for employers and disabled people, 1997 Edition, Produced by the Ministry of Labour and Japan Association of the Disabled.

Development Centres and Information Centres for the Employment of Disabled Persons. In addition, the Association cooperates with Employment Support Centers for Disabled Persons.

### **4.1.3 Social partners**

The Kanagawa Chapter of the Japanese Electrical Electronic and Information Union and the All Japan Prefectural and Municipal Workers' Union, and the Japan Federation of Employers' Association (NIKKEIREN) are actively involved in promoting employment opportunities for people with disabilities.

## **4.2 Policy**

### **4.2.1 Government**

The Office of the Prime Minister (now the Cabinet Office) has produced a White Paper on Disabled Persons every year from 1994.<sup>40</sup> The 1998-2002 policies of the MHLW<sup>41</sup> states the need "...to realize the concept of normalization, which includes social independence of the disabled..." and "...their full participation by working...".<sup>41</sup> In this regard, the main aim is the improvement of measures for persons with severe disabilities thereby taking into account the gradation of severity of disabilities and the aging of disabled persons.

### **4.2.2 Policies and programmes of workers' organizations**

The All Japan Prefectural and Municipal Workers' Union (JICHIRO) is one of the workers organisations in Japan which is creating an impact upon the employment of people with disabilities. In this regard, it is campaigning for unrestricted equality for people with disabilities. (At present there are numerous "disqualification clauses" that prevent people with disabilities from working in particular jobs... JICHIRO is pursuing the campaign jointly with a group representing people with disabilities.)

Kanagawa Chapter of Japanese Electrical Electronic and Information Union (JEIU: Denki Rengo in Japanese) organizes Denki Kanagawa Center for Community Welfare. The center supports employment of people with intellectual disabilities and provides day-care for elderly persons. The center offers programs: hiring human service professionals, supporting various community activities for persons with disabilities, and planning and managing volunteer activities aiming to promote the interaction between people with disabilities and union workers. <<http://www.denkikanagawa.or.jp/english/>>

### **4.2.3 Policies and programmes of employers' organisations**

The Japan Federation of Employers' Associations (NIKKEIREN), an influential organization of well-known industries, is active in promoting employment opportunities for people with disabilities.

In 1999, in collaboration with the government, NIKKEIREN initiated the Emergency Vocational Stability Project for Disabled Persons, to provide opportunities to people with disabilities laid in the economic setback following the Asian Financial Crisis.

The NIKKEIREN established Emergency Employment Support Center for people with disabilities registered at Public Employment Security Office for jobs and assigned

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<sup>40</sup> No further information.

<sup>41</sup> Paper: On the issues of employment for persons with disabilities in Japan- present and future by Hideki Sakamoto Director, Japanese Federation of Organisations of the Disabled

coordinators from the staff of the federation. The support center collaborated with the Ministry of Labour and JAED and collected applicants of internship program from the unemployed people with disabilities. The support center asked member companies, specifically targeting the companies who had no experiences to work with people with disabilities, to participate the project. One month long internship was offered for the applicants. During the internship, an employer was paid 23,900 yen per intern and an intern was paid 116,700 yen. After the internship, interns were transferred to so called “Trial Employment” for less than 3 months. During the trial employment, an employer received 59,000 yen per worker. Local Vocational Centers for the Disabled collaborated with employers and NIKKEIREN.<sup>42</sup>

The Emergency Vocational Stability Project for Disabled Persons was effective. Employers, who did not have any experiences to work with people disabilities, were able to employ the people with disabilities temporary for 3 months without any obligation to continue employment. Allowances were paid to employers during the internship and trial employment. Total of 2,079 companies applied the program and 3,026 people with disabilities applied the project. Out of the applicants with disabilities, 2,218 were accepted for internship. Then 1,309 from the interns were transferred to the trial employment. After the completion of the project, 675 persons with disabilities were employed under regular employment contract.

#### **4.2.4 Policies and programmes of Non-Governmental Organizations (NGOs)**

A number of NGOs are active in promoting the employment of people with disabilities in Japan: the Japanese Council of Disability (JD), the Japanese Society for the Rehabilitation of Persons with Disabled, the Japanese Federation of the Deaf, Independent (International) Living Movement (Human Care Association).

