POLICY BRIEF



August 2012

CONTENT:

Chapter I.

Overview of international experience and its potential application in Uzbekistan.

Chapter II.

The factors influencing the ability of people with disabilities to gain employment.

Chapter III.

Recommendations for improving employment prospects for people with disabilities in Uzbekistan.

CONTACT US:

UNDP Representative Office in Uzbekistan Country Office

4, Shevchenko Str. Tashkent, 100029 Uzbekistan Tel.: +998 (71) 120-3450 Fax: +998 (71) 120-3485 policybrief@undp.org www.undp.uz This Policy Brief is a publication of the United Nations Development Programme (UNDP) Uzbekistan, which outlines the rationale for choosing a particular policy alternative or course of action in a current policy debate. Its target audience is policy makers, the donor community, independent analysts and other development stakeholders. The views expressed in this Policy Brief are those of the authors and do not necessarily represent those of UNDP or UNDP policies.

All rights reserved. No part of this document may be reproduced, stored in a retrieval system or transmitted, in any form or by any means without prior permission of UNDP Uzbekistan.

PROMOTING THE EMPLOYMENT OF PERSONS WITH DISABILITIES IN UZBEKISTAN: CHALLENGES AND PROSPECTS

About 650 million people, or 10% of the world's population, have some form of disability¹. Despite the fact that about 470 million of these individuals are of an employable age and have the capacity to work in either normal environments or specialised enterprises², 80% of them are unemployed. This may indicate that one of the most marginalised communities is often excluded from their society's economic, social and civic sectors. Also it may represent a hurdle to advancement of Human Development, a concept that recognises that economic growth should be inclusive, equitable, and sustainable. Considering that the inclusive growth can benefit all members of society, the assurance of social inclusion should be considered a priority, rather than something that can be postponed for better times when economic concerns have been addressed.

Official statistics shows that the number of people with disabilities in Uzbekistan is more than 780,000 where 97,000 are under 16. The disabilities are classified into three groups, namely Group I – severe disability, Group II – moderately severe disability and Group III – minor disability. 8.5% of the people with disabilities are classified as belonging to Group I, 71% - Group II and 20.5% – Group III.

The current system for the social protection of people with disabilities is undergoing reforms. The system is being changed from one which equates 'illness' and 'disability' with an 'inability to work', to one that assesses the strengths and limitations of each individual, in regards to the various activities that each person can undertake. The procedures used to identify and classify disabilities, and to likewise provide social benefits and guarantees have been similarly revised. In accordance with amendments to the Law 'On Public Pension System", adopted on the 20th of December 2010, individuals with Group III disability are considered to have equal opportunities for employment, and, therefore, no longer are eligible for a disability pension. These changes have led to the increase of the number of individuals with disabilities seeking employment. Given

¹Global Disability. Facts and Figures http://www.un.org

² Based on the estimates of the International Labour Organization (ILO) http://www.un.org

these significant changes, it is apparent that some special measures should be taken to ensure that this population group can be employed.

The economic benefits of employing people with disabilities, along with the benefits to the state, are significant. However, it is difficult to make an accurate calculation of this economic significance, as the employment of people with disabilities involves a significant number of factors that cannot be measured quantitatively or given a monetary value. The factors that can be measured quantitatively include the following. Firstly, people with disabilities who contribute to Uzbekistan's formal economy will be able to cover approximately 50% of the cost of their pensions, as paid from the extra-budgetary pension trust fund. Secondly, these individuals in some cases pay income tax and their employers contribute to the payroll taxes. Besides the economic importance of employing people with disabilities, it is also important to recognise the social benefits of their employment, both for themselves and their greater community.

Employment can result in not only financial independence, but can also lead to self-realisation, improved confidence and self-esteem, and a greater sense of contribution to society's development. The employment of people with disabilities can offer improved opportunities for communication and socialisation, while helping to overcome the unfortunate stigmas and stereotypes that exist in society.

Mr. Islam Karimov, the President of Uzbekistan, has emphasised that "given the physical capabilities of persons with disabilities, it is necessary that targeted measures be taken towards their vocational training, retraining and further employment"³.

In this regard, it is necessary to identify efficient economic and social measures to ensure that Uzbek citizens with disabilities can find gainful employment. It is also necessary to analyse the associated legal, regulatory and institutional arrangements, while ensuring that people with disabilities are employed and Uzbekistan's employment services comply with best international practices.

This study is divided into three chapters. The first chapter will follow this discussion by outlining best international experience associated with tackling issues related to the employment of persons with disabilities. The second chapter discusses the criteria used to identify the factors that determine the employability of people with disabilities, particularly those that relate to social, legal, regulatory and institutional factors. Finally, the third chapter will offer recommendations regarding how the current situation can be addressed and improved.



³ Karimov I.A. "Uzbekistan on the Way to the XXI Century". The first convocation of the 14th session of the Oliy Majlis, April 14, 1999, Volume 7, p.208

Chapter I. OVERVIEW OF INTERNATIONAL EXPERIENCE AND ITS POTENTIAL APPLICATION IN UZBEKISTAN

International practice has indicated that the effective employment of persons with disabilities can only be achieved when an integrated approach is applied with involvement of all stakeholders. These stakeholders include people with disabilities, public services, social organisations and employers. A number of measures have been proven to be effective in ensuring the employment of persons with disabilities in different countries, including:

• The implementation of anti-discrimination legislation in regards to employment;

• The allocation of job quotas;

• The employment of occupational therapy specialists, and social workers, in order to ensure that people with disabilities can find work opportunities;

• The temporary or trial employment of people with disabilities;

• The social support of both employees with disabilities and their employers;

• The active involvement of DPOs in the processes of employing people with disabilities;

• The creation of relevant social enterprises.

