

GLADNET

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SOCIAL POLICY RESEARCH UNIT

**International Research Project on Job
Retention and Return to Work
Strategies for Disabled Workers**

Key Issues

Research Co-ordinator
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PREFACE: THE PROJECT EXPLAINED

1. The *International Research Project on Job Retention and Return to Work Strategies for Disabled Workers* breaks new ground by examining the inter-relationships of public and enterprise policies and practices as they affect the retention and return to work of disabled workers. The enquiry encompasses public policies to promote employment of disabled people; benefit and compensation programmes; employment support and rehabilitation services; provision to adapt work and workplace; and measures developed and implemented by the enterprise. The Project aims not only to identify successful policies and practices which are transferable from one country to another but also to inform the development of effective, efficient and equitable job retention and return to work strategies for disabled workers. The ultimate objective is to develop strategies which can be put into effect in the workplace.
2. The Project is an initiative of the International Labour Organisation (ILO) and the Global Applied Disability Research and Information Network on Employment and Training (GLADNET). The Project was designed to link research with the current and emerging concerns of governments, employers and workers. It reflects ILO and GLADNET joint aims of establishing a base for cross-national research and strengthening links between research analysis and policy reform in the field of employment of disabled people.
3. The Project has been constructed in two phases. The first descriptive and exploratory phase culminates in May 1998 at the Washington Symposium organised by the USA Government. The Symposium brings together stakeholders and researchers from the participating countries to debate the key issues emerging and to formulate a relevant and realistic plan for more focused research and development work in phase two of the Project.
4. Responsibility for the Project rests with the ILO (Employment and Training Department, Vocational Rehabilitation Branch). The design, implementation and analysis of the research in phase one was the responsibility of the Research Co-ordination Unit established at the Social Policy Research Unit, University of York (UK) in April 1997.
5. Eight countries participated in phase one: Canada, France, Germany, the Netherlands, New Zealand, Sweden, the United Kingdom and the USA. National governments, agencies and, in one country, a private sector organisation, as well as the ILO, contributed to the phase one budget. Australia joined the project at a later stage.
6. The Project recruited national informants from research institutes in all eight countries to carry out desk-based research. During the second half of 1997 national informants completed a standard Schedule of Questions developed by the Research Co-ordination Unit to describe policies and practices, document evidence of their effects and provide grounded commentary on how policies and practices interact. The Research Co-ordination Unit provided on-going support to informants.

7. In six of the eight countries, research specialists in the main areas of enquiry helped to develop the design and methodology, analyse the data and draft the Key Issues Paper. The research experts, the research co-ordinators and the ILO representatives met together as a Research Advisory Group.

8. Eight country reports, based on national informants' responses to the Schedule of Questions, have been prepared for publication at the Washington Symposium by the Research Co-ordination Unit, with financial support from the ILO; printing costs were met by the US Department of Labor.

9. This *Key Issues Paper*, which draws on the eight country reports, has been prepared for participants at the Washington Symposium. It aims to inform, to stimulate debate and to pave the way for constructive discussion of questions for further exploration through cross-national collaboration. In particular, the Paper:

- ▶ identifies policies, programmes and practices which can support job retention and return to work, and considers their effectiveness within their national contexts
- ▶ identifies barriers and facilitators to effective policies and practice in national systems
- ▶ addresses the potential transferability of particular policies and programmes from one national system to another
- ▶ begins to construct strategies for job retention and return to work which link policies and programmes efficiently and equitably.

10. The Washington Symposium was designed as an integral part of the Project to bring together actors within government, agencies and enterprises who are involved in developing, implementing and managing policies, representatives of disabled people and researchers. The Symposium offers participants opportunities to:

- ▶ bridge the knowledge gap, both across and within participating countries
- ▶ compare perspectives on job retention policies and practices
- ▶ explore the potential for and constraints on transfer from one national system to another
- ▶ collaborate in a research and development programme to achieve gains for disabled workers, enterprise and governments.

11. A report based on the Symposium discussions and conclusions will be prepared by the Research Co-ordination Unit and distributed to participants.

12. Phase two of the Project will cover additional countries and will consist of in-depth research on priority issues and on promising strategies for job retention.

Copies of the 'Methodology Paper' and the 'Informant Briefing and Schedule of Questions' may be obtained from the Research Co-ordination Unit, Social Policy Research Unit, University of York, York, YO10 5DD, UK.

1. INTRODUCTION

1.1 A new focus on job retention

A combination of developments has led to a new international interest in the situation of workers whose continued employment is at risk because of illness or disability. For workers with disabilities, staying in work has generally become more difficult, with deregulation of the labour market and pressures on enterprises to sustain competitiveness in an increasingly global market, leading in many countries to 'downsizing' and casualisation of labour. On the other hand, rising compensation costs mean that dismissal is no longer the automatic response to the occurrence of disability. Enterprises in some contexts now find retention a cost-effective option and have developed their own practices for managing disability.

Pressures on budgets for public services and benefits, and political and ideological change, are encouraging states to disengage from centrist disability employment policies and services and to reassess their role vis-à-vis the employer. New public policy approaches include increasing employers' responsibilities to prevent and manage the occurrence of disability, financial incentives to minimise benefit and compensation claims, and marketisation of services which can help people with disabilities to retain employment. These shifts are by no means universal, and long-established regulatory approaches continue to offer disabled workers some protection and support in the face of labour market change.

In many ways, recent developments to promote access to employment by people with disabilities favour the retention of working people who become disabled. Consider, for example, new concepts of disability as the product of barriers in the environment; laws which emphasise rights of disabled people in work; and pressure led by disabled people's movements to combat discrimination on grounds of disability. It is nevertheless significant that disabled people as an organised lobbying force have not taken ownership of job retention issues and remain focused mostly on entry to work. But policies designed for 'disabled people' may not be adequate to support the continuing employment of all those workers whose capacity to continue in the job is affected through ill health or disability: those with 'new' occupational diseases, those with fluctuating conditions whose permanency cannot be gauged, and those whose (invisible) disabilities do not fall within the scope of legal definitions.

A new focus on job retention thus requires us both to re-think the balance between public policy regulation and discretionary enterprise practice, and also to acknowledge that the population whose continued employment is affected extends beyond those identified, or who self-identify, as disabled.

1.2 Who are 'disabled workers'?

In this study, the term 'disabled workers' is broadly defined. It covers individuals who become disabled, injured or ill, whose prospects of continuing or advancing in employment are jeopardised when an acquired impairment, illness or deteriorating condition - physical or mental - presents difficulties in fulfilling the requirements of the job, reduces earning capacity or affects

other rewards of working. They may or may not qualify under legal definitions of disabled persons. The term also covers disabled workers whose working capacity is not diminishing but whose continued employment is nevertheless threatened by prejudice or discrimination, or by the loss of supports which have maintained them in the job.

1.3 What do we mean by job retention and return to work?

For the purpose of this study, 'job retention' means staying with the same employer, with the same or different duties or conditions of employment, and includes return after a period of paid or unpaid absence. 'Return to work' refers to the resumption of employment by a worker who has crossed the threshold from a continued employment relationship into non-employed status; the main interest of the study is in policies and practices which return the disabled individual to work at an early stage.

1.4 What are job retention policies?

A starting point for the Project is that enterprises have their own policies and practices which determine job retention. The national institutional, economic and regulatory framework creates the scene within which they operate, but ultimately enterprise policies and practices determine who is hired, dismissed or retained. How job retention at the enterprise level is encouraged, complemented or constrained by public policies is a central question for the Project.

We adopt a broad interpretation of public policy to include not just regulation but also non-interventionist and voluntaristic approaches. A stance against intervention in the affairs of companies through regulation or incentives is itself a public policy which creates space for other policy developments, such as voluntary change in employment practices whether for reasons of business advantage or out of social responsibility.

Many countries do not distinguish job retention aims within their general policies to promote employment, policies which are often dominated by programmes to increase access to employment for disabled people who are out of work or have never worked. Alternatively, job retention may be identified as a distinct approach which requires special legislation, incentives and programmes. Public policies and services dedicated to job retention are, however, recent phenomena found in only a few of the study countries. Early return to work policies which focus on early intervention once the job is lost, are also comparatively recent in most.

Some broader-based policy measures with catch-all objectives (first time entry, re-entry and retention) such as human rights and anti-discrimination legislation and quota-levy schemes, as well as some schemes which set out mainly to promote entry to work, may have unexpected or unintended effects in keeping in work people who become disabled.¹ Rather than restrict the enquiry to policies and services designated for job retention and/or return to work, the study

¹ The Americans with Disabilities Act (ADA) was mainly introduced to encourage access to work, although job retention has been the major outcome. A consequence of the German quota is 'internal recruitment' for the quota calculation of employees who become disabled, and minimal new recruitment of disabled workers.

‘interrogated’ a range of policies to identify their job retention or return to work effects. In some instances, then, we are imposing analytical categories on a broad range of activities, while in others we are reporting on policies and practices with clear job retention or return to work remits. Developing strategies for job retention may mean re-orienting existing policies in that direction, as much as inventing new policies.

1.5 Understanding the policy implementation process

Identification of policy intentions and outcomes is only part of the picture. It is the way in which policies are put into practice - the *process* - which determines their effects on job retention and return to work. Accordingly, the study aimed to map the range of actors in the process, the positions they adopt and their inter-relationships, and to begin to understand the constraints and facilitating factors, both within and across the various organisations concerned with job retention and return to work. A closer understanding of the dynamics of process may be pursued in phase two of the Project.

1.6 How do policies and practices interact?

There is much to learn from initiatives in the study countries designed to promote job retention and return to work and from more broadly-based policies which also have those effects. But their success may be impeded by conflicting policies or practices or by inadequate links to other programmes, services or facilitators in the national system. A further aim of this project, therefore, is to examine the dynamics within national systems with a view to identifying ways in which elements might interact more effectively and efficiently.

The research was designed around five ‘themes’² in eight national systems:

- ▶ public policies to promote employment of disabled people
- ▶ benefit and compensation programmes
- ▶ employment support and rehabilitation services
- ▶ adaptation of work and workplace
- ▶ enterprise strategies.

A national ‘system’ in the context of this study refers to the many ‘elements’ within a country³ which influence the retention or early return to work of disabled workers. These elements take the form of policies (laws, rules, operating principles), programmes (structures for implementation and funding), practices (operating processes) and players (policy makers, agencies, representative bodies, service providers, actors within the workplace and so on). The five ‘themes’ outlined above represent conceptual groupings of these elements within the national

² Although suitable housing, transport and personal care are essential to sustain employment for many disabled workers they were not specifically addressed in the study. No specific questions were asked about access to health services.

³ Where the provincial jurisdictions govern within a federal country, such as Canada, the notion of a ‘national’ system is problematic.

system. Elements operate independently, or in combination, within and across the themes, and can be interpreted in terms of system dynamics.

1.7 What are the Project's yardsticks?

The elements within the system and their dynamics are measured against four yardsticks: activity, effectiveness, efficiency and equity.

Activity refers to the degree of effort and interest, as well as resources, devoted to job retention and return to work within each national system. The concept does not imply measurable 'inputs'; it is, rather, a barometer of the national climate.

Effectiveness refers both to the quantitative and qualitative effects (intended and unintended) of policies, programmes and so on and to results of the interactions (efficiency). The project recognises that what is 'effective' is contested among government departments, enforcement agencies, service providers, employers and other workplace actors, and workers with disabilities themselves. Disabled workers' perspectives on desirable outcomes are under-represented in the study so far.

Efficiency refers to the interactions between elements, both within and across themes. It is assumed that job retention is more likely to be achieved if elements within national systems work together more efficiently. It is also assumed that more efficient systems will be less costly; cost-effectiveness will be investigated in phase two of the Project.⁴

Equity refers to the coverage within the system of sub-populations of disabled workers. It is assumed that effective and efficient policies and practices must also be equitable (or fair). In phase one, attention was given to the distribution of opportunities for work retention across the public and private sectors, industry, occupation and tenure, and to how policies and practices impact on disabled workers depending on type of disability, age, gender and minority grouping.

Equity between those in work and out of work is also an issue. Without a corresponding policy commitment to improving access to employment, promotion of job retention and return to work may disadvantage those who have never worked or are long-term unemployed, and may reinforce existing inequalities in the distribution of employment opportunities, notably among women and indigenous or visible minorities. An effective job retention strategy may have undesirable side-effects if long-term disabled people seeking employment are not hired when priority is given to retaining workers with newly acquired impairments.

⁴ Given that costs and benefits are distributed across workers with disabilities, private sector employers, private and quasi-governmental agencies and providers, private and public insurers and a number of government departments, the calculation of cost-effectiveness will necessarily be restricted to efficiency gains within parts of the system.

1.8 How transferable is practice from one system to another?

The Project assumes that, through researching national systems, obstacles and solutions to job retention and return to work can be identified and practical proposals formulated for application in other systems, to improve the prospects of disabled individuals who wish to stay in work. It is assumed that certain ideas for 'good practice' can be transported from one national setting to another, provided that the contexts in which they operate are well understood.

The larger Project aim is to formulating potential *strategies* to support job retention and return to work. Some of these strategies are 'minor' collaborations or synergies between elements, not necessarily comprehensively linked across the system but potentially transferable from one setting to another. Others are more developed. It is expected that in phase two minor strategies can be developed and combined into more comprehensive or 'grand' strategies.

These aims are highly ambitious and the obstacles should not be under-estimated, as the following extract from the Canada report demonstrates:

The employment policies described so far were not designed as part of a co-ordinated strategy to facilitate the job retention of disabled persons. Each policy generally has its own rationale, with disabled workers usually being just one of the many groups that have access to a program, and with job retention usually not being a specific objective, although it may well be facilitated by the policies.

2. THE PARTICIPATING COUNTRIES IN CONTEXT

Eight countries participated in phase one of the Project: Canada, France, Germany, the Netherlands, New Zealand, Sweden, the United Kingdom and the USA.⁵ In several dimensions, the eight countries cluster into two groups: the predominantly English-speaking countries⁶ and the four mainland European nations⁷. We summarise, in general terms, some of the more striking differences reflected in their approaches to employment of disabled people. In the next section we report on job retention and return to work activity in the eight national systems.

2.1 Labour market policies

National labour market policies create the framework within which policies for disabled people operate and jobs are kept or lost. The study did not set out to detail the differences within national policy approaches to regulation of the labour market, chart trends or chronicle changes in political direction.⁸ We nevertheless can draw a simple distinction between traditions of labour market intervention in the countries of mainland Europe and less interventionist stances taken by Anglophone⁹ countries. In the more regulated German, French, Dutch and Swedish systems, laws which control how workers are hired, the conditions of their tenure and how they are dismissed provide the foundation for public employment policies to protect persons with disabilities. Less regulated approaches, in the USA, New Zealand and the UK, avoid imposing such constraints on business activity.

2.1.1 Measures to support job creation

Across mainland Europe wage subsidies, recruitment grants and relief of national insurance contributions are widely used to create jobs for long-term unemployed and other disadvantaged groups including disabled people. There are also special incentive schemes in Germany, France and Sweden to promote employment of disabled people. Swedish active labour market policies positively favour disabled people. Incentives are a relatively new feature of Dutch policy, however.

The UK has not developed wage subsidies specifically for disabled people in the competitive labour market, although if unemployed they will benefit from a new 'Welfare to Work' programme which includes recruitment incentives. Active labour market programmes developing in federal Canada may benefit unemployed persons with disabilities; wage subsidies operate at provincial levels, some specifically for workers with disabilities, as in Quebec.

⁵ Australia joined the project at a later stage and is not included here.

⁶ Canada is bi-lingual. New Zealand is a bi-cultural state.

⁷ The UK, Sweden, the Netherlands, Germany and France are members of the European Union.

⁸ The Appendix presents economic development and employment-related data in statistical form.

⁹ It is not possible to characterise the federal/provincial systems in Canada. The country report indicates a current reluctance amongst governments to introduce or sustain costly labour market policies and regulations if they jeopardise business investment decisions and job creation.

Public subsidies to employers are incompatible with the free-market philosophy in the USA.¹⁰

2.1.2 *The role of labour unions*

Generally, the level of trade union membership has been falling, most dramatically in New Zealand (by over 50 per cent in ten years). Collective bargaining is most dominant in the countries of mainland Europe, where very high proportions of employees are covered. In the Anglophone countries, where company and plant level bargaining predominate, coverage is highest in Canada, while only one in ten are covered in the USA. Collective agreements in the workplace are one of the more important vehicles by which trade unions can advance policy for the employment of persons with disabilities; in France the law in favour of the employment of disabled people encourages enterprise-level agreements to formulate and implement plans for the recruitment and retention of disabled workers.

2.1.3 *Severely disabled people in employment*

The mainland European countries all have large and expanding sheltered employment sectors to which certain severely disabled people entering the labour market may be directed.¹¹ In the Netherlands, for instance, there are almost no people with learning disabilities¹² in open employment. Although the idea of supported employment in competitive employment is taking hold in mainland Europe, it has not achieved the same degree of ideological importance as in the Anglophone countries, where segregated employment has generally fallen out of favour and where severely disabled people have more opportunities for competitive open employment. This difference in policy emphasis must be borne in mind when considering strategies for maintaining the employment of those people who are already disabled when taking up employment.

2.2 Disability employment law

The two groups of study countries practice different concepts of law which translate into contrasting approaches to achieving the common social aim of reducing inequalities between disabled and non-disabled people in employment. In the predominantly English-speaking countries employers are expected to respond to individual claims and precepts of civil rights. In the countries of mainland Europe, on the other hand, laws impose obligations on employers to behave in predetermined ways towards defined groups protected by the law. In France, Germany and the Netherlands disabled people may benefit from the law only after they have been assessed against specified eligibility criteria. These differences are illustrated by two contrasting legislative approaches: quota systems and disability discrimination legislation.

¹⁰ An exception is a tax credit scheme which promotes employment of targeted low-income groups including referred individuals with disabilities undergoing vocational rehabilitation.

¹¹ In France around 90,000 mostly in centres d'aide par le travail (CAT); in Germany approximately 140,000 in sheltered workshops; in the Netherlands around 80,000 in social employment organisations; in Sweden 30,000 in SAMHALL (Thornton, P. and Lunt, N., 1997, *Employment Policies for Disabled People in 18 Countries: A Review*, York: Social Policy Research Unit, University of York).

¹² 'People with learning disabilities' or 'people with learning difficulties' are the accepted terms in UK and European Commission English-language usage when referring to individuals with 'intellectual disabilities'; the equivalent terms 'mental retardation' or 'mental handicap' are not now acceptable.

2.2.1 Quota systems

Employment quotas for many years have played some part in the disability employment policies of most countries of Europe.¹³ The 'quota-levy' is the main pillar of national disability employment policy in Germany and France (since 1987). To over-simplify two complex schemes, employers must employ a target percentage of recognised disabled workers or pay a levy which is redistributed, through a fund, both to support the costs to employers of employing disabled people and to finance measures to promote the employment of recognised disabled workers.¹⁴

Quota systems (and the special protection against dismissal which applies to beneficiaries of the German law) are based on principles of collective obligation towards disabled people - an obligation which rests on society as a whole, implemented by employing organisations as societal representatives, and overseen by agents of the state. In most Anglophone countries such notions of obligation and redistributive justice are contrary to principles of individual rights and, certainly in the USA, to the employer's right to hire.

2.2.2 Human rights and anti-discrimination legislation

All four English-speaking countries have human rights or anti-discrimination legislation. Human rights legislation protects individuals against discrimination on a range of grounds, including disability, and in a range of areas, including employment. New Zealand has a Human Rights Act (1993), all Canadian jurisdictions have human rights statutes covering disability (dating from 1977), and protection against discrimination on grounds of disability is guaranteed by the Canadian Constitution.

The USA and the UK have anti-discrimination legislation specific to disabled people, with specific provisions relating to employment; the Americans with Disabilities Act (ADA) 1990¹⁵ and the Disability Discrimination Act (1995). Under human rights and anti-discrimination legislation the individual has to initiate a complaint. The complaint may be resolved by conciliation, or legal action by the complainant or an independent commission may result.

In mainland Europe, legislation which covers discrimination on grounds of disability is as yet rare, although disabled people's organisations campaigned vigorously to achieve rights in the new European Treaty and advocate rights-based legislation at national level. Recent amendments to the constitution in Germany and the penal code in France to protect people from discrimination

¹³ An unenforced quota in the Netherlands has a low profile among the several employment promotion measures in a rapidly changing system.

¹⁴ The calculation of quota fulfilment is complex. Certain disabled workers (e.g. very severely disabled, blind people, young and older workers, new recruits) count for more than one. Contracting with sheltered workshops counts towards the quota. In France, enterprises can meet the quota in full by signing an agreement to formulate and implement an integration plan.

¹⁵ The ADA 1990 marked the culmination of many disability rights laws (and other civil rights legislation) beginning with the 1973 Rehabilitation Act and developed by Congress and the various states.

on grounds of disability may have symbolic importance but as yet little or no practical effect. Legislation to protect disabled people from discrimination in working life, including a duty on employers to make adaptations, is likely to be introduced in Sweden, however.

2.2.3 Protection against dismissal

The differences between the two groups of countries also can be illustrated by approaches to preventing dismissal of disabled people. In the example of Germany and the Netherlands, a recognised disabled worker has automatic protection under the law, unless approval of dismissal is granted to the employer by an agency of the state. In the Anglophone countries, disability discrimination laws come into effect only after the person with disabilities has been dismissed and if discrimination on grounds of disability can be demonstrated. In this way, employers are *inhibited*, rather than *prohibited*, from dismissing a worker with disabilities.

In this context, it is important to note that employees in European Union countries have some form of protection against dismissal, depending on permanency of employment contract, number of hours worked and a minimum period with the employer. In the USA, employees have no statutory protection against dismissal. Thus, the ADA, combined with the Family and Medical Leave Act 1993 which gives employees (in firms of over 50 employees) a right to up to 12 weeks sick leave and to return to their job (or an equivalent) within that period, offers significant 'protection against dismissal' in the US context.

