

# THE EMPLOYMENT OF PERSONS WITH DISABILITY

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# NATIONAL BUDGET 2015

In the National Budget 2015, government has announced a series of measures aimed at increasing the employment of disabled persons. The measures mentioned consist of:

Exemption for national insurance for employed disabled persons

A tax credit of a maximum of €4,500 for each disabled person in employment

Enforcing the legislation which stipulates that companies with more than 20 employees must have 2% of the labour force that are disabled.

Companies who fail to abide by the 2% provision and who employ more than 20 persons will pay a 'contribution' of €2,400 for every person they should be employing up to a maximum penalty of €10,000 per annum.

The 'contribution' will be introduced over a period of three years, with 33% in 2015, 66% in 2016, and 100% in 2017

The funds collected will be administered by the Employment and Training Corporation, and used to set up and administer the Lino Spiteri Foundation. This foundation will use the funds to train and assist disabled persons to find employment.

# OBSTACLES TO EMPLOYING PERSONS WITH DISABILITY

- Disabled persons are not a homogenous group
- Lack of information
- Need for professional advice and assistance
- Type of work is not congenial for persons with a disability
- Reluctance to employ disabled persons
- Some companies may already have a quota of persons with disability who are not registered as such

## 'CONTRIBUTION' VS 'TAX'

The concept of a contribution gives the impression that it is something of a voluntary nature. In reality, the funds collected for the foundation will be more of a 'tax' or a 'fine'.

## GO FOR A SKIMMING APPROACH

Rather than approach all employers simultaneously to enforce the 2% threshold, it is proposed to adopt a skimming approach whereby the Foundation will first approach large employers and gradually work its way down to smaller enterprises. A proposed framework will run as indicated below:

### **Year No. of Employees**

- 2015, 2016 >250
- 2017: 150 – 249
- 2018: 50 - 150

Implement the regulations for Companies employing more than 50 persons

## A policy for Gozo

### The Unregistered Disabled; different registers for disabled persons

**Flexibility:** A principle of equivalence should be established to allow flexibility in employment and to exploit to the fullest any employment opportunities that may arise, even if these are for a temporary period. The same principle should be applied also in cases where a disabled person may not be able take on full-time employment.

## **Employee Availability**

It is suggested that for the operation of the scheme, interested employers will submit a list of available jobs that can be offered to disabled persons. If no such persons are available, the post may be filled by other employees without the employer incurring the penalty of non-compliance.

## **Assistance in Work Organisation**

The Foundation and the ETC should offer full assistance and expertise to employers who offer job placements, including job coaching where necessary and advice on work organisation. There have been positive recent experiences whereby assisted employment schemes have yielded positive results.

## BONES OF CONTENTION WITH ETC

1. ETC are only recognising employees on their own register for calculating the quota. There are disabled persons who:
  - Are not registered
  - Appear on the KNPD and/or Social Security Registers
2. Employers who have contacted ETC to employ persons with disability and who have not been supplied with appropriate persons are still being fined.
3. A contribution is something voluntary in nature. What the ETC is imposing is a fine.
4. MEA is lobbying for the threshold for employing disabled persons to increase from company employing twenty employees to companies employing more than 50 employees.
5. Government should lead by example. Even the public sector falls short of the quota.



## BONES OF CONTENTION WITH ETC

6. Under the pretext of data protection, ETC is denying information to the employer as to who in his labour complement is registered as disabled.
7. The company has no way of defending its position by countering ETC's claims that it is not employing disabled persons.
8. There is an insufficient number of disabled persons on the unemployment register to cater for the alleged shortcomings by private sector employers. Therefore many employers will be unable to fulfil the quota even if they make an effort to do so.
9. These measures are being enforced without any consultation with the social partners.
10. Employers were never given an opportunity to justify why or whether their company has or has not been abiding with the quota.
11. It is more difficult to employ persons with disability in some work environments than others.