The Allocation of job quotas has been envisaged by the legislations of Germany, Austria, Italy, France, Spain, Japan and other countries. The size of companies required to hire a certain percentage of employees with disabilities varies from 20 to 50 employees, with quotas of 2% and 6% respectively. As previously stated, the workforces of Uzbek companies that employ 20 people or more must contain 3% of people with disabilities.

In some countries, for example in the USA and the UK, there are no enforcement measures for employers regarding the employment of people with disabilities. However there is *anti-discrimination legislation* in these nations, which require employers to create equal conditions for all job applicants and working staff. In particular, during job interviews, people with sensory impairments should have access to all the materials, technologies and arrangements they may require. Personal questions cannot be asked, and in some cases the potential employers cannot request medical certificates.

In most developed countries (Switzerland, Australia, France, Korea, Italy, and Russia), preservation of pensions regardless the employment status of persons with disabilities is an additional incentive for him/her to seek employment, as in this case people with disabilities are not afraid of losing their pensions while earning additional income. In other countries, including the USA, the UK, Germany and Norway, an individual's pension will continue to be paid during a certain period which can range from 3 months to 3 years. This rule can be adapted in accordance with a number of factors, including the success of employment, health conditions and wage levels.

The employment of occupational therapy specialists, and social workers, in order to ensure that people with disabilities can find work opportunities, is widely practiced in Western countries, Russia, Ukraine and Belarus. Occupational therapy works with a client in order to find a relevant source of employment or another similar activity. Such therapy may involve establishing skills that a client has either lost or never had, while suggesting the use of assistive devices or the adjustment of living environments. An occupational therapist, a high-qualified specialist in this field, often works towards the social adaptation and orientation of the people who have acquired disabilities in adulthood. They work to form or restore the skills needed for gainful employment. While this profession exists in many countries, there is unfortunately no certified education regarding occupational therapy in Uzbekistan. This has caused



complications during the development of the social and labour components of IPR in Uzbekistan.

Since 2006, some universities in Uzbekistan began to offer bachelor and master degrees in social work, but there is a lack of available positions for social workers even in medical and social institutions. The lack of specialists in social work and occupational therapy is one reason why there are no formal methodological and guidance documents regarding the design of the social and labour components of IPR. In Russia, Ukraine and Belarus, a period of one month is required for the formation of an IPR, and an examination is made by a social worker, occupational therapist, rehabilitation therapist or other another professional.

In accordance with the laws of most countries (USA, UK and others), the equipping and reasonable adjustment of a workplace is undertaken at the employer's expense. In many countries an employer may receive compensation from the state budget should they create more suitable jobs than is required⁴.

The temporary or trial employment of people with disabilities has proven to be useful for both employers and employees in most developed countries. Temporary or probational employment eliminates the need for long-term commitments, in cases when it is not certain if a job's requirements can be met. Due to isolation, which may be caused by home education or a life in specialised boarding schools, orphanages or nursing homes, many people with disabilities may have very limited social experience. It could be difficult for them to handle the labour discipline and official hierarchies often applied in workplaces, while establishing processes for interacting and communicating with colleagues. On the other hand, many employers have preconceived opinions regarding the employability of persons with disabilities at their enterprises. Temporary employment can help to solve this problem. Another form of support is the organisation of so-called observation practice, when a person with a disability simply watches how an employee does the work that he or she will be required to do in the future. Excursions around the enterprise are also practiced⁵. In Uzbekistan, all these forms of education are usually organised for college or university students, but many leaders of DPOs say that such opportunities are required in order to improve the employment opportunities of their members.

The social support of both employees with disabilities and their employers is considered a necessary measure in ensuring the sustainable employment of relevant individuals. This measure has taken different forms in different countries. For instance the coach of a person with a disability may be a member of a DPO who has had successful experience in a similar position and who accompanies the new employee during a certain period. The coach can also be a social worker, or a particular employee of the enterprise⁶. In accordance with the Law 'On Employment Promotion' in Japan, if a company employs five or more employees with disabilities it is then required to hire a consultant who has relevant education, and can advise and assist individuals with disabilities. A plan will be developed in order to support the employer, which can be used to identify a worker's needs and adapt their workplace accordingly⁷. In the UK, the national charitable organization 'Show Trust' attracts volunteers to carry out this work⁸. It is remarkable that 'Show Trust', being a non-governmental organisation, has received the funding needed to implement these activities from the state budget. Similar schemes operate in many other countries.

