

ANALYSIS OF THE KEY PARAMETERS OF THE EMPLOYMENT OF DISABLED PERSONS IN EUROPEAN UNION AND THE SITUATION OF POLAND

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Introduction

In the light of contemporary challenges of the demographic and economic areas of Europe a significant meaning commences to have the notion of the human potential of the people with disabilities. The relevance rank of the issue of disability is proved by the inclusion to the main priority strategy of 'Europe 2020' the inscription of the need of: *'the development of the favorable for social inclusions via supporting economy of the high level of employment ensuring the social and territorial cohesiveness'*³. The goal of this article is to present the pivot parameters of the category of employment of the persons with disabilities for the countries of EU 27 with the particular emphasis on Poland and also conducting the comparison analysis in the crucial areas of these categories.

In order to receive the relative⁴ homogeneity of the presented measurement means, the author served himself with the data foremost coming from

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³ The basis: The Statement of the Commission Europe 2020, The Strategy on behalf of the intelligent and

balanced development which will be favorable for social inclusion, the final draft Bruxelles, 3.3.2010.

⁴ In relation to the differentiating terminology and also the criteria and legislation forms in many countries the definitions of disability are not homogeneous. This diversity refers either to the definition of biological disability or defining the legal one too. That is why it is justified to serve oneself with the general European data of EU SILC and EHIS. Such researches are conducted on the basis of the homogeneous definition of disability for all the

the general European research EUROSTAT, such as: European Study on Life Conditions (EU SILC) and European Health Institute Study (EHIS). However, availing oneself with the remaining resources is the supplement of the above mentioned bibliography.

Keywords: management of human potential, the people with disabilities, strategy of 'Europe 2020'

One estimates that the number of the persons with disabilities in the European Union Community being at the working age⁵ amounts to about 50 mln which constitutes 16% of this population⁶. According to the most recent research of EU SILC in 2011 the average indicator of the employment rate of the people with disabilities for the for the EU (at the age from 20 to 64%) oscillated within the limits of 47%. The indicator of employment of the persons with disabilities for Poland in the same age group according to EU SILC in 2001 amounted to 36%⁷. It means that Poland is considerably below the European average (the difference amounts to 10 % points) and at the same time among the group of EU 27⁸ countries one of the lowest employment rates. For the positive forecast for Poland one may consider the increasing tendency in relation to 2009 when the employment rate was lower by 3 points and amounted to 33%. Apart from that, taking into account the pace of the augmentation, achieving the indicated target of employment for Poland on the level of 70% in the perspective of 2020⁹ in relation to the realization of the strategy *EU 2020 and EU on the matter*

countries of the European Community where for a disabled person one perceives the person who: due to the state of health has a limited ability to perform everyday activities which lasts 6 months or more. One needs to notice that the aspect of possessing the legal statement of disability is not taken into account here.

⁵ 16-64 years

⁶ Eurostat: *Report OECD "Transforming Disability into Ability"*, OECD.

⁷ According to the research GUS- REAP for the production age 2011 the same indicator 2011 amounted to 22.2% which illustrates the result difference which is stable in Polish and general European surveys.

⁸ Particular countries within the framework of the presented results will be marked with the symbols: IE – Ireland, MT – Malta, HU – Hungary, IT – Italy, ES – Spain, RO – Romania, PL – Poland, LV – Lithuania, EL – Greece, SI – Slovenia, BE – Belgium, EU – European Union, LU – Luxembourg, AT – Austria, CZ – Czech Republic, LT – Latvia, FR – France, PT – Portugal, BG – Bulgaria, SK – Slovakia, EE – Estonia, CY – Cyprus, DE – Germany, FI – Finland, NL – the Netherlands, UK – United Kingdom, DK – Denmark, SE – Sweden.

⁹ The target is the indicator of achieving the rate of employment in the perspective of 2020 for every country of the EU in accordance with the strategy for the years of 2010-2020.

of disability 2010–2020, (whose main canons are presented in the chart) is rather unrealistic.

Chart 1. EU 2020 targets

	Headline targets		Indicators
1.	75% of the population aged 20-64 should be employed	1.	Employment rate by gender, age group 20-64
2.	The share of early school leavers should be under 10% and at least 40% of 30-34 years old should have completed a tertiary or equivalent education	2.1	Early leavers from education and training by gender
		2.2	Tertiary educational attainment by gender, age group 30-34
3.	Reduction of poverty by aiming to lift at least 20 million people out of the risk of poverty or exclusion	3.1	People at-risk-of-poverty or social exclusion (union of the three sub-indicators below)
		3.2	People living in households with very low work intensity
		3.3	People at-risk-of-poverty after social transfers
		3.4	Severely materially deprived people

Source: European comparative data on Europe 2020 & People with disabilities, Final report prepared by Stefanos Grammenos from Centre for European Social and Economic Policy (CESEPASBL) on behalf of the Academic Network of European Disability Experts (ANED), December 2013