### ***4.3 Consultative mechanisms***

When formulating fundamental policies or amending the law, the MHLW consults with the Advisory Council for Employment of Disabled Persons which comprises representatives of workers, employers and disabled persons as well as academics. This is required by the Law for Employment Promotion, etc. of the Disabled.

### ***4.4 Enforcement***

The Law for the Employment Promotion, etc. of the Disabled, in establishing the quota scheme, provides for a levy payment by employers who do not fulfil their quota obligation. The levy contributions are collected by the JAED, which effectively enforces the quota scheme.

### ***4.5 Employment promotion measures***

#### **4.5.1 Quota system**

The “Law for Employment Promotion etc. of the Disabled” stipulates that when employers hire or discharge their workers, the ratio of physically or intellectually disabled persons to the total workforce should be as legally specified or more.

There are special provisions for severely disabled persons<sup>43</sup>, people with intellectual disabilities<sup>44</sup> and people with mental illness.<sup>45</sup> When a business enterprise employs a

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<sup>42</sup> Source: <[http://www.keikyoweb.gr.jp/nikkeiren/headline/2000/2000\\_04/02/03.htm](http://www.keikyoweb.gr.jp/nikkeiren/headline/2000/2000_04/02/03.htm)>

<sup>43</sup> Japan Labour Bulletin, May 1, 1998 The Quota System for Hiring the Disabled

physically disabled person whose disability is more severe than the criteria set by law, the enterprise can count such an employee as two disabled persons when computing its employment of disabled persons. This is applicable for persons with severe intellectual disabilities too. The Law<sup>46</sup> takes into account that some severely disabled persons cannot work a full schedule allowing such persons to work as a short-time worker (20-29 hours per week).

Whilst persons with intellectual disabilities are treated the same way as physically disabled persons, the employment quota system does not include mentally ill persons. (Workplace adaptation training and subsidies are given to mentally ill persons who suffer from schizophrenia, manic depressive psychosis and epilepsy.)

#### **4.5.2 Levy and grant system**

The purpose of this system is to redress the financial inequality of employers who provide job opportunities for disabled people. The specified levy set by the government per person per month is collected from those employing over a certain number of full time employees and who do not reach the mandated quota percentage, this amount is redistributed in the form of grants, for the provision of job adaptation for persons with severe disabilities, for the provision of facilities for workers with post employment disabilities and to employers who hire persons with disabilities. This system is operated by the Japan Association for Employment of the Disabled.

#### **4.5.3 Placement system**

Upon application for work at a public employment security office, the nature of disabled person's disability, their skill, knowledge, experience, vocational aptitude, physical faculties, desired type of job are noted and they receive counselling based on it. Where no offers; office personnel will visit companies to solicit them. When employers hesitate to immediately hire disabled persons as regular workers, they are recommended to use the workplace adaptation-training scheme, whereby the government provides an allowance to employers so they can give on the job training for a certain period to disabled applicants as a trial. Professional counsellors visit firms employing disabled workers to give advice as a follow up service.

In addition, the mainstream Public Employment Security Offices (PESO), and Human Resources Development Facilities also provide services for people with disabilities.

#### **4.5.4 PESO**

There are 600 PESO offices including branches operating throughout the country. Employment counselling is the main role of the PESO offices as well as mediating between employers and future employees for both disabled persons and non-disabled persons.

In each office there is a section for disabled job applicants where vocational counselling is carefully conducted on an individual basis. There is a referral and placement registration system requiring the disabled job seeker to complete a registration card classifying his/her type, degree of disability and his/her skills and work experience. Based upon this information careful counselling and selective placement services are provided and recorded.

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<sup>44</sup> Ibid

<sup>45</sup> Ibid

<sup>46</sup> Law for Employment Promotion, etc., of the Disabled (Law No. 123, 1960)

In addition, vocational consultants with specialized knowledge about physically disabled and intellectual disabilities persons are assigned to major public employment security offices to assist work place adaptation guidance efforts.

#### **4.5.5 Human resources development facilities**

The national government, prefecture governments and private enterprises established these facilities. There are thirteen national, six prefectural facilities based on the Human Resources Development Promotion Law (1947, Law No.64). In addition to those, there are nineteen (eighteen) private enterprise facilities which are not based on the said law but receive grants based on the levy and grant system, throughout Japan. Vocational training courses for trainees with disabilities are provided that train persons with disabilities in specific occupational skills and/or basic work habit and skills.