2.3 Policies to promote 'good employment practices'

Disability discrimination laws prompt employing organisations to adapt their recruitment and employment practices in reaction to the requirements of persons with disabilities. 'Equal employment opportunity' is a more pro-active policy approach. It encourages, or requires, employers to examine their recruitment and employment practices and make changes to equalise opportunities in accessing, maintaining and advancing in employment.

Such policies are evident in the Anglophone countries in the study. In New Zealand, public service departments must develop their own equal employment opportunity policies, produce an annual programme and publish results, monitored by a state commission, for specified groups including people with disabilities. A short-lived legal requirement on the private sector has been replaced by promotion of voluntary action. The UK has had a long-standing preference for 'persuasion' policies rather than legal requirements. Good employment practices in recruitment and retention of disabled people have been promoted by non-statutory codes of practice and by schemes to encourage self-identification as good practice employers, in both public and private sectors. Governments, the social partners and some voluntary organisations have promoted the business advantages of reaching out to a disabled customer base through employing disabled workers.

In Canada people with disabilities are one group covered by the Federal Employment Equity Act (and similar legislation in Quebec). Under this Act (which applies only to federal public servants, Crown corporations and federally regulated firms employing 100 people or more)

employers must identify barriers limiting employment opportunities, and develop and implement a plan to promote a fully equitable workforce. Voluntary employment equity operates at the provincial level. Affirmative action of this kind has not been successful in increasing the numerical representation of workers with disabilities although, as it also applies to women as a special group, women with disabilities may have benefited.

2.4 Benefit and compensation systems and rehabilitation

Completely separate insurance programmes exist in Canada and the USA to compensate for specified work-related injury or illness. In New Zealand the compensation programme is restricted to people disabled through accident (work-related or not). In the Canadian provinces and in New Zealand there are separate authorities which administer the funds for payment of work injury compensation, while in the USA the main actors are private insurance carriers who play an essential role in the administration of the programmes alongside the States. As it is in the interests of the funds or insurers (and fundamentally the firms who pay the insurance premiums) to reduce compensation payments, these systems also provide for rehabilitation and return to work support. The result is that workers with disabilities covered by these compensation schemes receive quite different, and usually better, benefits and services than workers who become disabled through other causes.

In the countries of mainland Europe and the UK, workers are insured against work-related injury or illness within the wider social insurance system. The arrangements for compensation and levels of benefit differ in some countries if disability is work-related but, generally speaking, beneficiaries do not receive different services from those who become disabled through other causes.¹⁶ The links between social insurance compensation and rehabilitation are most pronounced in Germany and Sweden. Germany has a principle of 'rehabilitation before pension' where the insured person's public pension fund should first provide medical and then vocational rehabilitation. The Swedish national social insurance agency has extensive responsibilities, together with employers, for ensuring that workers re-acquire lost working capacity as soon as possible.

The UK social security department, which pays industrial injury compensation, has no responsibilities for rehabilitation. Nor does the social security agency in New Zealand. The prime function of the social security agencies in the USA and Canada is also to administer benefits, although they may purchase vocational rehabilitation services for selected beneficiaries with disabilities. Here it is important to understand that the English-speaking countries traditionally have had 'all or nothing' social security disability benefits systems where beneficiaries have only very limited opportunities to earn while receiving benefits. The countries of mainland Europe, on the other hand, pay partial, as well as full, benefits according to remaining earning or working capacity. Their systems allow a partial benefit to be combined with income from paid work; and in Sweden and the Netherlands this is basic to sickness and disability benefit policy.

¹⁶ In Germany there is separate statutory occupational accident insurance but the Rehabilitation Harmonisation Act stipulates that the various insurance funds provide similar rehabilitation measures.

Companies in the USA and Canada commonly purchase private health coverage and insurance for their employees against the risk of disability. These employee benefits are an important part of the US system as there is no universal health care. There is a growing private insurance market in the UK, and in the Netherlands evidence of insurers following the US model of funding return to work services to minimise employers' compensation payments.

2.5 Employment support services and adaptations

In Sweden, France and Germany substantial funding is devoted to employment supports for disabled people and their employers (including training, adaptations, technical aids, wage subsidies, recruitment grants and direct services). The funds gathered through the quota-levy systems are major sources of financial and practical support to assist French and German employers in meeting their obligations towards disabled people. Public expenditure on re-integration of disabled people into working life is very low in the Netherlands, and reforms have been proposed to improve use of available funds.

Disabled people in Sweden and the UK can apply to earmarked funds for practical aids and personal assistance in work. Help to disabled people specifically for support in employment is unusual in other countries. Adaptive equipment and assistive devices for independent living are well-developed in several countries but rarely tailored to supporting employment.

A central tenet of disability discrimination legislation and some human rights laws (New Zealand is an exception) is that individuals with disabilities should not be put at a disadvantage in meeting the requirements of the job. This means that 'accommodations' or 'adjustments' should be made to the individual's work or working environment, such as modifying the equipment they use, making the workplace accessible or modifying the work schedule. Accommodation requirements are built in to some workers' compensation programmes in Canada. Only limited public funding for adaptation of the workplace and for making accommodations for workers with disabilities exists in Canada and the USA. There some businesses can be reimbursed for some of the costs through the taxation system, but, unlike in the other six countries, there is no system of grants.

2.6 Enterprise activity

The opportunity and impetus for the enterprise to develop and implement its own strategies for employment of persons with disabilities vary from country to country. Sweden, for example, reports that the framework of state regulation squeezes out any opportunity for independent activity. Yet in New Zealand, where employers can act relatively freely, employers are thought to see employing people with disabilities as a threat to efficient employment practices and a risk to profitability. Independent enterprise activity is most developed in the USA where employers have almost no statutory obligations in the employment field but have economic incentives to adapt their employment practices. Larger employers in the USA have developed a variety of activities and programmes intended to prevent disabilities from occurring and to minimise their costs. These activities are considered in more detail later.

3. JOB RETENTION ACTIVITY IN THE STUDY COUNTRIES

In the previous section we highlighted the commonalities and differences in national approaches to promoting employment of persons with disabilities. Here we summarise job retention activity within the eight national systems and highlight the key features and developments.

3.1 Countries of mainland Europe: summaries

The Netherlands' income and labour policy is undergoing rapid change. Strategies to reduce high sickness absence rates and costs to the disability benefit system have led to new responsibilities on employers: to identify and reduce risks in the working environment; contract with occupational health advisers; contact absent employees; and draw up individual work resumption plans. Penalties on employers were resisted and strategy has shifted markedly towards financial incentives, introducing employer responsibility for sick pay (for up to 12 months) and, since 1998, requiring them to contribute to the disability insurance scheme (or use the private insurance market) to insure against the costs of the first five years of disability. Uniquely in Europe, part of the firm's premium is differentiated, depending on claims experience. A consequence of these incentives has been 'risk selection' at the recruitment stage and legislation has been passed to prevent medical screening. Take-up of incentive subsidies for wage costs and adaptations is very low. Most adaptations for job retention are carried out by the company. The system focuses on short-term sickness absence, and rehabilitation of longer-term disabled people has low priority.

Job retention also has an increasingly high policy profile in *Sweden*, a country with a strong work ethic. Policy emphasises prevention of disability through improvements to the working environment. Established duties on employers to promote healthy work environments and make adaptations for individual needs in the workplace have been followed by initiatives to reduce sickness absence. Employers now have responsibilities for the first weeks of sick pay and in cases of sickness absence must plan for rehabilitation. As in the Netherlands, the sickness and disability benefits system has been tightened to reduce costs of sickness absence and long-term disability benefits. Ear-marked funding for adaptations in the workplace is substantial but under-used. A short-term national fund dedicated to improving working conditions has demonstrated to employers that workplace improvements can lead to economic gains. In a highly regulated system, employers have little opportunity for independent action. There are some examples of social partners' initiatives to promote employment opportunities for people with disabilities.

In *France*, concern about the outflow of disabled workers from employment at a time of high and rising unemployment prompted programmes in support of retention. Since the 1987 reforms to disability employment law, larger enterprises under the quota-levy system are encouraged to develop integration plans, covering retention, rehabilitation and training, as an alternative to paying the levy, and the body that administers the levy fund (AGEFIPH) works pro-actively with large combines. The quota system itself is tailored more towards encouraging recruitment. AGEFIPH interventions include temporary financial support to retain employees who become disabled while practical help is arranged, diagnostic advice and grants towards adaptations.

Employers' associations are active in promoting job retention but most enterprise activity is framed by the law. The proportion of state expenditure devoted to employment rehabilitation is low. Return to work activity is dispersed among a range of agencies and providers and improved co-ordination has been a priority. Considerable national effort is devoted to job creation and subsidies to reduce unemployment among disabled people and other disadvantaged groups.

In *Germany*, the quota-levy scheme allows employers to keep in their employ (often in light work) those, mostly older and long-term employees, who acquire health limitations. By encouraging them to register, employers can fulfil the implicit social contract, and avoid the uncertainty attached to new recruitment of disabled workers and the embarrassment of paying large levy dues. The current economic conditions force firms to shed labour, however. Works councils and disabled persons' representatives have effective roles in procedures which require employers to obtain external permission to dismiss a registered severely disabled person. Return to work is a strong institutional feature, supported by the various pension funds which invest in rehabilitation as a first resort before payment of pension. Interventions by these funds veer towards retraining and new employment opportunities, rather than efforts to accommodate the disabled person with their existing employer; a 1997 review by the Federation of Pension Funds has proposed a redirection towards job retention to improve efficiency. Various support services and subsidies for (re)entry to work may be used for retention. Some interventions are specifically designed to support efforts by enterprises to retain workers who become disabled.

3.2 Emerging issues: mainland Europe

- ▶ Principles of social responsibility to disabled workers have been difficult for enterprises to sustain in the face of down-turns in the economy and may be difficult to re-establish in times of economic boom.
- ▶ Principles of social solidarity are eroding fast in the Netherlands, with decreasing public and political will to support the massive costs of the disability benefits system and rapid privatisation of the disability insurance system.
- ▶ A response to the rising costs of sickness and disability benefits in the Netherlands and in Sweden has been to shift responsibilities from the state to the enterprise (most dramatically in the Dutch system) both for payment of sickness benefit and for early intervention to reduce sickness absence.
- ▶ Occupational health services are becoming key players (as in the Netherlands) as enterprises take on more responsibilities for retention of workers who become disabled.
- ▶ Differentiated insurance premiums, as an incentive to Dutch employers to prevent employees entering the disability benefits system, is a new development in Europe.
- ▶ Job retention is mainly a social insurance policy issue, although in France, where the costs of disability pensions have not escalated, the prime movers are the employment department and the quota-levy fund agency.
- ▶ Regulatory systems tend to circumscribe independent action by the enterprise but may also, as in the case of the French reforms of 1987, stimulate new initiatives to support retention.
- ▶ The substantial budgets of quota-levy funds and the fund raised from pay-roll taxes in Sweden are important facilitators of job retention.

- ▶ Works councils and trades unions play reactive roles in defending rights not to be dismissed and in France and Germany are particularly active in reaching agreements to further job retention policies within the enterprise.
- ▶ Employers' networks for disability seem best developed in France, where employers' associations and disability associations are also active providers of services to support job retention and return to work.

3.3 The Anglophone countries: summaries

In *Canada*, requirements to re-employ and accommodate the return to work of injured workers are a new and emerging area in workers' compensation (in Ontario, Quebec, British Columbia and New Brunswick). These changes, as well as restrictions on eligible claims, have been driven by the need to restore the financial viability of the compensation funds. Since 1998, the Ontario scheme has been re-oriented towards prevention of workplace injury to meet this aim, and responsibility for first intervention for retention or return to work is shifted from the compensation board to the employer and employee. Insurance premiums which relate to the rate of claims (known as 'experience rating') offer some incentives to employers to prevent compensation claims. A reported adverse effect is pressure on injured employees to drop claims or to return to work before they are ready. There are no other public policies specifically for job retention but a shift in emphasis from more general policies that improve access to work to those that promote job retention is reported, reflecting a general concern about the inadequacy of 'equal opportunities' and the need for policies which deliver outcomes. Reasonable accommodation requirements are considered key to such a strategy. The Canadian report notes that pressure on governments to reduce deficits is shifting to employers more of the costs of services (such as vocational rehabilitation) and of transfer payments.

In terms of *USA* national priorities, reducing numbers on the disability benefit rolls receives greater attention than policies to support employees who are at risk of becoming unemployed due to a disability. However, the ADA and FMLA combined, backed by occupational health and safety legislation, have had significant effects on job retention practices. Employers are responsible to pay medical and indemnity benefits for work-related injury and, because insurance premiums relate to claims, there is an incentive, particularly for large firms, to reduce the occurrence of disability and return the employee to work as soon as possible. However, workers' desires to achieve the best rates of compensation and litigation reduce possibilities for early intervention. Larger firms operate some form of 'disability management' system for claims handling, prevention of disability, accommodation of workers with disabilities and so on. Workers who become seriously ill or injured are eligible for vocational rehabilitation (VR) under all State workers' compensation programmes and participation is mandatory in 15 jurisdictions. Return to the same job, modified if necessary, with the same employer, takes priority. VR services are either administered by a State workers' compensation or public VR agency, or financed by private sector insurance carriers or self-insured employers. As in Canada, options are limited for persons with disabilities not covered by workers' compensation or employers' own benefit plans. Federal/State VR is oriented towards first-time entry to employment, particularly serving people with severe disabilities, and federal expenditure on VR is very low.

In *New Zealand*, the single programme which positively affects job retention is the accident compensation and insurance scheme which, like workers' compensation boards in parts of Canada, provides case-managed rehabilitation services. Return to work is negotiated and not mandatory, while rehabilitation is a right. Again, 'experience rating' is a built-in incentive to employers to retain workers who acquire disabilities. Supplements to the income of returning workers who are unable to work full time also serve as incentives to employers. A pilot scheme allows approved employers to take on the total management of claims for the first year following injury. Support services are directed towards access to employment and maintenance of people with disabilities who find jobs. The recent Human Rights Act and promotion of equal employment opportunities appear to have little impact on enterprise behaviour and the New Zealand report suggests that employment of people with disabilities is not a priority in a highly competitive climate.

In the *UK*, the rising costs to the state of disability benefits combined with long-standing political concern about 'benefits dependency' and disincentives to work, and employment services for disabled people directed towards (re)entry to employment, have meant that policy for job retention was left in the hands of the employers. The new government has begun to stress the importance of preventing disabled people from leaving employment (and so claiming benefits). A 'new deal' has been announced as part of the new Welfare to Work approach, although specific design details are only now beginning to emerge. There are few incentives to employers to retain disabled workers. The recent Disability Discrimination Act, which follows years of encouragement to adopt good disability employment policies, may impact on employers' retention practices and encourage voluntary initiatives instituted by leading-edge employers. Practical help to disabled people for workplace access supports people who become disabled in employment but vocational rehabilitation plays a marginal role in the system. Employers' networks on disability focus on access to work more than job retention.

3.4 Emerging issues: Anglophone countries

- ▶ The excessive compensation costs to workers' compensation and accident compensation boards in the USA, Canada and New Zealand have stimulated measures to encourage employers to retain those injured workers who are able to return to work.
- ▶ Requirements on the employer to re-employ and accommodate an injured worker are found in some Canadian provinces.
- ▶ Experience rating, where the cost of insurance is related to the disability record of the company, is an incentive to retain workers who become disabled.
- ▶ Injury and accident compensation systems discriminate against workers who become disabled for other reasons. The latter have restricted opportunities for compensation, for income maintenance benefits and for rehabilitation.
- ▶ Adversarial compensation systems reduce possibilities for job retention.
- ▶ In the New Zealand scheme rehabilitation is a right. Rehabilitation is mandatory in some Canadian compensation schemes and in a minority of US workers' compensation programmes.

- ▶ Disability discrimination legislation in the USA supports retention and re-employment of working individuals with disabilities, particularly those who acquire a disability.
- ▶ In the USA the management of the occurrence of disability, and its prevention, is now an accepted function of larger enterprises, prompted by experience rating and reinforced by rights-based legislation. Canada also reports some enterprise disability management initiatives where labour representatives have had a key role. In the UK disability management is an emerging development as part of good employment practice and encouraged by recent disability discrimination legislation.

4. DISABILITY EMPLOYMENT POLICIES

All eight countries have developed policies which influence enterprises' employment practices with regard to workers with disabilities. For example, enterprises are encouraged, or required, to avoid discriminating on grounds of disability, to refrain from discharging disabled workers, to keep jobs open for workers absent on sick leave, or to make it easier for the disabled worker to do the job. Of course, special measures for workers with disabilities are only part of the picture, and policies which apply to *all* workers also affect the job security of those who are disabled.¹⁷

4.1 The changing labour market

Job retention and return to work strategies for workers with disabilities are challenged by changes in the structure of the labour market and in employment conditions in many countries.

- ▶ Structural changes include a growth in service industries and a decline in traditional industrial sectors, a shrinking public sector, streamlining of large firms, 'out-sourcing' and a growth of small employers and of self-employment.
- ▶ Employment opportunities are increasingly 'non-standard', including part-time jobs (which may involve very low hours), short-term contracts and agency employment.

These changes expose the shortcomings of some regulatory approaches which exclude small firms, require minimum periods of employment before disabled workers can take advantage of the law, or exclude part-time workers. Workers with disabilities in emerging labour sectors can miss out through restrictive coverage of work-injury regulation and of compensation systems. Women in part-time work, transient workers and some minority ethnic groups concentrated in small businesses or self-employment are particularly disadvantaged.

Agency working and subcontracting not only remove some disabled workers from the reach of the law but also change the nature of employers' obligations towards them. In the changing labour market there is an increasing role for public policy to support self-regulation among enterprises. For example, companies may choose to exercise financial leverage on subcontractors to demand of them standards in employment practice, just as governments may do through the device of contract compliance.

The advent of the 'flexible' labour market can bring opportunities for some disabled people. Some needs may be met through re-allocation of tasks to create 'light duties', flexible hours, job-sharing, part-time working, home-working and tele-working. These solutions often fit with employers' needs to reduce labour costs. But what are the benefits of flexible employment to the worker with disabilities and what are the costs? Opportunities for flexible employment are by no means universal. The German report comments on limited room for manoeuvre with increasing competition and pressure for efficiency measures. Other countries report narrow profit margins in some service industries and limited scope for flexibility in stream-lined public sectors.

¹⁷ The Ideas-2000 Project is exploring the question of whether generic policies are more effective than special programmes in increasing the employment of persons with disabilities.

The new labour market requires employees to be functionally flexible, and undertake ongoing training and re-skilling. If this human resource management ethos leads to less rigid employment structures disabled workers may stand to benefit. Flexibility, and tailoring solutions to individual needs, are key elements in successful job retention strategies. But how far is 'flexibility' part of the culture of those industries where workers become disabled?

Should public policy follow the flow of the changing labour market or stand against the tide to protect the interests of employees, including disabled workers? Should it, for example, advocate that workers with disabilities should 'hitch a ride' in the growth service-sector¹⁸ or direct effort to supporting job retention in declining industrial sectors? Deciding on the balance between these extremes is the first step towards a strategy for job retention and return to work of workers with disabilities.

4.1.1 Job retention and the small firm

Many of the legal measures which promote job retention do not apply to firms with fewer than a set number of employees. Changing employment conditions, rationalisation of large enterprises and the growth of small firms indicate that the already large number of excluded people with disabilities is set to increase.

Laws are commonly framed to allow alteration of thresholds; for example, the ADA threshold was gradually raised during the implementation phase, as was that in the law which introduced the quota-levy system in France. The UK government is to lower the minimum size of firm covered by the DDA. Deciding where to draw the line is not straightforward. Thresholds are set to take account of enterprises' ability to comply with the legal requirements, enforcement agencies' capacity to oversee their adherence and the costs of supporting beneficiaries under the law. If bringing smaller enterprises within the scope of law is to be effective, they will need practical advice and extra funding for the costs of compliance, particularly where there is a requirement to accommodate disabled workers, and minimal bureaucratic requirements.

4.2 Policy approaches

Policies are influenced by different assumptions about why job retention and return to work are desirable objectives, about the parts that the state, employers and employees should play in achieving them, and about the relative roles of legislation, financial incentives, publicly-funded support and voluntary action.

At an *analytical* level, we can identify three main types of policy approach and corresponding public policy measures:

- ▶ collective responsibility - exemplified by quota systems, affirmative action, protection against dismissal, wage subsidies, promotion of the socially responsible firm

¹⁸ Yelin, E. and Trupin, L. (1997) 'Successful labour market transitions for persons with disabilities: factors affecting the probability of entering and maintaining employment', draft paper prepared for Conference on Employment Post the Americans with Disabilities Act', Washington DC, November 17-18.

- ▶ individual rights - exemplified by anti-discrimination and human rights legislation, equal employment opportunity policies, information and guidance
- ▶ business incentives - appeals to companies' financial interests through experience rated insurance premiums, diversity policies, promotion of the 'business case'.

Clearly, employment policies are not uniform and often in a state of flux, with different forces at work within national systems and different actors taking different positions. But employment policies within the study countries can be broadly characterised according to these analytical types. In some systems one type of approach stands out while in others a mix can be observed.

An emerging development overlays these three broad approaches. Pressures to reduce expenditure on disability benefits or injury compensation claims, alongside other fiscal pressures, have led to shifts of responsibility to the employer from the state. In some systems, increasing employer responsibility is now viewed as a sustainable policy approach, supported by the argument that workplace rehabilitation and early work resumption are better solutions for the individual, as well as less costly to the state.

4.2.1 Target groups

These policy approaches target different populations. Measures based on collective responsibility and individual rights generally are designed to support employment of individuals with enduring disabilities. While most of these laws are framed to include workers who become disabled, and in practice they are often the main beneficiaries, they are normally conceived as measures to promote and maintain the employment of individuals who are disabled when they take up work. Status as a disabled person is the passport to the rights and privileges of the law.

Policies based on business incentives, and the emerging policy line of increasing employer responsibilities, concern workers who *become* or are *at risk of* becoming ill or disabled. Workers are targeted for interventions because of their status as an insured person or because of their value to the company. We do not know how many meet legal definitions of a 'person with disabilities'. It seems that these policies favour the retention of workers with short-term disabilities or disabilities that are simple to accommodate; they do not necessarily have a right to return to work and sometimes are required to co-operate in the return to work process.

