

# **A Study on the Employment Policy Tools for the Disabled in Korea**

**Choi, Moo Hyun\***

**Abstract :** This study aims at identifying problems and finding possible remedies of current policy tools by analysing the employment policies for the disabled people in Korea from the perspective of policy tools. Employment policy for the disabled is especially important among various disability policies because it makes their work activities as normal as possible through employment promotion and occupation rehabilitation. This study will divide policy tools of employment policy for the disabled into “Authority Tools”, “Incentive Tools”, “Capacity-building Tools”, and “Symbolic Tools” based on the discussing Etzioni and other scholars. There are characteristics, advantages and limitations of these employment policy tools for the disabled. As a result, this study suggests the following direction of the employment policy for the disabled in Korea: ① to improve compulsory employment system and employment allotment system for the disabled; ② to use actively by incentive tools; ③ to introduce government procurement and government contract; ④ to improve systems of vocational education and training of the disabled; ⑤ to improve the connection with medical and vocational rehabilitation.

## **INTRODUCTION**

Work is more meaningful than simply producing an economical basis for living. People are socialized, establish human relationships and become members of society through their work. In addition, work is an important instrument for people who find their ambitions. Especially for social minorities who endure material and moral discrimination, social integration through work is also a way to minimize the mal-functions of government intervention and improve social equity. At this point, What is very important is an employment policy for the disabled that makes disabled people, one of the social minorities, viable members of society as an independent entity.

Before the 1980s, systematic employment and rehabilitation policies of the government for the disabled people in Korea hardly existed. However, in 1990, the enactment of the “Act on Employment Promotion for the Disabled” put the rehabilitation of the disabled through occupations at the center of the disability policies. However, groups of disabled people had criticized the Act continuously and asked for revisions after the enactment. Finally the Act, the fundamental legislation on the employment policy for the disabled in Korea for 10 years, was totally revised under the “Act on Employment Promotion and Vocational Rehabilitation for the Disabled” on January 12, 2001.

After the government policy was enacted through the legal process, that policy is implemented with specific government programs. Therefore, understanding various employment policy tools for the disabled people is important to grasp the employment policies for the disabled people of a certain country. This study aims at identifying

---

\* Senior Researcher in Regulatory Research Center Korea Institute of Public Administration

problems and finding possible remedies of current policy tools by analysing the employment policies for the disabled people in Korea from the perspective of policy tools.

## THE EMPLOYMENT POLICY TOOLS FOR THE DISABLED PEOPLE

### The Employment Policy for the Disabled People

It is provided by the “Welfare Act for the Disabled”, Sec. 2 (1), (2) that “the disabled are the people who have significant long-term limitations in their live due to physical or mental handicaps. The types and standards of the handicap are provided by the executive order.”

The definitions of the handicap and the disabled people are criticized because the definitions only limit to personal impairment typically at the view of “individual model” (Oliver, 1996). From the Research on the Actual Condition of the Disabled 2000, total number of the disabled in Korea was estimated 1,449,500 and the appearance rate of the disabled people was estimated 3.09 percent (Byun, *et al.*, 2001: 126).

**Table 1.** Estimation of National Disabled People, 2000

	1995			2000		
	Total	In home	In facilities	Total	In home	In facilities
Number	1,053.5	1,028.8	24.6	1,449.5	1,398.2	51.3
%	100.0	97.7	2.3	100.0	96.5	3.5
Appearance rate	2.35	2.37	-	3.09	2.98	-

Source: Byun, *et al.* (2001: 126)

The living conditions of the disabled people are followed. The average monthly income of a disabled household is 1,082,100 won, which is only 46.4 percent of the household income of urban workers. The recipient rate of the Minimum Standard of Living in the disabled household is 13.7 percent. This is five times higher than the recipient rate of normal household. Only 34.2 percent of the disabled over 15-year-old are employed and the participation rate in the economic activity is 47.8 percent. The number of unemployed disabled people over 15-year-old are 180,900 and the rate is 28.4 percent. It is 6.8 times higher than the average unemployment rate of 4.2 percent. The working disabled peoples are mainly working in agriculture (25.6 percent), simple works (23.4 percent), and service industry (21.0 percent). The average monthly income of the working disabled people is 792,000 won and it is only 43.1 percent of the average monthly income of normal workers.