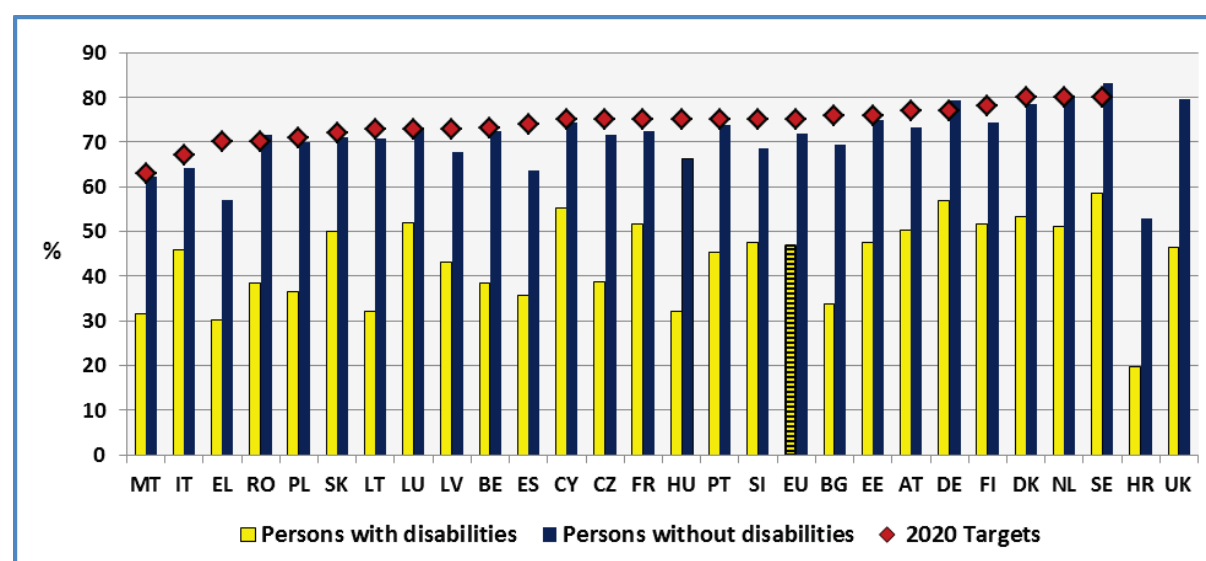


Figure 1. Employment rate by disability status and Member State (age 20-64), 2011

Source: EU SILC and EUROSTAT 2013.

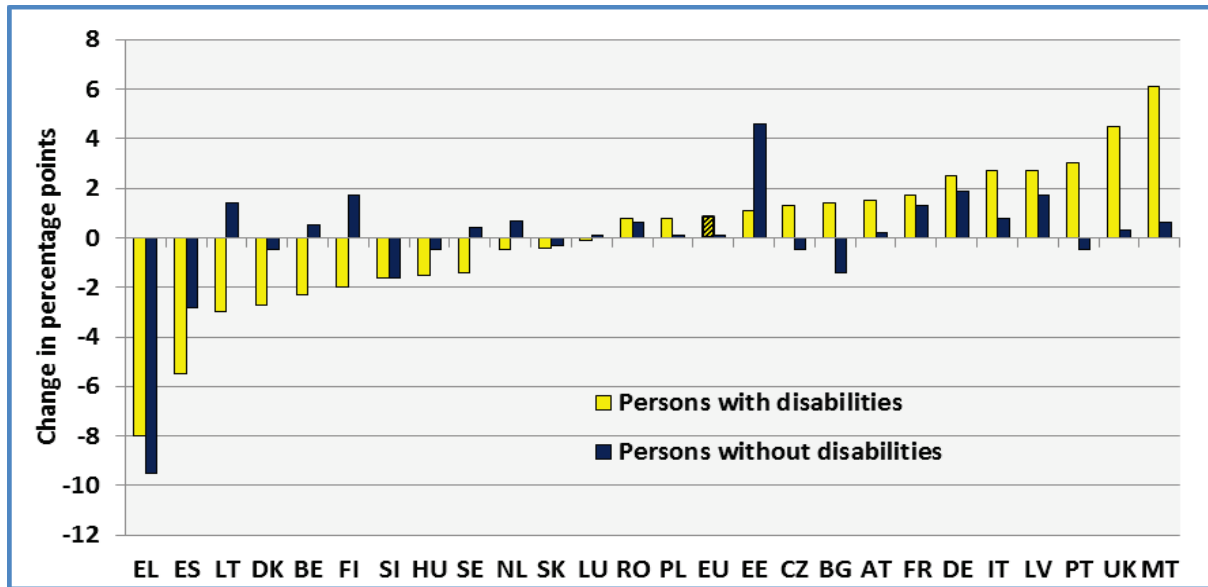


Figure 2. Change in the employment rate of people with and without disabilities Change = Employment rate of 2011-Employment rate of 2010; Age 20-64

Source: EU-SILC 2013.