International practice shows that the *active involvement of DPOs in the process* of employing persons with disabilities is a necessary condition for the success of



⁴ http://dfgszn.kostroma.ru/index.php?option=com_content&view=article&id=104&Itemid=393; http://www.gczn.nsk.su/additional/2010-12-16-07-29-39

⁵ Perry, Debra A., EmployAbility: resource guide on disability for employers in Asia and Pacific. - Bangkok: ILO, 2007. ⁶ Employing persons with disabilities. ITC – Welcomegroup, 2008

⁷ Support for Employers Concerning Employment of Persons with Disabilities

⁸ Show Trust UK Real Changes, Real Lives: Impact Report 2008/2009. – London: Show Trust, 2010

such a process. The advantages of these organisations include their high motivation, their thorough understanding of the issues that need addressing, and their trust in beneficiaries. These organisations also offer the peer-to-peer sharing of beneficial experience, along with greater flexibility and a wider range of approaches. The UK charity organisation 'Show Trust' is an excellent example of a civil society organisation which offers to employ people with disabilities. The organisation is the nation's largest provider of such services, and currently supports more than 160,000 people. By using the principle that 'money follows the client', an often-used concept in the UK's social protection field, the organisation regularly wins state tenders for the provision of its services. 'Show Trust' supports people with disabilities during all stages of their employment. It also offers confidential counselling regarding social security, vocational guidance, the identification of training needs, professional training, internships, financial support, support for employers and employees, and workplace adjustment⁹.

Uzbekistan also has such experience. Within the framework of the abovementioned project 'ACCESS', the DPOs including 'Millennium', 'Opa-Singillar', the Association of Business Women with Disabilities of Uzbekistan and the Yunusobod Disabled People Society actively engaged in employment of people with disabilities without any additional financial support. As a result of these initiatives the organisations have assisted in the employment of 203 people, whereas the same number of person employed through the four employment services has totalled to 218. Meanwhile, the employment services have had access to the administrative tools and information resources required for successful employment, while receiving necessary public funding and salaries. Both the employment services and the DPOs have received technical support for their initiatives. Should DPOs receive financial assistance to conduct these activities, it is possible that they could achieve significant results. Meanwhile the provision of public grants to NGOs will not only provide addition support to employment services, but it will also significantly improve performance in this area. This will in turn create new jobs for NGO members.

The creation of relevant social enterprises for people with disabilities, who may not be able to find employment directly on the job market¹⁰, is another method which may be used to find employment for this category of citizens. A number of social enterprises have offered permanent employment for persons with disabilities, while others have provided vocational training and social rehabilitation before introducing these individuals to the job market. Most European and Asian countries have witnessed the broad introduction of social enterprises, but the term 'social enterprise' is yet to appear in Uzbekistan's legislation.

Five pilot social enterprises were established within the framework of the joint project 'ACCESS' in 2010, each offering jobs to people with severe disabilities. Part of the profits from these enterprises has been directed to various social projects, including financial assistance and vocational training for people with disabilities.



9 www.shaw-ttust.org.uk

¹⁰ Social enterprise: a new model of reducing poverty and increasing employment, - The Regional Bureau of UNDP for Europe and CIS, 2008.

Chapter II. THE FACTORS INFLUENCING THE ABILITY OF PEOPLE WITH DISABILITIES TO GAIN EMPLOYMENT

2.1 Public Opinion, Beliefs and Values

In order to identify social attitudes towards people with disabilities, a study has been carried out in Tashkent, Samarkand and Shakhrisabz cities. The study included five focus groups, which comprised of representatives of public, state and non-state organisations involved in social protection. The study also involved 17 in-depth interviews and the content analysis of 175 newspaper articles. A total of 160 people participated in the study.

The results show that a biased attitude towards persons with disabilities represents a major obstacle in their search to find gainful employment. The following negative stereotypes have been identified:

• A perception that a son or daughter with a disability may contribute to a family's lower social status;

• A pitying attitude, and an underestimation of a disabled person's potential and capabilities;

• The 'medical' myths and perceptions that equate 'disability' with 'sicknesses', meaning a disabled person is in constant need of special conditions and treatment.

There is an unfortunate perception that a person with a disability may lower social status of the family. This may result in a situation where some families prefer to hide a child with a disability. Because of this attitude, many children with disabilities are excluded from attaining vocational education and entering the workforce. There is also a belief that a 'respectable' family would have enough money to support 'a sick person', and therefore will never 'force' him or her to work. These perceptions reduce chances of finding employment for people with disabilities.

The pitying attitude and the underestimation of the potential of people with disabilities may make the individual inactive and dependent. Their family may hesitate to invest in his or her education and employment.

The 'Medical' myth and perception that a person with a disability is a 'sick' person, and is therefore in constant need of special approaches, conditions and treatment, severely hinders the employment prospects of people with disability. Indeed, statistics has shown that this myth is incorrect. Employees with disabilities are less likely to take sick leaves then the rest of other work force, and their attendance rates are relatively higher¹¹. Moreover, 73% of employees with disabilities do not require any special conditions, and they are also less likely to quit their jobs. This latter fact can reduce the high costs associated with frequent staff turnover¹².

2.2. Legal and regulatory frameworks and institutional arrangements

Employment procedure for persons with disabilities

The Law 'On Social Protection of Persons with Disabilities' guarantees the right of a person with disabilities to work:

Article 24: 'A disabled person is entitled to work at organisations with common

¹¹ Employing persons with disabilities. ITC – Welcomegroup, 2008; Zadec and Scott Parker (2001) UK Disability Employers Forum (EDF), Business Link http://www.businesslink.gov.uk/404.html; Fast Forward (UK employers' organization) http://www.businesslink.gov.uk/404.html

¹² Global disability. Facts and Figures Source: http://www.un.org.