Social discrimination due to physical or mental handicap cannot be naturally removed from the market. It is a sort of market failure (Wolf, Jr. 1989). Therefore, the efforts of the government and society are essential for social integration by removing social discrimination against disabled people and protecting their rights. ‘Disability Policy’ means government’s policy response for the improvement of the disabled people’s social

**Table 2.** The Number and Rate of Employed Disabled People (number, %)

	Pop. 15years old and over	Economically active Pop.			Not Economically Active Pop.	Participation rate	Employment rate	Unemployment rate	Employment Persons Rate Versus Pop.
		Total	Employment	Unemployment					
Male	819,450	486,507	356,046	130,461	332,943	59.37	73.18	26.82	43.45
Female	512,039	150,150	99,684	50,466	361,889	29.32	66.39	33.61	19.47
Total	1,332,489	636,657	455,730	180,927	694,832	47.8	71.58	28.442	34.23

Source: Byun, *et al.* (2001)

treatment and their quality of living (Johnson, 1997). Disability policy includes medical services, education, employment, and occupation, mentality, and rehabilitation for the social integration of the disabled (Kwun, 1995). Employment policy for the disabled is specially important among various disability policies because it makes their work activities as normal as possible through employment promotion and occupation rehabilitation. In the past, the disabled were considered as non-economic and dependent beings and the object of social support, but they are now recognized as independent beings, naturally integrated in society, and they ensure normality through the new employment policy for the disabled people (Sainsbury, 1993). Employment policy is for the improvement of disabled people's status through employment promotion and normal working lives for them. It has various policy tools from direct government regulations to indirect ways and its characteristics are compositive.

## Employment Policy Tools for the Disabled

### Policy Tools Approach

In the study of policies, implementing effectively with real policy tools is more difficult than policy-making (Nakamura & Smallwood, 1980: 25). Employment policy for disabled also achieves its aims when it is supported by policy tools, organization structure, implementation procedures, and so on. In particular, government policies are implemented with specific programs and these programs are revealed with specific policy tools. Therefore, it is important to understand these processes.

"Policy tools or instruments" is the generic term provided to encompass the myriad techniques at the disposal of governments to implement their public policy objectives (Howlett, 1991: 2). Three basic premises underlie the tools approach: First, that it is really possible to discern a limited number of tools of action among the welter of individual government programs. Second, that each of these tools has its own dynamics and operating characteristics. Third, that these characteristics have more or less predictable implications for the way the programs that embody the tool function (Salamon, 1989: 14).

### **Types of Employment Policy Tools of the Disabled**

Etzioni (1964: 59-60) categorized control tools that organizations can use into three analytical categories: First, the “physical control tool” gives physical punishments or threatens to do using “coercive power”. Second, the “material control tools” allocates material resources like goods and services using “utilitarian power”. Third, the “symbolic control tools” distribute or fabricate symbolic rewards and deprivation using normative power. Etzioni’s control tools category provided basic logics for categorizing policy tools.

Policy tools categories that were provided by various studies are as follows: Hood (1973: 1-7) insisted that government has four resources - information, authority, finance, and organization - used in monitoring the society and changing its behaviors. Elmore (1987: 174-186) divided policy tools into “mandate”, “inducement”, “capacity-building”, and “system-changing” and he insisted that the combination of these resources is “strategy”. Salamon (1989: 14-23) divided policy tools into six categories - direct government, grants-in-aid, loan guarantees, tax reduction, regulation, and public enterprise - in a view of resources approach. Schneider&Ingram (1990: 510-529) divided policy tools into “authority tools”, “incentive tools”, “capacity tools”, “symbolic and hortatory tools”, and “learning tools”. Balch (1980: 188-191) classifies policy tools into information strategy, “promotion strategy”, “regulation strategy”, and “incentive strategy”. Jun (1995: 285-290) divided strategy for the employment promotion policy for the disabled into “punishment strategy”, “reward strategy”, “education and counselling strategy”, and “information production strategy”.

