

The use of new technology in employment of disabled people

Statements and Comments

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The paper on the uses of new technology in the employment of disabled people in Spain is very interesting. Firstly, it focuses on the special organization of disability policy in Spain. Secondly, it focuses on training as a road to integration of the disabled in industries characterized by new technology (IT, telecommunication). In this comment I will underline these two aspects and against that background discuss if it is possible to transfer the experiences from the Spanish program to Sweden.

1. The Organization of the Spanish Disability Policy – the Role of ONCE¹

The organization of the Spanish disability policy differs from that of other EU countries in one respect especially – the strong position of ONCE – the Spanish Organization for the Blind (Organización Nacional para Ciegos Españoles). Although ONCE was founded already in the 1930s it has expanded primarily in the last two decades. It is an organization composed of about 58 000 members who are either blind or who have severe visual impairments, and has a board elected by general ballot. The economic basis of the organization is a lottery – El Cupón de la ONCE. The Cupóns are sold by blind and visual impaired people who are employed by ONCE, and both blind and other people work in the administration of ONCE. The ONCE lottery is not the only lottery in Spain of course, but has been given a special position by the state. In many cases people buy Cupóns as a way of supporting the blind people. The ONCE has meant that the labour market situation is relatively good for blind people in Spain. The organization is able to employ all members who apply for a job, the wages are not low, and the rules regarding vacations and sickness benefits are favourable.

As mentioned in the paper, the general labour market situation for disabled people is not good in Spain – the labour force participation is low and the unemployment rate high so their employment rate is low compared to other people of the same age and gender. This has led to that ONCE has agreed with the government to employ people who have other types of functional impairments. Since the 1980s ONCE has reserved a part of the revenues (3 per cent) for the starting of that type of activities, which means that ONCE indirectly also employs people with other types of impairment than visual ones. In the late 1980s Fundación ONCE was started with that aim and in 1989 a special group of firms and workplaces was started: the Fundosa Grupo. The Fundosa group has a total of 10 000 employees of whom 7300 are disabled with disabilities other than visual impairments. In addition, ONCE has acquired a number of companies who are organized in the CEOSA group (Corporación Empresarial de la ONCE). The CEOSA companies have c. 15 000 employees in total. Of them 1500 are disabled (with disabilities other than visual impairments).

¹ This section builds mainly on Gränsmark (2003).

The ONCE organization has unique opportunities to integrate disabled people in the labour market by having special subsidiary companies – both those with mainly disabled employees and those with a share of disabled among the employees.

2. A job oriented policy

The main feature of the policy program presented in the paper is the orientation towards finding jobs for the disabled. Disabled people are isolated in many cases and not integrated in the society. A job may lead to integration not only in the labour market but also indirectly in other spheres of the society. The project 1997-1999 of training and employment in NIT was a project aimed at employment. The program provided training for 933 disabled people (the number who completed the course) of whom 742 became employed by companies belonging to the Fundación ONCE group.

The activities continued in the period 2000-2002. The number of disabled students in Tele-operator and New Technologies occupational training courses were 960 in year 2000, 1356 in 2001 and 1108 in 2002. Up to the end of year 2002, 773 disabled people had been hired by companies that belonged to Grupo Fundosa and who specialized in the new technologies. Compared to the number of people in training programs, the proportion that was hired was smaller. The number of disabled people hired by new technology companies not associated with Fundación ONCE dropped from 223 contracts in 2000 to 183 in 2002. The main explanation for the less favourable development is probably that the IT and telecom industries have been undergoing a crisis in the last few years.

A typical feature of the policy is that it is work oriented – training combined with placing the trainees in companies that are usually part of the ONCE organization.

The paper contains much interesting information including detailed statistics regarding the number of participants. I feel some information is lacking, however. The costs of the program are not mentioned. It would have been interesting to know both the total costs and how the costs are covered from different sources. It would also have been of value to see more of an evaluation of the program. To make an evaluation it is necessary to have information not only on those taking part in the program but also on a control group, a group of individuals who have the same characteristics but who are not taking part in the program. Have those participating in the program a more favourable labour market outcome than people with the same characteristics not taking part in the program? When making an evaluation it is important to follow the participants and the control group for an extended period to be able to get an estimate of the long-term effects.

Taking a look at the results of the Plan 5000 and 20 000/40 000, one cannot avoid being impressed by them (page 7 and 9). When achieving such an impressive result in such a short period of time, a natural question arises concerning the efficiency of the training and the durability and meaningfulness of the jobs. It must be hard to carry out a quality control of the jobs and training when produced in such a massive quantity. When an unemployed (and sometimes quite desperate) disabled person receives an offer of education/training in, for instance, the area of new technologies, it must be very tempting to accept that offer without really knowing if it is suitable or

not for him or her. How does the selection of these people work? Does Fundosa Social Consulting (FSC) have time to properly evaluate the capacity of each and every one of the students accepted to the courses?

