



EUROPEAN OBSERVATO RY FOR INCLUSIVE EMPLOYME NT AND

EPR Public Affairs Event « Active inclusion of people with disabilities through social economy employment models »

3 December 2019, Brussels



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GLOBAL BUSINESS AND DISABILITY NETWORK

1. THE PARTNERS

National member organisations



European network partners



European/global observers



2. VISION, AIM & OBJECTIVES

Vision:

To build an EU partnership that helps to deal with the challenges faced by socially-inclusive companies employing persons with disabilities in Europe while seizing the opportunities stemming from these.

Aim:

To conduct an analysis of how companies employing significant percentages of workers with disabilities effectively include them into the labour market and society in Europe.

General objectives:

- Explore the current state of play of the economic sector composed of companies employing significant percentage of workers with disabilities
- Map commonalities and differences among socially-inclusive companies employing persons with disabilities
- Identify best practices across Europe
- Explore policy needs and provide recommendations



3. LEGISLATIVE CONTEXT

International human rights and labour standards taken into account:

- Agenda 2030 and the Sustainable Development Goals (SDGs)
- Convention on the Rights of Persons with Disabilities
- Access to work and employment of persons with disabilities in:
 - SDGs
 - CRPD
 - Other international human rights and labour legislation
 - International bill of human rights
 - ILO Vocational Rehabilitation & Employment rehabilitation (Disabled) Convention No. 159 and accompanying Recommendation No. 168

Statistical and regulatory framework taken into account:

- Eurostat data, EU SILC and LFS
- EU framework relating to employment of persons with disabilities
 - Legal basis to EU legislation (Lisbon, Charter of fundamental rights)
 - Overarching EU policy framework (Pillar of Social Rights, EU Semester, EU social economy approach, EU Disability Strategy, Accessibility Act, ...)
 - EU legislation with direct impact on employment of persons with disabilities (Employment Equality Directive, State aid, Public Procurement, Structural Funds)

Figure 1 - Link between the SDGs and the CRPD



3. THE STUDY IN A NUTSHELL

1 - SHAPING COUNTRY BOUNDARIES & REPORTS

2 - SPOTTING COMMONALITIES & DIFFERENCES

3 - CASE STUDIES

4 - DRAWING CONCLUSIONS

1

- Background research
- Organisations and actors
 - Parameter setting
 - National reports

2

- Partners' findings: Performance & Context
 - Partner Seminar to identify commonalities and differences between systems

3

- Expanding found trends through academic analysis, expert interviews
 - Identifying case studies

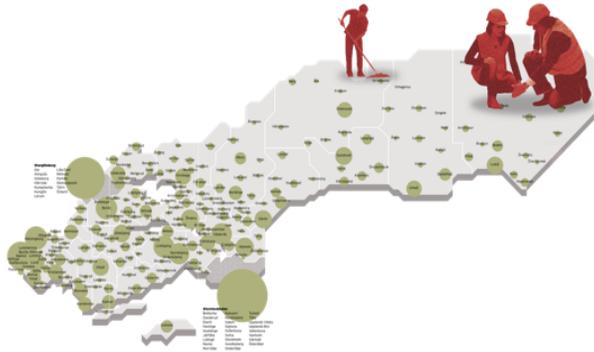
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- Contextualising best practices for respective settings
 - Recommendations



4. THE STUDY IN A NUTSHELL

creases in areas where the need is deemed the greatest. The map below shows that Samhall operates in most of Sweden's 290 municipalities, all over Sweden. In total, Samhall has operations in over 600 cities.



2. Your organisation's operations

2.1. Your company's main operational features (in terms of job generation & employment strategies, types of employment you offer, sectors you specialise in, financial sustainability and salary typology you provide, among others)

Samhall provides services to clients in a range of industrial and service sectors, such as IKEA, Ingram Micro, Burger King and Volvo Cars. Samhall is also contracted by many municipalities and county councils throughout the country. In total, Samhall has over 5,000 contracted customers all over Sweden (and a few international). Samhall's main business sectors are:

- Cleaning services & floor care
- Laundry & textiles

- Care services
- Workplace & property services
- Warehousing & logistics
- Production & manufacturing
- Circular economy services
- Packing & assembly

Samhall offers its employees four kinds of employment/services:

- **Regular sheltered employment (core assignment)**
Long term employment in regular jobs and a minimum wage of 1900 Euro/month.
- **Developmental employment**
One-year apprenticeship employment with 25% education. Mainly young people under the age of 30 and a minimum wage of 1600 euros/month.
- **75% sickness benefit employment**
People with 75% early retirement due to a disability works for Samhall during the remaining 25% of their capacity.
- **Training**
Samhall sells on-the-job-training to Arbetsförmedlingen under market-based conditions.