This study will divide policy tools of employment policy for the disabled into “Authority Tools”, “Incentive Tools”, “Capacity-building Tools”, and “Symbolic Tools” based on the discussing Etzioni and other scholars.

*Authority Tools:* Authority tools are one of the oldest and most common techniques used by government to achieve policy aims. These are simply statements backed by the legitimate authority of government that grant permission, prohibit, or require action under designated circumstances (Schneider & Ingram, 1990: 514). Often Authority tools appears as an act and executive order, quota system, and goal setting.

*Acts and Executive Orders:* The fundamental tool of employment of disabled people is enacting laws and executive orders prohibiting social discrimination of the disabled people (Faundez, 1994: 27-32). The usefulness of the laws and executive orders is as follows (Faundez, 1994: 29): First, people easily accept the laws and executive orders because laws and executive orders have passed nationwide discussion through the legislative process. Second, careful review processes in the Assembly suggest useful guidelines for the implementation and interpretation of the law. Third, the laws and executive orders are reviewed regularly in the Assembly.

However, the laws and executive orders has often too little impact to prevent against social discrimination. In particular, it is very difficult for those who are discriminated to prove the facts (Choi, 1992: 578-581). Then, responsibility for proving should be the responsibility of the offender and the court should deliver judgement based on a high degree of punishment in order to show that anti-discrimination laws have effectiveness.

*Quota system and goals:* The most generally introduced and the most effective

employment policy tool for the disabled is a quota system and it is usually enforced by the laws. However, it is not easy for the quota system to gain social agreement because the standard of deciding on quotas is decided by political processes. In addition, a strict quota system destroys the merit system because those who come from the minorities and are unqualified receive special treatments. Those who are in the social majority can criticize the quota system “reverse discrimination” because they could suffer discrimination due to the fact they belong to majority groups even though they are qualified.

Thus, they tend to prefer the quota system to goals nowadays (Nigro & Nigro, 1994: 212-213). A quota system would impose a fixed number or percentage which must be attained or which cannot be exceeded. Under such a quota system, that number would be fixed to reflect the population in the area, or some other numerical base, regardless of the number of potential applicants who meet the necessary qualifications. If the employer fails, he would be subject to sanctions. A goal, on the other hand, is a numerical objective, fixed realistically in terms of the number of vacancies expected, and the number of qualified applicants available in the relevant job market. Thus if through no fault of the employer he has fewer vacancies than expected, he is not subject to sanctions.

### **Incentive Tools**

The incentive category includes tools that rely on tangible payoffs, positive or negative, to induce compliance or encourage utilization (Schneider & Ingram 1990, 515). There are “government procurements and government contracts” and “subsidies” in the incentive category.

*Government Procurement and Government Contract:* By exercising governments’ purchasing power and influence, namely government procurement or government contract, governments make employment policy for disabled effective (Baram, 1982: 109-136). When companies are satisfied with the employment standard for the disabled that governments suggest, they can join the supply contracts with governments.

Government contracts’ is considerably effective. The U.S. Office of Federal Contract Compliance Program has strong power to restrain contractors who don’t comply with the duties of Affirmative Action with withdrawal and temporary postponement of government contracts and exclusion of joining other public contracts (Faundez, 1994: 38-39).

*Subsidy:* Subsidies are designed to induce the employment of the disabled through financial support. Governments could give subsidies to companies that hire the disabled, and financially support them through loans for the employment promotion of the disabled.