Up until now, the project depends to a great deal on the economic aid from the European Social Fund Operational Programme (ESF). A problem may be that an eagerness to deliver results to the ESF could speed up the process too much? The restructuring of the priorities of the European Commission concerning the objectives of the 2003 Employment Plan suggests "full employment, work quality and productivity, and social cohesion and inclusion". Has there been any following-up of the work quality during the years of the Plan 5000/Plan 20 000/40 000? In the discussion paper it is said that the ambition of these Plans was set too low when deciding upon the goals of 5000/10 000 and 20 000/40 000 (page 14-15). If this speed would have been/will be higher would/will it be possible to carry out an adequate quality control? When the support of ESF ends the projects must be strong enough to work on their own. If it turned out that the quality and durability of many jobs that were created for disabled people in recent years were inadequate, this could backfire on Fundación ONCE in a time when the organisation could no longer count on the support from ESF. With concentration focused on jobs within new information technology sectors, there could be severe effects if these sectors suddenly diminished (as has happened in Sweden). It is important to increase the level of knowledge about new information technology among disabled people of course, but even more important to create stable and meaningful jobs.

One of the principle roles in training and labour intermediation is played by the FSC. The quality control of the result of its actions is necessary to be able to do a valid follow-up of the projects. The (relatively new) total quality management system being applied within FSC is therefore welcomed and we will, most certainly, see increasing possibilities of quality control in the future. This will probably improve the channelling of training to employment.

3. Is it possible to transfer the Spanish model or part of it to Sweden?

There are two things that are characteristic for the program discussed here. 1) It builds on the existence of a very strong organisation for disabled people which not only has workplaces especially for disabled workers, but also owns other companies in which the organization is able to place disabled workers to constitute a non-negligible share of the work force. 2) It is oriented on the use of new technology (IT and telecommunication). I will comment on these two facets.

Sweden does not have an organization or company of the ONCE type. This does not mean that there are no workplaces with predominantly disabled workers or other work places in which disabled workers are placed. On the contrary, the Swedish labour market policy for disabled workers is extensive. The main programs are work with wage subsidy, work in the corporation of sheltered workshops (Samhall), and sheltered work in the public sector (OSA). Samhall employs 25 000 disabled workers and has activities in many sectors. In the last decade it has developed from having mainly consisted of work-places in manufacturing to being more of a producer of services. It has not yet entered the sectors covered by the Spanish strategy discussed in this paper. Work with wage subsidy which is the largest program covers all industries. The program entails that an employer who hires a disabled worker gets a part of the wage costs covered by a subsidy from the state. The share of the wage costs subsidized depends on the severity of the disability. The subsidy is restricted to a certain period (usually few years). In many cases a person who is placed in one of the three programs mentioned has first taken part in vocational rehabilitation and in occupational training. So in a way there are some similarities between the

Spanish and the Swedish institutional set-up. But there are also differences. The ONCE organization has subsidiary companies in the new technology industries. They employ mainly non-disabled workers, but contribute by also hiring disabled workers. Samhall has no subsidiary companies of that type.

Undoubtedly, the strong institutional and corporate relations strategy is very favourable for the work of Fundación ONCE. But these relations go a long way back and the position and recognition of ONCE in the Spanish labour market is quite convincing. It is unclear how the insertion of disabled people, after rapid and massive training, would succeed without the back-up of ONCE, as would be the case in other countries.

The 1990s was a period of expansion in telecommunication and IT-technology. They were the “new” industries of that decade. This meant many new jobs in the industry sectors that produce hardware and software for computers and also for consulting companies and telecommunication companies. It was very easy for people who had an IT-education to get a good job. Employment in the sector increased rapidly worldwide, not least in Sweden with *Kista*, a suburb in the northern part of Stockholm, as a European Silicon Valley. In other sectors the new technologies influenced the work organisations and the work tasks. IT knowledge became more and more important and special educational programs were started by the Government to further knowledge in the field among the population. A new labour market program for unemployed – Computer centres (*datortek*) – was also introduced with the same goal. It was only open for young people first but after a period it was also possible for adults to take part in the program. The period of very rapid expansion for the sector turned to a period of crisis in the beginning of the decade. Layoffs have been large in the sector and people who are currently completing IT and telecommunication study lines have great difficulties in finding jobs. This means that training disabled people for IT-jobs is probably not a good strategy in Sweden just now – the competition in that sector of the labour market is very harsh. But it does not mean that it would not be worthwhile to train disabled people and other people who have difficulties in IT-knowledge. Basic knowledge of IT is necessary nowadays in most jobs. IT training may therefore increase the possibilities for acquiring or keeping a job.

References

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