Samhall's employees mainly work in one of the following occupational roles:

- Administrator
- Attendant
- Assembler
- Driver
- Garbage collector
- Forester
- Property caretaker – outdoor
- Service attendant
- Receptionist

- H1 2019: Data collection and research progress of national reports
- H2 2019: Analysis of reports by Secretariat and academic support by the European Centre of Social Welfare Research



4. THE STUDY IN A NUTSHELL



- The most vital French policies include the creation of the OETH and RQTH.
- French policymaking emphasises compulsory regulations or laws, non-respect of which results in the payment of a contribution to the AGEFIPH and later URSSAF (usually referred to as such, rather than as a “fine” or “penalty”)



- Law 2007 on employment integration enterprises: regulatory framework for CEEs applicable to all regions



- Swedish labour market policy initiatives include various wage subsidies, for all vulnerable groups at the labour market (e.g. full pay with support of 80% wage subsidy for employer by Public Employment Services)
- Since Sweden does not have many sheltered workshops most programs and measures aim to place people on the open labour market, regardless of their disabilities and other needs.
- The national budget for wage subsidies and Samhall was 1.82 billion Euros in 2019.



Legislation that is key to Groep Maatwerk's work:

- Reduction on social security taxes (national law)
- Earlier retirement for persons with disabilities (collective labour agreement specific for employees in Custom Work Companies)
- Not-for profit statute
- There is Flemish regulation on customized work companies, e.g. recognition, subsidies, transitioning rules, jobcoaching, ...



Overall legislation in place in Dutch system:

- The WSW
- The Participation Act
- The Wajong (Act for young persons with disabilities)
- The ‘Wet quotum en banenafpraak’ (quota rule?)



Several sector-specific legislation, under different acts regulating the various rights of disabled persons in different areas:

- Implementation of the Principle of Equal Treatment Act
- Equalisation of Opportunities for Persons with Disabilities Act
- Employment Relationships Act
- Vocational Rehabilitation and Employment of Disabled Persons Act
- Pension and Disability Insurance Act
- Act Concerning Social Care of Mentally and Physically Handicapped Persons



4. THE STUDY IN A NUTSHELL



- Several financially supported forms of contracts (financial aids, tax exemptions, wage subsidy, ...)
- Single insertion contract: Employer receives subsidy to integrate person in new work environment (47% of hourly minimum wage)
- Starter contract aimed at persons under 30 who have trouble finding professional employment



- Several forms of grants possible: Grants for instalment / expansion of CEEs, grants for retaining employment, grants for support for transition to the open labour market
- Wage subsidies and subsidies for workplace adaptation available
- Tax exemptions
- Temporary contract forms possible to foster employment



- Compensation for employers through wage subsidies is main labour market policy measure. Criticised for being too administrative burdensome.
- Carried out by Public Employment Services, provide support programmes and adaptation measures.



- Customized work companies get a subsidy for each person with a disability:**
- % of the salary (between 45% till 60%)
 - Fixed amount and variable amount for the job coach
 - Fixed amount per person (FTE) to support the organisational issues, social services
 - But: The subsidies are intended to compensate the loss of productivity of workers with a disability. Therefore, customized work companies have to generate enough financial means (more than 50% of all revenues) to cover the costs and to maintain a socio-economic balance.



- **For WSW:** Subsidies from the municipality to companies (lump sum + revenue from employee as income; salary + overhead as expenses)
- **For Participation Act:** Budget for companies by municipalities, which they receive from government. Can be used for any expenses, but usually not sufficient to cover costs
- Most organisations make a loss which is being covered by extra budget from the municipalities since they own the companies.



- Wage subsidies:**
- State aid to cover 75% of wage costs (depending on worker's disability degree and working capacity, basis being minimum wage, 5-30% of minimum wage)
- Other financial reliefs:**
- Companies employing at least 50% of employees with disabilities exempt from social security contributions
 - State aid also paid for adaptation of workplaces



4. THE STUDY IN A NUTSHELL

Some first overall findings:

- **National statistics match EU data:** Lower employment and education rates among persons with disabilities compared to persons without disabilities across Europe
- **Public authorities:** Differ from country to country. More centralized in SE, SI, FR and more regional-based in ES, BE. Municipalities in charge in NL.
- **Financial incentives systems:** Wage subsidies for compensation of employers in all countries, tax exemptions in several (FR, SI, ES). Financial support for hiring workers with disabilities (BE, FR, SI, ES).
- **Transition to open labour market:** Rather low, except SE (7% annually).
- **Clients and partners:** Some partners (SE, FR, ES) provide services for large national companies, others focus more on local economy (NL, BE, SI)
- **Vocational training:** Handled internally (ES, SE, BE) vs by public authorities (NL, SI)
- **Trainings for personnel supporting workers with disabilities:** Formalised in BE, SI. Pilot project in ES.
- **Diversity:** Some partners are focused on specific disability types (SE, NL, BE), others are broader (ES). FR offers initiative for gender equality in workforce.