Different from the authority tools, subsidies do not cause problems between policy enforcers and recipients and have a merits in inducing changes in behaviors of policy recipients. However, the amount of subsidy should be enough for the policy receivers to change their behavior, otherwise they will give up the compliance because the cost for changing their behavior is higher than the benefits. Subsidies should be managed in a

way so as not to be used for unrelated purposes.

### **Capacity-building Tools**

Capacity-building tools provide information, training, education, and resources to enable individuals, groups, or agencies to make decisions or carry out activities (Schneider & Ingram, 1990: 517-519). Capacity-building tools are largely divided into educational and training tools and information tools. Education and training tools help raise the employment of disabled people, and information tools promote by giving appropriate and effective information indirectly.

*Educational and Training Tools:* Educational and training tools are intended to provide individuals or agencies with financial supports in order to invest in future human resources. To increase employment, government support is important for the improvement of disabled people's ability instead of depending on behavioral changes of public agencies and companies. It bases its theoretical fundamentals on the human capital model, and accepts the assumption that earning differences in the labor market originate in the differences of education and academic background.

Education and training are very useful in many aspects. Disabled people can regain their self-respect and honor through ability and skills. In the nation's interests, they are an investment in the improvement of competitiveness because they can provide qualified human resources. They can thus escape the problems like reverse discrimination and destruction of the merit system.

*Information Tools:* Information tools raise the employment prospects of disabled people by providing them and companies with specific and exact information about employment. Information tools also give information about appropriate jobs fitting disabled people's needs and abilities on the basis of objective assessment of their potential ability. Companies can correct their social prejudices about disabled workers and reduce information costs for employment. Above all, sufficient budget and specialists should be ensured so as to make development and provision of exact information possible.

### **Symbolic Tools**

Symbolic tools assume that people are motivated from within and decide whether or not to take policy-related actions on the basis of their beliefs and values (Schneider & Ingram 1990, 519-521). Individuals bring into decision situations cultural notions of right and wrong, justice, individualism, equality, obligations, and so forth.

From the perspective of policy implementation, symbolic tools are dealt with public relations (PR). Public relations are a designed effort to boost the efficiency of policy by improving public understanding of the contents of the policy.

The examples of symbolic tools point out problems associated with discrimination against disable people, slogans and mottos for the reform movement. In addition, it is possible that governments give awards to exemplary companies or public agencies of employment. Table 3 summarizes the characteristics, advantages and limitations of employment policy tools for the disabled.

**Table 3.** The Employment Policy Tools for the Disabled

Policy tool	Specific type	Characteristics	Advantages	Limitations
Authority Tools	Act and executive order	Enactment of acts or executive orders to prohibit social discrimination or enforce affirmative action	<ul style="list-style-type: none"> <li>- High acceptance of people</li> <li>- Careful discussion of the assembly</li> <li>- Regular review by the Assembly</li> </ul>	<ul style="list-style-type: none"> <li>- Difficulty in proving the discrimination</li> <li>- Enforcement of the act and executive order</li> </ul>
	Quota system & Goal Setting	Addition of standards or quotas in employment and personnel management	<ul style="list-style-type: none"> <li>- Most direct effects</li> <li>- Most generally accepted form</li> </ul>	<ul style="list-style-type: none"> <li>- Difficulty in gaining social agreement</li> <li>- Reverse discrimination</li> <li>- Destruction of the merit system</li> </ul>
Incentive Tools	Government purchase Government contract	Making compliance qualification standard of government purchasing and contract	<ul style="list-style-type: none"> <li>- Significant effects</li> <li>- Inducement of voluntary participation</li> </ul>	<ul style="list-style-type: none"> <li>- Difficulty in formation of systematic processes and organization</li> </ul>
	Subsidy	Inducement by financial support	<ul style="list-style-type: none"> <li>- To minimize conflict among participants</li> <li>- Inducement of voluntary behavioral change</li> </ul>	<ul style="list-style-type: none"> <li>- Financial problems</li> <li>- Possibilities of abuse</li> </ul>
Capacity Tools	Education Training	To support skills improvement	<ul style="list-style-type: none"> <li>- Recipient's pride improvement</li> <li>- Insurance of useful human resource</li> <li>- Removal of reverse discrimination and merit system problem</li> </ul>	<ul style="list-style-type: none"> <li>- Cost-effect problem</li> <li>- Not all minority group become useful human resources through education and training</li> </ul>
	Information tool	<ul style="list-style-type: none"> <li>- Provision of employment information</li> <li>- Prohibition of the opening unfavorable information</li> </ul>	<ul style="list-style-type: none"> <li>- Reduce the search cost</li> <li>- Correct the social biases</li> </ul>	<ul style="list-style-type: none"> <li>- Insurance of sufficient budget and specialists</li> </ul>
Symbolic Tools		To use the symbols like slogans, mottos, and awards	<ul style="list-style-type: none"> <li>- To secure social agreement</li> <li>- High effects with low costs</li> </ul>	<ul style="list-style-type: none"> <li>- Lack of specific means</li> </ul>