P.Andrew and B.Contento, CARF International Barriers to employing persons with disabilities: Three common misconceptions http://www.newsweekshowcase.com/health/articles/Barriers-to-employing-persons

The following are examples of quotations received from focus groups participants. These focus groups, conducted in Uzbekistan in 2008, were held within a joint initiative of the Ministry of Labour and Social Protection of Population and the UNDP initiative 'ACCESS: Accessibility, Civic Consciousness, Employment and Social Support for persons with disabilities.'

"We often meet a woman who hides the fact that her son has a form of a disability. This is because they think that if there is a disabled person in the family, it will affect the other children and make it difficult for them to get married."

"Many people with disabilities do not apply for a pension just because disability is considered a shame. Families think, 'What do I tell my neighbours?', or 'What will my neighbours say about me?'

"It is a shame for the family. That is why parents do not show their daughter to anyone, because neighbours would point fingers at her. People would whisper that maybe her parents are also sick."

"There is a disabled woman (with short arms) in our community. She always dreamt of working with children, so she came to a kindergarten. The director of that kindergarten was a loyal woman and hired her. However, she was fired the very next day because the other employees refused to work with her. They believed that by looking at her, they risked giving birth to a child with the same type of disability."



working conditions, at specialised factories, workshops and sites which employ persons with disabilities, and by organising self-employment or other activities that are not prohibited by Law.

Denial of signing the employment contract with a disabled person, denial in his/ her career promotion, or termination of the employment contract by the employer, or transfer of person with disability to another job without his/her consent, on the basis of his/her disability, are not allowed. The exception is the case when the decision of a medical and social expert commission determines that his/her health condition does not enable the person to carry out his/her professional duties, or threatens the health and safety of the person or other people. After recovering his/her working abilities, a person with a disability has the right to resume work at the former place of employment or to get an equivalent job'. People with disabilities can be registered by the Employment Service as job seekers only if The Medical and Social Expert Commission under the Ministry of Finance, known for its Russian abbreviation as VTEK has provided a positive reference regarding their capacity to work¹³.

VTEK has been tasked with determining each individual's limitations in terms of their ability to work. After an examination, each individual's limitations are divided into groups I, II and III. A person with a disability may be assigned a status, even if no limitation in the ability to work has been noted. VTEK must also develop an Individual Program of Rehabilitation (IPR) for a person with disability. This program may include recommendations and conclusions regarding an individual's possible employment, specifying the types of work activities that the person is capable of undertaking, along with their training or retraining needs. The VTEK decision is mandatory for the management of enterprises, institutions, organizations and public associations¹⁴.

There are no adopted standards of employment recommendations, nor is there any formally-approved methodology regarding the development of such standards. Besides, according to the approved IPR standard form, the requirements of the Labour Code of the Republic of Uzbekistan in regards to part-time work, reduced workloads and other items have not been fully provided¹⁵. It is not clear exactly how the VTEK experts determine the appropriateness of jobs, or recommend work conditions, in addition to other vital matters. Moreover, almost all of the VTEK experts have only medical backgrounds¹⁶, which potentially complicates the assessment of other social and economic factors when making a decision. In accordance with existing legislation it is possible for VTEK to employ experts on social and professional rehabilitation, but in practice this possibility is almost never exercised.

The procedures used to determine an individual's limitations, in regards to their work capacities, have also lead to some challenges. For example, a person with Group I disability may not be able to find a job, because his or her IPR does not include any recommendations regarding their employment or vocational rehabilitation. Hence, in accordance with the abovementioned law, a business owner should refuse to employ the person.

The process of employment through the Center for Employment Assistance and Social Protection of Population, referred to hereafter as the Employment Service, can

Case study

A young woman with cerebral palsy and speech disorder lives in Samarkand. Despite being a certified computer operator, she could not find a job for six years.

Finally, with assistance from the Municipal Employment Centre, she managed to find a job.

A business owner, with strong religious morals, was informed that the applicant required employment for not only financial but also for social reasons.

While he hired the woman and offered her a regular wage, he forbade her from using the computer saying that she might 'damage it'.

She is unoccupied at work, but hopes that she will eventually be given a proper task.



¹³ Regulation on the registration of citizens in the employment bodies, their employment, assignment and payment of the unemployment benefits, was registered with the Ministry of Justice of the Republic of Uzbekistan 13.10.1999, N 831).

¹⁴ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On Approval of the Individual Program of Rehabilitation of Persons with disabilities" as of March 18, 2009, No.75, paragraph 2, subparagraphs 5, 6, 7., Resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On Measures to Improve the Structure of Management and Organization of Medical-and-Social Examination Service" as of August 8, 2008, No.175 - Annex 3, paragraph 12., The Law "On Social Protection of Persons with disabilities in the Republic of Uzbekistan" (new edition) as of July 11, 2008, No.ISG-162., Articles 14-23., The Law "On Health Protection of the Citizens of the Republic of Uzbekistan" as of August 29, 1996 No.266-ISG-1, Article 37

 $^{^{\}rm 15}$ Labour Code of the Republic of Uzbekistan, as of December 21, 1995, Article 220

¹⁶ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On Measures to Improve the Structure of Management and Organization of Medical-and-Social Examination Service" as of August 8, 2008, No.175 - Annex 2, paragraph 24

also be quite problematic.

