

Labour Market for People with Disabilities *Exclusion or Inclusion?*

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Abstract: People with disabilities are generally considered as incapacitated in the workforce, so they often experience exclusion to participate in employment opportunities. Yet work is a crucial issue in the lives of people with disability to survive, construct self-identity, and gain social recognition. However, to obtain the employment, people with disabilities experience various barriers, such as discrimination in the workplace, stigma, prejudice, and community stereotypes. This paper discusses how to create a labour market for people with disabilities, whether exclusion or inclusion. In line with the aims of the study, literature studies are used to reviews published research findings about labour market for people with disabilities. The results show that the current quota system for employing people disability in the formal sector is insufficient to realize an inclusive labour market. Therefore, the appropriate labour market for people with disabilities is the inclusion that meets the following aspects: recruitment, vocational training, attitudes of working environment, income, duration of employment, access to social protection and health, and voice.

1 INTRODUCTION

Persons with disabilities are part of the population with the highest possibility to become poor in worldwide. Poverty in disability issues began on barriers to access equal opportunity in employment (Toening, 2012; Pletzen, Booyens, and Lorenzo, 2014). Yet, work is a crucial issue for persons with disabilities to survive and gain social recognition. (Nota, Santili, Ginevra, and Soresi, 2013; Magoulios and Trichopoulou, 2012)

Ministry of Manpower and Transmigration stated that the number of labor force disabilities or persons with disabilities who are in the productive age in Indonesia in 2010 reached 7,126,409 people (Sulistyawati, 2015), but 63% of them just does not work (Jimbon, 2010).

People with disabilities are generally considered as incapacitated in the workforce, so they often experience exclusion to participate in employment opportunities. (Ruhindwa, Randall, and Cartmel, 2016). Whereas, as a citizen of Indonesia, the status, rights, obligations, and the role of persons with disabilities is the same as other citizens. Exclusion of persons with disabilities in the employment

sector is visible from discrimination in the workplace, stigma, prejudice and stereotypes of society (ITC 2010; Kuznetsova, 2012; Ruhindwa, Randall, and Cartmel, 2016).

To reduce the problem of employment of persons with disabilities, some countries such as Europe and Asia have adopted a quota system of work which requires public and private companies to employ persons with disabilities (Mori and Sakamoto, 2017), as well as Indonesia. In article 53 of Law No. 8 Year 2016 about Persons with Disabilities, Indonesia clearly allocate employment opportunities for persons with disabilities by providing a quota of 2% of their workforce in Government, Local Government, State-Owned Enterprises, and Local Owned Enterprises, as well as the quota of 1% of employees in private companies.

However, the formal sector which employs people with disabilities is still very low (Rikin, 2012). Only a few of large companies are willing to accommodate people with disabilities as a workforce. That was below the amount of provisions by law, even some companies in Indonesia are still don't know at all about the laws that define the rights of persons with disabilities to gain

employment in the company with a quota of 1: 100, this is what causes the company did not open the widest access to persons with disabilities who wish to apply for a job at his company (Coleridge, 1997). Employers also employ persons with disabilities because they are in a condition of admission gets a quota of 1%, not because of their ability to work and skills. (Pitakasari, 2012), even in practice, employers often prefer to pay fines rather than reach their quota (Mori and Sakamoto, 2017; Aurelian, et al., 2016). This means that the allocation of labor with disabilities to work in the formal sector is not enough, so there should be efforts to realize the inclusion of labor markets for persons with disabilities that is practices that integrate persons with disabilities into the workforce. This is becoming an increasingly common thing, but there are still many who doubt the competence of this workforce.

This paper discusses about how to realize the labor market for persons with disabilities, whether inclusion or exclusion. It is useful to know how government and public and private companies in the realization of the labor market for persons with disabilities.

2 LITERATURE REVIEW

Inclusion or social exclusion is an aspect of a multi-dimensional, the relational to increase social participation, increasing the ability to fulfill the social role is determined normatively, expand social relationships in respect and recognition, and at the collective level, improving social cohesion, integration, and solidarity. (Silver, 2015)

Social exclusion by Beal, et al in Nurdin (2015) is the process and circumstances that prevent individuals or groups to take a full role in social, economical and political, and in declaring their rights derived from the relationship of marginalization power. Social exclusion occurs when groups experience different treatment, in which every human being is entitled to protection and welfare. This case embodies poverty and inequality, limit the social inclusion. Lenoir in Mathieson et al (2008) revealed that persons with disabilities are one of the groups most vulnerable to social exclusion. Silver in Syahra (2010) proposed three perspective or a different paradigm in view of social exclusion: 1) the paradigm of solidarity, namely the dissolution of social bonds between individuals in a society, 2) the paradigm of specialization, in which individuals become different

because of increasing specialization in employment and vary according to social groups, and 3) the monopoly paradigm that considers the social setting is coercive, forced through a set of hierarchical power relations.