## **EMPLOYMENT POLICY TOOLS FOR THE DISABLED IN KOREA**

### **Historical Development of the Employment Policy for the Disabled in Korea**

Before the 1980s, the employment policy for the disabled in Korea was mainly for the recipient's relief and the disabled people involved in industrial accidents. Active responses of governments happened from the early 1980s with the advice of discrimination prohibition for the disabled from international organizations and holding the 8th Seoul Abilympic in 1988. As a result, the "Act on Employment Promotion for the Disabled" was enacted in 1989. This act is significant because it put the rehabilitation of the disabled through occupations in the center of the national policies

for the disabled. From then, the disabled were identified not simple as welfare recipients but as normal production units. In addition, the Korean Employment Promotion Agency for the Disabled, the expert agency for taking charge of promotion activities of the employment for disabled peoples, was established. It has expanded relevant organizations and provides the disabled with jobs and various services. The Act has been revised three times, and it has been totally revised into the “Act on Employment Promotion and Vocational Rehabilitation for the Disabled” on January 12, 2001.

## **Employment Policy Tools for the Disabled in Korea**

### **Authority Tools: Compulsory Employment and Employment Charge System**

*Compulsory Employment System for the Disabled:* Employers have the burden to hire disabled peoples because they cannot be the same as normal people and employers have to improve and prepare the facilities and environment for the disabled workers. In this situation, the employment of the disabled should be enforced and legal assistance should be claimed to guarantee their employment. This is a compulsory employment system for the disabled with “standard rate of employment”. It is also called an “employment quota system” because the quota of workers is given to the disabled. From the “Act on Employment Promotion for the Disabled”, an employer who has over 300 regular workers must hire more than 2 percent disabled people in the workforce. Compulsory employment of the disabled should be uniformly applied. However, there are exceptional vocations which are not suitable for the disabled. This is called ‘exception-fixed vocation’.

*Employment Allotment System:* The employment allotment system is prescribed to assure the effectiveness of the compulsory employment system for the disabled in the Act on Employment Promotion for the Disabled. Employment allotment are enforced on employers to pay allotments when they do not fulfill the required quota (2 percent) of workers with the disabled.

The employment allotment system based on the employer’s cooperative responsibility shares the economic burden with the employment of the disabled. To hire the disabled imposes an additional economic burden, such as improving the facilities and equipment, special employment management and so on. The employers who perform their employment duties cost more than the employers who don’t obey the duties. To correct such unfair situations, employers who perform their duties are supported from the perspective of social solidarity (KEPAD, 1997).

### **Incentive Tools: Employment Incentives for the Disabled.**

*Employment Incentive for the Disabled:* The “Act on Employment Promotion for the Disabled” Sec. 37, provides that “employment aid” is for the employers who employ disabled people more than the quota standard where there are over 300 workers, and “employment incentive” is for the employers who don’t need to comply with the employment standard hire the disabled people (below 300 workers). Both are combined into “employment incentives for the disabled” in the “Act on Employment Promotion and Vocational Rehabilitation for the Disabled” Sec. 26.