If a person disagrees with VTEK's resolution regarding their capacity to work, he or she can make an appeal through VTEK's higher authorities and through the nation's courts. However, appealing an individual's degree of limitation regarding their capacity to work is a very difficult procedure¹⁷.

A person who requests the VTEK re-consider their ability to work within specified disability group also runs into the risk that his/her disability group may also be revised. The VTEK members also fear that they may be accused of "embezzling the state budget". This also causes a concern that people with disabilities may lose their pensions, either due to their removal from a disability group or the detection that they are capable of working. This situation reduces the incentive to actively seek employment in the formal labour market for people with disabilities and push them towards informal employment. This problem has been identified as the most 'acute' by all study respondents, including people with disabilities themselves.

Thus, the requirements for the employment of a person with disability, in accordance with the VTEK' conclusions and employment recommendations, often reduces the likelihood of their employment. In connection with the preceding argument, it is necessary that the standards and rules regarding the determination of limitations of capacities, employment recommendations, as well as IPRs.

State guarantees regarding the employment of persons with disabilities

The Uzbek legislature provides necessary guarantees for the employment of different social groups, including persons with disabilities. Article 58 of the Labour Code and Article 6 of the Law 'On Employment of Citizens' provides the following general guarantees regarding employment for all groups of population:

- The freedom to choose between different types of employment, including jobs with different working conditions;
- The protection against the illegal denial of the initiation and/or termination of employment contracts;
- The provision of free assistance in finding suitable work and employment;
- The assurance of universal access to vocational training and jobs, along with the guarantee of equal working conditions and employment.
- The guarantee of remuneration and career development.
- The establishment of an Employment Service¹⁸;
- The provision of support to small businesses and entrepreneurs through the provision of soft loans and tax incentives¹⁹;
- The development of home-based employment, by releasing home-based companies from the single social tax²⁰;

¹⁸ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated May 8, 2007, # 95 - «On Measures to Implement Resolution of the President of the Republic of Uzbekistan dated April 6, 2007, # PP-616 - on measures to increase employment and improve the activities of labor and social protection of the population»

¹⁹ Resolution of the Board of the Central Bank of Uzbekistan, Ministry of Finance of the Republic of Uzbekistan, Ministry of Labour and Social Affairs of the Republic of Uzbekistan as of 2 May 2006, No.1567 "On Approval of Loan Issue Procedure of Soft Targeted Micro Credits Provided by Commercial Banks to the Individual Households and Dehkan Farms for Livestock Farming from the State Employment Promotion Fund., Resolution of the Board of the Central Bank of Uzbekistan, Ministry of Finance of the Republic of Uzbekistan "On Introducing the Amendments and Additions to the Regulations on Loan Issue Procedure of Micro Credits Provided by Commercial Banks to Small Business Enterprises through Credit Lines and Extra-Budgetary Funds and Tadbirkorbank", registered with the Ministry of Justice of the Republic of Uzbekistan on August 8, 2006, No.1548-1

²⁰ The Decree of the President of the Republic of Uzbekistan as of January 5, 2006, No.UP-3706 "On Measures to Stimulate the Expansion of Cooperation between Large Industrial Enterprises and Service Sector on the basis of Out-



¹⁷ The Law of the Republic of Uzbekistan "On providing State Pensions to the citizens» dated September 3, 1993, articles # 17, 18, 2629. The law of the Republic of Uzbekistan «On introduction of changes and amendments to the Law On providing State Pensions to the citizens» and the Labor Code of the Republic of Uzbekistan dated December 22, 2010.

• The regular conduction of job fairs²¹.

Additional governmental measures undertaken to promote the employment of persons with disabilities have included the following:

- Special job quotas, which require that people with disabilities make up at least 3% of any company workforce exceeding 20 people²²;
- 2. Profit tax exemptions for companies that are owned by associations of disabled people, with a workforce that contains at least 50% of people with disabilities. This rule requires that the companies are not engaged in trading and intermediary activities²³.
- 3. Preferential taxation with a 4.7% single social (payroll) tax for persons with disabilities. This applies in particular to individuals who work at specialised workshops, sites and enterprises. The single social tax rate for all other employees is set at 24.8%²⁴;
- 4. Profit tax exemptions for companies (enterprises) at the rate of 1% per each per cent in excess of the 3% job quota rate for people with disabilities²⁵;
- 5. The supplying of preferentials from the credit portfolio of the State Employment Fund²⁶;
- 6. Establishment of specialised vocational colleges designed to train persons with disabilities.

Job quota placements

In 2010, 18,555 jobs have been advertised to people with disabilities in Uzbekistan through job quotas. Some 7559 people have been employed in these jobs²⁷.

The number of persons with disabilities employed through job quotas in 2008 - 2010²⁸

Table 1

	2008	2009	2010	2011
Total persons with disabilities	2032	6200	7559	8700
Proportion of women	893	2755	3356	

Work".

