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# Narrowing the employment gap for people with disabilities

The need for effective policy implementation

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### **Key points**

- Between 2014 and 2022 in the EU27 the employment gap between people with and people without disabilities ranged, on average, from 22.7 to 21.4 percentage points.
- Although policy efforts are continuing to encourage an inclusive employment environment for people with disabilities under the current EU Strategy for the Rights of Persons with Disabilities 2021– 2030, several points could be strengthened to improve effective implementation.
- First, structured data collection is needed to make it possible to track the progress of already enacted policies and to identify challenges.
- Second, active engagement of the social partners would improve the implementation of employment-related policies at the workplace.
- Third, gender mainstreaming must be integrated into all employment inclusive measures to address the specific needs of women and men with disabilities.



#### Introduction

The most recent data (2022) on the disability employment gap show that persons with disabilities are persistently disadvantaged in the labour market compared with persons without disabilities. At the EU level, the disability employment gap has not changed much - and did not significantly improve. Between 2014 and 2022 in the EU27 this gap ranged from 22.7 to 21.4 percentage points (pp) (Eurostat, Social Scoreboard of Indicators, European Pillar of Social Rights). And while quality employment for people with disabilities has been on the EU agenda for more than two decades (reasonable accommodation for people with disabilities in the employment market was introduced by the Equality Framework Directive 2000/78 in 2000 [see Article 5]), the United Nations Committee on the Rights of Persons with Disabilities (UN CRPD) has recurrently raised concerns about high unemployment among persons with disabilities in the EU (UN 2015), as well as about the labour market conditions for persons with disabilities working in segregated sectors (Priestley 2021). A recent special report of the European Court of Auditors on the impact of EU action in supporting people with disabilities (2023) also concluded that 'no significant improvement in recent years' is seen with regard to the disability employment gap.

Despite enlargement of the legislative framework at EU and national level aimed at protecting people with disabilities from discrimination in employment, and at providing reasonable accommodation when such is required, the disability employment gap has not shrunk significantly. A dedicated flagship initiative, the 'Disability Employment Package', incorporating a list of set actions, is included in the new EU Strategy for the Rights of Persons with Disabilities 2021–2030 (EDRS), which is one of the EU's continuing efforts in this direction.

This policy brief examines in particular the disability employment gap and the policy efforts being made, with focus on the Disability Employment Package. It also makes some policy suggestions for effective implementation of the latter and further policy actions geared to the inclusion of people with disabilities in the employment market, including a more robust data collection strategy and active involvement of relevant stakeholders, such as social partners.

#### The disability employment gap in numbers

The disability employment gap was added as a headline indicator to the European Pillar of Social Rights' Social Scoreboard in 2021, tracking progress on social issues in the EU Member States (see Principles 3 and 17). The indicator shows that persons with disabilities are persistently disadvantaged in the labour market compared with persons without disabilities. The employment gap is largely related to the type of disabling condition: while it ranged from 22.7 pp in 2014 to 21.4 pp in 2022; in the same period, for severe disability, it was as high as 41.8 pp in 2014 and 42.1 pp in 2022. Large differences could also be observed between the EU Member States (see Table 1). The disability employment gap for some or severe level of activity limitation ranged from 8.5 pp in Luxembourg and 9.9 pp in Denmark to 37 pp in Ireland, with an EU27 average of 21.4 pp (2022). The diverse nature of the countries that score below the EU27 average suggests

that, although the demographic composition or health status of the relevant population play a role, the gap mainly reflects differences in institutional factors (such as the implementation of national anti-discrimination laws, welfare state regimes and specific social assistance policies).