Employment incentives for the disabled are aimed at distributing and cooperating the economic burdens of the employment of the disabled, from perspective of social solidarity, based on the amount that the number of the disabled who are hired over the employment incentive standard of pay that is provided. Therefore the incentive should be enough to induce the employment of the disabled. However, at the beginning, the amount of the incentive was too small to induce the effective employment of the disabled. However, the incentives paid at the same level as the employment charge from 1995 after the fund accumulated considerably. The “Act on Employment Promotion and Vocational Rehabilitation for the Disabled”: provided the rule that the unit cost for the employment of the female or seriously disabled people can be decided in the range of 200 percent of the normal unit. Table 4 shows the change in the basic amount of employment allotment and employment incentives.

**Table 4.** Change of Employment Incentive and Aid for the Disabled (unit: won)

Year	Basis of charge (month)	Aid (month)	Incentive (month)	Minium wage (month)	Period
1991	120,000	60,000	30,000	185,320	1990.9.1.-1991.8.31.
1992	130,000	65,000	32,000	209,050	1991.9.1.-1992.8.31.
1993	138,000	69,000	34,000	227,130	1992.9.1.-1993.8.31.
1994	119,000	119,000	119,000	245,210	1993.9.1.-1994.8.31.
1995	159,000	159,000	159,000	264,420	1994.9.1.-1995.8.31.
1996	173,000	173,000	173,000	288,150	1995.9.1.-1996.8.31.
1997	190,000	190,000	190,000	316,400	1996.9.1.-1997.8.31.
1998	202,000	202,000	202,000	335,610	1997.9.1.-1998.8.31.
1999	207,000	207,000	207,000	344,650	1998.9.1.-1999.8.31.
2000	1% above: 216,000 1% below: 253,000	216,000 253,000	216,000 253,000	361,600	1999.9.1.-2000.8.31.
2001	1% above: 273,000 1% below: 316,000	Not-seriously male: 421,000 Seriously female: 526,000- 736,000		421,490	2000.9.1.-2001.8.31.
2002	392,000	Not-seriously male: 474,000 Seriously female: 526,250-736,750		474,000	2001.9.1.-2002.8.31
2003	437,000	Not-seriously male: 474,000 Seriously female: 592,000 - 829,000		567,260	2002.9.-2003.12

Source: Ministry of Labor (each year), Labor White Book. ; <http://www.kepad.or.kr/>

Another employment incentive is “Subsidy for employment of people with disabilities” to reimburse employers part of the payment for employing the disabled with grades for 2-3 years to maintain the productivity loss when the employer extends the employment of the disabled for more than one year. This system is designed to extend the re-hiring of the disabled (KEPAD, 1996: 19).

*Loan-free and Loan-aid System of Employment for the Disabled:* The purpose of the loan-free and loan-aid system is to raise the adaptability of the workplace by extending the employment for the disabled and creating suitable circumstances for the disabled.

These systems are indirect inducement tools to reduce the special costs of employing disabled people (KEPAD, 1996: 15).