²² The Law "On Social Protection of Persons with Disabilities in the Republic of Uzbekistan" (new edition) as of 11
July 2008., Resolution of the Cabinet of Ministers as of August 20, 2008, No.186 "On Approval of Regulations on
Reservations of Jobs for Vulnerable People in Need of Social Protection and Assistance in Employment."
²³ Tax Code of the Republic of Uzbekistan as of December 25, 2007, No.136-ISG St.158 Benefits

²⁴ Resolution of the President of the Republic of Uzbekistan as of December 24, 2010, PP-1449 "On Forecast of Key Macroeconomic Indicators and Parameters of the State Budget of the Republic of Uzbekistan for 2011", Annex 25 ²⁵ Ibid

²⁶ Resolution of the Board of the Central Bank of Uzbekistan, Ministry of Finance of the Republic of Uzbekistan "On Introducing the Amendments and Additions to the Regulations on Loan Issue Procedure of Micro Credits Provided by Commercial Banks to Small Business Enterprises through Credit Lines and Extra-Budgetary Funds and Tadbirkorbank", registered with the Ministry of Justice of the Republic of Uzbekistan on August 8, 2006, No.1548-1, Section IV, paragraph 28

²⁷ S. Z. Saidov - «International law and public policy of the Republic of Uzbekistan in the field of disability», Manual of the republican conference on «Implementation of the UN Convention on the Rights of Persons with Disabilities: foreign and national experience» dated July 23, 2010, pages 7-10.

²⁸ Statistical reporting data from the Ministry of Labour and Social Protection of Population



²¹ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan as of May 18, 2001, No.223 "On Establishment of the Centers of Temporary (One-Time Job) Employment"., The Order of the Ministry of Labour and Social Protection of Population of RUz as of October 18, 2001, No.144 "On Conducting the Vacancy Fairs and Improving the Efficiency of the Centres of Temporary Employment"

Quota jobs must be created at the expense of an employer, and must be certified²⁹. This means that in addition to the costs associated with creating a job, the employer should also bear the costs of the job's certification. Moreover, an employee with a disability has the right to shorter working hours and longer holidays for the same wage, which also results in additional costs for the employer³⁰. Employers often consider the creation of special job places for persons with disabilities as disadvantageous and undesirable. Therefore, in order to ensure that job quotas are implemented, the government has enforced a system of penalties.

Those enterprises, institutions and organisations that do not fulfil the requirements regarding the establishment of a minimum number of job places for persons with disabilities are fined for each job that has not been established. This fine totals to the average annual wage of an employee of the company, institution or organisation in question³¹. These fines are imposed in the courts. Employment services work to monitor the execution of local government decisions regarding the allocation of quota job places for persons with disabilities³².

The fines collected in this process are then transferred to the State Employment Promotion Fund, and are used to create jobs for persons with disabilities. The funds are also lent to enterprises, institutions and organisations that employ persons with disabilities, and to organisations that offer vocational training and retraining for people with disabilities³³. The Employment Promotion Fund also partially covers the funding of enterprises with the purpose of creating specialised jobs so that people with disabilities may be employed³⁴³⁵. However, there are no clear mechanisms that may be employed by organisations and companies to receive monetary support from the Employment Promotion Fund. In addition, there is no formally-approved statistical report that outlines how funds have been allocated to the creation of specialised work places for persons with disabilities.

The range of job quotas has been created to companies included in lists approved by an annual decision of the local governor or Khokim. IPR parameters should be taken into account during the development of a proposal regarding the reservation of jobs for persons with disabilities. This means that based on IPR provided by VTEK, a forecast should be made regarding what kind of jobs will be requested by persons with disabilities who want to be employed on the basis of VTEK employment recommendations.

However, the requirement that IPR parameters should be taken into account when job quotas are determined are rarely met in practice. This means that offered jobs are often those requiring minimal professional qualifications and low pay. This means that the potential coverage of people with disabilities is limited to those who lack qualifications and are willing to work for the minimum wage. Table 2 shows average wages of people with disabilities who work.

³⁵ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan Resolution of the Cabinet of Ministers "On Approval of Regulations on the Jobs Reservation for People in Need ¢of Social Protection and having Difficulties in Finding Work", as of August 20, 2008 № 186,, Annex 1 S.2, subparagraph.5.



²⁹ Resolution of the Cabinet of Ministers "On Approval of Regulations on Jobs Reservation for People in Need of Social Protection and having Difficulties in Finding Work", as of August 20, 2008, No.186, pp.6

³⁰ Article 220 of the Labour Code; Resolution of the Cabinet of Ministers No. 60 "On Approval of Compensation of Harm Caused to Workers through Injury, Occupational Diseases or Other Health Impairment Related to the

Performance of their Employment Duties", Resolution of the Cabinet of Ministers as of February 1, 1994, No. 48 "On Measures on Improvement of Organizational Structure and Activities of Regional Health Care Institutions"

³¹ The Law "On Social Protection of Persons with Disabilities in the Republic of Uzbekistan" (new edition) as of July 11, 2008, No., ISG-162., Article 25 The Resolution of Cabinet of Ministers of the Republic of Uzbekistan "On Ratification of the Procedure of Imposing Financial Sanctions on Organizations for Violations of Legislation on Employment and Social Protection of Persons with Disabilities, as well as Suspension of Organizations' Activities for Violation of Legislation on Labour Protection" as of January 5, 2011, No. 1

³² Resolution of the Cabinet of Ministers "On Approval of Regulations on Jobs Reservation for People in Need of Social Protection and having Difficulties in Finding Work", as of August 20, 2008, No.186, paragraph 17.

