

REPORT

for the period 1 June 2010 to 31 May 2015, made by the **Government of Finland**, in accordance with article 22 of the Constitution of the International Labour Organisation, on the measures taken to give effect to the provisions of the

Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983, No. 159

ratification of which was registered on 24 April 1985.

I Legislation and regulations

- Act on public employment and business service (916/2012), effective 1.1.2013
- Act on public employment and business service (1366/2014); amended, effective 1.1.2015

Abeyance of disability pensions

Act on Promoting the Return to Work of Persons on Disability Pension (738/2009)

Amendment enters into force on 1.1.2014

The alleviation of vocational rehabilitation

Act on the Social Insurance Institution of Finland's Rehabilitation Services and Rehabilitation Allowances (566/2005)

Amendment enters into force on 1.1.2014

Removing links between the disability benefits and medical rehabilitation of the severely disabled.

Act on the Social Insurance Institution of Finland's Rehabilitation Services and Rehabilitation Allowances (566/2005)

Amendment enters into force on 1.1.2016

Extension of partial sickness allowance period

Health Insurance Act (1224/2004)

Amendment enters into force on 1.1.2014

Right to study during a sickness allowance period

Health Insurance Act (1224/2005)

Amendment enters into force on 1.1.2015

A more detailed investigation of the rehabilitation opportunities

Employees Pensions Acts and National Pensions Act

Amendment enters into force on 1.1.2015

Partial rehabilitation allowance according to the National Pensions Act

National Pensions Act (568/2007)

Amendment enters into force on 1.10.2015

- Act on multi-sectoral joint services promoting employment (1369/2014)
- Government decree on the implementation of Nordic Convention on Social Security and on

- the entry into force of the act on the implementation of the Convention (55/2014)
- Act amending sections 6 and 7 of the Act on the Social Insurance Institution of Finland's Rehabilitation Services and Rehabilitation Allowances (973/2013)

II.

Part I. Definition and scope

Article 1

Act on Public Employment and Business Service (916/2012), entered into force on 1.1.2013, repealed the Act on the Public Employment Service (1295/2002)
<http://www.finlex.fi/en/laki/kaannokset/2012/20120916>.

The act reformed the range of services and removed the definitions of a person entitled to vocational rehabilitation and vocational rehabilitation services. According to the act, all services are available to all customers. The guidelines issued by the Ministry of Employment and the Economy clarifying the act (TEM/1198/03.01.02/2013) define that these services can be offered for the purpose of vocational rehabilitation in cases when a disability or an illness that has been properly diagnosed by a physician hinders the customer's possibility to find employment, retain a job or advance in the job. This way only those services that are offered because of a disability or an illness are considered to be vocational rehabilitation. Services can be offered to a person with a disability or an illness also for other reasons (for example duration of unemployment or lack of skills).

In the new Act, a disability or an illness have been taken into consideration in the regulations concerning wage subsidy and subsidy for arranging working conditions. As to the wage subsidy, Chapter 7, Section 1 of the Act defines that a requirement for granting a wage subsidy should be that the productivity of the person to be employed on the subsidy is estimated to be lower in the task offered because of deficiencies in competence and vocational skills, duration of unemployment, disability or illness, or another reason. In the same Act, Chapter 7, Section 5, it is specified that the wage subsidy is granted to an employer engaged in business activities in accordance with Commission Regulation (EC) No 800/2008, declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty (General block exemption Regulation), if the person employed through the subsidy has for example a disability or an illness that makes employment difficult.

The provisions on wage subsidy were specified as to the target group with an amendment that entered into force on 1.1.2015 (1366/2014) in such a way that granting the subsidy on the basis of a disability or an illness requires that the disability or illness substantially and permanently or in a permanent manner lowers the productivity in the task offered (Chapter 7, Section 6). It should be noted that wage subsidy can be granted to an employer who contracts a person with partial working capacity, also due to duration of unemployment, when the disability or illness do not lower the productivity in the task offered.