The Ministry initiated a Job Coaching System<sup>47</sup> in May 2002 to support the employment of people with intellectual and psychiatric disabilities particularly. It involves not only the support of people with disabilities but employers and co-workers. The Government experimentally implemented job coaches in 2000 and 2001 to support disabled persons at work and established an “Exploratory Committee” of experts in the field, to monitor and assess the training for coaches and methods of supporting people. During this two year implementation period, virtually all of the employers who received support and guidance from the system evaluated it as being effective.

Local Vocational Centres for the Disabled and Sheltered Workshops promote the employment of people with disabilities through their services:

#### **4.5.6 Local vocational centres for the disabled**

Japan Association for Employment of the Disabled manages local vocational centres for the disabled in 47 prefectures. By drafting plans for vocational evaluation and rehabilitation, these centres provide preparatory work training and other vocational rehabilitation services to disabled persons and technical guidance and advice to employers when managing disabled personnel keeping close relationship with the public employment security offices. Professional vocational counsellors staff each centre.<sup>48</sup>

#### **4.5.7 Sheltered Workshops**

The number of sheltered workshops<sup>49</sup> and welfare factories for disabled persons and community workshops for disabled persons, have been rapidly increasing due to the lack of employment opportunities for persons with severe disabilities, especially for those with mental retardation or psychiatric disabilities. Though these workshops aim to assist their clients in obtaining employment in the open labour market, their annual placement rate in business and industry remains low at 2 per cent. Therefore, in reality sheltered workshops for disabled people in Japan have been providing long - term work opportunities for the majority of the clients, who find it difficult to be integrated into the open labour market.

In 1994 a new scheme was introduced by the Ministry of Labour to promote the employment of those clients who are served by sheltered workshops. It established community-based employment support centres for persons with severe disabilities in close co-operation with local municipal governments. A major objective of such centres is to facilitate the

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<sup>47</sup> Disability World, Issue 14, June-August 2002

<sup>48</sup> See p.12 for further information

<sup>49</sup> Run solely by Ministry of Health and Social Welfare until 1994 when new scheme introduced in collaboration with Ministry of Labour

employment of these people in the labour market by providing them with relevant further training in close collaboration with sheltered or community workshops, or local businesses, and mobilising local human resources as volunteer instructors, job coaches and personal attendants to assist the clients in their smooth transition to employment. By 1996, six such centres were established in Saitama and other Prefectures.<sup>50</sup> The number of these centres increased to 34 in 2002.

#### **4.5.8 National Institute of Vocational Rehabilitation (NIVR).**

Law for Employment Promotion etc. of the Disabled (Law No. 123, 1960) mandated the establishment and operation of National Institute of Vocational Rehabilitation (NIVR). This institute is the core of the vocational rehabilitation related facilities aiming at the improvement of total quality in the vocational rehabilitation service by providing information on research, development and technology and by supporting these facilities through training of and seminar for specialist staff such as vocational counsellors.

#### **4.5.9 Vocational Centres for Disabled People**

JAED operates a nation wide network of Vocational Centres for Disabled People. These comprise of Large Region Vocational Centres for Disabled Persons and Local Vocational Rehabilitation Centres. The former provide vocational rehabilitation services in cooperation with vocational skill development centres for disabled persons or a workers' compensation hospital. There are three such centres, the National Vocational Rehabilitation Centre for the Disabled (Tokorozawa-shi in Saitama ken), National Kibi-Kogen Vocational Rehabilitation Centre for the Disabled (Kayo-cho, Jobo-gun in Okayama-ken) and the National Vocational Rehabilitation Centre for the Spinal Chord Injured (Iizuka-shi in Fukuoka-ken).

The Local Vocational Rehabilitation Centres for the Disabled provide evaluation of vocational skills and aptitude, vocational consultation and instruction based on the kind and degree of disabilities; vocational guidance, work preparation training; job coach programs; occupational seminar as well as the follow up after entering employment and provide employers with such vocational consultations and advice concerning employment management including employment and placement and improvement of the workplace facilities for disabled persons. One centre is located in each prefecture.

#### **4.5.10 Vocational Skill Development Centres**

Two Vocational Skill Development Centres for the Disabled are run by the JAED in close cooperation with the above centres as well as PESO. They are two of 19 vocational skill development centres across the country where vocational training is performed according to the kind and degree of disabilities.