Table 1 Disability employment gap across the 27 EU Member States in the period 2014 to 2022 (male and female, some or severe limitation)

GEO (Labels)	2014	2015	2016	2017	2018	2019	2020	2021	2022
European Union - 27 countries (from 2020)	22.7	23.8	24.2	23.5	23.5	24.4	24.4	23.1	21.4
Belgium	34.4	34.9	34.5	33.1	32.0	33.1	36.3	38.0	35.3
Bulgaria	33.0	29.2	36.6	34.7	38.0	34.8	33.0	22.1	29.5
Czechia	34.8	32.3	32.4	29.5	28.4	26.3	25.6	25.9	22.7
Denmark	25.6	20.2	25.0	23.2	18.2	16.6	18.1	7.9	9.9
Germany	21.5	28.4	30.6	27.7	29.5	26.5	32.4	30.5	24.0
Estonia	22.4	22.0	23.6	21.8	18.3	21.2	20.6	18.7	26.2
Ireland	39.8	41.7	46.5	43.2	40.0	44.0	38.8	41.3	37.0
Greece	25.2	20.4	21.3	23.3	29.8	29.0	27.7	23.8	25.9
Spain	21.2	22.5	24.0	27.5	26.5	30.1	21.6	15.9	14.6
France	20.4	20.7	16.9	16.7	15.7	18.9	23.7	24.1	20.8
Croatia	29.9	28.0	27.0	31.2	32.7	33.5	32.9	28.7	36.0
Italy	13.2	13.2	13.9	14.2	14.9	16.9	14.9	14.9	14.0
Cyprus	18.0	19.4	23.1	23.4	23.5	22.0	23.5	27.0	25.7
Latvia	21.0	19.1	19.7	16.4	19.3	19.0	16.7	16.6	20.8
Lithuania	37.3	36.5	30.5	30.5	30.7	26.0	22.7	23.9	35.0
Luxembourg	13.9	18.4	16.5	15.6	18.3	20.1	22.1	15.4	8.5
Hungary	33.2	31.3	31.8	29.5	28.5	28.6	31.2	28.8	32.4
Malta	37.6	41.1	40.5	36.4	31.2	28.1	29.4	27.0	30.1
Netherlands	29.4	28.3	26.2	24.3	22.4	26.5	25.4	25.8	25.2
Austria	19.3	18.6	16.9	19.2	20.1	21.9	20.5	26.3	23.8
Poland	33.1	33.0	34.0	31.4	33.5	33.4	31.3	34.2	31.3
Portugal	20.8	19.9	22.0	17.6	18.3	19.2	18.2	16.2	13.1
Romania	34.3	31.0	30.6	31.9	30.4	29.2	30.4	32.6	32.0
Slovenia	18.2	13.6	15.8	16.2	17.3	18.5	21.7	21.1	18.8
Slovakia	19.6	21.0	24.8	23.2	23.1	23.1	23.6	25.3	21.0
Finland	19.7	20.4	18.2	18.2	17.8	20.6	19.8	22.2	19.0
Sweden	32.9	30.2	30.0	30.1	30.1	24.9	28.9	19.9	25.7

Source: EU-SILC.

Participation in employment is essential if people with disabilities are to achieve economic autonomy and social inclusion. This is outlined in both the United Nations Convention on the Rights of Persons with Disabilities (UN CRPD)

(see Article 27) and the current EDRS. People with disabilities experience a high risk of social exclusion and poverty. According to the latest available data, in the EU countries on average in 2022, 28.8 per cent of people with some or severe activity limitation 16 years old or over were at risk of poverty or social exclusion, compared with 18.3 per cent of people without activity limitation (AROPE). As scholars underline, 'Being employed is one opportunity to reduce this isolation and an important tool to reduce poverty' (Vornholt et al. 2018: 41). The quality of employment of people with disabilities has important moral and economic implications for living an independent life in dignity and with social inclusion, as well as for self-fulfilment.

Effective implementation of policies focused on inclusive employment for people with disabilities will contribute to the implementation of the European Pillar of Social Rights (see Principles 3 and 17) and the UN CRPD (Article 27 on work and employment). Moreover, it will help to achieve the 2030 EU headline targets set out in the European Pillar of Social Rights Action Plan: by 2030 at least 78 per cent of people aged 20–64 should be in employment, at least 60 per cent of all adults should participate in training every year, and at least 15 million fewer people should be living at risk of poverty or social exclusion. It will further contribute to the development of national policies that involve persons with disabilities in just green and digital transitions.