As to the subsidy for arranging work conditions, the target group (Chapter 10, Section 3) is defined in such a way that the employment and economic development office may grant a subsidy for arranging working conditions to an employer if a disability or illness of a person hired for work or employed at work requires the acquisition of tools or modifications to be carried out at the workplace, and the costs incurred by the employer from acquisition or modification are considered significant with regard to the employer's financial situation.

Article 1 (1)

A definition for a person with a reduced working capacity has been expanded in vocational rehabilitation services organised by the Social Insurance Institution. The Social Insurance Institution's conditions for granting vocational rehabilitation have been amended by an Act amending sections 6 and 7 of the Act on the Social Insurance Institution of Finland's Rehabilitation Services and Rehabilitation Allowances (973/2013) that entered into force on 1.1.2014. The new conditions for granting are less severe, enable earlier beginning of the rehabilitation and take the person's overall situation better into account. Earlier a person was deemed to have a reduced working capacity if they had an illness, problem or disability that likely causes a threat of work disability. Since the threat of work disability condition was not able to ensure the vocational rehabilitation especially for the young people, there was a need to modify the conditions.

The amendment of 2014 included the diminution of the ability to study to be one of the reasons to begin the vocational rehabilitation by the Social Insurance Institution. On the basis of this, a person's ability to study is examined in the stages of study progression, study qualification and study completion.

When evaluating partial disability, in addition to an illness or disability, also the person's overall situation is taken into consideration as defined in the amendment that entered into force on 1.1.2014. The following amendment has been made to the Section 6 of the Act on the Social Insurance Institution of Finland's Rehabilitation Services and Rehabilitation Allowances: When evaluating the substantial diminution of the ability to work or study and of the capability to earn a living, the overall situation of the insured person is taken into consideration. In addition to an illness, defect or injury, also other factors have an effect on the insured person's ability to work or study and capability to earn a living. These include the insured person's physical, psychological and social functional capacity, life situation, economic and social conditions, accommodation, formal training, previous activities, age and other similar factors. The evaluation also takes into consideration the insured person's ability to acquire earnings by means of available work that the employee can reasonably be expected to do.

The number of people receiving Social Insurance Institution's vocational rehabilitation between 2011-2014.

Date	The legal basis for the rehabilitation	Recipients
2014	Vocational rehabilitation of persons with reduced working capacity	15178
2013	Vocational rehabilitation of persons with reduced working capacity	13385
2012	Vocational rehabilitation of persons with reduced working capacity	13441
2011	Vocational rehabilitation of persons with reduced working capacity	13389

Article 2

The Public Employment and Business Services are based on principles of normalisation and inclusion that emphasise the right of all the people with disabilities to public services open to all,

instead of being placed in their own, separate service systems. Also the premise of different "special services" is their subsidiarity compared to general services. For example, according to the Section 7, Subsection 1 of the Disabled Act (380/1987), a municipality must ensure that the general services of the municipality are also suitable for people with disabilities, and, according to the Section 27d, Subsection 2 of the Social Welfare Act (710/1982), activities supporting the access of people with disabilities to employment are organized for persons who are in need of supportive measures in addition to the services and measures of the labour administration in order to find employment on the open labour market.

As to employment services, the principles of inclusion and normalisation have been implemented in Finland in such a way that the same services are available to everyone, but the content of the services can be tailored and that way the customer's special needs for support for employment can be taken into consideration. The subsidy for arranging working conditions is the only TE office subsidy meant solely for those with partial working ability.

A reference provision to the Act on Public Employment and Business Service was removed from the Section 6 of Act on the Social Insurance Institution of Finland's Rehabilitation Services and Rehabilitation Allowances (566/2005). With this removal, the Social Security Institute has the primary responsibility to arrange vocational rehabilitation relative to the employment services.