#### **4.5.11 Information Centres for the Employment of Disabled Persons**

Information Centres for the Employment of Disabled Persons provide disabled persons and their employers with practical consultation and various information concerning problems of finding jobs and employment. These centres exhibit remodelled workplace equipment and technical aids that help disabled workers work more easily.

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<sup>50</sup> Asia Pacific Disability Rehabilitation Journal (Vol. 9, No. 1 1998) An Overview of the Impact of the Employment Quota System in Japan

#### **4.5.12 Employment Support Centres for Disabled**

Employment Support Centres for Disabled<sup>51</sup> Persons run by JAED aid people with disabilities that find it especially hard to find jobs. Consultation and support concerning employment are offered on a municipal level to those in welfare facilities and sheltered workshops and to disabled workers who have difficulty in continuing to work.

The Japan Association for Employment of the Disabled runs several programmes<sup>52</sup>. The promotion of the settlement of disabled persons into the workforce is aided through vocational life counsellors comprised of part of a task team for adapting to the job. The counsellors seek to raise disabled person's ability to adapt to the workplace and provide a broad range of counselling with regard to all aspects of working life to enable him or her to manifest his or her ability to the fullest. The counsellors work in close coordination with a team composed of a business executive, a member of the management staff, a production line supervisor, a representative of the disabled persons employed by the company and with the staff of the public employment security office.

#### **4.5.13 Technical aids**

JAED organises lending technical aids for employment support of disabled persons. In addition, commuting cars for disabled can be lent for a certain period free of charge to employers and organisations of employers in order to spread their use aiming at, in particular, the employment of severely disabled persons.

Financial assistance is provided not only to people with disabilities but employers. The assistance is clarified below.

#### **4.5.14 Subsidies and grants to promote employment**

Various subsidies and grants are paid to employers when employers newly accept or continue to employ persons with disabilities based on the referral of PESO. The major ones are: the subsidy to support a certain part of wages for one year or one and a half years, grants for provision of workplace facilities or welfare facilities, for workplace attendants for severely disabled persons, for commuting measures for severely disabled persons, skill development of disabled persons and for employment support centers for disabled persons. In addition to those payment measures, several schemes for tax reduction are introduced as incentives for employers (see table which follows).

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<sup>51</sup> Public Corporations designated by prefectural governors.

<sup>52</sup> Information from the Employment and its Promotion of Disabled People in Japan, A guide to employment for employers and disabled people, 1997 Edition, Produced by the Ministry of Labour and Japan Association of the Disabled.

**Table 2. Various types of employment-promoting grants and subsidies**

	<b>Grants offered</b>	<b>Contents</b>
<b>Rewards and Incentives</b>	Payment of Adjustment Allowance for Employing Disabled Persons	Those employers with more than 300 regular workers, employing more disabled persons than the legally required employment quota (1.8 per cent), will be paid 25,000 yen per person per month for the number of disabled workers in excess of the quota.
	Payment of Rewards	Those employers of small and medium-sized enterprises with 300 regular workers or less, employing disabled persons in excess of a fixed number (equivalent to the accumulative number, in the fiscal year, of 4 per cent of regular workers per month, or 72 persons, whichever is greater) will be paid 17,000 yen per person per month for the number of disabled workers in excess of the fixed number.
	Payment of Grants	The system of paying grants has been established to assist employers in modifying the working environment or in conducting appropriate personnel management.
<b>Grants</b>	Grant for provision of workplace facilities, etc. for disabled persons	Grants are paid to employers who provide or modify facilities and equipment, or take appropriate measures for job adaptation in order to admit new workers with disabilities or to continue employment of workers with disabilities.
	Grant for provision of welfare facilities, etc. for disabled persons	Grants are paid to employers who provide or modify facilities and equipment, or take appropriate measures for adaptation at health care facilities, dining facilities, cultural or recreational facilities in order to make these facilities to be accessible for workers with disabilities.
	Grant for workplace attendants for severely disabled persons	Grants are paid to employers who admit workers with severe physical disabilities, intellectual disabilities, or mental illness or continue employment of these workers for assignments of attendants or other managerially necessary measures according to characteristics and severity of disabilities.
	Grant for commuting measures for severely disabled persons	Grants are paid to employers who admit workers with severe physical disabilities, intellectual disabilities, or mental illness or continue employment of these workers observed to have difficulties in commuting between residence and work place for measures to make the commuting easier for the workers.
	Grant for provision of facilities, etc. in enterprises employing a large number of severely disabled persons	Grants are paid to employers who provide or modify facilities and equipment, or take appropriate measures for job adaptation in order to admit large number of workers with severe physical disabilities, intellectual disabilities, or mental illness or to continue employment of large number of workers with those disabilities.
	Grant for skill development of disabled persons	Grants are paid to organization or social service corporation for education or training of persons with disabilities to develop or to improve their skills necessary for jobs or for provision or modification of facilities and equipment used for the education or training of the persons with disabilities, also for administration of human development training for persons with disabilities. The grants are also paid to employers of workers with disabilities to cover part of expenses needed to carry out the education or training of persons with disabilities.
	Grant for Employment Support Centers for Disabled Persons	Grants are paid for establishment or improvement of programs where comprehensive guidance and supportive services from admission to stable placement at work place for persons with disabilities of sheltered workshop or other protected facility environment and for persons with disabilities who have difficulty to have employment while social service agencies and vocational service agencies are collaborating. The grants are also paid to cover part of administration cost of the programs.