4.3 Maintaining the employment relationship

Maintaining the employee's connection with the employer is clearly essential if the other supports for job retention - income supplements in work, support services and rehabilitation in the workplace, and adaptations of work and workplace - are to be put in place. We report some public policy approaches, examine some of their interactions with other elements in the system, and explore their potential transferability to other systems.

Looking across the study countries we find two public policy approaches:

- ▶ maintaining the connection with the employer during sickness absence or medical treatment
- ▶ legal protection against dismissal on grounds of disability.

The first approach targets workers with short-term disabilities. The second targets those with more enduring or permanent disabilities. Because of the different policy orientations in many systems one or other of these groups of disabled workers misses out. The challenge for a job retention strategy is to identify and remove anomalies within systems, to make sure that workers with both short-term and long-term disabilities benefit, and to prevent one group gaining at the expense of the other. The first step, however, is to examine effectiveness and equity in the different approaches to maintaining the employment relationship.

4.4 Keeping the job open during sickness absence

We found two main mechanisms for keeping the job open during sickness absence: linking employment protection to social insurance or workers' compensation; and disability leave.

4.4.1 Linking employment protection to social insurance benefits

One potentially useful approach is to legislate to protect the employment of recipients of social insurance sickness or disability benefits. This can apply both where the insurance agency pays the benefit and where the employer is responsible. In Sweden, where the employer now pays during the first two weeks of sickness absence, as a general rule there is no question of dismissal while the person is receiving national sickness insurance benefit. In the Netherlands, where the employer is now responsible for payments for up to five years, a disabled employee may be dismissed only after two years and only with permission from the authorities. In those countries, the employer is legally required to have arrangements for rehabilitation in the workplace and to initiate action to support the return to work. Compliance is monitored, though less stringently in Sweden. The current policy approach in the Netherlands is founded on business incentives, while in Sweden employers are expected to respond to legal obligations with few extra incentives.

In France, a newly disabled person who is work-injured or who receives a disability pension has protection against dismissal for the duration of the period of sick leave and, if found fully fit, will return to the job. Otherwise, the employer must reassign the person to another job. Medical judgements are important in determining the outcome and if resettlement within the enterprise is impossible, dismissal may ensue. The disabled person may challenge the decision in the courts. The quota-levy system serves as an incentive to retain disabled employees.

Where retention is mandatory, as in these examples, effectiveness relates to the incentive structures, the mechanisms for control, and the rehabilitation infrastructure to support the worker's return to the job.

4.4.2 Linking employment protection to injury and accident compensation

In Canada, USA, New Zealand and Germany, workers who suffer work-related injuries or accidents fall within separate compensation programmes which provide for rehabilitation as well as financial compensation. The priority in all systems is to return the disabled worker to the original employer. There are three main approaches: requirements to reinstate the injured worker, business incentives and intervention strategies.

In some Canadian workers' compensation schemes there is now a *re-employment requirement*. In Ontario (the example given) the employer is required to reinstate and accommodate the injured worker in their former job, or in a comparable job with comparable wages, if return is within two years of the injury.¹⁹ If the employer is reluctant to re-employ, mediation follows and some kind of settlement is achieved in three-quarters of cases. In the long run, the employer can be fined but not forced to reinstate the worker. Recent changes to the law place the responsibility on the employer and employee to make and maintain contact, whereas previously the workers' compensation board drew up a rehabilitation plan. As a rule in the Canadian systems, companies receive rebates on their insurance contributions if claims decrease and this is an incentive to employers to assist the return to work effort. However, it may lead employers to resist workers' claims for compensation.

Although State workers' compensation laws in the USA generally do not forbid discharge following the onset of a work-related injury or illness, there are *business incentives* to return the injured worker to work as soon as possible. Employers are responsible for paying medical and indemnity benefits. As such benefits are either company-insured or experience rated when insurance is purchased, their cost is related to the disability record of the employer. However, there are also incentives to injured workers to maximise their awards by not returning to work. Disputes over liability and over the degree of occupational impairment tend to lead to lengthy legal and medical assessment procedures. Litigation is a barrier to return to the job. No information is available on numbers of disabled workers staying in work or their characteristics. Evaluation of overall effectiveness is hindered by the involvement of a range of insurers.

The accident compensation scheme in New Zealand (ACC) emphasises *early intervention* to gain the co-operation of the employer at the start so that the person retains their place of work. There is no requirement on employers to take back the accident-injured person and no litigation. Most (90 per cent) retain their jobs with medical compensation only. Experience rating, introduced in 1993, is intended as an incentive for retention. A further incentive is temporary payment by ACC of earnings-related entitlements so that the person may return to the job part time.

Intervention to gain the co-operation of the employer is also a useful approach in Germany. Under the statutory occupational accident programme, as for other employees absent undergoing rehabilitation measures, there is no legal arrangement to keep the job open.²⁰ Employers are encouraged to do so, or offer vacancies, through mediation by the specialist case managers (Berufshelfer) who give priority to returning persons undergoing rehabilitation to their original occupational branch. A substantial part of the rehabilitation effort is devoted to these measures and it seems that many larger companies do keep the original job open or find temporary light

¹⁹ Of those injured workers (50 per cent of the total) receiving vocational rehabilitation through the programme and re-entering the workforce, three-quarters returned to their employer in 1994 and 1995.

²⁰ Dismissal is possible if the period of absence is long, if health limitations are likely to be enduring, and if retention is against the interests of the company. If the works council refuses to approve the dismissal the employer must pursue the case in the labour courts. If the absent person is a registered severely disabled person, permission must be sought from the Hauptfursorgestelle, which is usually granted.

jobs until the previous job can be resumed. Economic constraints make this increasingly difficult. There are some incentives in the shape of integration benefits but employers' insurance premiums are not set according to the record of the individual firm. Overall, however, the German rehabilitation system tends to promote retraining and return to a new employer. Indeed, return to the previous occupation is explicitly avoided if it poses a continuing risk to the person's health.

The outcomes of these approaches are hard to assess. Hard data in terms of jobs retained or lost have limited explanatory value. There are lessons to be learnt - for both injury compensation schemes and social insurance programmes - by examining elements in the *process*: the role of the physician in determining fitness for work; the procedural obstacles to settling claims; and how case managers access employers and achieve co-operation. The populations covered by injury and accident-related schemes and by social insurance schemes differ, however.

Compensation programmes which are restricted to injury or illness that 'arises out of and in the course of employment', and the accident compensation schemes, tend to focus on injuries associated with a particular event. They are ill designed for degenerative, accumulative, stress-related and over-use conditions. Pressures on the financial viability of workers' compensation programmes are leading to even more restrictive definitions of eligible illnesses; under the new provisions in Ontario, for example, stress is ruled out and chronic pain is under review. Anomalies appear if parallel state programmes provide different levels of benefit or rehabilitation for those who cannot claim that their condition is work-related or who are excluded from coverage of the programme. The issue is most acute where eligibility for and access to social security benefits is restricted (by means-testing or long-waiting periods, for example). Critics of the dual system of accident compensation and social insurance in New Zealand consider it inequitable and socially divisive.

In North America, where workers' compensation programmes are of long standing, the private insurance market has stepped into the breach and employers purchase insurance for their employees. Although it is observed that some USA enterprises have begun to break down the distinction between work-related and non-work-related disabilities, and to provide similar claims-related services for both, this is not the norm and more valued employees who are difficult to replace tend to be selected for interventions.

4.4.3 Disability leave

Disability leave can be useful for individuals with short-term disabilities whose contracts of employment provide limited job security. This is exemplified by the USA Family and Medical Leave Act (FMLA) of 1993, the many State statutes and voluntary initiatives which preceded it, and good practices by employers not covered by the law. Under the FMLA, private employers (with over 50 employees) and public agencies must meet requests from employees for up to 12 weeks' leave to recover from a serious health condition or for family reasons. If return is within 12 weeks, the employer is obligated to give the employee their former or an equivalent position.

A drawback with this approach is that individuals have to claim their right to leave: research into the operation of the FMLA found that individuals were reluctant to ask because they feared that they might lose their job or their work would suffer. A problem associated with taking leave is that the individual then has a history of lost working time and can find it difficult to change employer. Employers are thought to be unwilling to hire them because of the risk of the cause recurring. Such instances of discriminatory hiring are difficult to prove under the ADA.

Voluntary 'disability leave' has been piloted by a UK voluntary organisation for blind people with some employers. The employer is encouraged to support the return to the job of employees on short-term absence (who may not qualify for protection against dismissal or who may be discouraged from returning) and to help in the process by making temporary or longer-term adjustments. Practice is promoted by the business case that it is financially worthwhile to the company to retain the employee. The USA experience indicates that mandated medical leave, established on a foundation of voluntary practice, in combination with accommodations for returning workers required by the ADA, has had a significant impact on job retention, especially benefiting blue-collar workers.

4.5 Preventing dismissal on grounds of disability

Laws which prevent dismissal on grounds of disability can benefit workers who become disabled as well as those who are already disabled. Three models are considered.

4.5.1 Protection against dismissal in Germany

Germany provides an example of a negotiated approach to protecting the jobs of permanently disabled workers. The employer must consult the disabled persons' representative (such a representative is obligatory in firms with more than five severely disabled workers) and the works council, before applying to the authorities for permission to dismiss a registered severely disabled person. The parties are expected to work towards negotiated settlements, and three-quarters of cases of retention are achieved without official procedures. The opinions of the internal representatives are very influential in the process. If the authorities intervene they may provide advice on adaptations and financial support to retain the disabled worker.

The down-side of this approach is the negative impact on employers' hiring decisions. Because assessment as a disabled person does not measure working capacity, registered severely disabled persons who experience no difficulties in working life also benefit from the protection against dismissal. Severely disabled workers have an extra five days leave, for which the employer pays.

On the other hand, the effect of the German quota-levy system has been to protect *newly* disabled employees from dismissal. Employers press those, mainly older, workers who experience health problems to register. 'Internal recruitment' accounts for 80 per cent of those recorded for the purpose of the quota. At the same time, employers can meet the 'reciprocity expectations' of their employees, demonstrating loyalty to them and fair treatment.

4.5.2 Non-discrimination legislation

The German approach, where the employee has automatic protection until dismissal is granted, contrasts with the individual rights approach found in human rights and disability discrimination legislation. While it is against the law for the employer to dismiss a person on grounds of disability, legal procedures usually come into effect only if a complaint of unfair dismissal is made, that is, after the job has been lost. If the complaint is settled the employee may be reinstated.

The 'omnibus' human rights legislative approach - covering other groups, as well as people with disabilities, experiencing discrimination in all walks of life - may have different effects from legislation specific to disabled people in employment. A drawback with omnibus legislation is that the rights of disabled workers can have a low profile and other groups' interests can dominate. Equal employment opportunity or employment equity laws may interact, however, and raise workplace actors' awareness of disabled workers' rights not be discriminated against.

Disability discrimination acts generally cover broadly defined populations of individuals with long-term impairments that limit daily activities, but may also encompass progressive conditions, past disability, being perceived as disabled, and emotional disorders that generally fall outside popular conceptions of disability. Disability is viewed as a relationship between the individual with impairments and the working environment, which means that the employer has to make reasonable changes to the work or workplace so that the disabled person is not put at a disadvantage in carrying out the requirements of the job.

Evidence from the USA indicates that the ADA supports job retention. Over half of the 75,600 charges filed up to end November 1996 were for discharge violations and the majority were resolved by mediation. The pattern of recorded disabilities of those complainants suggests that they were workers who became disabled, rather than individuals who were disabled when they took up the job. The USA report comments that the ADA has helped to protect the jobs of blue-collar workers who receive fewer employee insurance benefits. Only one in ten of all complaints were for hiring violations, possibly reflecting the difficulties faced in proving discrimination in recruitment decisions; and, clearly, the number of persons with disabilities applying for jobs will be much lower than the number of existing employees covered by the law. The numbers of complaints filed or cases resolved by mediation are inadequate measures of the effectiveness of non-discrimination legislation, however. Only by looking inside the enterprise will it be possible to assess the impact of such laws in preventing dismissal occurring in the first place.

To take advantage of non-discrimination laws, persons with disabilities need to know their rights, feel empowered, have confidence in the system, and have the resources to drive a sometimes costly and time-consuming process where the outcome is uncertain. Without advocacy, the rights-based approach may favour the better educated and more affluent; rights commissions with powers to investigate employment practices may help to redress this imbalance. We need to know more about the consequences of the adversarial process on employer/employee relationships and on the quality of working life for the person who returns to work.

Different ways of resolving disputes have different outcomes. Conciliation has the advantage to the employee of earlier resumption of work and avoidance of the stress of litigation. On the other hand, a public decision against the employer may bring changes in practice which are of benefit to a wider population of disabled workers than the successful claimant alone.

We need to know more about how best to frame non-discrimination legislation to help the enterprise to support individual rights in employment. The precision of the legislation, consistency of court decisions and the detail of codes of practice all affect ability to plan appropriate changes.

4.5.3 *Building disability into employment security law*

The approach in Sweden combines requirements to make adaptations with the option of individual action. Under the general employment security law, reduced working capacity is not grounds for dismissal.²¹ Rather, the employer is expected to take action to make the work easier, using externally provided aids, to transfer the employee to less demanding tasks or to initiate rehabilitation measures. The employee or the union can take the employer to court for groundless dismissal and damages may be awarded; cases are hard to win, however. It is thought that overall the law inhibits arbitrary dismissal and disabled employees have strengthened job security compared with other workers. This does not protect disabled workers against discrimination. Survey evidence shows that employees have lost their jobs or been pressed to resign on account of their disability, and a law against discrimination in working life is to be introduced.

Swedish employment security law is complemented by working environment and social insurance laws which place responsibilities on employers to adapt the working environment to the needs of functionally disabled workers and to ensure that rehabilitation needs are identified and acted upon, so that working capacity is restored as soon as possible. Definitions of target groups are very general and do not obviously conflict. Difficulties in the system appear to stem from the lack of 'sticks' and 'carrots', and from unclear responsibilities and disjunctive practices among the various governmental agencies, rather than from conflicting public policy objectives.

A related way forward might be to make it easier to claim unjust dismissal on grounds of disability under employment law. In Canada, mechanisms to prevent unjust dismissal only indirectly cover dismissal on grounds of disability and such a case is likely to be difficult to prove.²²

²¹ Dismissal is allowed if the person cannot carry out work of any significance but the employer must use all available means to avoid dismissal.

²² In Canada all employees have common law protection against wrongful dismissal (that is, the employer must show just cause for dismissal); while disability itself is not 'just cause', some of its consequences, such as excessive absenteeism or incompetence to perform the job could be grounds for dismissal. There is also a grievance procedure for employees covered by a collective agreement and statutory protection under employment standards for non-union employees.

4.6 Supporting employers' costs

Generally, the employer bears the costs of keeping the job open for a returning employee. Identifying and supporting those costs are central to a job retention strategy. An initiative by AGEFIPH, the body administering the French quota-levy fund, provides short-term financial support to retain a worker who becomes disabled (as defined by the law) and to allow adaptations to be made. This is requested primarily by traditional blue-collar industries, and beneficiaries are mostly older, male and with low educational qualifications, and with motor impairments.

4.7 Transferability across systems

Some of these measures supporting job retention are imbedded in national systems and do not lend themselves easily to replication in others. Approaches founded on collective responsibility have developed in a socio-political context where decisions are made in a consensus-oriented way, where there is a history of employment issues being decided more co-operatively between labour unions and management, and a social contract between employers and employees. Rights-led approaches are found in more adversarial systems. Some systems take for granted the necessity of professional assessment, classification and registration of disabled people, while in others such processes are unacceptable to persons with disabilities.

Transference across English-speaking countries of measures based on precepts of individual rights has been facilitated by a 'common law' legal system, a common language, and solidarity among disabled people's movements with a shared commitment to civil rights for people with disabilities. Transplantation is easier in a receptive climate where rights legislation to prevent discrimination on grounds of sex and race has already had an impact. In the USA and the UK²³ disability discrimination legislation was introduced into less interventionist systems where enterprises were encouraged through business incentives or good practice initiatives to change their employment practices. USA experience suggests that non-discrimination legislation will have more impact on retention if founded on existing good practices, backed by heightened public acceptance of the rights of persons with disabilities. Disability discrimination legislation requires a relatively broad definition of disability which enables individuals to self-identify under the terms of the law.

The idea that business advantages might flow from a diverse workforce which includes disabled people is gaining ground in the USA, New Zealand and the UK. Whether this relatively weak form of incentive has any impact on job retention is hard to say. Financial incentives to retain disabled workers appear increasingly relevant as more responsibilities pass from state to enterprise and as employers find it difficult to reconcile duty with business objectives. Insurance-related incentives to employers, first developed in injury and accident compensation schemes, are now found in the special circumstances of the Dutch disability insurance system. In other social insurance systems risks are shared. Private insurers are positioned to influence enterprise job retention strategies in systems where the costs of disability fall to the employer.

²³ While the UK had a quota scheme until the passage of the DDA (1995) it was almost unused and the main thrust of government policy was to promote voluntary adoption of good employment practices.

4.8 Key issues in employment policy

- ▶ Changes in the structure of the labour market and conditions of employment reduce the scope of public policy and increase enterprise autonomy. Business communities, locally, nationally and internationally, have the opportunity to regulate their own practices and to use their trading influence to promote equitable job retention.
- ▶ There is a need to identify, at national and local levels, those areas of the labour market where job retention is most problematic and to consider where policy interventions might best be directed.
- ▶ Individual rights movements are a growing force in Europe. Models of disability discrimination legislation are evolving in more interventionist systems. Definitions of disability, procedures for enforcement and mediation and accommodation requirements will have differential effects on employers' ability to retain workers with disabilities, as well as on disabled workers' opportunities to claim their rights under the law.
- ▶ Requirements to accommodate - to adapt the work and workplace so that the individual with disabilities is not disadvantaged - are key to a coherent job retention strategy and can bridge the gap between conflicting definitions of disability. Including accommodation requirements in compensation systems as well as in rights legislation is a way forward.
- ▶ Measures to promote job retention can have negative consequences for individuals with disabilities wanting to take up work or move to a new employer. Perverse effects have been noted in both collective and individual rights-based approaches. But selective hiring to avoid those who pose a financial risk is particularly associated with policies which aim to reduce the incidence and duration of disability-related claims and consequently reduce costs to the employer. An equitable strategy for job retention and return to work requires effective non-discrimination measures to prevent risk selection at the recruitment stages.

- ▶ Insurance-related financial incentives are increasingly dominating the enterprise response to disability and have a part to play in supporting job retention. But these policies also may have negative effects on those disabled workers who are actively discouraged from claiming compensation or are pressed to return to the job too early. Job retention may not always be in the best interests of the disabled worker.
- ▶ With increasing enterprise responsibility for containing the costs of disability there can be room for discretion in choosing whom to support. Non-discrimination legislation is a significant element in the return to work strategy where companies have incentives to retain the workers they most value.
- ▶ The effectiveness of the different approaches to linking employment protection to receipt of sickness, disability or injury benefit should be explored further. The spectrum ranges from stringent requirements on the employer to retain the beneficiary, to negotiated interventions on the part of the benefit agency. There can be lessons for countries where such arrangements do not exist, or exist for only a subset of workers with disabilities.
- ▶ As the emphasis shifts to early intervention and rehabilitation, securing the job of the disabled worker is increasingly necessary. The issue of how to identify and support the costs to the employer has become a priority.
- ▶ As responsibility shifts from government to employers and disabled employees the need is highlighted both for collective representation of disabled people in planning for job retention and for individual advocacy in the workplace. New models of advocacy are developing as persons with disabilities within employing organisations and labour unions form alliances to provide support to their peers.

5. BENEFIT AND COMPENSATION PROGRAMMES

The benefit system for individuals who become disabled in work typically comprises several parts. Under social insurance and occupational insurance schemes, there are occupational injury or accident compensation programmes, sickness benefits, rehabilitation benefits and disability benefits. Within the privately-insured sector, there can be sickness or short-term disability programmes and long-term disability benefit schemes to which employers or employees, or both, contribute. In some cases, compensation is a combination of several forms of payment.

The basic questions from the disabled worker's point of view are: how the benefit arrangement which applies to them enables them to stay with the existing employer, or leads them to leave their employment; how it assists them in the process of returning to work or presents obstacles; and how it encourages the disabled person to return to employment or is a disincentive to doing so. For the individual whose working capacity, or ability to earn the previous wage, is reduced by disability, an additional consideration is how far the benefit enables them to resume work part time.

The design of the benefit or compensation programme is important in determining if persons with disabilities will retain their jobs or return to employment, as well as the conditions of that employment. To understand the possibilities and the constraints, we need to consider:

- ▶ the level of benefit
- ▶ rules for granting benefits
- ▶ partial benefit options
- ▶ options to combine work and benefit
- ▶ opportunities to obtain or retain benefits during rehabilitation
- ▶ possibilities to use benefits for the transition back to work.

The design of social and occupational insurance schemes also influences the actions taken by employers. Changes in the compensation system may influence the behaviour of both employers and employees.

5.1 Sickness benefit and compensation systems

If an individual becomes injured, sick or disabled while in employment, the type of benefit arrangement to which he or she is entitled in the first instance will affect opportunities to stay with the existing employer.

5.1.1 Sickness benefit programmes

In a minority of study countries, there is comprehensive coverage for all insured workers under a single pay or sickness benefits scheme. In countries with separate work or accident injury schemes, sickness benefits for those who are not covered are paid variously by the employer (in the first instance) through a private insurance scheme taken out by the employer (or less, usually, funded by the employee contributions) or by a state-financed scheme. Private insurance coverage is most prominent in the USA.

The period of employer responsibility for sickness benefit varies substantially. For example, in the Netherlands by the end of 1997 responsibility had been extended to 52 weeks; in the UK the employer is responsible for sick pay for up to 26 weeks and there is now no separate sickness benefit scheme; in Sweden at the time of the study the employer sick pay period was four weeks, though it has since been reduced to two.