Along with the development problems of social exclusion, the term of social inclusion appear to overcome social exclusion, where everyone has access and can participate in various activities in the community (Ruman, 2014). Social Inclusion refers to a process that encourages social interaction between people with socially relevant attributes or impersonal institutional mechanism to open access to participate in all areas of social life, including in the labor market.

Pless and Maak (2004) defines inclusion as the labor market integration of workers with different backgrounds, to work together effectively and show their greatest potential. Meanwhile, Colella and Bruye`re in Nellisen, Hulsheger, Ruitenbeek, and Zijlstra (2015), describes the inclusion in the workplace as including and accepting persons with disabilities in the workplace and treated them same as everyone else by their colleagues. In realizing the inclusion of the labor market, there are seven aspects proposed by Magoulios and Trichopoulou (2012), Aurelian, et al., (2016), Borghouts and Freese (2017) and Rubery (2015) that need to be fulfill in realizing inclusive labor market for persons with disabilities, those are: *recruitment, vocational training, attitudes of the working environment, income, duration of employment and promotion, access to social protection and health, and voice.*

3 METHODS

In line with the aims of the study, a qualitative method is used to discuss how to create a labour market for people with disabilities, where literature studies are used to reviews published research findings about labour market for people with disabilities. Literature sourced from various research journals and books published in the last five years, among other things: Aurelian, et al., 2016; Borghouts and Freese, 2017; Magoulios and Trichopoulou, 2012; Nellisen, Hulsheger, Ruitenbeek, and Zijlstra, 2015; and Rubery, 2015.

Analytical technique used in this literature study is (1) *synthesize*, which compares the labor quota system for disability between Indonesia and other countries, (2) *summarize*, which summarizes the results of an expert study on manpower

disabilities and the labor market for persons with disabilities, and (3) *criticize*, providing a view of how aspects of the labor market inclusion to be fulfilled. The form should be completed and signed by one author on behalf of all the other authors.

4 RESULTS AND DISCUSSION

People with disabilities are generally considered as incapacitated in the workforce, so they often experience exclusion to participate in employment opportunities. (Ruhindwa, Randall, and Cartmel, 2016). The exclusion itself according to Beal, et al in Nurdin (2015) occurs when there is a difference in the treatment group experienced, where every human being entitled to receive protection and welfare. Lenoir in Mathieson et al (2008) revealed that persons with disabilities are one of the most vulnerable groups of social exclusion. This is because people with disabilities are not only excluded in the labor market but also get different treatment in the labor market.

Exclusion of persons with disabilities in the employment sector is visible from discrimination in the workplace, stigma, prejudice and stereotypes of society (ITC 2010; Kuznetsova, 2012; Ruhindwa, Randall, and Cartmel, 2016). If the exclusion of persons with disabilities in the employment sector is left, it can lead to influence more broadly, including high rate of dependency, increased public expenditure in providing care and support for persons with disabilities, as well as increasing the level of poverty among persons with disabilities (Shima, Zolyomi, and Zaidi, 2008).

Therefore, the term of inclusion appears to overcome the problems of labor market exclusion for persons with disabilities. Pless and Maak (2004) defines the inclusion of the labor market as the integration of labor with various backgrounds, working together effectively and demonstrating their greatest potential. Colella and Bruye`re (in Nellisen, Hulsheger, Ruitenbeek, and Zijlstra, 2015), adding that inclusion is not only limited to include labor and receive persons with disabilities in the workplace, but also treats labor as a co-worker disability.

Some countries like Europe and Asia have adopted a working quota system that requires public and private companies to employ people with disabilities. (Mori and Sakamoto, 2017). In increasing the employment participation of persons with disabilities, Romania provides a 4% quota for persons with disabilities to work in the public and

private sectors. Not only that, Romania also provide basic necessities for governments and companies that want to employ persons with disabilities, as well as grants and fiscal assistance to them (Aurelian, et al., 2016) Meanwhile, the European Union as a developed countries, require companies both public and private to employ persons with disabilities at least 5% of the total workers in the company, so that persons with disabilities are represented in the labor market (Magoulios and Trichopoulou, 2012). Compared with these countries, in Indonesia, labor allocation for people with disabilities to work in the formal sector is still relatively low, it can be seen in article 53 of Law No.8 Year 2016 about Persons with Disabilities, which clearly regulate the allocation of employment opportunities for persons with disabilities by providing a quota of 2% of their workforce in Government, Local Government, State-Owned Enterprises, and Local Owned Enterprises, as well as a quota of 1% of their workforce in private companies. However, in practice employers often prefer to pay fines rather than reach their quota (Mori and Sakamoto, 2017, Aurelian, et al., 2016). This means that the allocation of labor disabilities to work in the formal sector is not enough. Although, persons with disabilities have been included or involved in the employment sector through the quota system, they still experience exclusion as intended by Beal, et al in Nurdin (2015), such as experiencing different treatment or discriminations, from both public and private companies that employ workers with disabilities and their colleagues.