Poland belongs to the countries of EU which along with Latvia, Bulgaria, Hungary and Romania possess the greatest difference between the ratio of employment of the fully agile persons and the ones with disabilities, which for Poland in 2011 amounted to as many as 38% (fig.2). Maintaining such a situation has not only negative impact on the social and economic situation of the disabled persons themselves but simultaneously budgets of these countries.

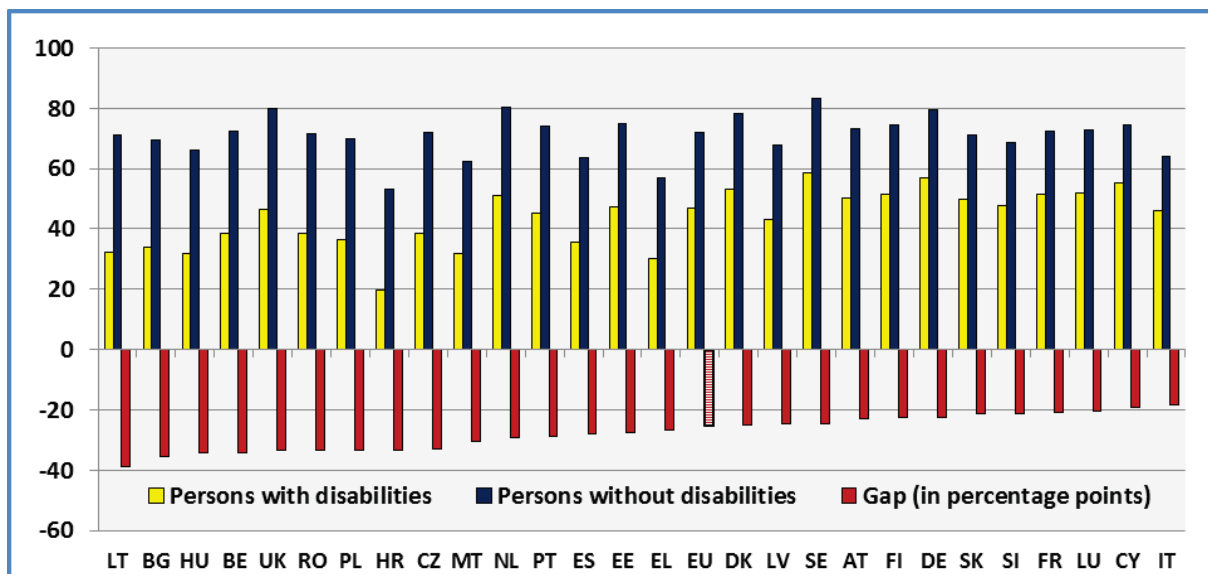


Figure 2. The employment gap between persons with and without disabilities (age 20-64), 2011

Source: EU-SILC 2013.

The ratio of the professional activity of the persons with disabilities which next to the working people takes into account the unemployed looking actively for a job, for the disabled persons at the age of 20-64, in 2011 according to EU SILC oscillated in Poland close to 42%. It is one of the lowest levels in the EU countries and concurrently considerably lower to the European average which in 2011 was 58% (fig. 3). Equally weak in comparison to the other EU countries Poland placed itself so as to the gap between the professional activity ratio of the people with disabilities and the fully agile people which was one of the lowest along with Latvia, Bulgaria, Romania and in 2011 was 36%. The full picture on the subject of discrepancies between the ratio of professional activity of the persons with disabilities and the agile ones for EU 27 presents the figure no. 4.