Employer sick pay in New Zealand extends for only one to two weeks, depending on the terms of the individual's employment contract; while statutory sickness benefit, if repeatedly renewed, can be paid indefinitely.

In the USA, there is no statutory sickness benefit. There, private sickness and 'short-term disability' benefit programmes typically last up to 26 weeks; while the mandatory 'temporary disability insurance' programmes in five states, to which employees contribute, can pay benefits for between 26 and 52 weeks.

In the absence of protection to keep the job open, such as the Family and Medical Leave Act in the USA or statutory protection against dismissal, extended employer sick pay can provide a link to enable return to the job and, if the costs are sufficiently high, the employer has an incentive to maintain contact and support return to work. Otherwise, once the employer period of payment has ended, as the New Zealand report notes, individuals must attempt themselves to negotiate their return to work with an employer on whose goodwill they are dependent, and are vulnerable to job loss.

Employer responsibility for sick pay or sickness benefits may be linked to statutory rehabilitation responsibilities, as is the case in the Netherlands and Sweden where the employer is required to follow up absent workers and plan for work resumption, overseen by the social insurance agencies.

In the statutory schemes for sickness benefit in the less regulated countries the social insurance authority's mandate is limited to claims handling and there is no remit to intervene with the employer to promote return to the job or to provide rehabilitative services to the disabled employee.

5.1.2 Workers' and accident compensation schemes

In Germany, Canada, USA and New Zealand, there are quite separate compensation schemes for workers who become disabled through work-related injury, illness or accident, and they all have rehabilitative components. In Germany, the principle of 'rehabilitation before pension' applies, and the concept of compensation encompasses much more than cash benefits. The statutory occupational accident fund provides a comprehensive range of assistance in kind, as well as monetary benefits, notably to support the expenses of undergoing vocational rehabilitation measures such as training.

The form in which damages are paid for work-related injury may affect the incentive to return to work. In some Canadian workers' compensation systems a lump-sum amount is payable for non-economic loss. The Canadian report speculates that if the payment is made as an initial lump sum, rather than graduated payments as an annuity, it may be used to finance job search activities, although the opposite point of view is that a large sum might support exit from the labour market. In New Zealand, lump-sum payments for pain and suffering and loss of enjoyment of life have been abolished, and substituted by an independent living allowance to assist with the additional costs of disability.

In the USA, most states provide cash damages for permanent occupational, rather than income replacement for lost earnings. This has the advantage that there is usually no disincentive effect to employment once a settlement is reached, since benefits are paid irrespective of current work. However, the pursuit of personal injury damages in the USA system is an incentive not to return to work.

The pension payments in Germany similarly take the place of damages and are not offset against income from work, thus promoting efforts for job retention and return to work.

5.2 Benefit levels

In systems where there are separate work or accident injury programmes, compensation levels and ceilings may be different for an individual whose disability is accident or work-related than for someone who becomes disabled for other reasons and receives a private insurance disability benefit or a statutory sickness benefit. Access criteria, such as qualifying periods in employment or the number of 'waiting days' before the benefit can be claimed, also differ.

Benefits are commonly set as a percentage of lost earnings capacity. Less usually, the percentage impairment is used as the basis for calculating compensation. In one country, benefits are not earnings related and a flat rate is paid.

Most country reports comment on the assumed disincentive to return to work of a high level of compensation compared with earnings lost, but little research evidence is provided on how the 'replacement rate' influences the disabled worker's decision on whether to return to the job or not.²⁴ Some econometric studies looking at replacement rates in the USA and Canada have shown that higher benefit rates in workers' compensation schemes are associated with lower probabilities of returning to work. Few studies have distinguished between return to the original employer and to a new employer, however. The replacement rate theoretically affects the employer's decision whether to retain or let go the worker who becomes disabled. These questions might usefully be pursued in phase two of the project by describing and comparing models for determination of replacement rates in different systems.

²⁴ Given the breadth of the themes reviewed, no specific information was requested about replacement rates.

Clearly, the wage the disabled worker can expect to return to also affects the decision. Where partial benefits are combined with wages, the total can be equivalent to or less than, pre-disability earnings. Country reports note that this presents significant incentives and disincentives to job retention, although again there is little hard evidence cited. As there seems to be increasing use of partial benefits, the incentives and disincentives within them may warrant study.

There are, of course, other influential factors in the return to work decision, including the social rewards of participating in employment and the quality and suitability of the work on offer. The availability of rehabilitation and support to return to work may reduce, but not overcome, the financial disincentives in benefit systems, as can support to negotiate the procedural obstacles. An examination of incentives to return to work thus also needs to take into account the value to the worker of such benefits in kind in an optimal benefit 'package'.

5.3 Incentives to the employer

One way of making employers more predisposed towards retaining the worker who becomes disabled, and also encourages employers to take measures which prevent occupational injuries, is to introduce various forms of incentive in the compensation systems. These can be introduced in a number of ways. The employer can be obliged to pay wages for a period of sickness; as noted, this can vary from a few weeks to up to a year. Use of waiting periods, where the employee receives no compensation for the first days, is a strategy to reduce costs. The most complete way is to oblige the employer to pay for all costs related to sickness, occupational injury and disability - compensation as well as rehabilitation and labour market programmes - for his or her employees.

5.3.1 *Experience rating in insurance schemes*

More common incentives are the various types of experience rating systems found within the work and accident injury programmes.

In Germany, Canada and New Zealand, firms are classified by industrial sector, depending on how prone they are to occupational injuries, and different contribution rates apply. In Ontario, for example, where the system is financed from payroll taxes, the rate is 1.3 per cent of the insurable payroll in the government sector and 8.5 per cent in construction. The grouping of firms can be quite broad, or finely tuned with a large number of industry categories, as in New Zealand. The aim is to avoid subsidising occupational injury prone industries, rather to spread the risks over all employers according to a principle of collective responsibility.

This industry-wide rating system can be overlain by firm-specific arrangements, such as extra charges or reductions in the contribution rate; in Germany, for example, this possibility is seen as an incentive to act to prevent occupational accidents and work-related illnesses. Rebates for low claims records are reported from Canada.

Experience rating of individual firms is most developed in the USA. There, very small employers pay a rate that reflects the experience of all firms in that line of business but larger firms (covering 85 per cent of workers) pay a rate adjusted to reflect their actual claims

experience, and the rate for very large firms is based entirely on experience and not related to the industry average.

As from 1998, experience rating of firms has been operating in the Netherlands, combining an industry-wide rate with the firm's own record of preventing claims on the disability benefits system.

Firm-specific, rather more than industry-wide, experience rating is an incentive to the employer to rehabilitate and retain the disabled employee, as it is in the employer's interests to reduce the number and duration of claims. It may also have a negative effect on disabled workers if they are discouraged from making claims.

Private insurance plans can also be experience rated but, as they are not mandatory, employers faced with rising premiums due to poor ratings have the option of restructuring, reducing coverage or shifting some of the costs to employees, or even eliminating the plan.

Given the increasing interest in insurance-based incentives, further research might usefully explore the effectiveness of different rating systems in terms of job retention.

5.3.2 Disincentives to hiring

A general problem is that the employer's incentive to avoid hiring people with expected high incidence of health problems increases. A potential employee's expected incidence of sickness, occupational injury and disability depends for example on age, gender, education and of course health status at the time of recruiting. If the employer's costs of sickness, injury and disability increase, the employer will invest more in screening people for potential health problems before hiring them. This could be counteracted by special exemptions for the people that are hired who have health problems.

Special provision in Sweden protects the employer from the additional costs; an employer can receive compensation for sick pay for employees suffering from illnesses which can be assumed to lead to a large amount of sick leave.

5.4 Rules for granting benefits

Not only the replacement rates but the rules for granting benefits and the application of the rules are of importance in explaining why workers who become disabled stay in employment. In several countries there is a reported shift towards stricter regulation and application, for example, that the rate of lost capacity (or degree of disability) should be higher, that factors (such as age, or the availability of suitable jobs) should not be allowed to influence the decision, or that rehabilitation measures should be tried before granting compensation.

In deciding on the level of compensation to encourage the return to work, there may be trade-offs to be made. Systems that reduce the monetary incentive to return to work are more likely to have more stringent administrative requirements on employers and employees so as to encourage the

return to work.²⁵ The equity consequences of the interaction between the rules and the benefit levels need to be carefully considered in developing a strategy for job retention.

5.5 Return to the job with partial benefits

An option available to recipients of workers' compensation, sickness and short-term disability benefits in some systems is to return to the job part-time. Part-time options may make it easier for workers with disabilities to remain in the labour market in both the short and the long run and so reduce the prevailing tendency for early exit from the labour market. They may also help the worker gradually to regain full working capacity.

It is not easy to gauge how far these options are being utilised and whether there is any shortfall in provision. It is reported that in the USA, most (about 80 per cent) worker's compensation programmes provide partial benefits for individuals who return to work at reduced capacity.

Among workers' and accident compensation programmes, the arrangement in New Zealand for part-time return to work is of some interest. The wage paid by the employer is supplemented by earnings-related entitlements from the compensation corporation until pre-accident earnings levels are reached. Part-time employment is negotiated between the corporation's case manager and the employer, as part of the general early intervention strategy, and there is no automatic job protection.

Private sickness and short-term disability benefit programmes (as well as the 'long-term disability' programmes which follow on) in the USA are increasingly providing for partial benefits. Newer, more progressive plans provide a return to work benefit during the first year as an incentive to return to work during the critical initial periods. These provide full disability benefits, regardless of partial disability earnings, as long as they do not exceed the pre-disability level of earning. Private plans are not comprehensive, and are more common among white-collar workers in medium and large enterprises.

Some statutory sick pay and sickness benefit schemes in the study countries also offer opportunities to return to the job part-time.

In Sweden, where partial benefits combined with income from work are commonplace in the social insurance system, the sickness benefit scheme is designed to allow for partial payment of employer-paid sick pay as well as the sickness benefit, in parallel with a job. The Swedish arrangement allows for three degrees of partial benefit (quarter, half and three-quarters). The sickness benefit scheme in New Zealand allows for assessment as partially fit for work, and income from work is seen as a way of supplementing this flat-rate means-tested benefit.

²⁵ A position expressed in the Canada report.

5.6 Return to work from long-term disability benefits

In most systems, the critical work resumption threshold has passed once the disabled worker exhausts the term of sickness or short-term disability benefit, or otherwise meets the criteria for a long-term disability benefit.

In the Anglophone countries, waiting periods mean that several months may have elapsed since first absence from work. In the USA, the waiting period for the social security disability insurance benefit is five months, in the UK normally six months have elapsed, although in Canada the waiting period is only three months. In these countries and New Zealand, although definitions vary, generally speaking beneficiaries are regarded as incapable of gainful employment, although there are limited opportunities to undertake paid work up to an hours or earnings ceilings and to engage in voluntary work.

The work disincentive effects of the design and regulations of these 'all or nothing' benefit systems are widely acknowledged: the loss of disability income by undertaking rehabilitation, training or education; the lack of extra financial support during job search for ex-beneficiaries who are found capable of work; cessation of benefit and loss of benefits in kind on return to work; and the risk of losing eligibility if the return to the job does not work out.

Study countries report some attempts to reduce these disincentives, such as retention of benefits during rehabilitation or training, 'linking rules' which enable the person with disabilities to return to the previous benefit level if the job does not work out, and arrangements to retain the benefit during the first four months of trial work.

In the USA, a battery of work incentives for SSI recipients is designed to enable them to test ability to work and gradually become self-supporting, including full cash payments during the first 12 months, although no information is available about their effectiveness. In all countries, however, the proportion leaving the disability rolls for employment remains extremely low; in Canada, less than one per cent annually returns to work. The fundamental problem, as articulated in the report from Canada, is that the benefit system is premised on an unsustainable concept of unemployability.

In the systems of mainland Europe, on the other hand, the disability benefit system is designed to allow for partial as well as full benefits. In the Netherlands, for example, where the concept of partial capacity is integral to the disability benefit system, there are seven categories of partial disability. The advantage in these systems is that the partial benefit can be held both in and out of work.

5.7 Supplementing income with benefits

As well as reduced capacity to work full time, for workers with disabilities, return to employment may imply a lowering of the wage. In many cases a change of occupation due to a disability means a wage loss, especially if a change of employer is involved. This increases the employee's incentives to opt for early exit with compensation related to the pre-disability job and earnings. One way of countering this tendency is to provide compensation in addition to the wage. In the

Netherlands, it is possible to get a supplementary benefit when accepting a job with lower earnings than those on which the benefit was based.

The United Kingdom reports a means-tested disability benefit which can be claimed only by low paid disabled workers in employment.²⁶ It was designed both to increase the incentive to take up work and to support in work those individuals whose disability put them at a disadvantage in terms of earning power of hours they were able to work. Unlike the other in-work benefits discussed here, eligibility is not restricted to disabled individuals with a work history. In practice, the benefit was taken up mostly by disabled workers who were already in employment, although it is not known how far the benefit was used to support employment after the onset of disability.

There are many forms of subsidy programme which are similar in that they boost the disabled worker's wage but by subsidising the employer rather than the employee.

In France, for example, there is an arrangement to supplement the wage, up to the minimum wage level, of a disabled worker with reduced productivity. Job subsidy programmes appear to be used very rarely to help with the retention of a worker who becomes disabled, however.

An interesting arrangement reported in Sweden is to combine employment with a wage subsidy with a partial benefit such as sickness benefit.

5.8 Benefits for rehabilitation and training

Benefits and rehabilitation are inseparable in Germany, where there are many benefits in kind and it is misleading to concentrate on monetary aspects alone. The statutory occupational accident insurance gives primacy to rehabilitation services in line with the principle of 'rehabilitation before pension', starting with medical treatment as required followed by occupational rehabilitation. A very wide range of benefits is provided during the rehabilitation process, including support for training, aids, psychosocial counselling, rehabilitative sport, modifications to the home and to transport, financial assistance for job search.

Incentives to participate in and complete rehabilitation may be useful in motivating workers with disabilities. It is reported that in Ontario, workers with partial disabilities may receive total benefits if they co-operate with rehabilitative efforts.

In Sweden, a special rehabilitation benefit is payable in place of sickness benefit.

In France, compensation paid during vocational training is boosted to equal the minimum wage of the relevant profession. Disabled workers may apply for a retraining completion bonus.

²⁶ Disability Working Allowance is to be abolished and replaced by a disability tax credit scheme.

5.9 Trial return to the job

One of the obstacles to work resumption is uncertainty over ability to cope. An arrangement reported in Sweden involves the recipient retaining sickness benefit while trying out their strength and capacity in the previous job, or one that is better suited, in an unpressured way, without any formal time limit.

In Germany, there is an interesting arrangement for gradual return to the job, sometimes known as 'step-wise' rehabilitation. The statutory health insurance provides sickness benefits (for up to six months) which can be used as a full wage substitute while the employee gradually increases the working hours as health improves. When the employer re-starts wage payment and to what extent, has to be settled by agreement between the employer and the works council.

5.10 Key issues in benefits and compensation programmes

- ▶ Looking across the study countries, there is considerable variation in access to benefits to support job retention. Opportunities for partial benefits to support part-time return to the job apply in some compensation schemes but not in others. Some schemes require minimum periods of employment while others do not. The number of waiting days required before benefits can be paid varies from one programme to another. If accident or workers' compensation programmes, statutory sickness benefits or private schemes operate side by side, there can be major inequalities in treatment of workers who become disabled, both in the generosity of the benefit and coverage.
- ▶ The incentives and disincentives to employers and employees, and the interactions between them, require more detailed study. In particular, more research-based information is required on the part that the benefit level and associated benefits in kind plays in the disabled worker's decision to return to the original employer.
- ▶ Insurance-based incentives to employers, such as experience rating, appear to be used increasingly to influence employers to retain workers who become disabled, both in mandatory and private systems. The effects of the different types of incentive need to be explored, as well as their adverse consequences for employees and people with health limitations seeking employment.

- ▶ There is varying evidence of activity to support the return to the job during the period of receipt of sickness benefit. In some systems, employers still have no responsibilities to take action and the benefits authority has no mandate to intervene to support the employer or the employee. Accordingly opportunities are lost for early intervention. Within privately-insured programmes, innovative examples of augmented return to work benefits appear useful.

- ▶ It appears that greater co-ordination between the various agencies providing benefits at the different stages of the 'disability career' might be beneficial to 'track' the disabled worker and prevent them falling through cracks in the system, particularly in the transition from short-term and to long-term insurers.

- ▶ Return to work part-time with a partial benefit is a feature of several programmes which appears to offer opportunities for earlier work-resumption and which ties with changes in the labour market. Those schemes which allow income from work to be gradually increased while benefit reduces are worth further exploration.

6. REHABILITATION AND EMPLOYMENT SUPPORT SERVICES

'Rehabilitation and employment support services' is the omnibus term used here to encompass the broad range of personal support services to prevent ill health developing into a disability at work, help recover working capacities and skills, and support re-adjustment to work.²⁷ Adapting the working environment to the needs of the individual is a different, and complementary, approach.

6.1 The policy picture

In most countries there is a wide range of policies to enable people with disabilities to prepare for their return to work and to re-establish themselves in the workplace. In any one country an array of programmes serve different groups, funded from different sources, and within different institutional regimes. Persons with disabilities may receive personal support services via a range of public services (labour market authorities, health authorities, social insurance agencies, veterans affairs departments, social affairs departments, and so on). Services may be restricted to those meeting a definition of disability, or depend on assessed need. Eligibility may depend on receipt of social security benefits, workers' or accident compensation, or unemployment benefits. Services may be directly provided by public bodies or subcontracted to specialist agencies. In parallel to the public system, private and not-for-profit organisations may be direct providers.

It is apparent that policies are often fragmented, not co-ordinated and sometimes even contradictory. In most countries there is little co-ordination across isolated policy areas to create greater consistency in rehabilitation and employment support policies. Each funding institution acts within its own policy framework and its own budget, making it difficult to maximise effectiveness and cost-efficiency.

6.1.1 Policy developments

On-going public policy changes impact on this already complex situation: cost-cutting to reduce financial obligations of public bodies; re-orientation to active labour market policies from passive benefits; rearrangement of responsibilities between social security systems and labour market authorities; and introduction of market principles into publicly-funded services, with separation of purchaser and provider functions.

Developments relating to rehabilitation, job retention and return to work in some study countries reflect these broad policy changes:

- ▶ increased employers' responsibilities to improve working conditions, minimise sickness absence and support return to the job, as part of wider strategies to reduce the costs to the state of sickness and disability benefits

²⁷ The terms 'occupational rehabilitation', 'vocational rehabilitation' and 're-integration' are used if customary in national systems.

- ▶ a new emphasis on rehabilitation and re-employment within workers' and accident compensation programmes, in response in part to rising claims costs
- ▶ affirmative actions for disabled workers within labour market programmes
- ▶ withdrawal of state agencies from direct service provision and contracting-out to specialist service providers for return to work.

It is remarkable that most reforms to the structure, organisational framework and provision of services primarily have been driven by financial cut-backs. Cost-cutting and cost-shifting tendencies, and reduced state involvement in cost-sharing arrangements, limit the adoption of an integrated policy approach. Changes are often incremental, programmes and services in different parts of the system are in a constant state of flux; and quite often new programmes are put in place before it is possible to assess the effects of the last. The need for co-ordination at the policy level is recognised but obstructed by multi-tiered responsibilities, departmental rivalries and competing philosophies.

Reforms are rarely guided by re-evaluation of the relevant concepts and content of rehabilitation or by any coherent set of principles. The corner stones for an integrated and coherent policy approach have still to be identified.

6.1.2 New players

The possibilities for coherent public policy approaches are constrained by the entry of new players to the stage who, as yet, have no integral role in policy development. Increasingly enterprises are developing their own support services for their employees, either in-house or purchased in the market-place. Companies buy private insurance to cover risks of sickness or disability, and insurers are becoming important independent providers of rehabilitation and supports for job retention. In the USA the responsibility for funding and providing job retention services falls almost entirely on the private sector.

Private insurers, already well-established purchasers and providers of employment support and rehabilitation services in the USA, are discovering new markets in systems where employers bear the costs of sickness absence.²⁸ The Canadian report notes that automobile accident insurers are leading players, funding rehabilitation services for claimants employed at the time of the accident and employing private rehabilitation consulting companies.

The reduced involvement of public bodies in direct service provision and growing reliance on the market have stimulated the growth of private service providers from whom services are purchased as required. Contracting is also increasing the role of voluntary organisations as providers. While these tendencies increase flexibility and can promote more individualised assistance, they can also stand in the way of a more coherent and principled approach. The

²⁸ By Spring 1997, 80 per cent of Dutch employers had insured against the risk of paying wages in the first year of sickness absence.

competitive tendering process and conflicting service philosophies make it difficult to develop inter-agency co-operation.

The proliferation of independent providers also presents problems for disabled persons, and those who advise them, in first finding out about services and then assessing their relative merits, in an increasingly diffuse and complex system.

6.2 The balance of provision

It is difficult to generalise about the balance of provision over eight complex systems. It is clear that public policy for rehabilitation of persons with disabilities in some systems favours individuals with (severe) disabilities who have little or no work experience (as in the federal-state vocational rehabilitation programme in the USA). In many systems, employment support services concentrate on short-term interventions for those who are almost 'job ready', and health services provide medical rehabilitation, with little to connect the two. In Germany, however, there is a relatively smooth transition from medical to vocational rehabilitation, but a comparatively lengthy process which tends to lead in the direction of retraining for a different occupation rather than a return to the original job.

It seems that, overall, the thrust of public policy is to support disabled people who are out of work rather than those in work or who have a job to return to. Quite frequently, however, programmes do not differentiate between disabled people seeking work and those already in work. The methods of data collection and analysis used to monitor programmes often make it hard to gauge the respective levels of activity devoted to job retention and return to work and the outcomes of measures.