## Continuous efforts to narrow the disability employment gap

Inclusive employment for people with disabilities is not a new issue in the current EU Strategy for the Rights of Persons with Disabilities 2021–2030: it was one of the eight key areas of the previous Strategy (accessibility, participation, equality, employment, education and training, social protection, health, and external action) covering the period between 2010 and 2020. The objective set there was guite ambitious, namely to '[i]mprove the employment situation of women and men with disabilities through recognition of their right to work including the right to the opportunity to gain a living by work freely chosen or accepted in a labour market and work environment that is open, inclusive and accessible' (European Commission 2010: 10). On one hand, the evaluation of the 2010-2020 Strategy revealed that in the public consultation, employment was deemed by stakeholders (organisations representing persons with disabilities, business organisations and citizens responding to the public consultation) one of the most important areas for further development; on the other hand, they considered it as one of the 'worst-performing areas of the Strategy' (European Commission 2020: 28). Pitfalls were flagged with regard to the effectiveness of the employment-related actions outlined and implemented in the Strategy 2010 - 2020, as well as the inadequate funding allocated for achieving these. Improvements have been identified in this area concerning the development of statistical data collection and awareness raising campaigns (European Commission 2020).

Regarding the engagement of various stakeholders in this area, one of the employment-related key actions explicitly mentioned the social partners, more specifically engaging them in developing good practices with regard to reasonable accommodation and good quality jobs, and informing employers and policy makers on positive measures. In the evaluation, social partner involvement at the EU level was defined as only 'partially implemented' (European Commission 2020: 85). Limited progress on the effective implementation of reasonable accommodation is an issue which has been recurrently reported. Under the actions of equality, 'rais[ing] awareness among trade unions on the concept of reasonable accommodation' was also defined only as 'partially implemented' (European Commission 2020: 84). Moreover, reasonable accommodation deserves further attention as one of the most important legal requirements enabling employers to provide an accessible work environment for people with disabilities. Some of the major issues here include a lack of understanding of the concept, a general lack of awareness among employers (of their obligations) and employees (of their rights), inadequate government funding for workplace adaptation or limited awareness of how to obtain such, when such options exist (Anglmayer 2020).

Effective implementation of inclusive employment policies requires proactive and coordinated work by various stakeholders at EU and national level, consistent actions, and awareness and a willingness to act on the part of business, with the essential support of trade unions. And although 'equality bodies and disability organisations have filled this gap [providing guidance on reasonable accommodation], their guidance remains largely informal' (Anglmayer 2020: 49). A large gap as regards information and practical guidance has been identified that along with official (governmental) guidance, social partners can play a key role in filling, together with other actions to create an inclusive work environment. Examples of trade union actions in this area, mapped in an ILO study (2017), include 'an agreement on inclusive working life agreement' (in Norway); a 'fund for the occupational integration of persons with disabilities ... governed by employers' representatives, workers' representatives, and the five national confederations of trade unions' (in France); and 'a quota for employment of "severely" disabled employees', and the right to a representative ombudsman when there are five or more employees (in Germany) (ILO 2017). Furthermore, the social partners are highly capable of taking preventive and supportive measures during the implementation of these policies, rather than merely reacting to instances of discrimination that have already occurred.

An innovative initiative in this direction is the launch in Italy of a trade union-backed pilot project within the National Observatory on the Condition of Persons with Disabilities to set up technical units in large companies, with the involvement of company union representatives, to take care of individual workers with disabilities, using customised projects. In Spain, the V Agreement on Employment and Collective Bargaining, signed in May 2023 by trade unions and employers' organisations, also includes a chapter dedicated to workers with disabilities. It lays down that collective bargaining should include the establishment of a fair framework for the development of employees with disabilities' working conditions. This should encompass reasonable

accommodation and also introduce mechanisms for monitoring and evaluating the Agreement's clauses and their social impact (ETUC email communication, 23 November 2023).