The Act on multi-sectoral joint services promoting employment (1369/2014) will enter fully into force on 1.1.2016, and it will promote for example the streaming of the unemployed with reduced working capacity to vocational rehabilitation and employment services. This is a statutory and national cooperation model, where the TE office, municipality and Social Security Institute together evaluate the service needs of a long-term unemployed customer, plan the appropriate service sets together with the customer and are responsible for the progress of the employment process.

The Nordic Convention on Social Security (55/2014) that entered into force on 1.5.2014 requires the Nordic countries to cooperate in cross-border vocational rehabilitation. The Nordic countries have made bilateral administrative agreements on organising rehabilitation and on practical operating methods in situations, where a person works in one Nordic country and lives in another. The purpose of these agreements is to facilitate the management of rehabilitation matters when the people have used their right to freedom of movement. Finland has made agreements with Sweden, Norway, Iceland and Denmark.

Article 3

The vocational rehabilitation services organised by Social Insurance Institution have been reformed in 2011, 2012, 2014 and 2015.

As a result of the recommendations of the final report on partial working capacity (Reports and Memorandums of the Ministry of Social Affairs and Health 2013:37), the Social Security Institute and the Ministry of Employment and the Economy have been developing shared instructions for steering the unemployed with partial working capacity to rehabilitation and TE services. The intention is to take these instructions into use during the autumn 2015. The purpose of the instructions is to clarify the service contents and conditions for receiving the services for both operators. In Social Security Institution and TE office cooperation a progression model created based on the customer's service needs is emphasised. In this model, the customer also participates in advancing the rehabilitation and TE services.

When offering employment and business services for the purpose of vocational rehabilitation, customers can come from all the different diagnosis groups (table 1). The main diagnosis groups are diseases of the musculoskeletal system and the connective tissue, and mental and behavioural disorders.

Table 1

Disabled jobseekers by diagnosis group

	2010	2011	2012	2013	2014
CERTAIN INFECTIOUS AND PARASITIC DISEASES	211	219	227	218	197
NEOPLASMS	883	940	896	820	799
ENDOCRINE, NUTRITIONAL AND METABOLIC DISEASES	2692	2694	2609	2498	2338
DISEASES OF THE BLOOD AND BLOOD-FORMING ORGANS AND CERTAIN DISORDERS INVOLVING THE IMMUNE MECHANISM	449	442	393	361	310
MENTAL AND BEHAVIOURAL DISORDERS ¹	20809	22117	22742	22752	22537
DISEASES OF THE NERVOUS SYSTEM, THE EYE AND ADNEXA AND THE EAR AND MASTOID PROCESS ²	7874	7911	7828	7777	7546
DISEASES OF THE CIRCULATORY SYSTEM	3319	3285	3074	2863	2587
DISEASES OF THE RESPIRATORY SYSTEM	8521	8240	7741	7339	7178
DISEASES OF THE DIGESTIVE SYSTEM	935	974	966	948	907
DISEASES OF THE GENITOURINARY SYSTEM	248	258	267	269	240
DISEASES OF THE SKIN AND SUBCUTANEOUS TISSUE	5389	5251	5018	4905	4807
DISEASES OF THE MUSCULOSKELETAL SYSTEM AND CONNECTIVE TISSUE	33703	33925	33260	32434	31033
CONGENITAL MALFORMATIONS, DEFORMATIONS AND CHROMOSOMAL ABNORMALITIES	681	708	733	749	787
OTHER DIAGNOSIS ³	2042	2097	1989	1853	1769
INJURY, POISONING AND CERTAIN OTHER CONSEQUENCES OF EXTERNAL CAUSES	3676	3967	4017	3984	3955
Total	91432	93028	91760	89770	86990

1 Includes also certain conditions originating in the perinatal period (P00-P96)

2 Includes diseases of the nervous system (G00-G99); Diseases of the eye and adnexa (H00-H59); Diseases of the ear and mastoid process (H60-H95)