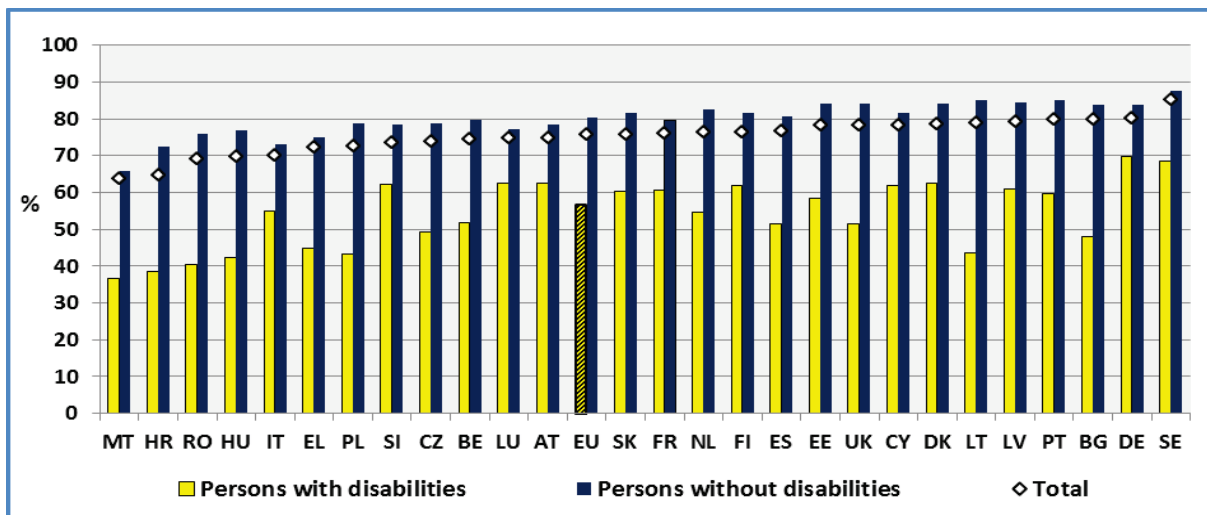


Figure 3. Activity rate by disability status and Member State (age 20-64), 2011
Percent of the population (same age group) which is employed or unemployed.

Source: EU-SILC 2013.

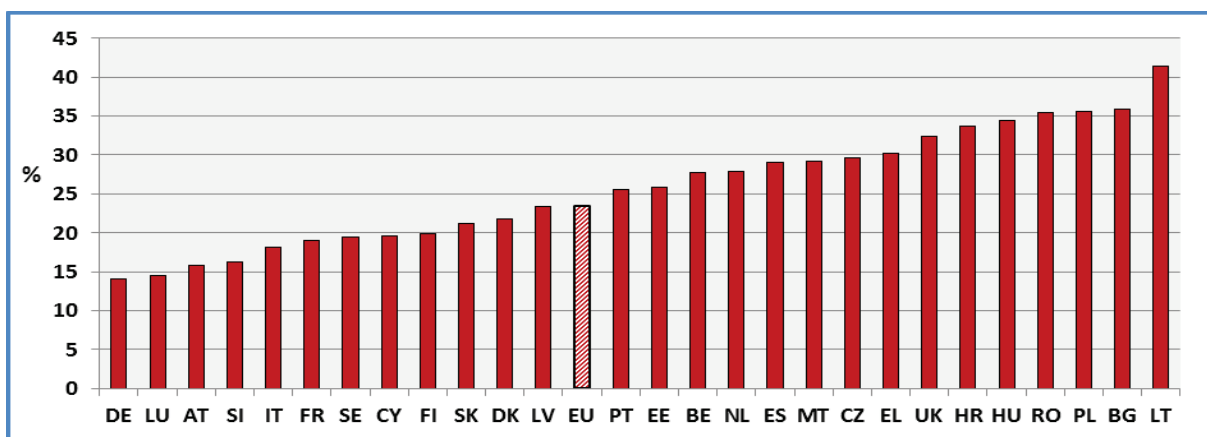


Figure 4. Activity gap. Age: 20-64, 2011, Gap = (Activity rate of people with disabilities) – (Activity rate of people without disabilities)

Source: EU-SILC 2013.

The figure 5 presents the alternations for the indicator of professional activity of the people with disabilities in the years of 2008-2011 in two categories of disability, the moderate and severe one. In the moderate category as well as the severe one of the persons with disabilities for EU 27 as a whole one observes a minor increase of this measurement means. For the extent of disability defined as the moderate one the alternation within 4 years time amounted to 4 percentage points, however for the considerable extent 3 percentage points.