	<b>Grants offered</b>	<b>Contents</b>
<b>Grants for Continued Employment of Workers with Disabilities</b>	Grant for provision of workplace facilities, etc. for persons disabled after returning employment	Grants are paid to employers who provide or modify facilities and equipment, or take appropriate measures for job adaptation in order to facilitate the return to work and continued employment of workers who have become physically or mentally disabled as a result of accidents or illness during work.
	Grant for job adaptation of persons severely disabled after entering employment	Grants are paid to employers who provide measures to adapt work environment of workers with severe disabilities in order to facilitate the return to work and continued employment of workers who acquired severe disabilities as a result of accidents or illness during work.



## 5. OUTCOMES AND IMPACT

### *5.1 Open employment opportunities for people with disabilities*

The active employment policy for people with disabilities in Japan, aimed at promoting employment in the open labour market through the quota and associated levy/grant scheme has been effective in increasing the number of disabled persons in open employment.

Over the decade from 1983 to 1993, the number of physically disabled persons in the workforce increased 9.5 per cent. The number of intellectually disabled persons (the intellectual disabilities) in full time employment increased to 68.8 per cent. In the 5 years period from 1993 to 1998, the percentage of physically disabled persons working increased by 15.1 while that of the intellectually disabled increased 15.0.

Data from the MHLW indicates that, when the employment quota was introduced (1977) disabled persons accounted for 1.09 per cent of all employees in private firms. The percentage has gradually risen from 1.32 per cent in 1989 to 1.47 per cent in 1997.<sup>53</sup> It was 1.49 per cent in 2001.

Statistics from the Ministry of Labour show trends in the actual employment rates of disabled people at private companies from 1977 to 1997. Firms of 63-99 employees have traditionally employed a higher proportion of disabled persons than larger firms. However, in 1993 the number of disabled employees in such firms reached a high of 2.1 per cent and has since declined gradually, to 1.97 per cent in 1997. However, the proportion of disabled employees has increased gradually to 1.46 per cent in 1997 in larger firms of more than 1,000 employees.<sup>54</sup> The percentage rose to 1.57 per cent in 2001.

In private enterprises, the industries in which the employment quota for disabled persons was exceeded were mining (1.73 per cent as of June 1995) and manufacturing (1.71 per cent as of June 1995). The employment rate in other industries, especially, the tertiary industries remains much lower than the legal quota (1.28 per cent as of June 1995). However, the largest increase in employment is observed in the finance and insurance enterprises. The rate here increased by 0.78 points from 0.48 per cent in 1977 to 1.26 per cent in 1995.<sup>55</sup> The rate was 1.39 per cent in 2001.

The pattern of employment of persons with physical and intellectual disabilities in the competitive labour market by size of business establishment shows marked differences according to a Survey by the Ministry of Labour (1993). Persons with intellectual disabilities are more likely to be employed in smaller business establishments of 5-29 employees (49.5 per cent) compared to 41.3 per cent for physically disabled persons. Whilst the percentage decreases as the number employees increase, there are a far higher percentage of physically disabled persons employed in establishments of 1,000 or more employees (7 per cent) compared to persons with intellectual disabilities (1 per cent).<sup>56</sup> The 1998 survey revealed that there were 34.7 per cent for persons with physical disabilities and 40.8 per cent for persons with intellectual disabilities in establishments with 5-29 employees. This compared with 5.5 per cent of persons with physical disabilities and 1.2 per cent of persons with intellectual disabilities in enterprises with 1,000 or more employees.