³³ The Law "On Social Protection of Persons with Disabilities in the Republic of Uzbekistan" (new edition) as of July 11, 2008, No ISG-162 Article 25

³⁴ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On Approval of Provisions on the Procedure of Formation and Consumption of Means of the State Employment Promotion Fund of the Republic of Uzbekistan" as of April 2, 2003, № 173, Annex 1, paragraph 11.

The average wage of persons with disabilities contributing to the formal economy from 2008 to 2010³⁶

Table 2 (as of January 1 of the reporting year in UZS)

	2008	2009	2010			
Wages	105518.66	198518.65	265786.67			
Including: I group	98305	184936	248533			
II group	105478	198445	266687			
III group	112773	212175	285140			

Despite the considerable growth of wages of persons with disabilities, in 2010 the average monthly wages for this group of employees amounted to 265,800 Soums. This is less than half of the nation's average monthly wage, 476,400 Soums per worker³⁷.

Among the most positive governmental measures taken to promote the employment of persons with disabilities are the tax benefits introduced for specialized enterprises, specifically those established by the Disabled People Organizations (DPOs). These benefits include exemption from the profit tax, and reduced single social tax. The tax benefits provided to these enterprises are very important in the promotion of their activities. Table 3 shows that these enterprises provide unique opportunities for people with severe physical, sensory and/or mental disorders.

The employment of persons with disabilities in enterprises owned by DPOs

Table	3
-------	---

Name	Number of affiliations (sister agencies)			Number of employees		Number of employees with disabilities		Number of employees without disabilities			% of employees with disabilities out of total employees number				
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
'Millennium' NGO	1	2	4	2	6	20	1	3	8	1	3	12	50%	50%	40%
Uzbek Association of the Blind people	66	66	66	2122	2165	2269	1451	1440	1535	671	725	734	68%	66%	68%
UzOI	124	115	90	622	610	598	306	290	285	316	320	313	49%	48%	48%
Uzbek Association of the Deaf people	11	11	11	513	479	473	349	332	324	164	147	149	68%	69%	68%
'Yoruglik' NGO	15	16	18	70	140	210	35	70	110	32	70	100	50%	50%	52%
National Association of Business Women with Disabilities			13	-	-	101			101			0	-		100%
Yunusabad UzOI DEPT			1			2			2			0			100%
Total	217	208	203	3329	3400	3673	2142	2135	2365	1187	1265	1308	64.8%	62.8%	64.4%

Table 3 indicates that the number of people with disabilities employed in factories owned by the public associations of disabled persons was 2365 people in 2010. This represents about 7% of all persons with disabilities who contribute to the country's formal economy.

It should be noted that data contained in the table represents that of the most prominent social organisations, meaning that the number of employees at these enterprises is actually much higher. The active engagement of DPOs in employment processes is a key prerequisite for this area's further improvement.

While the measures implemented by the Government in this direction should be acknowledged, there is still a need for government support regarding the procurement of raw materials for these companies. Therefore, the previous edition of the Law 'On Social Protection of Persons with Disabilities' stated: "The public organisations of disabled persons, their structural departments and units enjoy the priority right to receive the <u>premises</u>, *purchase the raw materials* and production and technical equipment and ³⁶ Data based on the survey of persons with disabilities employed in the real sector of economy with a random sample of

are entitled to preferential financing and crediting⁷⁷³⁸. Based on this provision, the Association of the Deaf had a quota to purchase Nefras mined in the country before the adoption of the law's new edition. These enterprises were also able to convert currencies and acquire raw materials from abroad. This provision has been excluded from the law's new edition, meaning companies are now required to purchase raw materials through the country's open exchange. However, because the DPO-affiliated enterprises are not able to compete with private businesses, as they direct most of their income to support social programs conducted within their organisations. Consequently, after adopting a new edition of the law in 2008, the number of Uzbekistan's affiliated enterprises has decreased by 7%.

There is a need to conduct a more thorough study in order to identify the socioeconomic effectiveness of social programs implemented by DPOs, including their affiliated enterprises. It can be noted that affiliated enterprises are usually classified as social enterprises. If these programs are efficient, legislative proposals to provide social enterprises with various incentives can be proposed. These incentives could include priority rights in regards to the allocation of premises, the purchase of raw materials, production and technical equipment, and preferential treatment in regards to financing and lending.

It is essential that the socio-economic performance of social enterprises is thoroughly analysed, so that proposals for their further development can be formulated.

Tax incentives remain the effective means to encourage employers to hire workers with disabilities. The current legislature stipulates that corporate profit tax to be reduced by 1% for each additional percentage of people with disabilities employed by a company who have already met the 3% job quota. Many Uzbek businesses already enjoy these tax benefits, including the 'Darakchi' newspaper that hires visually impaired people, the Tashkent Paintwork Factory, and the 'Orthopaedics Industry' LLC. Between 30 and 50% of workers in these enterprises are PWDs. In order to increase the number of such cooperative enterprises, their success stories need to be popularized in the mass media.

Creation of specialized vocational colleges for persons with disabilities

A compulsory twelve-year education undoubtedly ensures each individual's right to education. In order to increase accessibility of the vocational education for young people with disabilities, four specialised colleges are currently operating in Uzbekistan. These colleges provide training for a number of industries, including the modelling and manufacturing of garments, the repair and maintenance of radio and TV equipment, the operation of shoe-making businesses and the production of knitted garments. They also offer courses on accounting and audit, along with IT training. More than 1,500 girls and boys are enrolled in these colleges³⁹. For most students the colleges represent their only opportunity to receive vocational training.