Thus, inclusion of labor market for persons with disabilities that are intended is not only to include or involve persons with disabilities in the labor market, but also to treat them equally with co-workers. So, in realizing inclusive labor market for persons with disabilities, we need to pay attention to aspects of inclusion proposed by Magoulios and Trichopoulou (2012), Borghouts and Freese (2017), Aurelian, et al., (2016), Borghouts and Freese (2017), Nellisen, Hulsheger, Ruitenbeek, and Zijlstra, (2015) and Rubery (2015), among others:

4.1 Recruitment

Entrepreneurs are the key to work; Recruitment, selection and retention strategy determine the access to employment (Rubery, 2015).

The recruitment process becomes the main gateway that must be passed by People with Disabilities to enter the workforce. However, to be

able to enter this gate, people with disabilities are faced with various challenges, such as: (1) companies, both public and private are less willing to accommodate persons with disabilities as workers, (2) the stigma, perceptions and prejudices of the workforce disability, (3) information on labor recruitment doesn't extend to persons with disabilities, (4) the recruitment process that is not based on the expertise and skills of persons with disabilities, and (5) a closed recruitment process (Coleridge, 1997; BWI, 2012; Pitakasari, 2012; Nellisen, Hulsheger, Ruitenbeek, and Zijlstra, 2015). Seeing those obstacles that must be experienced by persons with disabilities in this step, then, in realizing inclusion labor market for persons with disabilities, there needs to be an increase in the awareness of managers and employees before hiring process (BWI, 2012), so that it can perform a selection process based on skills, knowledge, and skills of persons with disabilities, and provide an objective assessment on labor recruitment.

4.2 Vocational Training

This Borghouts (2017) in his research said that one of the reasons why people with disabilities are excluded from the job market is their lack of knowledge, skills, and physical and social skills. Thus, when entering the workforce, every person with disabilities needs training. Training becomes important for persons with disabilities to hone and develop their work skills. However, persons with disabilities are often excluded from the training programs. This occurs because of the negative stereotypes of the company and the employees, they found people with disabilities tend to be more frequently ill, not independent enough, not efficient enough, less committed, qualified lower, confrontational, and too demanding of the company (Sopinska, Wisniewski, and Winiewska, 2015)

Given this phenomenon, the need for inclusion of persons with disabilities into training is important. Planners and implementers of training programs need to involve persons with disabilities in vocational training. This is useful for persons with disabilities to develop their skills and employers to obtain skilled labor according to his needs.

4.3 Attitudes of Working Environment

Approximately 50% of the labor with disabilities face many obstacles in their work environment (Magoulios and Trichopoulou, 2012). When entering the labor market, one of the

challenges facing people with disabilities is the stereotypes and attitudes of employers and employees. Negative perceptions of persons with disabilities are one of the reasons why people with disabilities are treated bias in the employment sector. In addition, the negative attitudes of co-workers are found to inhibit persons with disabilities to meet their goals and restrict them to have access to every aspect of life. (Nellisen, Hulsheger, Ruitenbeek, and Zijlstra, 2015).

The influence of working environment on working life for persons with disabilities becomes an important aspect to be considered in creating employment market inclusion for people with disabilities. Nellisen et al (2015) in his research stated that a positive attitude to the labor with disabilities is an important aspect of acceptance and embodiment of inclusion. Therefore, each entrepreneurs and public and private employees need to change their stigma against persons with disabilities and more objective in assessing, treating, and recognizing the ability of persons with disabilities in the workplace. Inclusive work environment can create the conditions of good cooperation without restricting access to each other's work, so as to achieve the goals of the organization.

4.4 Income

Inclusive labor market need a high minimum level wages, which applies to all types of contracts (Rubery, 2015) this means that every employee of the same level has no wage difference. However, it doesn't apply to some workers with disabilities. Workers with disabilities often face discrimination in the case of wages. Which, despite being on the same level, persons with disabilities receive lower wages than other employees. (Hanga, DiNitto, and Wilken, 2015)

So, it needs a formal rules to promote proportional and fair salary between the types of jobs and the development of the workers who has grown towards individual wages which not only gives employers more discretion but also reduce salary differences. (Rubery, 2015).

4.5 Duration of Employment

People with disabilities face some obstacles when trying to find work or keep their job. Magoulios and Trichopoulou (2012) in his study revealed that 34% of disability workers can only stay in their jobs for less than 1 year.