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<sup>53</sup> Japan Labour Bulletin, 1 May 1998, The Quota System for Hiring the Disabled

<sup>54</sup> Ibid

<sup>55</sup> Asia Pacific Disability Rehabilitation Journal (Vol. 9, No. 1 1998) An Overview of the Impact of the Employment Quota System in Japan p4

<sup>56</sup> Japan Labour Bulletin, 1 May 1998 The Quota System for Hiring the Disabled

While private enterprises as a whole have not fully met the quota, national and local government agencies have done so.

**Table 3. Employment situation of disabled persons in national and local government (as of 1 June 2001)**

	(1) No. of employees	(2) No. of disabled persons			(3) Actual Employment rate
		A. Severely disabled (regular employment)	B. Severely disabled (other than A.)	C. Total A×2+B	
		Persons	Persons	Persons	
National	522 561	1 636	7 923	11 195	2.14
	(546 570)	(1 780)	(8 187)	(11 747)	(2.15)
Prefectures	329 838	1 917	4 244	8 078	2.45
	(334 698)	(1 917)	(4 290)	(8 124)	(2.43)
City, Town	879 762	5 242	11 128	21 612	2.46
	(883 852)	(5 146)	(11 261)	(21 553)	(2.44)
<b>Total</b>	1 732 160	8 795	23 295	40 885	2.36
	(1 765 120)	(8 843)	(23 738)	(41 424)	(2.35)

## 5.2 Special subsidiary companies

Some private companies have established special subsidiary companies to employ persons with disabilities and thus meet their obligations under the quota legislation. In this way, the highly competitive practices and procedures in place in the parent company, which may create an insurmountable barrier to some disabled job seekers, can be set aside, and an enabling work environment created. Special subsidiary companies, provided for in the Employment Promotion Law, also provide employment opportunities for persons with severe disabilities.

## 5.3 Third sector companies

Special schemes are introduced in order to promote employment in open settings especially targeting those with severe disabilities. So called third sector enterprise, which is collaboratively established by the investment of two sectors: public (the first sector) and private (the second sector), is one of the schemes. The third sector enterprise is managed for the benefit of public including public service and employment of people with disabilities while utilizing expertise of private business management. The third sector enterprise functions as a private company and often carries business under contract with local government to provide services for the public. It is expected to introduce flexibility of private business into public services. Employees are given full status as workers under employment-related laws. (The term: “third sector” is used to designate non-profit / non-governmental entities for cultural, educational, religious, medical, or social services organizations independent both from public sector and private sector in European countries. The “third sector” in Japan designates co-investment by public and private sectors.)

## 5.4 Protected work environments

There are three types of protected employment in Japan. They are sheltered workshops, welfare factories, and small-scale community workshops (see table 4). Historically speaking, these programs were developed by the former Ministry of Health and Welfare as social

service programs. Therefore, payment to people with disabilities in these programs is not considered as wages. Often payments are below minimum wage.

“Welfare work (Fukushi Sagyo)” is provided by two kinds of facilities. The “sheltered workshop” in Japan has been supported by laws and received grants from government to administer programs. The placement of workers at sheltered workshops is made through the Welfare Office. Workers are given status of trainees. The Welfare factory is a little different from the sheltered workshops in nature. Though administration of the Welfare Factory is carried out in the framework of welfare work, work conditions follow the general labour standard and workers are based on the employment contract.

Small-scale community workshops are a grass root program by nature and are not supported by any law. Often volunteers, community people, and families of people with disabilities support the small-scale community workshops. The number of those workshops is estimated to be more than 5,000, and is still increasing. There are no reliable statistics.

Those workshops, except the Welfare Factory, provide work opportunities for persons who cannot participate open employment due to their severe disabilities, as well as preparation for employment. After the Employment Promotion Law started to function, not a small number of qualified workers were absorbed by open employment market from the workshops. Many companies, which provided subcontract works for the workshops, transferred their production bases to other countries. Managements of the welfare workshops face problems to maintain production so that the majority of workers will be able to earn more than small amount of money. The workshops need programs to transfer their workers to open employment for better economic and social opportunities.