6.3 Policies for job retention

In most countries, the main rehabilitation provision for those who become injured or disabled in employment is built into either the workers' or accident compensation programmes (USA²⁹, Canada, New Zealand and France³⁰) or the social insurance programme (Sweden, the Netherlands and Germany³¹). Responsibilities for initiating the process, planning rehabilitation, and putting in place services to support work resumption are distributed across employers and insurance agencies. There appear to be three main models:

- i) the enterprise is responsible for monitoring sickness absence, planning for rehabilitation and putting necessary workplace supports in place, while the (social) insurance agency purchases external rehabilitation

²⁹ In the USA, while workers who become seriously ill or injured are eligible for vocational rehabilitation services (participation is mandatory in 15 States), less severely disabled workers are often ineligible and tend to be covered by the private services which many private insurance providers and employers now provide or purchase.

³⁰ The work-injury compensation programme in France provides for a right to vocational retraining.

³¹ In Germany responsibilities are split among pension funds: the statutory accident insurance fund and the other pension funds are responsible for the medical and occupational rehabilitation of the majority of workers, while the federal employment office takes care of those, mainly younger, workers who have not yet qualified for pension fund coverage.

- ii) the enterprise takes the initial steps to identify a need for rehabilitation and contacts the insurance agency's or compensation authority's case manager who takes responsibility for care planning and service co-ordination
- iii) the enterprise notifies the compensation authority of the absence; the latter contacts the absent worker to assess need for vocational rehabilitation and provides or co-ordinates services.

In these different approaches to co-ordinating work resumption, the balance of advantage to the employer and to the worker with disabilities appears to vary. If the enterprise has total responsibility for managing the return to work and also bears the costs of claims, rehabilitation of the employee may take second place to minimising the costs of sickness absence or its effects on productivity. Pressure on the injured worker to return to the job too soon is thought to occur in some workers' compensation schemes.

Selecting out employees for rehabilitation interventions is also a possible consequence. It is reported that USA employers and insurers tend to calculate the costs and benefits in deciding whether to invest in rehabilitating an employee, favouring younger and more productive workers. In regulated systems, external monitoring inhibits discretion. In the Netherlands, the employer has to report the absence to the social security agency, along with a plan setting out action already taken to promote job retention and details of how work resumption will be facilitated. The agency checks whether the employer did everything reasonable to make resumption of work possible. But fines for not reporting or reporting late seem to be rarely applied.

In Sweden, where employers now have responsibilities for payment of sickness benefit for two weeks only, there are no sanctions on employers who do not complete rehabilitation investigations or submit them to the social insurance agency, or who fail to meet their responsibilities to finance rehabilitation support in the workplace. Responsibility then falls by default to the social insurance agency. It is argued in Sweden that the lack of clarity in the rules, along with the absence of either 'sticks' or 'carrots', limits efficiency and delays provision of rehabilitation.

The advantage of the second model, as it operates in New Zealand, is that liaison between the case manager and the company can begin at an early stage and co-operation can be won. Return to the job appears to be easier if the enterprise has a rehabilitation unit in place.

The third model, where responsibility is taken out of the hands of the enterprise, may relieve the enterprise of the burden and costs of planning for rehabilitation, which Swedish employers, for example, have found onerous. However, in the absence of strong incentives to the insurance agency delays in starting rehabilitation can occur. Lack of clarity about which fund takes responsibility has been a continuing problem in Germany, leading to considerable delays which interfere with the principle of return to the original employer.

Within these three approaches rehabilitation is variously a right, a requirement or an option. The right to rehabilitation or the requirement to participate does not necessarily lead to equality of access to services, however, as agencies can have considerable discretion in deciding which measures to offer.

6.4 Prevention and early identification

Little information is available about the part played by enterprises in preventing ill health or injury from deteriorating into a more serious condition which leads to sickness absence or disability. Many larger USA companies have well-developed services to educate employees on life-styles detrimental to health and offer private counselling services, in addition to workplace health checks. But cultural differences will inhibit transference of this approach; the Dutch report comments that life-style problems (such as alcohol dependence or obesity) are viewed as essentially private matters about which the employer should not enquire.

In general there is still a reliance on the medical model of rehabilitation, where the physician has prime control. Some UK initiatives aim to educate general practitioners (family doctors) about the therapeutic value of work and the types of workplace support available. Often there is no communication between the employer, the employee with a disability and the treating physician. Private insurance companies, as well as compensation boards, have introduced case managers to link the three parties.

The occupational physician is a powerful player in many systems, acting as gatekeeper to workplace remedies. Dutch employers are legally obliged to engage an occupational health and safety service. Its physician assesses whether the employee is unable to work, sets an expected date of work resumption, and supervises the process.

Confidentiality of medical information, and restrictions on the physician informing the employer about the medical condition of an absent employee without the latter's consent, can inhibit planning of support within the workplace. Solutions then depend on the skills and knowledge of the occupational health service. Raising awareness of job retention options among occupational health physicians has been identified as a priority in some systems.

6.5 Services in the workplace

In comparison with support services for (re)entry to work - which might well be used by disabled people in work - there are rather few publicly-provided personal support services specifically for workers who become disabled. In general, employers' awareness of external services is low. The Swedish social insurance agency has a particularly well-developed, although time-limited, grant scheme for work assistants to aid job retention. Personal readers, signers and support workers are variously available to disabled people in work, or their employers, through national programmes. There are advantages to workers with disabilities if personal support services are available via bodies which also arrange aids and adaptations in the workplace.

Negotiating the maze of providers and bureaucratic procedures to obtain the required support can be problematic for employers. The 'one-stop shop' is one way forward. In Sweden, the largest of more than 400 rehabilitation providers, Working Life Services, is the contract services arm of the Labour Market Board. It operates at county level as a resource (similar to a job centre) to public and private employers, as well as to social insurance offices, fully funded by means of charges. Its services, which include support to the organisation as well as the individual, are used by large employing organisations primarily to support retention.

Co-workers, supervisors and managers also need services, both to support the disabled worker in the job and to help them adjust to working with a disabled person. In Germany, the authorities which specialise in providing support for disabled people (the Hauptfürsorgestellen) may contract 'social and psychological care' services from independent non-profit-making bodies. These providers and the Hauptfürsorgestellen themselves work with disabled employees on managing the demands of the job and to promote self-help, with co-workers to enlist their active co-operation, and with family members if required to solve work-related problems. External providers in general have an important, as yet under-developed, role to play in encouraging and backing the natural supports in the workplace provided by co-workers and supervisors.

Most public provision to support disabled people in work depends on bringing external services to the workplace. A different approach is reported from Germany. In Bavaria the Hauptfürsorgestellen can pay all or part of the salaries of internal working assistants hired specially by the company or appointed from existing staff, and provide training if needed. Their role is to support disabled workers in coping with the demands of working life, handling conflicts and in performing the job. They also aim to raise co-workers' and line-managers' knowledge of the disability and understanding of the disabled employee's situation. To reduce possible stigma attached to their users, most of whom have psychological support needs, these assistants offer their services to the entire workforce. For larger firms the opportunity to demonstrate (and advertise) social commitment is an incentive to participate. An evaluation of the Bavarian experiment found reduced absenteeism among workers receiving support, a consensus that the atmosphere at work had improved, and relief of immediate line-managers and decrease in internal conflicts through early interventions by the working assistants.

6.6 Maintaining employment

A strategy for job retention must also maintain in employment those workers who were already disabled on taking up work. Incentives and support services to facilitate entry to employment should not lead only to short-term gains, with individuals with disabilities exiting the labour market once subsidy schemes expire or initial support on the job is terminated. The obligations and commitment of employers who take advantage of such schemes need to be considered. A maintenance strategy may mean appropriate phasing-out of job coaching or wage subsidies, and should direct attention to the quality of employment and opportunities for promotion and advancement. Maintenance might be particularly important for those with psychiatric disabilities or individuals with learning disabilities who may wish for ongoing support after short-term measures have ceased. The question remains of who should provide and finance continuing support in the workplace.

6.7 Meeting employers' needs

Some employers' organisations - notably the Employers' Forum on Disability (EFD) in the UK - argue that employers are also customers of employment services and that the way forward is not to persuade and cajole them into employing disabled people but to recognise their own requirements. In their view, the answer lies with action to make it easier for employers to take on or retain people with disabilities who have the skills that companies need. This would include service providers who understand how businesses work and who can assist in promoting change; the approach taken by Workbridge in New Zealand (the employment agency specialising in persons with disabilities) to learn about the business ethos and understand company operations. The EFD proposes that employers have a contribution to make in providing work experience for the staff of employment support and rehabilitation agencies, and in shaping the development of services in general.

6.8 Interventions for return to work

Everywhere there are significant medical and legal obstacles to early interventions. Assessment for rehabilitation is still dominated by medical issues and clinicians' lack of knowledge of vocational rehabilitation. Commonly, the waiting period for assessment is long. Quite often there are different kinds of assessment and people are often unnecessarily reassessed. The average interval from application to acceptance for service provision takes several months. As a result, interventions for vocational rehabilitation frequently start too late, when the contacts to the former employer are already broken.

Little is reported about interventions at the critical point of taking up an unemployment benefit once employment has been lost. In New Zealand people with disabilities who register as unemployed are automatically referred to the specialist employment agency for people with disabilities.

In the Anglophone countries, with their 'all or nothing' disability benefits systems, interventions to support the return to work of recipients of disability benefits have not been the norm, but new mechanisms are now being developed. A five-year controlled experiment into the efficacy of four case-management models, for new applicants as well as existing beneficiaries, has been completed by the social security administration in the USA. A national vocational rehabilitation programme for recipients of disability insurance benefits was piloted in Canada. Selected recipients who voluntarily agreed were referred to external rehabilitation consultants, and vocational rehabilitation services were delivered through an outside contractor. The pilot was judged successful and a vocational rehabilitation programme is being integrated into the Canada Pension Plan.

There are many examples of innovative projects and programmes in the public and not-for-profit sectors to support disabled people to take up work for the first time, or to help longer-term unemployed disabled people back to work. It appears that return to work success rates may be higher in specific projects where services are 'custom-made', depending on the type of clients and intensity of the service, although the Netherlands report notes that this is less the case for persons with mental disorders. There is scope to orient these projects to the needs of people

leaving employment and entering the disability or unemployment benefit system, possibly with funding from social security and employment authorities.

6.8.1 Co-ordinating return to work

Workers who become injured or disabled meet different service providers and benefits agencies. Mechanisms for co-ordination between service providers are required. In several countries the solution for better co-operation and more tailor-made measures is seen in flexible *ad hoc* mechanisms at local level, where decisions are made according to local conditions and requirements. A project aimed at improving return to work outcomes for clients simultaneously involved with some combination of insurers is being piloted and evaluated in British Columbia (Canada) in partnership with the disability community. This partnership approach aims to identify barriers in the process of return to work and potential systemic solutions.

6.8.2 Training and return to work

Special arrangements to enable unemployed disabled people to access mainstream training or work-preparation programmes, or special programmes to give short-term opportunities to persons with disabilities, are reported in the study countries. However, transition from these schemes to work is often a weak point.

The role of vocational retraining in a strategy for return to work depends in part on the importance in the national system of vocational qualifications as a foundation for employment. In Germany and France crucial questions are when and how the worker who becomes disabled can achieve new or extra qualifications, and how this process relates to workplace requirements. The fit between employer demand and the skills of disabled workers is an issue of broader concern, although in some systems outside mainland Europe the emphasis lies with preparing the worker to be 'job-ready' rather than with the acquisition of occupational skills.

Training on the job for disabled workers is a part of active labour market programmes in some countries but opportunities for workplace-based training appear to be less available to more severely disabled workers, especially for those still undergoing medical treatment. Vocational training in the workplace needs to be organised to minimise the imposition on the employer of onerous responsibilities, costs and disruption of enterprise activity.

6.9 Equity issues

Rehabilitation which relies on residential programmes tends to exclude women who have family commitments; innovations to locate services close to home are reported in Germany. Services appear to be biased towards rehabilitation of those who work full time, although examples are given of arrangements to return to work part time in the first instance. If there is discretion in selecting whom to rehabilitate, older, more severely disabled and less productive workers miss out.

6.10 User choice, accountability and quality of services

Programmes which give real choice to users appear rare to be rare. There are tendencies for more individualised provision with 'service packages' tailored to the disabled individual's needs but whether the user has a choice among elements which make up the package is questionable. 'Case management' is an increasingly popular concept, especially in North America, although in the insurance world it can be more of a device to control costs than a vehicle for extending choice among rehabilitation options. As the range of service options grows, the individual with disabilities will increasingly require information and guidance to make appropriate choices. Yet in some systems there is a contrary trend towards self-service, through 'data-banks' and other computerised sources.

Typically, the provider is accountable to the funder rather than the user. 'Vouchers' and 'tickets' have been proposed to give users quasi-purchasing power, the aim being to stimulate the market and raise quality of rehabilitation services through competition to serve the customer. The underlying purpose of the proposed ticket system in the USA is to increase the very low number of disability insurance beneficiaries leaving the rolls. As originally proposed, the idea was to stimulate quality of service provision by ensuring that providers were rewarded for on-going results, measured by permanency of employment, rather than for intermediate outcomes.

The difficulties of outcome-related allocation of resources, performance measurement and incentives, and 'creaming' effects (selecting those with the greatest prospects of returning to work) are reported in several countries but few answers have been found. Causal links between quality in rehabilitation and in employment are contestable, and additional performance indicators need to be developed.

With increasing privatisation, the need for accreditation in arrangements becomes more urgent. In some systems, contracts are let on the basis of established reputation and standards for quality are not transparent. Public services can lack the expertise to evaluate quality. More needs to be done to gather information on developments by providers to work to external standards and to apply 'total quality management' type systems to achieve internal improvements. In particular, user evaluations of quality need to be developed.

6.11 Monitoring and evaluation

Monitoring of service users and reporting their destinations in terms of job retention or return to work appear to be limited. 'File closure' as a measure of rehabilitation interventions tells us little about whether employment has been achieved. If outcome data do exist, the kind of information which is available normally gives no indication if the employment achieved is due to support through certain programmes or not. Information is held by insurers who develop and evaluate services for return to work and monitor outcomes. But this information is proprietorial and lessons are difficult to learn. The possibility of monitoring the longer-term outcomes, the duration of the employment kept or found, depends on the legislative requirements imposed on the employer, for example the requirement to retain the returning worker for a defined period.

Good outcome-related evaluations, which clearly identify the relevance of rehabilitation and employment support services through counterfactual research designs, are important. But these need to be complemented by process-oriented, qualitative evaluations to understand how rehabilitation interventions interact with personal histories to achieve successful job retention.

6.12 Key issues in rehabilitation and employment support services

- ▶ Developing a strategy for rehabilitation to support job retention and return to work is possibly the most challenging aim of this Project. At the policy level, achievement of a coherent and co-ordinated approach is thwarted in many countries by withdrawal of the state, fragmented budgetary responsibilities, competing policy aims, multiple providers and, sometimes, strong attachments to radically different philosophies. A forum to bring together players to identify and agree upon the corner-stones of a coherent strategy may be a step forwards, but only if there is a genuine policy-level commitment to work towards implementation.
- ▶ Ways need to be developed to bring into the policy process the emerging players, including independent providers, insurers, employers and enterprise representatives, and disabled workers themselves.
- ▶ In some systems, rehabilitation policies are designed specifically to promote job retention. Many have dual aims of benefiting the injured, sick or disabled worker through restoring capacity for valued work and of reducing costs to the employer or insurer. Without adequate checks in the system, the latter aim may take precedence, rehabilitation may become a lower priority, or even denied to the worker with disabilities.
- ▶ Linking rehabilitation and employment support services to measures to keep the job open for the returning worker is an important development in many systems. Mandatory or negotiated re-employment and rehabilitation are explicitly connected in many social insurance and compensation programmes.

- ▶ The locus of rehabilitative support is shifting overall to the workplace and public agencies are taking on new roles to enable, rather than substitute for, enterprise-based activity. There are models of funding and training for enterprise staff to facilitate support for disabled workers, and in particular workers with mental health needs, which could be developed in other systems. Similarly, 'one-stop shops' which allow easy access to employers to purchase services for rehabilitative support in the workplace appear to be a promising development. Within such models there may be scope to include support services for adaptations of work and workplace, to counterbalance any over-emphasis on changing the individual to fit with pre-existing demands and constraints.
- ▶ The structure of statutory sickness and disability benefits in Anglophone systems inhibits opportunities to combine benefit receipt and paid work, and to enable therapeutic employment. Rules are being relaxed in some systems, however.
- ▶ The worker with disabilities commonly has to rely on many agencies for different aspects of the return to work process, either simultaneously or sequentially, and co-ordination between them is a growing priority. Multi-agency and multi-disciplinary co-ordination initiatives at local levels may offer transferable lessons, as will evaluations of the efficacy of case management. Arrangements for streamlining assessment procedures and initiatives which bring the physician into a less medically-oriented process need to be explored. Within these processes it is important to examine the opportunities to the disabled worker for informed choice and for influence over the quality of rehabilitation services.
- ▶ The issue of quality of service provided is pre-eminent. Providers' own efforts to develop standards and to implement quality systems, as well as new mechanisms to stimulate the market, will provide criteria for allocation of resources as well as for user choice. Employers also have perspectives on the quality of services provided to them and a role to play in ensuring that providers understand businesses and business interests.

7. ADAPTATION OF WORK AND WORKPLACE

Disability is increasingly seen as resulting from the interaction between impairment and the social and physical environment. In this view, the environment has to be adjusted, as far as is reasonable, to meet the needs of the individual, rather than the person rehabilitated to live and work in a 'normal' environment. Adapting to disability, through removing barriers in the social and physical environment as well as in the workplace, has become the hallmark of disability policy in many Western countries over the last decade.

7.1 Measures to reduce social and environmental barriers

Policy measures which remove barriers in the built and social environment also influence the climate for job retention and return to work. Following the ADA - which requires removal of barriers in public offices, hotels, restaurants, shops, health care facilities, schools and so on - the environment has become more 'disability friendly'. An environment which facilitates travelling, shopping and access to health or social amenities may make staying in work a more viable option. Most importantly, measures which improve access to facilities benefit those who work in them. The ADA was backed by a publicly-funded programme of technical assistance, with materials distributed to businesses and libraries and a toll-free ADA telephone information line. The Department of Justice has also funded organisations to provide technical assistance to design professionals, inspectors, contractors and others involved in removing barriers.

A more incremental approach is to adjust national building standards. In New Zealand, for instance, the Buildings Act requires that 'reasonable' and adequate provision is made for people with disabilities to enter and carry out normal activities within new and reconstructed buildings, including where there is a change of use. A non-statutory organisation, the Barrier Free Trust, trains auditors who issue certificates of compliance with the Building Act, has an advocacy role and contracts to some large employers to provide audits.

Legislating to change the way in which services are provided - avoiding discrimination against people with mental illness or learning disabilities, for example - may affect business attitudes to retaining employees with disabilities. The DDA in the UK has stimulated 'disability awareness' and 'disability equality' materials and training.

Typically businesses bear the costs of removing wider environmental barriers. The USA enables businesses to recoup some of the costs of removal of barriers for customers. A disabled access tax credit can be claimed towards the costs of making small businesses accessible to customers and employees with disabilities (as defined by the ADA); it covers sign language interpreters, readers, adaptive equipment and removal of architectural barriers in vehicles or older buildings (the maximum annual benefit is \$5,000). A tax deduction is available to all businesses for making a facility or public transportation vehicle usable by individuals with disabilities (the maximum deduction was reduced to \$15,000 on the introduction of the ADA). Although publicity is improving, these modest provisions have been under-used, in part because of difficulties navigating the claiming procedures, as well as antipathy to dealing with tax

authorities. Entrepreneurs have created new businesses out of administering credit processes in return for a portion of the credit obtained.

Persons with sensory and physical impairments employed by service-providing organisations (especially in recently constructed or redesigned premises) stand to benefit most from these measures. Disabled workers in traditional manufacturing and industrial sectors, with no customer contact, miss out. There appears to be inadequate encouragement and support for businesses outside the service sector to remove social and environmental barriers.

7.2 Measures to reduce barriers in the workplace

Apart from the requirements relating to public facilities already described, few measures *require* that disabling barriers are removed within places of employment. Health and safety legislation is the obvious exception. Otherwise, a battery of policy measures can *encourage* voluntary change.

7.2.1 Work environment requirements

Some laws place general obligations on employers to improve working conditions for disabled employees. These are 'laws of good-will' setting out broad expectations.³²

A recent development in the Netherlands is part and parcel of the policy drive to reduce the costs of disability benefits. Employers must draw up working conditions policies based on an inventory of occupational hazards by the obligatory occupational health and safety service, under contract to the employer. Dutch enterprises have been found to direct these policies towards the individual employee, rather than evaluation of workplace risks and improvement of working conditions.

The Swedish Work Environment Act (which stipulates that the enterprise has suitable arrangements for work adaptation and rehabilitation, studies to identify what is needed, competent personnel and annual follow-up) is an interesting approach but effectiveness will depend on incentives, sanctions or external advice.³³ In Sweden, a labour union is entitled to call for negotiations with the employer on adaptation of the work environment.

Regulatory bodies typically have limited resources to advise on workplace adjustments. In Sweden, where work environment policy is strong, the labour inspectorate is found to have discussed rehabilitation and work adjustment in only seven per cent of workplace visits. Most bodies concerned with workplace safety focus on compliance with standards, investigation of accidents and prosecution of persistent violators. The USA Occupational Health and Safety Administration (OSHA) has recently moved to a more co-operative relationship with employers.

³² For example, the German Severely Disabled Persons Act obliges employers to establish and provide for disabled employees adequate workplaces according to their skills and capabilities so that permanent employment can be assured. A 1985 study found almost no differences between disabled and non-disabled employees.

³³ A 1997 survey found that only just over half of the functionally disabled employees in need of aids or workplace adaptations stated that their employer had taken measures to adapt the workplace.

It now offers free consultation assistance which includes an appraisal of work practices and hazards in the workplace, and assistance in developing, implementing or improving the employer's workplace safety and health programme. Employers who correct hazards and implement an effective programme may be exempted from OSHA random enforcement inspections for one year.

