

New Disability-Related Law of Japan

Law for Employment Promotion of Persons with Disabilities To be Reviewed

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Authored by: Aoi Matamura,

Member of the Policy Research & Development Center at Inclusion Japan,

Editorial Staff of Information Magazine “Te-wo-tsunagu”,

Editorial Staff of “Developmental Disability White Paper” issued by Japan League on Developmental Disability,

Manager, Planning Section, Planning Department, Hiratsuka-city, Kanagawa Prefecture

JL news featured last year the overview of the changing legal system including new and revised laws such as the Act on Promotion of Employment for Persons with Disabilities and the Act on the Prevention of Abuse of Persons with Disabilities in response to wildly fluctuating policies on persons with disabilities. We have made a decision to keep the column for "system overview" this year, because some laws need to be discussed in greater details, which we did not manage to do due to space constraints. We hope that our readership will find articles informative. The legislation on the promotion of employment for persons with disabilities (to be called the Employment Promotion Law) will be featured this time.

Article 3 of the Employment Promotion Law touts the ideal that workers with disabilities "shall be given opportunities to display their occupational abilities as working members of economic society." In order to fulfill this requirement and enable persons with disabilities to work for corporations, the law mandates that at businesses of certain size, workers with disabilities must account for specified percentage vis-à-vis their entire workforce. This percentage is called employment quota for persons with disabilities. While the current law covers persons with physical and intellectual disabilities for mandatory employment, the ones with mental disorder are not (though they can be counted as employees).

Employment Quota Revised

Employment Quota, which is calculated based upon statistical figures like fulltime employees and those

Table 1: Revised Employment Quota for Persons with Disabilities

Classification of Employers	Today		April, 2013 & Beyond
Private Businesses	1.8%	➔	2.0%
Central, Prefectural & Municipal Governments	2.1%		2.3%
Board of Education	2.0%		2.2%

unemployed, is reviewed at least once every five years in order to incorporate changing employment situations for people with disabilities. The latest change was a 0.2% raise as shown by Table 1. While this change seems to be miniscule, it is expected to broaden employment options for those with disability as the revision will newly obligate additional 9,000 or so employers to meet the quota.

With this revision, businesses that have to employ one or more persons with disabilities will be revised, as per Table 2. Up until now, the quota has been applied to employers having 56 or more workers on their payrolls, because the conventional quota of 1.8% required organizations employing 55 people had to employ no more than 0.99 persons. With the upward revision of quota up to 2%, the law has become applicable to entities hiring 50 people and more (50 times 0.2% makes the whole number of one.)

The latest change also implies that social service providers may employ more people with disabilities. The "employees" as defined in the Employment Promotion Law refer to those constantly employed, without regard to their status as fulltime or part-time workers. It is quite possible that service providers for persons with disabilities of certain size may hire 50 or more people. While I recognize that service users and providers are on different sides, those organizations with accumulated knowhow on disability-related service provision are expected to employ actively persons with disabilities. On top of that, such service providers are expected to set an example of hiring people with disabilities, which could be copied by other entities in local communities, boosting the percentage of disabled workers within local economies.

Meanwhile employment quotas for persons with disabilities by central & prefectural governments as well as municipalities and boards of education are, as you see from Table 1, set higher than the one for businesses. This is because those administrative organizations assume the role of disseminating the concept that the Employment Promotion Law embodies. In reality, however, there are many government agencies that have failed to meet the quota, and their employment of persons with intellectual and developmental disabilities still has a lot of room for improvement. Requests for increased hiring by public entities that have not met the quota will fall on deaf ear of businesses. I would like prefectural as well as municipal governments to make greater efforts to employ persons with disabilities, which are likely to have some ripple effects on businesses under their jurisdictions. Through the experience of employing persons with different disabilities, such government bodies will build up support knowhow and then play an increasingly important role of disseminating such learning to other organizations.

Employment Promotion Law now Covers Wider Range of Disabilities

As mentioned earlier, the employment quota for persons with disabilities covers physical and intellectual disabilities alone. Yet, the disability handbook system and social services cover three types of disabilities including mental disorders. Further, those with mental disorders have outnumbered people with intellectual disabilities among job seekers at the Public Job Security Offices since around 2008. There has been a call to address these developments.

Against this backdrop, a meeting of the Labor

Table 2: Expanded Range of Employers to Be Covered by Quota for Persons with Disability

Employers Covered	Today	April, 2013 & Beyond
Number of Employees	56 or more	50 or more



* With the rise of employment quota from 1.8% to 2.0%, a business employing 50 people or more now has to employ at least one worker with disabilities.

Policy Council (a government council to discuss national labor policies) held in March this year adopted a policy that mandated the employment of persons with mental disorders. The bill to revise the Employment Promotion Law, a prerequisite to implement the policy, will be tabled in the current Diet session, and if approved, the policy will go into effect in April, 2018. This will mark the first expansion of the coverage of the law in 20 years since 1998, when it became compulsory to hire people with intellectual disability. (See Table 3)

With the expansion of the range of eligible disabilities, the employment quota will likely be raised, with a probable transitional period.

Since mental disorder includes developmental disabilities (the ones as specified by the Law for the Assistance to Persons with Developmental Disabilities) according to medical classification, this broadening of relevant disabilities is expected to promote the employment of those with developmental disabilities yet without intellectual ones. It will become extremely important to accumulate practices and knowhow to accommodate and assist those with developmental disabilities at workplaces, and to provide businesses all across the nation with information, so that benefits of the revision will be maximized.

Table 3: Expanded Range of Disabilities Covered by Employment Quota

	Today		April, 2018 & Beyond (Planned)
Disabilities to Be Covered	Physical & Intellectual	➔	Physical, Intellectual, and Mental Disorder (including developmental disability)