According to a report of the Japan Council of Social Employment, as of 1997 there were 1,500 social employment centers with 12 different categories of target populations. A total of 62,829 persons were working in these centers in 1997, and the average monthly wage was just 20,000 yen. Member center of the Japan Council of Social Employment is called SELP (Support of Employment, Living & Participation). Originally these organizations included only people in financial distress, but have since been expanded to include people with physical and mental and intellectual disabilities. The term “social employment centers” is meant to replace “sheltered workshops.” They attempt to develop products for a competitive market, achieve higher income for employees, improve living and working standards for the communities and facilities and are also interested in improving the image of these centers.

**Table 4. Workplace in protected environment for persons with disabilities (2000)**

	Types of Facilities	# of Facilities	Capacity (Persons)	# of Users	# of Staff
For Persons with Physical Disabilities	Sheltered workshop for Persons with Physical Disabilities (with Dormitory)	81	3 764	3 417	1 422
	Sheltered workshop for Persons with Severe Physical Disabilities (with Dormitory)	128	8 220	8 151	3 107
	Day time Sheltered workshop for Persons with Physically Disabilities	252	6 676	6 361	2 533
	Welfare Factory for Persons with Physical Disabilities	37	1 808	1 366	629
For Persons with Intellectual Disabilities	Sheltered Workshop for Persons with Intellectual Disabilities	1 118	48 447	4 531	18 516
	Sheltered Workshop for Persons with Intellectual Disabilities (with Dormitory)	228	14 307	14 111	6 590
	Day-time Sheltered Workshop for Persons with Intellectual Disabilities	890	34 140	33 420	11 926
	Dormitory for Workers with Intellectual Disabilities	120	2 827	2 662	799
	Welfare Factory for Persons with Intellectual Disabilities	43	1 271	1 124	429
For Persons with Mental illness	Sheltered workshop for Persons with Mental Illness (with Dormitory)	22	604	465	202
	Day Time Sheltered workshop for Persons with Mental Illness	168	3 896	3 992	1 187
	Welfare Factory for Persons with Mental Illness	11	315	211	104
<b>Total</b>		<b>3 316</b>	<b>130 061</b>	<b>82 571</b>	<b>48 188</b>

Source: Social Welfare Facility Survey, Ministry of Health, Labour and Welfare  
<http://www.dbtk.mhlw.go.jp/toukei/youran/data13/3-44.htm>

### 5.5 Self-employment

The basic survey of the Actual Statuses of Physically Disabled Person, 1996, found that a significant percentage of persons with disabilities described themselves as self-employed (24 per cent) or as family workers (13 per cent). It is difficult to distinguish between working at home based on piece rate work or by contract and self-employment which requires sales or contract procurement activities. Although a good number of persons are presumed to involve in either piece rate working or self-employment, there are no clear differentiated data of the two. There are people, who do not want their works classified as piece-rate home work and classify their working conditions as "self-employment."

Private practice of Massage, Acupuncture, and moxibustion by persons with blindness is an exception. This area had been reserved for people with blindness for hundred years although this reservation does not exist any more. Trainings of massage, acupuncture, and moxibustion for persons with blindness have been offered at national rehabilitation facilities for persons with blindness and blind schools. There are many persons with blindness to start self-employment in the private practice. They often use allowances to start their clinics.

Although self-employment has risks, IT related teleworking or work at satellite offices has attracted attention. There are activities to support self-employment by providing contract procurement activities and other technical supports. Aurora matches between persons with disabilities who want to work at home and business companies who want to provide works for the persons with disabilities (<http://www.joho-yamaguchi.or.jp/aurora/>). The program was started as a Research and Development grant project of Association for Technical Aids to establish an activity base for home bound persons with disabilities. The persons with

disabilities involve in development of home page contents and other IT related works. Tokyo Colony organizes training seminars for persons with abilities who want to work in IT area, and provide contract works for them (<http://www.tocolo.or.jp/>). This kind of work is expected to support independence of persons with disabilities who need to work at their homes due to disability or other handicapping conditions.

Home office is allowed to works such as research and development, analysis and designing of information system, editing of articles, and other works with larger disposal of workers. The conditions are relaxed in case of persons with disabilities while considering difficulty in commuting. There are persons with disabilities working at home office and having contract with companies. However, it is difficult to identify contents of criteria: either employment contract or piece rate. Companies are allowed to include these workers with disabilities in quota under the Law for Employment Promotion, etc. of the Disabled Persons. There may be employment contract, but this wage may be piece rate.