Occupational health and safety (OH&S) authorities have an increasingly important part to play, both in removal of disabling barriers and in the prevention of 'new' disabilities. In many countries, they are fettered by out-dated, injury-reporting requirements which focus on 'traditional' workplace injuries and diseases, and their resources are concentrated on more hazardous working environments rather than on the emerging service sectors. OSHA (USA) has recently targeted ergonomics as a safety issue to prevent cumulative trauma disorders, complementing enterprise initiatives driven by workers' compensation claims.

7.2.2 Requirements to accommodate

Non-discrimination laws which require accommodations³⁴ for individuals with disabilities may encourage broad workplace adaptations, if laws are appropriately framed. It is possible that effects will be reduced if there is little evidence of disabled people exercising their rights and if there is no obligation on employers to remedy practices which give rise to discrimination. Larger employers, with experience of disability, may be pro-active in arranging work and workplace to minimise the need for individual adaptations. In the USA, there has been considerable public investment in technical assistance programmes and materials established under the employment provisions of the ADA, and a range of other design or technology related programmes. In general, however, accommodations are individualised.

7.2.3 Business incentives

The Canadian and German reports note that some large organisations have turned to ergonomic assessment and technology in an effort to increase productivity and that this can have a secondary effect in terms of retention of employees who become disabled. Occupational health and safety departments in large Canadian organisations reportedly take an interest in promoting adaptations for preventive purposes, particularly where injury compensation claims costs are high. However, evidence from the USA suggests that most interventions are directed at sensitising the individual to adopt non-disabling working practices (such as proper use of equipment) rather than at general and more costly modifications of the working environment. It will be interesting to observe how recently introduced experience rating of insurance premiums in the Netherlands interacts with requirements to formulate working conditions policies aimed at preventing sickness absence.

The 'business case' argues that a diverse workforce gives companies a competitive advantage by enabling them to meet better the needs of their customers. The Canadian report notes, however, that workers with disabilities compete with other 'diverse' groups and may lose out if there is a perception of costly accommodation requirements. Diversity policies favour workers in service-

³⁴ The term 'adjustment' is used in the UK.

7.3 Adaptations for individual need

Adaptation means more than 'a product, instrument, technical system or equipment used by persons with a disability, specially produced or freely available, to prevent, to compensate, to reduce or neutralise the impairment or disability'³⁵. This narrow, 'material' interpretation covers adaptations to the workplace and the work station but not changes to the content of a person's job or the way that tasks are allocated, that is, 'non-material' adaptations to the work itself.

An illustration from the Netherlands distinguishes types of material and non-material adaptations (and their reported occurrence or usage) made for disabled workers returning to work.³⁶ These findings apply for both white- and blue-collar workers, in both industrial and service sectors.

- *Change in tasks and work content* (70 per cent) (including change in work activities, variation in tasks, a move to another job with the same or another employer)
- *Change in duration and distribution of working hours* (48 per cent) (including reduction or elimination of night working, more regular working hours, reduction in the working day or week, shift changes and rest periods)
- *Reducing tempo/speed of work* (41 per cent) (including reductions in productivity targets or customer contacts, help by colleagues, self-organised work patterns)
- *Purchase of special or new devices* (ten per cent) (including mobility within the workplace such as wheelchairs, and transport to and from the workplace)
- *Training* (seven per cent) (including vocational training, on the job training, and job-coaching)
- *Adapting tools/equipment/workplace* (four per cent) (adapting worksite, workstation, machines, buildings, accommodations, lighting, internal climate, chairs etc.)
- *Other types* (14 per cent) (including help in the home to get to work and changing the culture on the shopfloor).

This shows clearly that most adaptations are non-material changes to tasks or routines. Provision of adaptations by external or co-funding agencies will show a different pattern. They seem to concentrate more on funding special and new devices, adapting equipment and workplace, transport facilities and so on, with a focus on permanent, often structural adaptations.

In most countries adaptations have been developed to support entry to employment: a job is chosen and aids (usually permanent) are provided to facilitate it. Modification of an existing position will require different solutions. The limited data available on disabilities of people who become disabled in work indicate that a majority will require non-material changes to the nature and content of the work. In practice, many adaptations of this kind result from negotiations between the employer, the employee and co-workers and are less amenable to external assistance.

³⁵ World Health Organisation.

³⁶ Nijboer, I.D., Grünemann, R.W.M. and Andries, F. (1993) *Werkhervatting na arbeidsongeschiktheid (Work resumption after disability)*, Den Haag: VUGA Uitgeverij B.V.

7.4 Policies to promote adaptations for individuals

Adaptations to meet individual needs can be promoted from many directions: laws relating to the work environment, health and safety, employment security, workers' and accident compensation, compensation, social insurance, human rights and disability discrimination, and other laws promoting employment of disabled people.³⁷ Accommodation of returning workers may be written into collective agreements, as occurs in Canada. Grants, subsidies and tax credits reinforce some of these public policy approaches. In combination, these policy initiatives increase awareness of accommodation as an appropriate response to the occurrence of disability. But policies are rarely co-ordinated, not surprisingly, given the wide spread of responsibility across departments and agencies. The Canadian report comments on one achievement when the Ontario Workers' Compensation Act adopted the definitions of accommodation in the Human Rights Code.

At the enterprise level, policies can be complementary, as the USA report suggests.

Workers' compensation and occupational health and safety laws have affected employer, union and employee expectations and provided standards for enterprise disability management practices in modifying job-sites and accommodating returning workers with occupational disabilities. Practices were thus in place to deal with the accommodation requirements of the ADA. The Family and Medical Leave Act (1993) in turn complements the ADA: if workers returning to their jobs after short-term sickness need accommodations, then the ADA swings into action.

The various policy instruments for promoting adaptations have unequal coverage. Rights-based legislation depends on workers taking the initiative and on their meeting the legal definition of disability. The concept of 'reasonable' accommodation based on costs to the employer may disadvantage disabled workers who happen to work in premises which are exceptionally difficult to alter. Because of rising costs, the types of disabilities covered by workers' compensation have been restricted. Other equity issues arise in systems where coverage relates to cause of disability. For example, in New Zealand only individuals injured by accident will receive case-managed services, including adaptations if necessary; the employment service, although it has a grants scheme directed at employers taking on a person with disabilities (and a sub-contracted specialist placement agency provides individually tailored funding for support on the job), has no provision for adaptations for those already in work.

³⁷ Work environment and Occupational health and safety legislation may require employers to survey the workplace and act on any needs for adaptation identified within the workforce and avoid aggravating the condition of an ill or injured worker. The Swedish Employment Security Act requires employers to explore needs for adaptation before any attempts at dismissal. Some workers' compensation laws have built-in requirements to accommodate returning workers (as in Ontario). Employers may be required to co-operate with agencies charged with rehabilitation of injured individuals, who may recommend adaptations as part of the rehabilitation package. Social insurance legislation which increases employers' responsibilities for employees who go absent on sick leave (in Sweden and the Netherlands) involves identifying necessary accommodations to enable rapid work resumption of employees. Reasonable accommodation/adjustment are duties under the Americans with Disabilities Act and the UK Disability Discrimination Act and accommodation is a requirement under Canadian human rights law.

7.4.1 *Financial incentives for individual adaptations*

It is reported that USA employers attempt to accommodate workers who become disabled mostly to reduce costs. Experience rating of premiums for workers' compensation provides incentives to return employees to work with appropriate adaptations. However, the litigious nature of workers' compensation means that employers can be reluctant to make accommodations if doing so is seen as indicating liability. It may be more beneficial to the employer to allow workers who are more costly to retain to pursue compensation claims and leave their employment; it is clear that decisions on whether to offer support are often determined by a case manager provided by the insurance carrier. This option may be reduced if experience rating is combined with protection against dismissal (as in the Netherlands), or with obligations to co-operate in returning disabled workers to their original job.

7.5 Voluntary action

Enterprises will voluntarily make individual adaptations, regardless of any legal obligations or public programmes, because of loyalty to the worker, the value of the individual to the company, out of 'good corporate citizenship' or other cultural assumptions about employers' responsibilities towards employees. In the Netherlands over 80 per cent of adaptations are arranged and paid for by employers. Dutch case studies have shown that adaptation of work is more easily provided by the employer, and accepted by staff and co-workers, when the worker was injured during work time. The German report notes that industries where work-related disabilities are more common tend to provide for their employees. Public policies in the UK which promote good recruitment and retention practices (such as the 'Disability Symbol') have been effective in increasing employers' willingness to consider making adaptations for a disabled employee.

Larger employing organisations in many countries have developed their own resources for adaptation. For material adaptations many employers (or their insurance carriers) deal directly with suppliers in the commercial market. Even where publicly-funded services exist, employers may not be aware of them, are deterred by the costs and delays of dealing with bureaucracies, or sometimes are reluctant to attract the attention of bodies whose main role is to monitor compliance.

7.6 Raising awareness

While in many countries there has been a tradition of providing light work, particularly for older workers, the idea that accommodation should be the first response to enable a worker to stay in the job is comparatively recent. Employers and employees who are more accustomed to traditional compensatory or rehabilitative responses to the occurrence of disability, where responsibility is passed to the state or pension funds, may need to be made aware of the possibility and its implications for them. The concept of a right to workplace accommodation may be difficult to accept if responding to disability still has connotations of 'good deeds'.

New legislative requirements can have significant effects on awareness. In the USA, for example, the concern initially created by the ADA caused it to receive a great deal of attention, leading to greater employer and public awareness of disability; employer awareness of

accommodation requirements now appears to be high but small firms with no experience of employees with disabilities remain unsure about possible courses of action.

Employers' organisations, which have inside knowledge of employers' needs and concerns, are well placed to promote awareness amongst their members, reduce any fears and to promulgate attitudinal change. In the UK, employers' networks on disability encourage members to learn from one another so that they voluntarily might adopt good practices in workplace adjustment and other aspects of employing disabled people. In France, employers' organisations have set up teams to inform and raise awareness among employers, including advice on modifications in the workplace.

A number of countries report initiatives within the workplace. In France, AGEFIPH funds awareness-raising programmes for management and for occupational health and personnel departments, as well as internal training programmes targeted at union representatives. In Germany, training events for workplace representatives, financed by the authorities, can include topics such as adaptation of workplaces or needs of special groups.

7.7 Sources of information and advice for individual adaptations

Rights-based requirements to accommodate have been supported by programmes specifically to advise employers on implementing accommodations in the workplace. Possible accommodations ('adjustments' in the UK) are described in a technical assistance manual (a code of practice in the UK) rather than finely detailed in the law. In the USA, the Equal Employment Opportunities Commission (EEOC) funds technical assistance grants and direct assistance, including education, training, and written materials. US employers and persons with disabilities may also access a large number of technical assistance programmes, databases and services providing advice on assistive technologies for independent living. Other countries also report innovative information sources on technical adaptations, such as the REHADAT database developed in Germany and adopted in British Columbia (Canada).

In the USA and Canada, the Job Accommodation Network (JAN) provides a toll-free telephone consulting service. The vast majority of calls requested information on accommodations for current employees and a large proportion of calls concern material accommodations, mainly for people with motor impairments. Follow-up surveys of action taken subsequent to calling JAN have been cited in the UK and at European Union level to show the low costs of most adaptations. The UK Department for Education and Employment has published case-studies to demonstrate possible adjustments and their costs.

Despite a burgeoning of information provision, it is commonly fragmented and unco-ordinated. As the report from the USA notes, despite huge publicity efforts, many employers (particularly small employers) remain unaware. Because they have no need to know about the ADA and accommodation requirements until they are confronted with a disabled employee or applicant, employers lack expertise in accessing information and, when they start searching, they are likely to be overwhelmed by too much complex, confusing and sometimes contradictory information.

The report from Canada comments on the profusion of often partisan information, the limited value of computerised data banks and the need for more information clearing houses.

Information is of limited use if employers do not know how to apply it. As the Canadian report comments, many employers cannot identify that they have a problem that could be resolved, much less the type of problem it is, whether to call someone for office ergonomics advice or for systems advice.

7.7.1 Bringing information to the enterprise

Programmes which rely on employers seeking out information appear to have limited potential. The key question is how to bring the right information to a receptive employer at the time that it is needed. Bringing advice, service development and funding under one umbrella organisation is one possible way forward. The French fund (AGEFIPH) is exceptional in having sole responsibility for funding modifications to the workplace, and in combining technical assistance and funding. AGEFIPH has brought into its network of partnerships a national consultancy organisation which provides appraisals of working conditions and ergonomic studies.

Particularly in Europe, employers rely on intermediaries to bring them advice. Information to support retention can be accessed via agencies whose prime business is placement. Recruitment incentives, heavily used in France, encourage enterprise interest in other AGEFIPH provision. The general trend towards contracting out of placement and employment support activities to specialist organisations limits information sharing, however. If agencies develop a reputation as worthwhile organisations to deal with, employers are more receptive to their advice on accommodating disabled employees.

Agencies which police compliance with regulations may be viewed by employers as interventionist and burdensome, rather than as agents of change. There is some evidence of regulatory authorities now taking a more conciliatory approach to promote acceptance of advice. In Germany, for example, the authorities who intervene when dismissal is threatened can show how disabled employees could be retained, by using technical aids, reorganising the workplace or taking up subsidies, and there is evidence that employers are willing to drop dismissal proceedings if a solution to the underlying problem is offered.

Shortfalls in staffing, budget ceilings and targets oriented towards entry to work may inhibit dissemination of information about adaptations for job retention. Agencies may concentrate on co-operative enterprises and neglect emerging sectors which require more effort to penetrate. Some country reports comment on the difficulties facing staff in these agencies in keeping abreast of technological developments, limited opportunities for training and lack of specialist staff.

7.8 Timely intervention

In France, employees are obliged to undergo regular checks by an occupational physician, and in this way needs for work adaptations are identified. Some UK large employers have introduced surveys through which employees are free to express outstanding work adaptation needs. Many larger employers in the USA, and a smaller number in the UK, provide in-house programmes

which help employees who participate voluntarily to identify needs which might be accommodated in the workplace. The effectiveness of internal surveillance mechanisms may be limited by assumptions about who deserves intervention and by perceptions of disability. A need for self-disclosure by the disabled worker is an obstacle, particularly for workers with invisible disabilities such as mental illness. Restrictions on sharing confidential medical records are further constraints.

The USA report describes the 'Stop the Pain' programme sponsored by the American Federation of Labor and Congress of Industrial Organisations. Building on successful campaigns in unionised establishments, it calls on workers to draw attention to work environments and practices which lead to cumulative trauma disorders (repetitive strain injuries). It provides practical guidance to workers in determining the scope of the problem, and methods to gain co-operation from employers in making corrections.

A device has been developed in France to overcome the problem of delays in the procedure to qualify as a disabled person eligible for assistance. AGEFIPH gives enterprises who request it a job retention grant which helps to cover adaptation costs for workers who become disabled - for assessment and training, ergonomic advice in advance of technical modifications, as well as the disabled person's wage costs.

7.9 Paying for adaptations

Whether employers should be offered public funds towards meeting legal obligations is a matter of continuing debate. The assumption that employers are responsible for employment-related costs and the concept of 'reasonable accommodation' underpinning rights-based disability employment legislation both argue against public funding. In the USA, where the costs of disability are seen as a company responsibility and accommodation a civil right, it is up to employers to arrange, procure and pay for reasonable accommodations under the ADA.³⁸ Canada has a limited tax credit scheme, and a case has been made for its expansion to assist employers to pay for adaptations. There is no funding tied to DDA reasonable adjustments in the UK, although the publicly-funded scheme for adaptations may be accessed.

Under work-injury programmes, employers and insurers are responsible for paying for accommodations. However, assistance towards job-site modification is possible in seven US state workers' compensation programmes; in three states there are new requirements that insurers must subsidise worker accommodation as necessary.

The argument that incentives are needed to reinforce legal obligations is advocated by some disabled people's organisations. The Netherlands has introduced a number of subsidies as

³⁸ Under the tax credit schemes noted in 7.1, USA businesses may recoup some of the costs of general adaptations; publicity suggests that this may be used for individual employees but the bias is towards accommodating new employees.

incentives for workplace adaptations but take-up is extremely low³⁹; adaptation of the working environment remains fundamentally the employer's responsibility. In France and Germany, funding for employers is part and parcel of the quota-levy system, based on the concept of collective responsibility and redistribution.

The general trend appears to be moving towards recognising the difficulties which employers may experience in meeting the costs of more expensive adaptations.

7.9.1 Public funding arrangements

In the systems in the mainland European countries and in the UK, employers and disabled employees can receive funding of certain, mainly material, adaptations from a public agency. Separate funding for job retention is unsure, although in Sweden the social insurance agency funds occupational aids for employees and their employers, and the labour market authority funds adaptations for previously unemployed disabled people. While this arrangement allows a protected budget for job retention, the employer must deal with two separate agencies. The French quota-levy fund (AGEFIPH) has developed special measures both for adaptation and for job retention, many sub-contracted to specialist providers.

Co-funding is a usual approach in Europe. Arrangements vary considerably. There may be limits on the total amount the employer is asked to pay towards a given adaptation, or across a defined time period. More expensive adaptations may be funded from the public budget or costs may be shared. The economic climate, not surprisingly, affects employers' willingness to contribute towards the costs of adaptations, and in Germany this has been found to translate into reduced demand.

Quite often budgets are designed to cover a restricted range of adaptations. The Access to Work (ATW) in the UK is a good example of a more integrated approach. ATW, an Employment Service programme, was introduced in 1994 and replaced five separate programmes. It provides a wide variety of help, in the form of either a one-off payment, for example to purchase equipment or convert premises, or by providing continuous support, for example by providing help with travel to work costs, personal readers or support workers. The programme is open to people who are disabled, within the meaning of the DDA and need extra help because of their disability. For employed disabled people, financial help is provided towards costs of £300 and over (approximately 480 US\$); all costs above a £10,000 (16,000 US\$) threshold are met, and up to 80 per cent of the costs between £300 and £10,000, over three years.

New Zealand health authorities can fund technical aids for individuals with disabilities in work or seeking to be placed in work, although this is not a priority within budgetary limits. Generally, budgets for support for independent living do not seem to be geared to meeting employment needs. A disability tax credit system, such as that in Canada which allows severely disabled

³⁹ A representative sample survey of 4,000 employers in the Netherlands found that the formal provision for reimbursement of adaptations to the workplace had been used only for 0.06 per cent of their employees.

individuals to set some of the costs of attendant support against income tax, might avoid some of the difficulties in funding supports which can be used both at home and in the workplace.

Constraints on the effect of external funding arrangements reported variously from Sweden, Germany, the Netherlands and the UK include:

- ▶ limited co-funding for very expensive adaptations
- ▶ bureaucratic procedures and lack of resources to negotiate with external agencies
- ▶ restrictions that the adaptation must only benefit the disabled individual and should not bring business advantages
- ▶ wrangles over cost-sharing
- ▶ disputes over whether responsibility lies with the employer or the social insurance agency and consequent uncertainty over whether an application will be granted
- ▶ funding tied to a given job, limiting the disabled worker's opportunity to change employer
- ▶ requirements on agencies to 'shop around' for best value, leading to delays in provision
- ▶ agencies' limited expertise in finding the right solution for the individual and knowledge of new technology
- ▶ employers' negative attitudes towards external agencies and lack of positive experience of co-operative working.

7.10 The balance of provision

Public programmes to advise on, provide, or support the costs of adaptations generally complement rather than substitute for enterprise activity. The Netherlands report provides a neat illustration of the complexity of adaptation and the difficulty of recording how the needs of workers with disabilities are being accommodated.

An employee is able to perform only some of his former tasks and in order to have a full-time job, a new task has to be added. This task is available but needs some extra vocational training. To perform both parts of the job the employee needs a new chair to use when he wants to and help from co-workers in lifting heavy packages. In this example, only the vocational retraining will be recorded although the restructuring of the work process, the new equipment and informal support are essential to successful job retention.

Schemes where the employer or employee has to apply for a grant for a specific adaptation seem to have limited take-up compared with the case-managed approach, where the right combination of adaptations is funded to suit the needs of the individual. New technologies appear to favour the retention and return to work of people with visual impairment. People with multiple disabilities tend to miss out.

Some publicly-funded schemes appear to offer only a limited range of solutions, focussing on one-off expenditure on equipment and alterations to premises. Human support services (personal assistants and readers) which require on-going expenditure are rarely major items, although in Sweden personal assistants account for a third of the budget. External services for adaptation have a limited role in advising on and financially supporting job-restructuring. However, initiatives introduced to support entry to work, such as job coaches, are beginning to be taken up to support job retention, notably of people with mental health problems.

Public programmes do not usually offer preventive adaptations (such as ergonomically designed equipment) and employers have to rely on the market and on knowing what is available. Early intervention to support a progressive condition can be problematic.

7.11 Key issues in adaptation of work and workplace

- ▶ Policies for the removal of barriers in the living and working environment which raise awareness and change attitudes to disability, stimulate the market in technical assistance and adaptations, and set common standards for accessibility will reinforce statutory requirements to appraise and remedy risks in the workplace, duties to accommodate workers with disabilities and voluntary good employment practices.
- ▶ It appears that publicly-funded support for individual adaptations is not geared to the changing pattern of employment - part-time working, limited-term employment contracts and agency working. When provision is tied to a particular employment situation, the disabled worker can find it difficult to change job or employer, or to hold more than one part-time job. Legislating to reduce barriers in the built environment, and providing technical assistance and funding, should facilitate flexible working for some persons with disabilities.
- ▶ Overall, policies which promote removal of disabling barriers appear to support employment of individuals with physical and sensory disabilities in service sectors. Occupational health and safety authorities and public providers of individual adaptations have found these sectors difficult to cover, however. Response to the new occupational diseases will remain limited unless policy and provision for prevention and for adaptations are targeted at the emerging service sectors.
- ▶ Provision for workplace adaptations and rehabilitative support may be better co-ordinated if brought within the scope of a single agency and a single budget; there appears to be growing potential within insurance-related strategies for job retention. Combining employer responsibilities for adapting the working environment and for rehabilitation in the workplace appears to be a promising strategy.