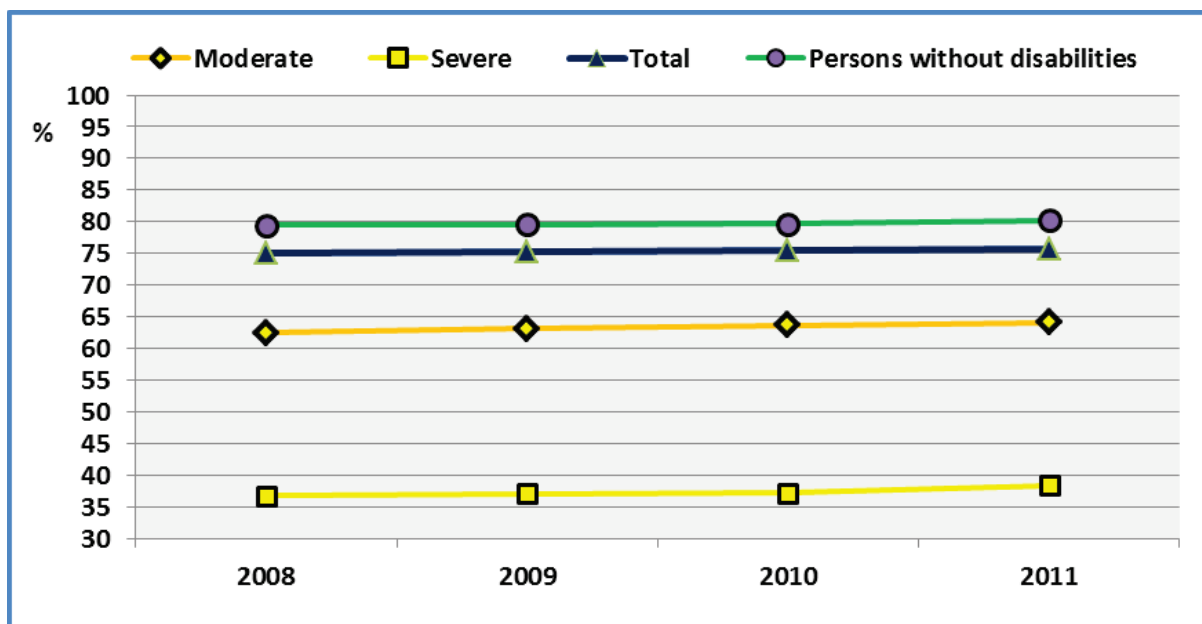


Figure 5. Evolution of the activity rate of people with disabilities, EU, age: 20-64

Source: EU-SILC 2013.

The unemployment rate defining the accumulation of the unemployment phenomenon in particular population and the defined as a relation of the number of the unemployed people to the number of the persons economically active of this population was for Poland in 2011 according to EU SILC 15%, where the average for EU 27 oscillated about 17%. The highest unemployment rate was noted in Croatia 49% and the lowest in Romania – 5%. The size of this measurement means for particular countries of EU 27 is envisaged by fig. 6.

When analyzing the situation in Poland in the range of taking into account the problematics of employing the people with disabilities in the multinational scope, it is well worth to refer to the size of the population of these people in particular countries of the EU. What is more, the size of the population undoubtedly has an influence on the choice of the model of solutions in these systems, amount and sources of financing in providing jobs to these people. So the average size of the population of the persons

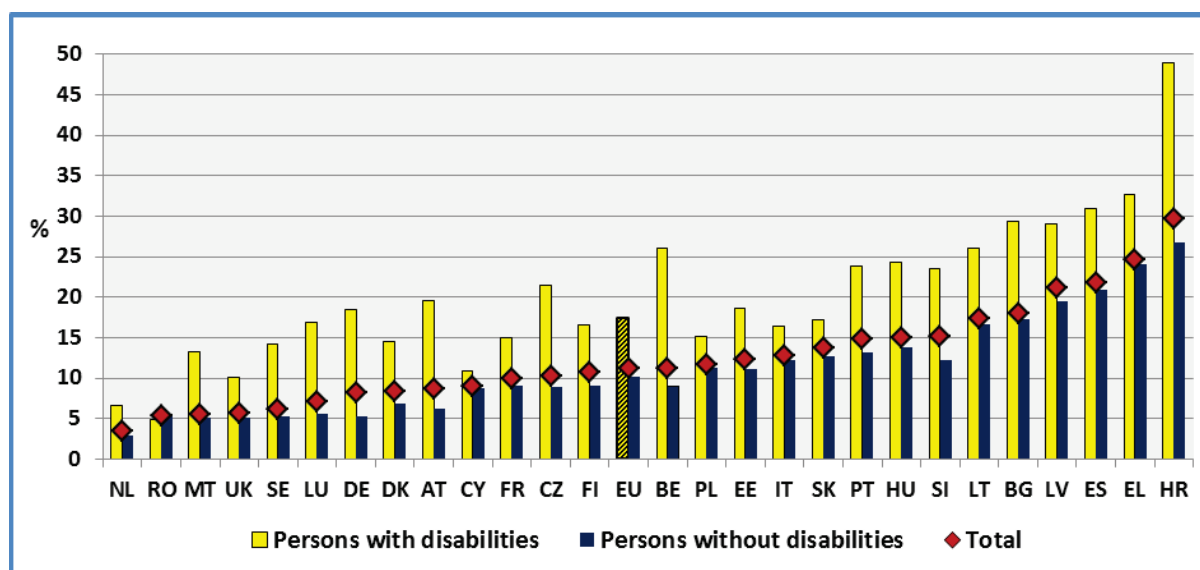


Figure 6. Unemployment rate by disability status and Member State (age 20-64), 2011
The unemployment rate represents unemployed persons as a percentage of the labour force.
Source: EU-SILC 2013.

with disabilities for EU 27 in 2011 was 25.8%. Poland in accordance with EU SILC with the size of 23.1% of the population of the persons with disabilities is among the countries with a lower than average level of the amount of the disabled persons in the EU. The highest population of the persons with disabilities in 2011 were noted in Slovenia, Slovakia, Germany, Finland, Latvia which oscillated on the level from 33% to 36%. However, the lowest size of the population was observed on Malta, in Serbia, Greece and Luxembourg where it did not exceed 20%. The detailed information on the amount of the population of the persons with disabilities for every of the countries EU 27 is presented by the figure 23. For the choice and the implementation of the model of solving problems of the labor market of the persons with disabilities the extent of such a disability plays a pivot part here. The research of EU SILC takes into account the categories of two kinds of people : with the severe and moderate type of disability. As far as Poland is concerned, the relation of these proportions is 7.3% for the persons with severe disability and 15.7% for the persons with moderate disability. This distribution is close in proportion to the European average which is as follows : 8.3% for the severe disability and 17.5% for the moderate one. The detailed layout of the proportions of severe and moderate disability for the EU countries is presented in the chart 7.