Efforts to achieve an inclusive labour environment continue in the current EDRS, especially with focus under the Disability Employment Package, one of the Strategy's seven flagship initiatives. The Package is intended to improve the labour market outcomes of persons with disabilities by getting more of them into quality and sustainable jobs and keeping them there. It is structured around six areas of action, which are aimed at different aspects of prevention, employment and employment retention, while accommodating the needs of persons with disabilities to enable them to fulfil their potential.

Anumber of actions have been implemented or are planned in the upcoming years in the Disability Employment Package, such as a practitioner toolkit with concrete examples of how Public Employment Services can encourage the labour market participation of persons with disabilities (European Network of Public Employment Services 2022); a catalogue of positive actions aimed at employers (2023); guidelines on reasonable accommodation for employers (2023); a manual on how to prevent disabilities associated with chronic diseases (European Commission, the European Agency for Safety and Health at Work 2023); guidelines for effective vocational rehabilitation schemes covering frequent diseases and types of accidents (2024); and a study to explore quality jobs in sheltered employment and pathways to the open labour market (2024) (European Commission 2022).

#### **Suggestions for more effective implementation**

While the actions listed in the previous section appear promising, and most are yet to be implemented, the primary recommendations of this policy brief concern the policy process itself. First, it is critical to collect data coherently and introduce indicators that not only help in designing adequate policies but also in monitoring their progress. In addition, this requires active engagement with key stakeholders, including the social partners, employers and organisations representing people with disabilities, at every stage of the process. Last but not least, it is essential to ensure that policy solutions cater adequately to the diverse needs of people with disabilities, including the gender aspect.

#### Adopt a comprehensive data collection strategy

Often, data scarcity is one of the main impediments to formulating adequate public policy measures and tracking their progress. This is also the situation for disability. Despite the progress made with the introduction of the disability employment gap indicator, a holistic approach is needed to understand the labour market situation of persons with disabilities and thus, to better map their employment rate. One way to improve understanding is by triangulating employment, unemployment and inactivity (Atanasova et al. forthcoming). Priestley, for example, proposes a comprehensive indicator for the labour market inclusion of persons with disabilities, combining their relative chances of being economically active, employed or not unemployed in each country (all

expressed as positive chances) (Priestley 2021).

A holistic data collection strategy and development of the relevant indicators are key to obtaining a comprehensive understanding of the real-life situation of people with disabilities, in and out of employment. This approach will not only illuminate the barriers faced by people with disabilities when it comes to accessing and sustaining quality employment, but will also enable more effective targeting of specific challenges. Examples include shedding light on the prevalence and working conditions of sheltered employment (non-competitive employment in a workshop, at home, or in a regular work environment), as well as information on transitions from sheltered employment to the open labour market. For many people with disabilities, sheltered employment is the only employment option, even if it is not their free choice to work in segregated schemes (ANED 2018). There are substantial differences between and within EU countries regarding the organisation, funding and eligibility criteria of sheltered workshops, the extent to which they are subject to standard labour law, and whether they constitute a stepping stone to the standard labour market (Atanasova et al. forthcoming).

Another crucial aspect that suffers from lack of data is, as already mentioned, the implementation of reasonable accommodation under the Equality Framework Directive. Structured data collection on how reasonable accommodation is implemented in the private and public sectors across the EU Member States will not only provide an excellent basis for determining the success factors of reasonable accommodation and inclusion/retention of people with disabilities at their workplaces, but will also contribute substantially to raising awareness among employers and employees.