4. THE STUDY IN A NUTSHELL

Potential case studies:

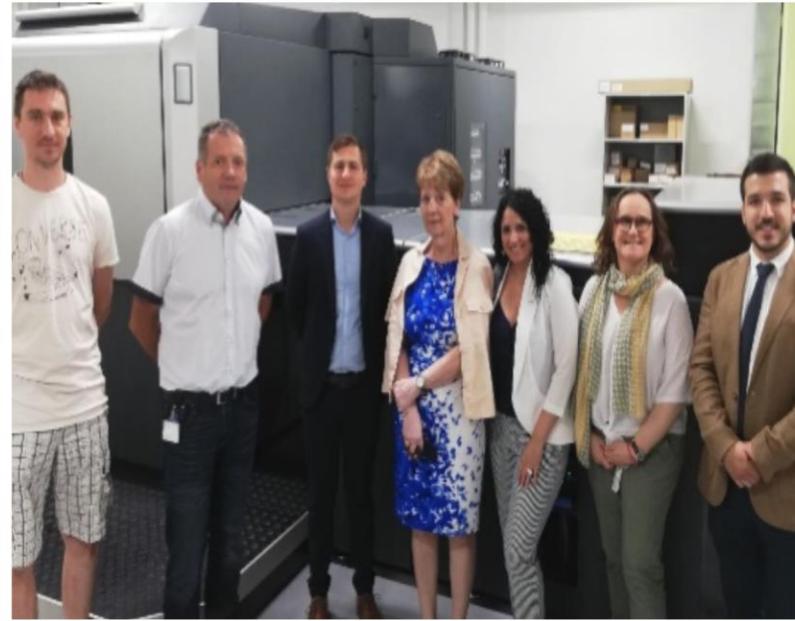
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 - Relationships with diversity of stakeholders / types of disabilities
 - Promotion of employment of women with disabilities and gender approach within APF enterprises
- 
 - Specialised training support units
 - Workforce mobility between employment centers, internal structure and open labour markets
- 
 - Transition rate, incentivized by state
 - Company transformation from 1990s until today
- 
 - New evaluation law: Since 2019, 10% of employees are evaluated every year by public authorities for potential open labour market transition
 - GRI sustainability criteria used for evaluation of services
- 
 - Impact of legislative change (old WSW system vs new Participation Act)
 - Role of municipalities
- 
 - Advocacy force of DPOs and employers, strong brand positioning on market
 - Strong influence on Slovenian policy-making, disability policy mainstreaming throughout legislation

5. PROGRESS REPORT

- **Ongoing since May 2019:** Site visits at the six different members' locations. Presentations at members' headquarters on their model and the country's employment system. Afterwards visits of production facilities of socially-inclusive companies.



Sweden: Samhall, Grönsakshallen, IKEA & Arlanda Airport, September 2019



Slovenia: ZIPS, Birografika BORI & Želva, July 2019



Belgium: Groep Maatwerk & De Brug, May 2019
Netherlands: Cedris & WVS, May 2019



5. PROGRESS REPORT

Output format / Preliminary study outline:

By Spring 2020: Development of report on research findings and policy recommendations, with best practices to be shared within a downloadable “toolbox” concept. Support by academic researchers.

Structure of output:

- Contextual framework, methodology, hypotheses
- Country reports
- Spotting commonalities and differences, filtered out case studies
- Best practices to share - Success factors – Innovative models
- Conclusions and policy recommendations

H2/2020: Policy recommendations to be shared with decision-makers in Brussels and across EU

End-2020: Further communication activities, possible policy event in Brussels



6. ROADMAP / NEXT STEPS

Jan. - April

- Guidance document for reports
- Development of contextual framework (e.g. EU policy)

May – Aug.

- Preparation of country reports (with stepwise deliverables)
- Mutual support, joint calls
- Joint newsletter
- Site visits

Sept. – Dec.

- Strategic discussion seminar
- Development of outcome report of national research
- Joint approach finding of six national members

Jan. - April

- Finding case studies
- Deep-dive through academic analysis and expert interviews
- Drafting policy proposals

May - Aug.

- Partner meeting to fine-tune policy recommendations
- Outreach to wider public and decision-makers

Sept. - Dec.

- Study finalization
- Possible policy event with presentations of final results
- Setup of broader network of actors

2019

2020



EUROPEAN OBSERVATORY FOR INCLUSIVE EMPLOYMENT AND SDGs

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THAN