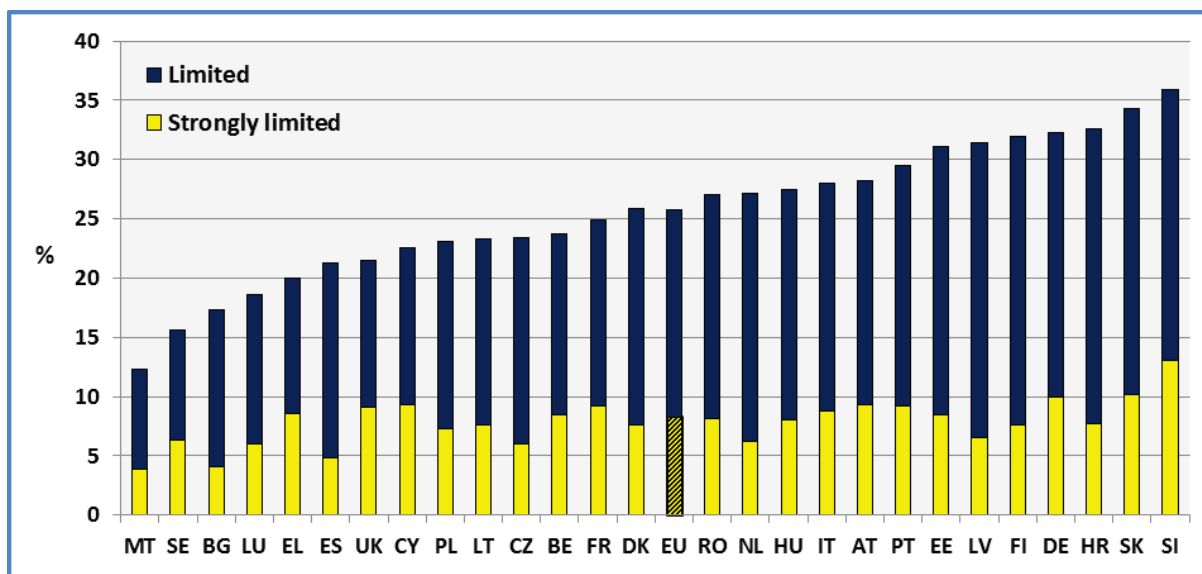


Figure 7. Percent of people with disabilities by Member State and degree of disability; 2011
As a % of the same age group; age: 16+

Source: EU-SILC 2013.

In the very spot one needs to present the main streams of the policy of EU countries in the range of solving problems of management of the human capital of the people with disabilities. One needs to emphasize that every of the EU countries is somehow individually responsible for creating and obeying the policy of employment of the disabled persons (in other words, implementing proper tools, instruments, methods) and in relation to that keeping the total adequacy to the social and political situation of a country. That is why in each of them the solutions may be various (tailored for the need), however main canons of solutions as usually the outcome of the exchange of experiences between the countries of the Community and also worked out comprehensive policy of the EU in the scope of the professional activation of the persons with disabilities. In order to understand every single solutions and forms of intervention it is necessary to approach the general direction of different possible answers which function in the EU.

According to OECD there are two types of policy concerning disabilities: the one basing on the concept of *integration* and *compensation*. One needs to emphasize that both dimensions complement each other instead of eliminating themselves. The appraisal of the direction of the policy takes into consideration various aspects of the policy of the analyzed countries. Such analysis¹⁰ states that Poland although does a lot in the range of the integrative scope is still among the countries whose policy concerning disa-

¹⁰ Transforming Disability into Ability OECD, 2003.

bility is directed more toward compensation, so in other words focusing on the welfare programs and passive activities rather than active integration policy. While basing on that observation one may assume that the extraordinarily high number of retirees and pensioners in Poland much more than at present, with more characteristics of compensation pension-like character decided the system of the first half of the nineties which offered higher rates of substituting and more considerable easiness to obtain the welfare. What is more, the OECD report provided proves that the countries of a more compensation like character of the system have more annuitants and in these countries more annuities are received. A decisive meaning in both cases has the generosity and the accessibility of the annuities, so the system which guarantee the easier access to higher welfare have the highest number of annuitants and a higher proportion of newly distributed welfare rather than less generous countries with the limited accessibility. The integrative character of the system shows the connection with the standard of life of households in which there is a disabled person in reference to the ones where such a person is not there. The more a particular system is directed on the integration, the more these two levels are approximate. The power of this correlation in case of the compensation policy is much lower. It means that the integration policy much more than the compensation one decides about the standard of life of the disabled persons. In the scope of reinforcing employment of the disabled persons one may discern three general ways of intervention: regulation, compensation and substituting. Regulations mean reactions through charges, prohibitions, proper conditions and means of protection¹¹.