3 Includes pregnancy, childbirth and the puerperium (O00-099); Symptoms, signs and abnormal clinical and laboratory findings, unclassified elsewhere (R00-R99); External causes of morbidity and mortality (V01-Y98); Factors influencing health status and contact with health services (Z00-Z99)

Table 2

Disabled jobseekers in the public employment service and the active labour market measures arranged by the labour administration

	2010	2011	2012	2013	2014
Number of disabled jobseekers	91433	93030	91761	89772	86992
Of these, no. unemployed	43390	44690	45947	46957	46282
Job placements on the open labour market	39962	40651	36449	31304	24881
New labour market trainings	6255	5928	5140	3082	2893
New other trainings	1813	2091	1916	929	842
Placements in subsidised	6563	6072	5137	3441	3089

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Part III. Action at national level for the development of vocational rehabilitation and employment services for disabled persons

Article 7-

The key objective of the subsidised employment approach is to find paid work within the active labour market – not trainee positions, trial positions or subsidised sheltered employment.

III-IV.

Nothing new to report.

V.

Work careers, partial working ability and Programme for persons with partial work capacity

Prejudices, little experience of those with partial work capacity and lack of knowledge are often obstacles to employment. Employers, employees, work communities and actors in the system need knowledge.

The Programme for persons with partial work capacity of the Ministry of Social Affairs and Health (2013-2015) is meant for developing working solutions together with practical level actors for finding employment for those with partial work capacity and helping them remain employed, reducing prejudices concerning partial work capacity, producing information to support legislation and implementing a comprehensive electronic service.

The programme is developing new approaches in cooperation with work places and the rest of the cooperation network. A research project producing information on for example economic impacts is implemented alongside the programme.

The possibilities offered by vocational rehabilitation must be utilised already in an earlier stage, before the working capacity has been lost. It is possible to continue working with the existing work capacity, when a person is offered the needed help and support.

Finland has a wide range of tools in its service system to enable sustained employment and facilitate job placement of a person with a partial working capacity. This range of tools is not utilised effectively enough, though. The vocational rehabilitation measures are part of this range of tools. The aim is to render the use of the tools of vocational rehabilitation more effective and to advance the steering to rehabilitation. The 12 pilot organisations of the Programme for persons with partial work capacity have hired a work ability coordinator. The coordinator is an expert in the range of tools offered by the system, and has received a training for this task.

The cooperation and network-like working method of the service system actors have developed in a positive direction. The situation of people with a partial work capacity, as well as of others needing help, will significantly improve if the services cooperate continuously to benefit the customer.

People willing to work or with a work capacity must be enabled to remain employed or to return to working life. A working life that promotes productivity and well-being must have space for everyone. Finland can not afford to overlook the knowledge, skills and work contribution of the

people with partial work capacity. The citizens with partial work capacity who wish to work have been a significant unused resource. Between 2010-2015, the situation of people with partial work capacity has been improved in many different ways.

Legislation is one such way (see the laws listed in section I).

VI

A copy of this report has been sent to the following labour market organisations

1. The Confederation of Finnish Industries (EK)
2. The Central Organization of Finnish Trade Unions (SAK)
3. The Finnish Confederation of Professionals (STTK)
4. The Confederation of Unions for Professional and Managerial Staff in Finland (AKAVA)
5. The Commission for Local Authority Employers (KT)
6. The State Employer's Office (VTML)
7. The Federation of Finnish enterprises

Statements of the labour market organisations:

The Central Organization of Finnish Trade Unions and The Confederation of Unions for Professional and Managerial Staff in Finland, joint statement

According to the Part I, Article 2 of the Convention, when applying this Convention, each Member shall consider the purpose of vocational rehabilitation as being to enable a disabled person to secure, retain and advance in suitable employment and thereby to further such person's integration or reintegration into society.