- ▶ In the absence of enforced legislative requirements, it can be difficult to combine employers' endeavours for rational and cost-effective activity with work adaptation measures which may not be seen as profitable and generating a financial return. National programmes, such as the Swedish Work Life Fund, can increase the realisation that it is economically profitable to invest in better work environments and work organisation.
- ▶ There may be a case for encouraging employers' interest in ergonomic assessments and new technologies to increase productivity, if there are checks in the system to support the continued employment of workers whose disabilities need to be accommodated by other means.
- ▶ There is a burgeoning market in information, advice, technical services and equipment which employers and workers with disabilities find difficult to access, comprehend and apply when a need emerges. Employers, occupational health professionals and disabled employees need timely help in the workplace to spot difficulties and identify and try out possible individual solutions.
- ▶ How staff working in public and private agencies might keep abreast of technological developments and improve the quality of service to employers and workers with disabilities is a question commonly raised. Agency resources are often limited and links to fragmented training sources difficult to establish. How the right kind of training can be provided and funded is a question for research and development institutes and not just manufacturers and suppliers.
- ▶ Whether, and how far, employers should bear the costs of barrier removal and individual adaptations relates to the issue of what it is reasonable to expect them to pay for. There appears to be a special case for supporting small employers who are deterred by the costs of arranging adaptations; and different cost-sharing arrangements could be explored. The costs of bureaucratic procedures, and delays in assessment and supply, are not compatible with running an efficient business, however.

8. ENTERPRISE STRATEGIES

The fifth main theme of the study concerns enterprise policies, programmes and practices supportive of work retention for persons with disabilities. The focus is on those activities within the workplace over which the enterprise assumes control and responsibility. In line with the premise underlying the study, our interest extends beyond those policies and practices where job retention is the specified aim. Company initiatives to provide confidential counselling or policies to reduce sickness absence, for example, can support retention as well as interventions to support return to the job. In developing an enterprise strategy for job retention and return to work we need to look beyond specific initiatives, however, and consider how these might be integrated into enterprise management systems.

8.1 The knowledge base

In comparison with public policies and programmes, policies and practices within the enterprise are not well documented or researched. The orientation of much public policy research towards assessing the impact of measures *on* employers has tended to deny the role of the enterprise as an independent player and creator of policy in the management of disability.

Enterprise practices are idiosyncratic and will vary according to industrial sector, size, union presence and so on. Information is often restricted to isolated practice examples. Approaches to job retention are difficult to characterise and their prevalence hard to gauge. Surveys in some countries have tended to monitor policy statements of intent rather than actual practice. Many companies have developed informal customs and practices to support the employment of workers who become ill or disabled, and their investigation requires unusual research efforts. Research in Germany, for example, identified a pattern of *ad hoc* activities to retain newly disabled workers which were not subject to any internal regulations but dependent on goodwill and co-operative internal relationships.

8.2 Growth of enterprise activity

Companies assuming responsibility for the continued employment of their disabled workers is by no means new. In their hey-day, iron and steel, coal and ship-building industries commonly ran in-house disability programmes, including sheltered workshops and redeployment of injured workers in jobs with rehabilitative value. In the German coal and steel industries, special status is given to long-term employees in heavy or environmentally demanding work who can then be redeployed in light work, and in Germany company-run sheltered workshops are still used. It is not unusual for socially responsible firms to respond to modern risks, such as those associated with use of new technologies, by providing in-house equipment and adaptation units.

In some countries, the scope of independent enterprise activity has greatly expanded, to the extent that companies have taken on health-related, personal support and rehabilitative services once provided exclusively by external bodies in the community, as well as injury prevention, accommodation of disabilities and managed programmes for work resumption. This trend is most pronounced among larger firms in the USA, and to a lesser extent in Canada, who have

adopted a variety of such programmes in the workplace, stimulated by the separate work injury schemes in these countries and encouraged by financial and legal incentives.

In contrast to growing voluntary action on the part of enterprises, legal responsibilities for quite similar activities have been *imposed* on employers by governments, notably in the Netherlands and Sweden where enterprise responsibilities for work adaptation, rehabilitation and work resumption are overseen by the authorities.

8.3 Motivations to promote work retention

Enterprise employment and retention practices must be reviewed in the context of workplace culture, legislation and economics. First and foremost, it is the legislative and constitutional framework which defines the extent to which costs - financial, economic and social - are borne by employers, workers and government for both occupational and non-occupational injury and illness. It is the statutory framework which largely defines roles, responsibilities and actions on the part of employers, workers and insurers in relation to integration and re-integration of injured, ill and disabled workers.

The impetus and opportunity for the enterprise to develop and implement strategies for job retention varies from one country to another. But it is a common theme among the study countries that the primary motivations for work retention among enterprises have been economic and legal. The motivations to reduce the costs of lost time, to increase productivity, and to reduce injury compensation costs, interact with legislative requirements. Although some evidence exists to support the 'goodwill' theory of motivation among enterprises for retention activities - which may also bring indirect financial advantages - financial and legislated motivations dominate the study.

8.3.1 Business incentives

The most obvious single influence affecting the development of voluntary enterprise activity in North America has been the need to control costs of workers' compensation, including medical costs in the USA. In addition to reducing the direct costs of claims, insurance premiums which are set according to claims records (experience rated) are an incentive to prevention and early work resumption. If compensation claims are financed and handled by employers, claims handling can be integrated with support for job retention, although this is inhibited by the growing use of external claims administrators. The effects of insurance-related incentives, which now also exist for non-work injury claims in North America, on the prevention and management of disability will be interesting to compare with developments emerging in other systems.

In New Zealand, a pilot 'accredited employers programme' allows approved employers, with all necessary health and safety and rehabilitation systems in place, to carry out duties normally undertaken by the accident insurance corporation: managing and paying claims for the first year; and paying medical and rehabilitation expenses. The employer is paid an amount estimated to be the costs associated with the first 12 months of the claim.

Controlling the costs of disability benefits is the central aim of Dutch labour and income strategy. The costs now fall to employers for up to five years and a system of differentiated insurance premiums has been introduced. The preventive and controlling roles of the recently established obligatory occupational health services are set to expand further into supporting work resumption.

The need to control the productivity costs of time lost through sickness absence has been an incentive to introduce workplace programmes. It is noted in the USA report that the costs of time lost through chronic illnesses, rather than traumatic illnesses, have led to a growth in enterprise prevention programmes, health promotion, and industrial ergonomics, with a particular focus on early intervention.

8.3.2 Internal agreements

In Canada, trade unions have been significant in requesting rehabilitation and return to work clauses in collective agreements. There is evidence among larger German enterprises, with strong employee representation, of pressure to achieve internal agreements on the employment of severely disabled persons and of persons with health limitations in general. Such agreements reflect the implementation guidelines of the Severely Disabled Persons Act.

In France, job retention among enterprises is included in state contract policy. Based on the 1987 law, covered employers can sign an enterprise agreement that exonerates them from paying levies if it is approved by the authorities. Enterprises are required to take action in two out of four plans relating to disabled workers: recruitment, rehabilitation and training, adaptation to technological changes, and retention if dismissal would otherwise occur. By the end of 1995, almost ten per cent of private sector firms subject to the employment obligation had job retention plans.

8.3.3 Legislative requirements

The most significant legal requirements which encourage and support job retention activity within larger North American enterprises appear to be the workers' compensation laws, with requirements to re-employ and accommodate disabled workers found in some workers' compensation laws in Canada. The accommodation requirements in the ADA and recent rulings under the Canadian human rights code, which obligate labour and management to act jointly on the duty to accommodate, appear to be influential in promoting support for workers with disabilities who are not covered by workers' compensation.

8.3.4 Reputation of the enterprise

Over and above legislative influences, the reputation of the company as a good employer of disabled people can be important for business success, especially among firms which are exposed to the public or compete for well-qualified workers who are concerned about the treatment they will receive. Public image is an important consideration for large firms in Germany who seek to demonstrate their social responsibility to severely disabled workers and to others with health limitations by making internal accommodations (and so avoid the

embarrassment of paying large levies for not meeting the employment obligation). Public image is often the extension of the 'corporate culture' to the outside world.

8.3.5 Corporate culture

A common theme is that 'corporate culture' is a significant factor in the emergence of policies and activities supportive of job retention. Programmes appear to succeed in organisations which are receptive to change and take an inclusive approach to decision making, with the support of top management, as well as of workers and supervisors. In small firms the personal commitment of the owner or manager, sometimes arising out of personal experience of disability, can be critical.

8.3.6 Interactions

The interactions are complex and it is misleading to isolate single motivating elements. The USA report notes that while much of the initial development of disability management grew out of workers' compensation and occupational health and safety laws, the benefits of reduced costs, increased competitiveness and increased employee morale - 'good corporate citizenship' - encouraged its extension. The requirements of the ADA and FMLA had further effects and fostered the realisation that disability management practices make good economic sense.

8.4 Strategic approaches

8.4.1 Disability management at the workplace

The term 'disability management at the workplace' has increasing currency in the English-speaking countries. As articulated in North America, this process ideally involves the proactive enterprise in assuming control and responsibility for prevention, early intervention and re-integration of injured and disabled workers, and in developing internal systems for planning and co-ordinating workplace-based services.

In the USA, where the concept is most advanced, 'disability management' is still developing. In its most complete form in large enterprises, a disability management system will address disabilities incurred either on or off the job, include headquarters staff as well as field supervisors and employees, and cover mental as well as physical disabilities. The most comprehensive models include employee safety programmes, ergonomic assistance, work-site health clinics, 'wellness' programmes, employee assistance (confidential counselling) programmes, disability claims co-ordination, case-management and modified or gradual work resumption programmes. Also included are ancillary activities such as maintaining an appropriate data system, and the education of supervisors and other personnel in disability prevention and management. Success is thought to depend on responsibility for disability management resting with the entire organisation, with support and commitment from all levels of labour and management, rather than being confined to the human resources department or any other unit.

The ideal is an integrated system rather than unco-ordinated activities. A common approach is to form an interdisciplinary disability management team. Internal co-ordination between

departments (medical, occupational safety and health, human resources, managerial divisions and union representation) can be facilitated by a qualified 'disability manager', by a trained member of the human resource department, a member of the occupational health staff, or possibly by a safety representative or workers' representative. Where such a person is best located will depend in part on opportunities for input into enterprise policy development at the strategic level.

8.4.2 Reducing absence related to ill health

In Europe, enterprise policy is typically framed in terms of preventing and reducing workplace absenteeism. The greatest emphasis appears to be placed on monitoring and controlling absence; prevention activities at the workplace, such as improving working environments and promoting health and well-being, and personal support to resume work are less common. Enterprises rarely combine these elements into an overarching strategy or integrate them into organizational policy and practice.

European research suggests that a strategic approach, integrated into management systems, is possible and is to be recommended to employers. The recommended good practice elements bear a remarkable resemblance to disability management ideals. Common elements include: a systematic approach; a co-ordinating project team; active support from senior and line management; active involvement of human resource management and the occupational health service; involvement of works councils, health and safety committees and trade unions; active worker participation; good information and communication; and integration.⁴⁰

A strategy based on reducing costs of absence may appeal in those systems where the costs of work-injury compensation or sickness and disability benefits are not all borne directly by the enterprise. As the European study points out, the package of measures must be balanced to include preventive measures focused on both the person and the work and interventions to reduce the barriers to work resumption. Several country reports in our study drew attention to the probable ill effects on health of devices to reward workers for good attendance records or, conversely, to penalise them or their co-workers for absence.

8.5 Supporting enterprise strategies

Enterprise job retention strategies (whether framed as disability management or prevention of absence) operate on a modest scale in most study countries apart from the USA. Enterprises generally lack information about their potential value and the knowledge base to implement programmes in the workplace. In the USA and Canada, external bodies such as the Washington Business Group on Health and the Canadian National Institute of Disability Management and Research, as well as other employer organisations, human resource organisations and research institutes funded by workers' compensation boards, along with provider organisations, have been active facilitators.

⁴⁰ Gründemann, R.W.M. and Vuuren, C.V. van (1997) *Preventing Absenteeism at the Workplace: European research report*, Dublin: European Foundation for the Improvement of Working and Living Conditions.

Several major French groups and enterprises work with AGEFIPH (the body which administers the quota-levy fund) to implement active job retention programmes; for example, a major group of industrial establishments signed a 'framework convention' with the aim of retaining newly disabled workers in production jobs. This model of collaboration between the enterprise and an external public body may contain transferable lessons.

In general, there seems to be a role for governments, insurance funds and other national funding bodies to institute national action programmes to encourage and support enterprise endeavours.

8.5.1 Supporting small enterprises

Generally, it is the largest employers that have, initially, provided the most comprehensive responses to the needs of persons with disabilities. This has been reflected historically in the growth of employee assistance programmes and disability management programmes. Once economic outcomes are demonstrated among the larger enterprises, smaller employers are expected to replicate the most salient features of effective programmes. While it is universally acknowledged that many employment opportunities exist among smaller enterprises, they are less well equipped to respond to the job retention needs of workers with disabilities. Programmes developed in large firms need to be adapted to meet the needs of small and medium-sized enterprises. They need to be supported by information on good practice models and helped with implementation.

8.5.2 Developing standards

Disability management is idiosyncratic and practices vary from company to company. In the USA there are no formal best practice standards at the official government level. Rather, good practice standards are continually evolving in the private sector through groups of employers, insurers and labour unions; most appear to be of relevance to human resource managers in large firms. External recommendations and standards have not been elaborated in those systems where employers have legal responsibilities to improve working conditions and to plan and implement work resumption programmes. More research is required to explore enterprise practices as a first step towards a code of practice.

8.6 Obstacles to effective enterprise strategies

8.6.1 Obstacles within the system

In some countries it is observed that loosening of employment security law, combined with labour surpluses, means that employers attach no priority to retention of workers who become disabled. Employers can avoid responsibilities by placing disabled workers on short-term contracts.

In some systems many employers assume that only social programs have responsibility to care for persons with disabilities once they become unable to perform work activities at their enterprise. As a consequence, the responsibility to accommodate or retain injured, ill or disabled workers is not built into the enterprise's operations. This is most obvious where there

is no separate work injury benefit system, where the costs of medical treatment are automatically met by the state, and where there is relatively easy progression to social insurance or employee benefits.

Experience rating among many workers' compensation schemes may lead to claims avoidance practices by employers which, in turn, lead to adversarial relationships between worker and employer, delays of rehabilitation intervention, and other barriers to work resumption and retention. Some compensation schemes encourage injured workers to extend their absence to achieve the best rates of compensation and similarly create obstacles to early interventions. On the other hand, there are suggestions that financial incentives to employers can lead to the worker being returned too soon and without long-term support.

A recurrent issue in this study, although unique to the USA, Canada and New Zealand, is differential treatment of individuals insured under workers' or accident compensation schemes and those privately insured, or not insured at all. This is an obstacle to a comprehensive approach to management of workplace disability, as it necessitates separate claims management procedures and as enterprises have considerably more discretion in how they respond to non-work-related injuries; advances in integrating the two are reported in the USA, however. Non-discrimination legislation and other accommodation requirements are important countervailing forces in the USA and Canada, as is pressure by labour unions for more equitable treatment.

8.6.2 Definition and assessment of disability

A lack of uniformity in the categorisation of disability means that enterprises may have to respond in different ways, depending on whether the individual has work-related or non-occupational injuries, illnesses and disabilities, or falls within the coverage of non-discrimination or other employment protection legislation. Definitions and assessments of disability vary and sometimes conflict. Different insurance schemes reflect differing operational definitions of disability, the amount of wage replacement benefit, the duration of those benefits, and the circumstances under which benefits and associated services will be terminated.

Most countries have laws and statutes that fail to provide equal protection in employment for persons with non-visible disabilities, such as drug and alcohol addiction, mental illness, or chronic pain syndromes, and enterprise response is contradictory and often adversarial

Clearly, a universal problem among most nations surveyed is the role of medical doctors as gatekeepers of return-to-work decisions. Physicians are often unable to determine an individual's functional abilities objectively and validly, and have little experience in the workplace. Most employers, as well as public and private insurers, demand medical certification for entitlement, yet the most successful initiatives are those able to focus more on physical demands of the workplace and do not assume that workplace disability is a function of a person's medical condition or impairment. Most rehabilitation interventions are focused on the individual, and exclude consideration of changes to the work environment and

work retention technology. Models of work retention which define disability in terms of the person-environment-technology interaction need to be tested.

8.6.3 Obstacles within the enterprise

Enterprises do not necessarily have in place the relevant expertise for disability management activities, although specialist disability management courses are now emerging outside the USA, notably in Canada and the UK. Mandatory occupational health services are unusual and occupational health professionals can have limited knowledge of workplace solutions. Limited training for safety representatives, trade unionists and disabled persons' representatives is reported in some countries. In France, however, AGEFIPH funds major awareness-raising and training programmes in aspects of job retention for works council and union representatives.

Work resumption can be seen as an end in itself with no mechanisms in place to support workers with long-term disabilities. Early intervention strategies, which often bring workers back to work before they have fully recovered, can require medical surveillance to prevent further risk of harm.

Co-worker resistance to the returning worker needs to be addressed by pro-active disability awareness training that challenges underlying attitudes. Some countries report interventions at too late a stage, once discriminatory incidents have occurred. In some systems, opportunities to accommodate the returning worker in a different job are constrained by labour agreements. Job coaches may be viewed as giving the worker with disabilities an unfair advantage, and limited duty assignments may be resented.

The supervisor is commonly identified as a critical player in the implementation of a job retention strategy. Yet reported practices, such as adding hours lost through absenteeism to the workload of remaining workers, reduce the supervisor's interest in retaining a potentially less productive worker. The supervisor needs to be motivated to develop and implement workplace accommodations and support systems, and to promote them amongst the workers for whom he or she is accountable. Mechanisms could be developed to hold supervisors accountable (through performance evaluations or departmental charge-back systems) for the consequences of not supporting job retention activities.

The attribution of costs of reduced productivity to the disabled worker's department can inhibit return to the original unit. An example is given of a German company which established a special cost centre to which newly disabled workers were assigned; the costs were assigned to company overheads rather than the individual's unit. In the USA and Canada the contrary argument is put that the general lack of departmental accountability for the cost of *not* retaining an injured worker means that managers have little incentive to accommodate and retain the worker.

8.8 Assessing outcomes

There is little research into the outcomes of enterprise programmes. The question of the benefits to persons with disabilities has been inadequately addressed. The major focus has been on quantitative variables - notably reduction of lost time, reduction of workers' compensation insurance premiums and increased productivity - rather than qualitative variables that reflect on quality of life improvements for persons with disabilities. The perspectives of disabled workers participating in programmes are rarely integrated into research. The limited research which is available appears to support the economic and social benefits derived from participation in disability management programmes.

Although it has been widely documented that early intervention or early involvement with a disabled person can be an important factor in reduced recovery time and more timely work resumption, there is evidence that to be effective in maintaining long-term employability, early intervention needs to be followed by continued support on the job. Successes occur among those cases where the worker returns with continued enterprise and insurer accommodations and support. More research attention needs to be paid to longer-term outcomes and their workplace-related determinants.

8.9 Key issues in enterprise strategies

- ▶ Enterprises have developed informal practices as well as formalised policies in response to the occurrence of disability. Before embarking on a strategy to support enterprises in the development of good practices, we need to look from inside the enterprise at the barriers and facilitating factors and comprehend enterprise needs and priorities. This requires the active participation of the range of enterprise actors and an investigatory approach which delivers benefits to the participants as well as to the wider community.

- ▶ Across the study countries enterprises are developing new ways of managing the occurrence of disability, both for business reasons and in response to requirements imposed upon them by national policies. The result is not only an increase in services provided within the company which previously fell within the remit of external agencies but also a growth of new forms of provision tailored to the prevention of disability and the management of its occurrence. There is a need for mechanisms to promote the transference of proven good practices across systems, as well as within the country.

- ▶ There is a growing interest in disability management approaches to the co-ordination of enterprise activity which bring together the range of actors with disparate roles in prevention, early intervention and reintegration of workers with disabilities. The different models of co-ordination need to be elaborated and their effectiveness in different contexts explored. Models need to be tailored to the needs of small enterprises.
- ▶ Enterprises need information about the potential value to them of approaches to the management of disability. External bodies which can offer funding and expertise and can work in partnership with enterprises, such as the French fund AGEFIPH, appear to have potential.
- ▶ Disability management is idiosyncratic and although good practice standards are evolving, notably in the USA, external recommendations and standards have not been created at the official government level. Employers, insurers and labour unions, as well as disabled workers' organizations, will have essential roles in the development of codes of practice.
- ▶ The incentives to enterprises to develop strategies for job retention depend, in part, on the need to control the costs of absence and the consequences for productivity. A strategy based on reducing the costs of absence may appeal in those systems where the costs of work injury compensation or sickness and disability benefits are not borne directly by the enterprise.
- ▶ In some systems, enterprise interventions to support retention are targeted at those workers who are perceived as being of more value to the company. Labour unions within the enterprise, injured workers' organizations and external requirements to prevent discriminatory treatment are important countervailing forces.
- ▶ The outcomes for the disabled worker of enterprise programmes have been inadequately addressed, and research has focused on quantitative outcomes. There is some evidence that if early intervention is to be effective, it needs to be followed by continued support on the job. More attention needs to be paid to longer-term outcomes and to their workplace-related determinants.

9. DEVELOPING STRATEGIES

So far, the key issues in relation to the five themes of the study have been identified. In this concluding section we highlight some of the most significant cross-cutting issues relevant to the study countries.

Part-time working

Part-time working is growing overall and in some countries is actively promoted in national policy. There are signs of benefits and compensation arrangements increasingly responsive to the particular needs of persons with disabilities for part-time opportunities. Outside the enterprise, employment support services and provision for adaptations of the work and workplace need to be oriented for supporting part-time work in general, and to opportunities for combining work with benefit in particular.

The small enterprise

Small firms have a marginal position in most of the policies and programmes which support job retention and return to work. Although some noteworthy successes have been reported in reaching out to small enterprises (such as the French fund AGEFIPH's programme) they have less capacity to bear the costs of a worker who becomes disabled, few structured incentives to do so, and limited resources to find out about and use external sources. Strategies for job retention may need to be tailored specially to the needs of small enterprises, for example by offering more generous funding towards making accommodations for workers with disabilities.