One may enclose there the general obligation to employ the defined number of the disabled persons, taxing the employers who do not obey the quota system, protection against being made redundant and also rights and connected duties with them in the prism of dealing with discrimination¹². Due to the lowered (in most cases) efficiency in relation to the healthy and additional costs of employment of the persons with disabilities, they encounter on the labor market the difficulties to find a job. Due to that in legislation in most of the EU countries there are records on the obligations so as to employment of the defined number of the disabled persons (chart 8).

¹¹ See more:

¹² See: A. Żywicka, *Rejestry przedsiębiorców w polskim systemie prawnym*, Zeszyty Naukowe WSEI, seria Administracja (1/2012) Lublin 2012, str. 83-94.

Chart 8. Requirements in the scope of employment of the people with disabilities in the chosen EU countries

Country	It is valid for an employer who provided work to at least (people)	Sector	The demanded share of the persons with disabilities (%)
Austria	25	private and public	4
The Czech Republic	20	private and public	5
France	20	private and public	6
Spain	50	private and public	2
Ireland	25	private and public	3
Germany	16	private and public	5
Poland	25	private and public	6
Hungary	20	private and public	5
Italy	35	private and public	7

Source: Author's own work on the basis of: *A Cross National Comparison*, IFAU, Uppsala 2001, s. 88.

The alternative for the system of regulations indicated above is so called anti-discrimination legislation. For example, in the Scandinavian countries or GB where there are no obligatory ratios of employment, there is a strict prohibition of discrimination of the potential workers due to their disability. It obliges the employer to reasonably and adequately adjust the work places to the needs of the persons with disabilities. As it stems from the report of OECD¹³ The effects of functioning the anti-discrimination lawmaking and quota system are alike. Both of the systems according to that report however in a greater extent aid to keep the employment of the disabled persons rather than ease getting jobs for new potential workers. The scope and the set of subsidizing in particular countries is different according to the requirements and possibilities.

Either in the countries in which the quota system is run or where the anti-discrimination legislation is present, there are numerous incentives used in order to encourage the employers to provide jobs to the persons with disabilities. These compensations are directed to ensure competitiveness on the labor market to the disabled persons via financial support, material or direct aid. Substituting is creating vacancies for the disabled persons in specially adjusted, separate public institutions and in resort of protected employment. The goal of their functioning is to ensure the people with a considerably lowered ability to perform work, the opportunity to earn the

¹³ DEELSA/ELSA/WP1 (2002)1, OECD 2002, p. 24.

money. One needs to underscore as well that employing in the protected conditions where it is possible should have a transitional character which would serve to prepare to work on the open labor market. In accordance to the recommendation of the EU Council, one shall avoid separate work places which can be integrated with the open employment¹⁴.

Conclusions

Summing up, Poland is among the countries of the EU which are characterized by the average level of the population of the disabled persons and truly low level of their share in the labor market. The number of the disabled persons according to the NR 2011 is at present about 5 mln (including 3.3 mln of the disabled persons who are at the working age) with a ratio not exceeding 36% according to EU SILC (according to GUS-REAP 22.4%); on the background of the EU 27 countries Poland is an absolute record breaker in the matter of the amount of funds dedicated for the financial help in employment of the persons with disabilities (fig.24). Poland spends on it trifle 670 mln. EUR out of which 96% of the funds is the endowment to the salaries. The Germans who have solved this economic problem on the European scope have approximately 59% of the disabled persons working whilst the financial aid for employment of this social group amounts to 10 mln EUR. In Denmark, where the ratio of employment of the persons with disabilities is similar 57.7% 157 mln EUR is spent on this intent. To illustrate and grasp the scale of the problem it is well worth to quote hereinafter analogical indicators for diverse European countries:

- Sweden 53,7%/ 1mln. EUR,
- France-49,8%/ 1 mln. EUR,
- Slovenia 52,2%/ 13 mln. EUR,
- Finland 52,2%/ 41 mln. EUR,
- Latvia 47,3%/ 2mln. EUR,
- GB 44,7%/ 8 mln. EUR,
- Belgium- 35,7%/ 102 mln. EUR.

When analyzing the above, one needs to notice the incredibly low efficacy in dedicating the funds by Poland for reinforcing the human capital of the persons with disabilities in relation to the other countries on the European arena. Polish government boasts about the highest level of spending money on the intent (which is true) forgetting at the same time about the effects

¹⁴ See *Przejscie od zatrudnienia chronionego do zatrudnienia w warunkach normalnych*, MPiPS, Warszawa, 2002, p.18.

of this distribution of money in reference to the ratio of employment of the persons with disabilities which is one of the lowest among the EU 27 countries which is depicted by the figure 9. Moreover, in Poland there has been for years a record breaking share of the paid out annuities which in 2006 amounted to 3.9 % of the GDP, so twice higher than in many EU countries. To compare at the same time the cost of paid out annuities in France was 0.87%, Germany- 1.05%, Italy- 0.99%, Spain- 1.34%, the Czech Republic- 1.68% and Holland 2.39% of GDP ¹⁵.