#### Engage key stakeholders in implementation

Implementation of the actions outlined in the Disability Employment Package depends largely on employers' willingness to act and employees' or job seekers' awareness of their rights. Employers' lack of information and often unfounded fears about the high cost of hiring and retaining people with disabilities in employment, as well as their low awareness of the concept of reasonable accommodation and availability of public funding for it (especially for spatial amendments), are some of the impediments to the employment of people with disabilities. Furthermore, while larger businesses may have internal expertise in their human resource departments to adapt and accommodate the needs of people with disabilities, small and medium-sized enterprises are often in a less favourable position to accommodate these needs in terms of both knowledge and resources.

One of the most effective ways of reaching out to employers and raising their awareness on this issue is through employers' organisations. Regarding employees, trade unions could play a crucial role in informing them about their rights, helping them to exercise them, and advocating for their needs when required. While the European Commission has already consulted social partners, including the ETUC, on defining the guidelines on reasonable accommodation, it would be important, for the effective implementation of reasonable accommodation practices, for the EU Member States to commit to actively involving social partners and equality bodies in discussing the effective

implementation of the Commission guidelines, raising awareness of existing funding at domestic level, as well as by exchanging good practices between social partners (Atanasova et al. forthcoming).

#### Adopt a gender mainstreaming approach

Women with disabilities are highlighted as especially vulnerable when it comes to employment opportunities for people with disabilities. As the data reveal, the employment gap for women with disabilities is higher than for men (based on EU-SILC 2018 data, '49.3 per cent of women with disabilities are in employment compared with 55.1 per cent of men' [Anglmayer 2020: 69]). Women with disabilities are more likely to work part-time, to become socially excluded or to live in poverty. While the EU has largely committed to gender mainstreaming of its policies, intersectional discrimination and a lack of understanding of its impacts (in this case on the grounds of disability and gender) remain an issue, including in policies focused on advancing disability rights (Atanasova et al. forthcoming).

In 2018, the European Parliament issued a resolution on the situation of women with disabilities. Among other things this highlights the importance of the links between the different EU legal instruments and the need to 'optimise the EU Structural Funds, including the European Social Fund, in order to promote accessibility and non-discrimination for women with disabilities' (European Parliament 2018, para 59). The problem persists partly because of a lack of coverage in the academic literature, as well as insufficient data to further demonstrate and reveal the obstacles women with disabilities face in the employment market, even more than men with disabilities. Even in the current initiative of the Disability Employment Package, as rightly noted by the European Disability Forum, 'it is worrying that the gender perspective and the intersectionality of gender and disability has not been included' (European Disability Forum 2022).

To address this gap, the EU Member States and the European Commission should pay special attention to women with disabilities and their needs in awareness-raising campaigns related to reasonable accommodation. Furthermore, the EU institutions should consider the gender dimension and include it in policy strategies and initiatives focused on people with disabilities. Last but not least, it is essential that the social partners, who have robust experience in working on gender equality, work together with equality bodies to address this problem in order to tackle specific impediments faced by women with disabilities as employees or job seekers.

#### **Conclusions**

While acknowledging the significance of the Disability Employment Package as a key policy initiative, the seamless continuation of the policy efforts established in the previous Strategy 2010–2020 and affirmation of the Equality Framework Directive, it is important to focus on its effective implementation. This policy brief makes several suggestions on enhancing various stages of the policy process, including full implementation of the principle of reasonable accommodation. First, improved indicators are needed that accurately measure the disability employment gap and the related challenges. Second, social

partners should play a more active role in the process through negotiations and collective bargaining, given their ability to positively influence implementation of the Disability Employment Package at both national and local levels. Finally, it is essential to integrate gender mainstreaming into the initiatives outlined in the Disability Employment Package. By implementing these recommendations, we can foster a more inclusive and impactful policy approach to addressing disability employment challenges effectively.

#### Note

This policy brief draws on a study Atanasova et al. prepared as part of an assignment to provide academic support to the Belgian Presidency of the Council of the EU 2024 (forthcoming). Special thanks to Dr Julie Vinck for her work on the data indicators and the Disability Employment Package section of the study.

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