Equitable support for job retention

As job retention increasingly becomes an enterprise concern, and direct provision by statutory agencies takes a less prominent role, there is more discretion for the employer. Particularly where enterprise retention activity is driven by the need to contain costs to the business, employees who are more valued can be selected for support and rehabilitation to the disadvantage, it seems, of less qualified and easier to replace workers. Inequities might be reduced in part by adjusting the employer incentive structures. Advocacy in the workplace and legislation to prevent discrimination in employment appear to be important mechanisms to counter any tendency towards selectivity.

Disincentives to recruitment of disabled workers

Risk selection is a commonly reported effect of policies which protect the employment of disabled workers and of policies which encourage or require enterprises to retain workers who become disabled. Employers are more likely to screen job applicants to avoid hiring someone who might become sick and so impose costs on the enterprise. This tendency could be inhibited by disability discrimination legislation, although discriminatory recruitment practices cannot be entirely overcome, or by mechanisms to support the costs to the employer of employees with abnormally high levels of sickness absence.

Long-term support for workers with disabilities

Policies for early intervention and work resumption may not always be in the best interests of disabled workers and need to be supplemented by medical surveillance and longer-term support on the job. Equally, a strategy for job retention should not exclude the maintenance in employment of individuals who were disabled before entering employment.

Supporting enterprise-based activity

External services will need to be oriented towards bringing support to the enterprise at the time that it is needed and enabling the enterprise to deploy its own resources to support disabled workers. Access to advice and services for adaptation of work and workplace needs to be simplified and resources need to be better co-ordinated to facilitate direct use by employers. Ergonomic assistance needs to be promoted and more attention paid to the person-technology-work interface.

Identifying excluded groups

A coherent strategy for job retention and return to work needs to consider who is intended to benefit. The focus on early intervention and work resumption tends to leave out of the picture workers who are more severely disabled and who encounter barriers in re-entering the labour market, for example after a disabling accident or long-term illness. A focus on short-term absence also ignores the situation of workers whose continued employment is at risk because of unreported illnesses which do not manifest themselves in sickness absence.

Co-ordinating the players

The need for improved co-ordination between multiple players emerges as a key issue across the thematic areas of the study. Achieving co-ordinated programmes is increasingly problematic as new players, with quite different objectives and philosophies, enter the arena.

Keeping the job open

As the emphasis shifts to early intervention and rehabilitation, ensuring that the worker with disabilities has a job to return to is critical. The effectiveness of the different approaches to linking employment protection to receipt of sickness benefit or injury compensation could be explored, as could the roles of benefits and compensation bodies in facilitating work resumption. The costs to enterprises of keeping jobs open for returning workers need to be identified and mechanisms found to ensure that it is worthwhile for the employer to do so.

Accommodating disability

Requirements to accommodate - to adapt the work and workplace so that the individual with disabilities is not disadvantaged - are a key element in a coherent job retention strategy. Compensation systems which prioritise job retention appear to be strengthened by the inclusion of accommodation requirements. Including accommodation requirements in compensation systems as well as in disability-discriminate legislation reduces inequities in treatment between those who are covered by compensation programmes and those who are not. In the absence of enforced requirements, employers need to be convinced that it is economically worthwhile to

invest in adaptations. Where responsibility should lie for the funding of individual adaptations is an issue for debate.

Learning from enterprise strategies

Fundamental to the Project is the intervention between enterprise policies and practices and national policy and regulation. Across the study countries, enterprises are developing new ways of managing the occurrence and consequences of disability. Partnerships between enterprise actors and policy makers need to be developed to facilitate the exchange of good practice between public and private sectors. The International Research Project on Job Retention and Return to Work Strategies for Disabled Workers seeks to stimulate and develop such an exchange through the active participation of enterprise actors, disabled people's organisations and policy makers in phase two of the Project.

APPENDIX

Table 1: Public expenditures and participant inflows in labour market programmes

Programme categories	Canada 96-97		France 1995		Germany 1996		N'lands 1996		NZ 95-96		Sweden 95-96		UK ^a 95-96		USA 95-96		Australia 95-96	
	Exp	PI	Exp	PI	Exp	PI	Exp	PI	Exp	PI	Exp	PI	Exp	PI	Exp	PI	Exp	PI
1. Public employment services and administration	0.20	0.15	0.24	0.36	0.13	0.25	0.20	0.07	0.24									
2. Labour market training	0.21	1.9	0.38	3.5	0.45	1.6	0.12	0.4	0.33	..	0.51	3.4	0.10	1.0	0.04	0.7	0.15	4.8
a) Training for unemployed adults and those at risk	0.21	1.9	0.34	2.8	0.45	1.6	0.12	0.4	0.33	..	0.50	2.8	0.09	0.9	0.04	0.7	0.14	4.2
b) Training for employed adults	-	-	0.04	0.7	-	-	-	-	-	-	0.02	0.6	0.01	-	-	-	0.01	0.6
3. Youth Measures	0.03	0.5	0.25	2.8	0.07	0.7	0.09	0.8	0.09	..	0.11	2.5	0.12	1.0	0.03	..	0.06	1.3
a) Measures for unemployed and disadvantaged youth	0.01	0.2	0.09	1.0	0.06	0.4	0.07	0.3	0.02	1.3	0.11	2.5	-	-	0.03	0.4	0.03	0.4
b) Support for apprenticeship and related forms of general youth training	0.02	0.3	0.17	1.9	0.01	0.3	0.03	0.5	0.08	..	-	-	0.12	1.0	-	..	0.03	0.9
4. Subsidized employment	0.08	0.3	0.42	4.4	0.40	1.4	0.26	..	0.13	..	0.67	5.5	0.02	0.1	0.01	..	0.31	2.5
a) Subsidies to regular employment in the private sector	0.02	-	0.16	2.3	0.07	0.2	0.13	..	0.09	1.3	0.17	1.5	-	-	-	..	0.06	1.2
b) Support of unemployed persons starting enterprises	0.04	0.1	0.04	0.3	0.03	0.2	-	-	0.01	..	0.07	0.4	0.01	-	-	-	0.03	0.1
c) Direct job creation (public or non-profit)	0.03	0.2	0.22	1.8	0.30	1.0	0.13	..	0.03	0.9	0.43	3.6	0.01	0.1	-	0.1	0.22	1.2
5. Measures for the disabled	0.03	..	0.09	0.4	0.27	0.3	0.54	0.1	0.03	1.7	0.71	0.9	0.03	0.2	0.04	..	0.07	0.7
a) Vocational rehabilitation	0.03		0.03	0.4	0.14	0.3	-	-	0.01	0.7	0.08	0.6	-	0.1	0.04		0.03	0.3
b) Work for the disabled	-		0.06	..	0.14	-	0.54	0.1	0.02	1.1	0.62	0.3	0.02	0.1	-	-	0.04	0.4
6. Unemployment compensation	1.31	1.43	2.37	3.41	1.16	2.27	1.33	0.34	1.29									
7. Early retirement for labour market reasons	0.01	0.36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1.87	3.09	3.80	4.78	1.87	4.52	1.79	0.54	2.14									
Passive measures (6&7)	1.31	1.79	2.37	3.41	1.16	2.27	1.33	0.34	1.29									
Active measures (1-5)	0.56	2.7	1.30	11.2	1.43	3.9	1.37	0.71	2.25	12.2	0.46	2.3	0.19	0.84	9.2			

Notes: Exp - Public expenditure as a per cent of GDP. PI - Participant inflows as a per cent of the labour force.

^a Excluding Northern Ireland

.. Data not available

- nil or less than half of the last digit used.

Source: OECD (1997) *Employment Outlook 1997*, Table K.

Table 2: Labour force structure and trends

	<i>Labour force</i> ¹		<i>Labour force participation rate (%)</i> ¹						<i>Civilian sectoral distribution (%)</i> ² 1994		
	Total (1000s) 1996	Annual growth (%) 1980- 1996	Total		Male		Female		Agri- culture Forestry and Fishing	Industry	Services
			1980	1996	1980	1996	1980	1996			
Canada	15796	1.6	49.6	53.8	60.1	59.0	39.1	47.6	4.1	22.6	73.3
France	26046	0.6	44.2	45.4	54.2	51.0	34.7	38.7	4.9	26.7	68.4
Germany *	40935	0.6	47.8	49.8	60.2	59.4	36.6	41.1	3.3	37.6	59.1
Netherlands	7250	1.6	39.9	46.5	55.1	56.5	24.9	36.8	4.0	23.0	73.0
NZ	1780	1.9	42.5	50.1	56.1	55.8	29.1	43.2	10.4	24.9	64.6
Sweden	4769	2.4	50.6	54.1	57.4	57.0	44.0	51.3	3.4	25.0	71.6
UK	28967	1.3	47.8	50.1	60.0	57.6	36.3	42.4	2.1	27.7	70.2
USA	136884	1.4	48.5	51.4	58.2	56.4	39.1	45.4	2.9	24.0	73.1
Australia	9144	2.0	45.9	51.0	58.1	58.0	33.7	43.3	5.1	23.5	71.4

Notes: The economically active population is defined as all persons of either sex who furnished the supply of labour for the production of goods or services. National practice varies in the treatment of such groups as the armed forces, members of religious groups, persons seeking their first job, seasonal and part-time economic activities. The labour force participation rate is defined as the percentage of economically active adults in each gender group (ages 15-64).

* In this appendix, data from 1992 onwards refer to the whole of Germany unless otherwise noted.

Sources: ¹ ILO (1997) *World Labour Report 1997-98*; ² OECD (1996) *Labour Force Statistics 1974-1994*.

Table 3: Population and labour force participation

	<i>Population 1995</i> ¹			<i>Labour force participation rates 1996</i> ^{2 a}						<i>Elderly dependency ratio</i> ^{3 b} - estimated for 2000	
	total (1000's)	Age structure of population % of total population			men			women			
		under 15	15-64	65 and over	15-24	25- 54	55-64	16- 24	25-54		55- 64
Canada	29,606	20.2	67.7	12.0	63.5	91.0	59.3	59.5	76.4	36.9	18.2
France	58,141	19.5	65.4	15.1	32.4	95.2	42.3	25.9	77.8	31.3	23.6
Germany	81,662	15.9 ^c	68.1 ^c	16.0 ^c	58.5 ^d	92.5 ^d	52.7 ^d	52.7 ^d	72.1 ^d	28.1 ^d	23.8
Netherlands	15,457	18.4 ^c	67.4 ^c	13.4 ^c	61.3	92.7	42.2	60.9	67.5	20.5	20.8
New Zealand	3,580	23.3 ^c	65.1 ^c	11.7 ^c	70.9	92.0	69.0	64.0	73.2	42.8	17.1
Sweden	8,827	18.8 ^c	63.7 ^c	17.5 ^c	48.9	90.0	72.2	46.7	85.5	65.0	26.9
United Kingdom *	58,613	19.5 ^c	64.8 ^c	15.7 ^c	75.3	91.9	62.9	65.8	74.5	40.2	24.4
USA *	263,057	21.9	65.3	12.7	70.2	91.6	67.0	62.2	76.1	49.6	19.0
Australia ^f	18,054	21.6 ^c	66.6 ^c	11.8 ^c	72.9	91.5	60.3	67.6	69.2	28.6	16.7

Notes: ^a The labour force participation rate is defined as the percentage of economically active adults in each age group.

^b Population aged 65 and over as a per cent of the working age population.

^c 1994 data.

^d 1995 data.

^e Age group 15-24 refers to 16-24.

^f Age group 55 to 64 refers to 55 and over.

Sources: ¹ *Labour Force Statistics 1975-1995*, OECD, Paris 1997 ² OECD (1997) *Employment Outlook 1997*, Table C.

³ *Ageing in OECD Countries, Social Policy Studies No. 20* 1996; Table A.3.

Table 4: Unemployment 1996-97

Standardised unemployment rates Dec '97 ¹	Unemployment rates 1996 ²						Incidence of long-term unemployment from survey-based data ^a 1996 ²				
	men			women			men - as a per cent of male unemployment		women - as a per cent of female unemployment		
	15-24	25-54	55-64	15-24	25-54	55-64	6 months and over	12 months and over	6 months and over	12 months and over	
Canada	8.6	17.5	8.7	7.8	14.6	8.5	7.6	28.5	15.3	26.7	12.1
France	12.3	22.1	9.3	8.6	31.9	13.0	8.6	58.6	37.1	64.0	41.6
Germany ^b	10.0	8.4	7.0	15.2	7.5	9.3	23.0	62.9	45.6	68.0	51.0
Netherlands	4.7 ^c	11.3	4.3	3.5	11.6	7.5	5.1	81.2	53.5	81.5	45.0
NZ	6.8 ^d	12.3	4.7	4.3	11.0	5.1	2.7	40.2	23.8	36.5	20.7
Sweden	9.1	16.7	7.4	8.6	14.5	6.7	6.5	40.3	18.5	36.0	15.5
UK	6.6	17.8	8.0	9.5	11.1	5.6	3.4	63.5	45.9	47.7	28.0
USA	4.7	12.6	4.2	3.3	11.3	4.4	3.4	18.5	10.4	16.2	8.4
Australia ^c	8.1	15.4	7.2	9.8	14.1	6.4	4.5	50.8	30.9	45.4	24.8

Notes: ^a While data from Labour Force Surveys make international comparisons easier they are not perfect. Difference in questionnaire wording and design, survey timing and age group definition mean that care is required in interpretation.

^b Long-term rates for Germany are 1995 data.

^c For age group 55-64 refers to 55 and over.

Source: ¹OECD (1997) *Quarterly Labour Force Statistics, 1997 No 2*; ²OECD (1997) *Employment Outlook 1997, Tables C and I*.

Table 5: Part-time employment

	Part-time employment as % of total employment						Female part-time employment % of total part-time employment		Average annual hours actually worked per person in employment	
	women and men		women		men					
	1994	1996	1994	1996	1994	1996	1994	1996	1994	1996
Canada	18.8	18.9	28.6	28.9	10.7	10.7	68.8	69.1	1737	1732
France	14.9	16.0	27.8	29.5	4.6	5.3	82.7	81.7	1635	1645
Germany ^a	15.8	16.3	33.1	33.8	3.2	3.6	88.1	87.4	1602	1583
Netherlands	36.4	36.5	66.0	66.1	16.1	16.1	73.8	73.8	..	..
New Zealand	21.6	22.4	36.6	37.3	9.7	10.4	75.0	74.3	1851	1838
Sweden	24.9	23.6	41.0	39.0	9.7	9.3	80.1	79.5	1532	1554
United Kingdom	23.8	22.1	44.3	42.7	7.1	5.6	83.6	86.0	1728	1732
USA	18.9	18.3	27.7	26.9	11.5	10.9	67.3	67.9	1947	1951
Australia	24.4	25.0	42.6	42.6	10.9	11.7	63.2	62.6	1879	1867

Notes: National definitions of part-time work. See OECD Labour Market and Social Policy Occasional Papers No. 21 *The Definitions of Part-time Work for the Purpose of International Comparisons* (forthcoming).

.. not in series

^a 1996 data are for 1995.

Source: OECD (1997) *Employment Outlook 1997, Tables F and G*.

Table 6: Employer tenure and job security

	Average employer tenure ¹ (years)						Perceptions of job security			
	total	men	women	age 15-24 years	age 25-44 years	age 45 or more	percentage not worried about the future of their company		percentage satisfied with their job security	
							1992 %	1996 %	1992 %	1996 %
Canada	7.9	8.8	6.9	1.6	6.5	13.8	74	61	49	45
France	10.7	11.0	10.3	1.6	9.0	17.5	72	58	56	41
Germany	9.7	10.6	8.5	2.4	7.7	16.2	73	64	62	48
Netherlands	8.7	9.9	6.9	1.8	7.6	16.0	71	66	74	61
Sweden ^b	10.5	10.7	10.4	2.2	8.2	15.9	66	60	49	49
United Kingdom ^b	7.8	8.9	6.7	2.2	7.0	12.2	52	47	52	43
USA	7.4	7.9	6.8	1.6	6.2	12.4	60	52	57	47
Australia ^a	6.4	7.1	5.5	1.9	5.9	11.1	69	67	78	67

Notes: ¹Tenure refers to the amount of time a worker has been continuously employed by the same employer in waged or salaried employment. Data drawn from national household surveys with differing question wording. New Zealand is not in this series.

^a 1996 ^b Data in 1992 columns refer to 1993.

Source: OECD (1997) *Employment Outlook 1997*, Tables 5.3 and 5.6.

Table 7: Industrial relations

	Trade union membership ^a		Trade Union Density Union membership ^b as a percentage of:		Change in trade union density ^c : - Union membership as a percentage of:		Collective bargaining coverage rates ^d		Dominant bargaining levels over past 10 years
	year	Union member- ship (1000's)	period	wage and salary earners	period	wage and salary earners	year	proportion (%) of employees covered by agreements	
Canada	1993	4128	1993	37.4	85-93	-0.7	1996	37.0	Company / plant level
France	1995	1758	1995	9.1	85-95	-37.2	1995	90.0	National/ Sectoral
Germany	1995	9300	1995	28.9	91-95	-17.6	1996	90.0	National/ Sectoral
Netherlands	1995	1540	1995	25.6	85-95	-11.0	1996	80.0	National/ Sectoral
New Zealand	1995	362	1995	24.3	86-95	-55.1	1995	23.1	Company / plant level
Sweden	1994	3180	1994	91.1	85-94	8.7	1995	85.0	National/ Sectoral
UK	1995	7280	1995	32.9	85-95	-27.7	1994	25.6	Company / plant level
USA	1995	16360	1995	14.2	85-95	-21.1	1995	11.2	Company / plant level
Australia	1995	2440	1995	35.2	85-95	-29.6	1995	65.0	Company / plant level

Notes: ^a The database applies a comprehensive definition of a trade union which recognises that a union's central purpose is the representation of the employment and wage interests of workers. General, industrial, craft, occupational, enterprise unions or professional employee associations whose role includes collective bargaining, pressure on legislators or public authorities, strikes, working-to-rule, petitioning, demonstrations or legal action are all included in the database. Where possible, self-employed members, unemployed and retired members are excluded from the ILO report.

^b Union density expresses union membership as a proportion of the eligible workforce. This denominator includes all people who earn their living on wages or salaries including those who are employed in the public sector and in government service.

^c Change in density over the period describes relative change, e.g. density rates for NZ fell by just over half during the period.

^d Collective bargaining coverage rate is the proportion of employees covered by collective agreements in the formal sector. The formal sector excludes employers, self-employed, unpaid family workers, farm workers and domestic workers.

^e In 1996 an estimated 37 per cent of all employees were covered (in Great Britain only) according to *Labour Market Trends*, June 1997.

Source: ILO(1997) *World Labour Report 1997-98*, Tables 1.1, 1.2, 1.3 and 3.1.

Table 8: Real earnings growth for different groups of workers over the past five and ten years^a (percentage changes) - earnings of full-time workers

	<i>Total</i>		<i>Men</i>		<i>Women</i>		<i>Youth (20-24)</i>		<i>Prime-age (25-54)</i>	
	Past 5 years	Past 10 years	Past 5 years	Past 10 years	Past 5 years	Past 10 years	Past 5 years	Past 10 years	Past 5 years	Past 10 years
Canada (1995)	0.7	3.8	-1.4	1.5	6.5	14.1	-2.0	-1.5	-0.4	1.6
France (1994)	2.6	7.2	2.1	6.7	4.4	10.0	1.1	1.1	1.1	1.7
Germany ¹ (1994)	9.9	21.0	7.6	19.7	15.7	26.1	9.6	19.5	3.0	10.9
Netherlands ² (1994)	3.3	9.3	2.7	8.4	7.7	17.1	..	..	..	..
NZ ³ (1994)	-0.6	-2.8	-1.3	-4.0	5.8	6.0	..	..	..	..
Sweden (1994)	-2.3	9.3	-2.0	10.8	-0.2	10.0	-9.6	4.2	-3.3	6.5
UK (1996)	8.5	23.2	7.8	21.9	11.7	33.4	1.6	13.4	6.0	18.9
USA (1995)	-0.9	-3.1	-4.8	-6.3	0.2	3.7	-8.2	-11.0	-2.8	-4.8
Australia (1995)	5.5	1.8	5.8	2.7	6.6	3.9	2.3	-4.8	7.9	1.6

Notes: ^a All nominal wage series have been deflated by each country's consumer price index.

.. Data not available

¹ All data refer to West Germany only.

² Data for the past ten years refer to the past eight years.

³ Data for the past five years refer to the last six years.

Source: OECD (1997) *Employment Outlook 1997*, Table 1.5.

Table 9: Occupational injuries

	<i>National reporting criteria for occupational injuries, disease etc as applied by the ILO Yearbook¹</i>	<i>Persons injured (thousands)</i>		<i>Rate of fatal injuries by economic activity total per 100,000^a persons employed</i>	
		year	year	year	year
Canada	compensated injuries, includes occupational diseases	1995	411.214	1995	6.55
France	compensated injuries	1991	787.111	1991	7.4
Germany	reported injuries, relates to the territory of FRG before 3.10.1990, includes commuting accidents,	1993	2199.356	1993	8.0
Netherlands ^c	reported injuries	1992	64.657	..	..
NZ	compensated injuries, year ending March of year indicated, including commuting accidents and occupational diseases.	1994	37.817	1993	5.3
Sweden	reported injuries, includes persons with dental injuries.	1995	33.587	1995	2.3
UK ^c	reported injuries, year beginning April of year indicated, excludes road accidents	1995	150.299	1995	1.1
USA	reported injuries, establishments with 11 or more employees, including occupational diseases	1991	2963.40	1991	2.1 ^b
Australia	compensated injuries, includes occupational diseases	1994	135.729	1995	6

Notes: ¹ Data taken from the ILO Yearbook is collated according to the latest versions of the *International Standard Industrial Classification of all Economic Activities*; the *International Standard Classification of Occupation* and the *International Standard Classification of Status of Employment*.

.. not in series.

^a The original figure in the ILO report is per 1000 persons employed.

^b Per 1,000,000 hours worked.

^c Under-reporting makes comparison problematic.

Source: ILO (1997) *Yearbook of Labour Statistics 1997*, Tables 8A, 8B and 8C.