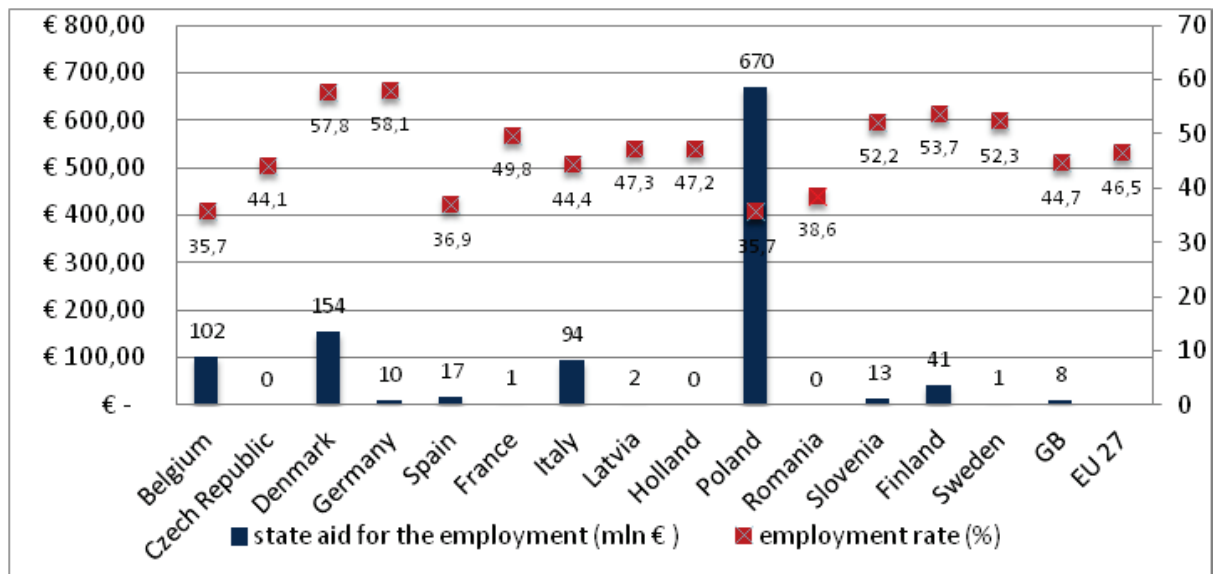


Figure 9. The ratio of employment and the financial aid of the countries for employment of the persons with disabilities (in EUR).

Source: Author's own work on the basis of: General Management for the Competition Affairs KE, 2013.

The authors of the report on Poland prepared for the National Bank state directly that due to the admitted annuities 'Poland has become an ill human being of Europe'. In their opinion millions of Poles abused the system of pension welfare as the way of life. This situation in great extent is the result of functioning an irresponsible system within the range of legislation on disability between the years of 1990-1999 which reflects on the contemporary state of matters. In this period there was multitude of cases of admitting welfare by stating doctors basing on frauds or even 'buying' annuities. In this way Poland got thousands of annuitants unable to perform work with an unlimited welfare (lifelong annuities) who de facto should not have received it at all. The change of the legislation system in 1998 led to a considerable decrease in the number of admitted annuities, however

¹⁵ Report prepared by the Press Bureau of the Women's Congress Warsaw, 06.06.2011

Poland is still having the highest in Poland (but also in the world) percentage of the people getting annuities and one of the lowest in the world level of the professional activity of the disabled persons. Such a huge number of the people receiving annuities requires high taxes placed on salaries which augments unemployment and d-activates numerous social groups. One needs to emphasize that in the result of the hereinabove, today one very frequently observes falling into extremes: at present it is very hard to obtain annuities by a person who is truly dependent on it. All these factors cause that the annuities system in Poland requires deep transformation whose implementation shall allow to not only reduce the expenses of the annuities system but foremost augment the quality and adequacy of the granted support. That is why proposal within the range of invalidity annuities shall have a comprehensive character of the reform of the system. Complemented by the pro term and adjusting actions. And to convince that the efficient and entire transformation of the invalidity annuities system is fully feasible one may have a look upon the German or Italian, or Dutch experiences. One needs to emphasize yet again that Poland on the background of the EU countries so as to the demographic and social criteria characterizing the population of the disabled persons cannot be regarded as a country in which the scale and structure of such persons might constitute the barrier to the growth and economic development. There are countries in which the population of the disabled persons is higher of approximate to Poland but the situation of them in the context of benefiting from their potential on the labor market is much better. That is why, there is a need to take actions which would be based on the consequent exchange of experiences within the scope of ways, methods, practice in order to augment the effectiveness of the system of professional activation of the persons with disabilities especially with the countries which in the EU have solved this issue of social and economic grounds the best.

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