While the availability of these specialised institutions are undeniably beneficial, they should not hinder young people with disabilities from attending mainstream high schools and colleges. In some cases, the applications submitted to the mainstream vocational schools by individuals with disabilities are not accepted. This denial is often justified by the existence of the special colleges. It is therefore important that the rights of people with disabilities are understood and enforced by both the general

³⁹ Status and Further Development Efforts to Provide Young People with Disabilities with Qualified Vocational Education. // "Implementation of UN Convention on the Rights of Persons with Disabilities: International and National Experience", Proceedings of the National Conference as of July 23, 2010, Tashkent, Ministry of Labour and Social Protection of Population, United Nations Development Programme in Uzbekistan. p. 42



³⁸ The Law "On Social Protection of Persons with Disabilities in the Republic of Uzbekistan" (new edition) as of November 18, 1991, № 422-ISG-XII, Article 40

public and the persons with disabilities themselves.

The teaching of students with hearing impairments at institutions of higher education is still highly problematic. A sign language translation service is not provided to studentsю

In regards to the accessibility of vocational education, it should be noted that institutions of higher education may be difficult or impossible to access for young people with disabilities, in particular those who use wheelchairs. Institution buildings are often not designed to wheelchair accessible, containing stairs without banisters, high footsteps, inaccessible restrooms and floors of slippery marble. There is also a lack of ramps in most buildings. There is also a lack of accessible public transport. These restrictive environments are in direct contradiction to Uzbekistan's current legislation, considered to be one of the world's most progressive, which requires public and private organisations to offer complete physical accessibility for people with disabilities.

It is commendable that the accessibility problems are being addressed. A bylaw, adopted in January 2011, has explained procedures for imposing liabilities in response to violations of the Law 'On Social Protection of Persons with Disabilities in the Republic of Uzbekistan⁴⁰. It is important to note that the involvement of civil society organisations in the monitoring of accessibility standards is necessary.



⁴⁰ The Resolution of Cabinet of Ministers "On Ratification of the Procedure of Imposing Financial Sanctions on Organizations for Violations of Legislation on Employment and Social Protection of Persons with Disabilities, as well as Suspension of Organizations' Activities for Violation of Legislation on Labor Protection" as of January 5, 2011, No.1

Chapter III. RECOMMENDATIONS FOR IMPROVING EMPLOYMENT PROSPECTS FOR PEOPLE WITH DISABILITIES IN UZBEKISTAN

After analysing the existing system for the employment of persons with disabilities in Uzbekistan, a number of factors that influence the success of this system have been identified. International experience in finding solutions to the problems associated with finding employment for people with disabilities have also been considered.

As a result of this research, three conceptual areas of social policy development have been identified:

• The promotion of the social inclusion of people with disabilities;

• The improvement of the quality of employment and professional rehabilitation services;

• The engagement of NGOs in solving the issue of employing persons with disabilities.

In order to promote the social inclusion of persons with disabilities, the following actions are necessary:

• The organisation of regular awareness raising campaigns, designed to promote positive public attitudes towards people with disabilities and to overcome the stereotypes that hinder their employment prospects;

• The continuation of efforts to ensure accessibility in the public and private spheres, while encouraging DPOs to monitor this accessibility;

• The implementation of special package programs to ensure access not only to specialized vocational colleges for boys and girls with disabilities, but also to mainstream education.

In order to improve the quality of employment and professional rehabilitation services, the following actions are recommended:

• The development and implementation of formal standards regarding service delivery in the employment sector⁴¹;

• The development and implementation of methodologies and standards used to determine limitations of work capabilities, and to offer employment recommendations;

• The establishment of bachelor degree on occupational therapy in the country;

• The creation of employment opportunities for graduates with bachelor and master degrees in social work;

• Ensuring that job quotas for people with disabilities will be allocated, taking into account the forecasts compiled on the basis of VTEK reports, by number and type of required specialties;

The enhancement of work in the area of home-based employment;

In order to encourage NGOs to find solutions in regards to the problem of employing people with disabilities, it is reasonable that actions should be undertaken in the following areas.

• The improvement of civil society organisations and NGOs as service providers for person with disabilities. In particular, these organisations should be able to provide confidential counselling in regards to social security, vocational guidance, the identification of training needs, professional training, internships, financial support, support for employers and employees, and workplace adjustment;

⁴¹ Australian Government, Department of Families, Housing, Community Services and Indigenous Affairs Disability Service Standards, 2010.

• The further development of social enterprises, including legislative proposals to provide benefits such as priority rights to obtaining premises and purchasing raw materials, technical equipment, and preferential financing and lending.

At present the system of social protection and employment of persons with disabilities in the country is undergoing active reforming. However, it is impossible to achieve full success in these reforms and make them truly effective without the active participation of the disabled persons themselves, DPOs and other civil society organisations in that process.





UNDP is the UN's global development network, advocating for change and connecting ountries to knowledge, experience and resources to help people build a better life. We are on the ground in 166 countries, working with them on their own solutions to global and national development challenges. As they develop local capacity, they draw on the people of UNDPand our wide range of partners.