According to the Part II, Articles 2-4 of the Convention, Each Member shall, in accordance with national conditions, practice and possibilities, formulate, implement and periodically review a national policy on vocational rehabilitation and employment of disabled persons that shall aim at ensuring that appropriate vocational rehabilitation measures are made available to all categories of disabled persons, and at promoting employment opportunities for disabled persons in the open labour market. The said policy shall be based on the principle of equal opportunity between disabled workers and workers generally.

Currently disabled persons in Finland do not have equal opportunities of employment in the open labour market, and there are problems also in the availability of vocational rehabilitation. For example, some of the people on partial disability pension can not work even though they would want to. At the same time, their livelihood is often significantly weakened, as they have to live just on the partial disability pension.

Requirements for employment

The attitudes of the employers have an effect on the employment possibilities of people with partial work capacity, and these are described in the report by rapporteur Markku Lehto, called "Everybody along! PEOPLE WITH PARTIAL WORK CAPACITY IN THE LABOUR MARKET" (Reports of the Ministry of Social Affairs and Health 2011:5)

According to this report, *"based on the replies of the employers, it seems that those with a disability and especially the mentally disabled and impaired, are the least wanted when compared to a young person without a vocational education, a long-term unemployed or an immigrant. As to working and coping at work, there were no related throughout negative views. Three out of five employers stated that the employees on the marginal area of the labour market do not have problems as such with others, and that they are committed to their work. Over half of the employers estimated that special arrangements are problematic and the risk of working incapacity is greater. Around the same number suspected, whether the employees can cope with their work. Overall, the evaluation of qualification was seen as a problem, and employment was suspected to be inefficient relative to its costs."*

"The advice and support given to employers were seen as inadequate. On the other hand, a little less than a half of the respondents did not deem these to be significant factors, and those employers that had experience of employing people from this group were more positive. In large enterprises the attitude was more positive."

According to another study that was referred to in the report, *"the most significant challenge in employing people with partial work capacity is, from the point of view of the enterprises, work tailoring: designing the work tasks so that they fit the employee's work ability. Tailoring is seen as time-consuming, having a negative effect on the work community's views and requiring special expertise. The work community's views have a great significance on the recruitment decisions made by the management. If the work design of those already working has been successful, the developed approaches can be applied also when new employees with a need for work tailoring are recruited to the enterprise. Those that have employed people with partial work capacity are more positive towards their employment."*

"It looks like a great, if not the greatest part of employers feel that employing a person with partial work capacity involves risks and requires so much special effort that they rather avoid recruiting such a person. After all, in leadership textbook imagery, recruitment is compared to an investment one must not fail in. The biggest obstacles to the employment of people with partial work capacity are prejudices and the lack of trust and information."

In addition to the factors mentioned in the report, what is also weakening the conditions for employment of the people with partial work capacity is the fact that workplaces do not know how to utilise the different support forms of employing people with partial work capacity.

Vocational rehabilitation

The availability of vocational rehabilitation for people with partial work capacity is substantially weakened by the heterogeneity and fragmentation of the Finnish rehabilitation system. A special problem arises when a person with partial work capacity becomes unemployed. The responsibility for the rehabilitation and the support for work ability of a person with partial work capacity is divided between various authorities, employment services and public health care services, and possibly for some parts also to Social Security Institution and/or pension insurance company. The overall responsibility for the coordination is insufficient.

Due to the fragmentation of the rehabilitation system and the problems concerning availability of the services, also in practice there are situations, where one must wait to receive medical rehabilitation, a condition for vocational rehabilitation, which means that the beginning of the vocational rehabilitation is delayed. In terms of the success of rehabilitation and the prognosis, these delays are likely to weaken the achieved outcome.

Tool range of vocational rehabilitation

Most often the tool selected from the range of vocational rehabilitation is a work trial. From the point of view of the rehabilitation effectiveness, the tool range should be widened to better answer the needs of the rehabilitated person, such as the disability or illness limiting the work capacity, or the remaining work capacity. Also the formal training and skills, as well as possible additional and supplementary training should be emphasised in the selection of the form of rehabilitation.