The piece-rate home work has not been well protected by law. The Women's Bureau, Ministry of Labour publicized a guideline at the time of making contract of piece-rate home work in 2000 in order protect workers. This was based on the background that the piece-rate home work was prevalent among house wives and troubles after completion of the work, mainly of payment rewards, were frequently reported. However, the guideline does not have sanction against violation. Advocacy organizations such as Aurora and Tokyo Colony try to protect rights of people with disabilities by intermediating contract procurements and working conditions.

## ***5.6 Other segregated/protected work opportunities***

Many persons with disabilities work in what are described as “mini-workshops”, supported by advocacy groups and associations of parents of disabled persons. Recently local governments started to support the mini workshops by grants. 4,416 mini workshops for persons with physical disabilities and persons with intellectual disabilities and 1,722 mini workshops for persons with mental illness currently receive such grants. (Reports of Japan Association for Persons with Intellectual Disabilities, 2000).

Many mini-workshops, set up under the provisions of the Law for Promoting Special Non-Profit Activities (1998, Law No. 7), do not satisfy the requirements to become legal entities and do not qualify for local government grants, due to their weak managerial capacity. Mini-workshops are in many cases on the borderline between vocational service and social service. Allowances paid to clients are frequently very low.

## ***5.7 Barriers and gaps***

### **5.7.1 Outcomes of employment promotion law and change of economy**

During transition process in which the employment promotion law produced positive outcomes, administrators and staffs of workshops and other protected employment programs supported and encouraged employment of persons with disabilities by companies. The persons with disabilities acquired better living through higher wages under employment contract. Companies absorbed the best workers of the workshops and protected employment programs.

This process was coincided with reforms of Japanese industries. Many production industries, which provided sub-contracts appropriate for workshop activities, transferred their production bases to other neighbour countries. Thus the workshops lost large amount of contracts.

Workshops had to cope with two problems: loss of workers and contracts occurred simultaneously.

Workshops and other protected employment programs had to reform their management. Workshops which had stronger management and qualified staff such as SELP (see section 3.6) took off from old structure and idea of workshop as social service. They changed targets of services and vocational areas. Some workshops introduced management expertise including advanced production methods, logistics, and marketing strategy from private business corporations and improved their production methods. There were workshops which were not able to reform their managements. This is a differentiation of workshops by management ability.

### **5.7.2 Influence of normalization**

During 1980s and 1990s, independent living activities became popular among people with disabilities and idea of normalization became wide spread. This change influenced workshop management. Workshop in Japan was a place for living and work. Many workshops had work area and living area in the same complex. Some workshops started to remove living area from the workshop complex while providing apartments or accommodation facility located at area different from the workshop. This is a differentiation of workshops by service philosophy.

### **5.7.3 Differentiation by managerial abilities of service providers**

With the change of social, economical, and legal environments in Japan, differentiations of service providers are diverging. Some workshops are pursuing possibilities to collaborate with workshop in other countries as private business corporations are producing their products in other countries. The differences of vocational service providers will expand.

## 6. CONCLUDING COMMENT

### 6.1 *Major remaining needs*

Many people will agree that Japan has achieved a certain progress in services for persons with disabilities and that opportunities for persons with disabilities to participate society expanded. At the same time, however, many people have pointed out that various needs are remaining.

- a. There are gaps in services among various disability categories. One example is that persons with mental disabilities are not included in the employment quota yet.
- b. Establishment of services to those persons who are remained out of current definition of disability but need substantial support, such as persons with learning disabilities, autism, Tourette syndrome, and higher cortex dysfunction.
- c. Improvement of services which are effective for those who have not gotten benefit by existing services.
- d. Progressed understanding in public society is needed yet.
- e. Academic training of vocational rehabilitation professional is a key issue to make further improvement of service delivery.

In relation to employment of disabled persons, more effective usage of established systems is required, an example of which is the need for effective adoption of the quota system to large enterprises pointed out by the Japanese Trade Union Confederation (RENGO) in the ILO Supervisory notes on Convention 159 (from ILO).

The government is now in preparation to establish the revised government action plan for the next five years, with gathering opinions from organizations of persons with disabilities and representatives of employers, unions and service providers.