It can't be denied that persons with disabilities in spite of getting a job often have difficulty keeping their job. This is due to various factors both internal and external. Internal factors is factors of the persons with disabilities itself to get out of their work, such as feeling depressed because of the stigma and prejudice against them when they were working (Magoulios and Trichopoulou, 2012). While the external factors include the lack of motivation from the company for the labor with disabilities to retain their employment, the absence of a contract extension with the firm to maintain persons with disabilities as its workforce, and so on. The duration of employment of persons with disabilities is quite short because of the difficulty of persons with disabilities to keep their jobs. Therefore, there need to conditioning inclusive labor market in various aspects to support persons with disabilities in work and enterprise in receiving labor with disabilities.

4.6 Access to Social and Health Protection

The origins of the intertwining of employment status and social protection vary across countries. Where social protection follows insurance principles these links are the strongest and the potential for gaps in coverage and or inequalities between social insurance benefits and social assistance the largest (Rubery, 2015).

Any person who has employment status has the right to access social protection and health insurance, there is no exception to the disability workforce. One reason companies do not employ people with disabilities is because of the perception that they are sick more often (Borghouts and Freese, 2017; Sopinska, Wisniewski, and Winiewska, 2015) For some companies, providing health insurance and protection for disability workers will cause a lot of losses for companies because people with disabilities are vulnerable to social and health impacts.

In order to realize inclusive work environment for persons with disabilities, government and public and private companies need to provide persons with disabilities equal labor rights with other workers in gaining access to social protection and health insurance. This is useful for both sides, where labor with disabilities gain their rights to access to social protection and health insurance, and the company gets a healthy workforce and protected, so that their productivity is not compromised.

4.7 Voice

Rights to voice and representation for marginalized workers are both a mechanism for enforcing rights but also rights in themselves. Marginalized workers may face three types of representation gaps; there may be no institutional provision for voice at the workplace, they may be ineligible to participate if employed by another organization, a temporary work agency for example, or they may face barriers participating due to part-time or unsocial hours or to language problems (for example if migrants). (Rubery, 2015).

As a marginalized group, persons with disabilities often can't voice or represent themselves to fight for their rights as laborers. Therefore, in creating an inclusive work environment every government and company, both public and private, should provide opportunities and accommodate the disability workforce to express their opinions. Thus, persons with disabilities are heard. Given the disability workforce an opportunity to speak is one of appreciation for their contributions in their community (Ruhindwa, Randall, and Cartmel, 2016).

Inclusion labor market involves the participation of people with disabilities as active labor, it becomes important because this inclusion has a major contribution to economic growth, social capital and public (Magoulios and Trichopoulou, 2012). In addition, Banks (2014) adds that embodies inclusion labor market for persons with disabilities have a variety of benefits including: 1) increase personal income, 2) reduce the unemployment rate, 3) accommodate differences in the working environment, 4) reduce the need for nurses, 5) contribute household finances, 6) reducing the number of social dependency, 7) broaden the tax base, 8) increase labor productivity, 9) have a reserve labor force, and 10) more adaptable business strategy. Even Banks details the benefits of inclusive labor market for persons with disabilities into three groups. *Firstly*, for people with disabilities, when they get a job, persons with disabilities will have an income and avoid unemployment and poverty, so that people with disabilities can live, fulfilled their rights as a citizenship, and get social recognition. *Second*, for businesses or employers, employing persons with disabilities will reduce the costs of recruitment, training, and so on, expanding the customer base, and the potential of the benefit back. *Third*, for the country, to realize inclusion labor market for persons with disabilities, the country's economic growth will evolve, the state

burden will be reduced because of declining reliance of persons with disabilities, so that the allocation can be diverted to social assistance and poverty reduction, as well as increased taxes. Thus, the embodiment of the inclusion of the labor market for persons with disabilities that pay attention to aspects of inclusion in *recruitment, vocational training, attitudes of the working environment, income, duration of employment and promotion, access to social protection and health, and voice*, become important as well as the magnitude of the contribution given both at the individual, social, private, and state

5 CONCLUSIONS

The appropriate labor market for people with disabilities is the inclusion that meets the following aspects: recruitment, vocational training, attitudes of the working environment, income, duration of employment, access to social protection and health, and voice. Where any persons with disabilities are included to get their rights in the labor market as those who did not experience disabilities, without any differences in their treatment. This is important because inclusion has a major contribution to economic growth, social capital and the wider community not only for persons with disabilities themselves, but also for businesses, and even countries. Therefore, in order to realize inclusive labor market for persons with disabilities, there need a cooperation between government and private sector to accommodate persons with disabilities in the workforce. Conditioning work environment is also important for the people with disabilities to be working, therefore the need for a positive attitude from both superiors and colleagues within accepting and treating the labor with disabilities. In addition, the regulation in the employment sector for the people with disabilities need to be sharpened in every aspect of the job, so that the rights of workers with disabilities in every aspect can be protected and fulfilled until they reached an inclusive labor market for persons with disabilities.

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