**Table 5.** Loan-free and Loan-aid System of Employment for the Disabled

	Loan-aid system for facilities including management costs	Loan-free system including support costs for employers who hire many people with disabilities
Purpose	Furnishing the cost of hiring the disabled	Free support the cost of hiring the disabled
Use	<ul style="list-style-type: none"> <li>- Installation and purchase, repair of working facilities, convenient facilities, and incidental facilities</li> <li>- Commuting cars</li> <li>- Management fund for the employers to operate the disability employment facilities and manage employment for the disabled</li> </ul>	<ul style="list-style-type: none"> <li>- Installation, purchase, and repair of worktables, equipments, tools, and supplementary tools for the disabled</li> <li>- Remodeling normal equipment, conveniences, and tools for the disabled</li> <li>- Installation, purchase, and repair of special equipments for the optical disabled including Braille-writers, voice support cards, recorders, computers, and so on.</li> <li>- Installation, purchase and repair the special equipment of commuting cars</li> <li>- Installation, purchase and repair of the facilities recommended by the law of the convenience improvement for the disabled, older, pregnant</li> <li>- Installation, purchase and repair of other necessary facilities or equipment for the employment of the disabled admitted by KEPAD</li> </ul>
Option	<ul style="list-style-type: none"> <li>- Total cost</li> <li>- Maximum 1.5 billion won per the working place, less than 300 million won for the operating fund</li> <li>- 3 percent of annual interest, repayment in 5 years with a 3-year grace period</li> </ul>	<ul style="list-style-type: none"> <li>- Total amount of cost (1-5), or 2/3 of cost (6-7)</li> <li>- 300 million won per the working place</li> <li>- Employer who hire many people with disabilities: the employer who hire disabled people more than 70% of the normal workers (minimum 20 persons of disability worker), severely disabled people more than 30% of the disabled workers for more than 5 years</li> </ul>

Source: <http://www.kepad.or.kr/>

*Supporting System of Employment Management Cost for the Disabled:* Cost-aid was newly introduced in 1999 to support employment management cost for the suitable employment management for the severely disabled workers. It is not a direct reward for the disability employment, but an indirect tool to reduce management cost of the disabled especially for promoting employment of the severely disabled.

**Table 6.** Supporting System of Employment Management Cost for the Disabled

	Type of disabled worker	Option	Support contents
Sign language translation cost	Severely hearing and speech impediment	1 person placement per 1~5 normal severely disabled workers	200,000 won/person, month
Work instruction cost	Severely visual or handicapped disabled	1 person placement per 1~5 normal severely disabled workers	700,000 won/person, month
	Severely visual disabled	1 person placement per 1 normal severely disabled worker	350,000 won/person, month
Job and living counseling cost	all the disabled	Normal disabled worker 5~10 person placement	300,000 won/person, month

Source: <http://www.kepad.or.kr/>

Beside the systems explained above, there are various incentive systems to promote the employment and vocational rehabilitation of the disabled (<http://www.kepad.or.kr/>; KEPAD, 2000: 175-179). These are: loan system for the purchase of commuting cars; loan system for the assistance of vocational stability; loan system for establishing own small businesses, and so on.

### **Capacity-building Tools**

*Vocational Education and Training for the Disabled:* The vocational education and training of the disabled are “vocational rehabilitation training” in the Ministry of Health and Welfare, “vocational education” in the Ministry of Education, “vocational training” in the Ministry of Labor, and so on.

Vocational training of the disabled for nurturing up skillful workers is conducted in the public vocational training facilities, private vocational training facilities, schools for the handicapped, settlement houses for the disabled, vocational rehabilitation facilities, and so on. There currently exist total 106 public training facilities.

There are 5 vocational training institutes in Ilsan, Deajeon, Busan, Jeonnam, and Deagu, and the function evaluation and vocational rehabilitation training are operated in the Employment Development Institute for the Disabled.

**Table 7.** Vocational Education and Training of Disabled People

Year	1991	1992	1993	1994	1995	1996	1997	1998	1999
Agency	1	1	1	1	1	25	61	85	98
Recipient (number)	141	155	193	231	224	660	1,019	1,420	1,799

Source: KEPAD (2000)

*Occupational Information Services for the Disabled:* There are information services for the job seeker with disabilities and other information services for jobs. “Information services for the job seeker with disabilities” matches employers and job seekers with disabilities. It reduces recruitment cost of the employers and reduces search cost and gives opportunities of the job seekers. It is connected with the education and training tools of qualifying job seekers because the job seekers should satisfy the employers to be hired.

**Table 8.** Employment Mediation for the Disabled

	Job offering	Job seeking	mediation	employment
1991	8,782	4,366	3,997	1,384
1992	6,827	5,261	5,465	1,542
1993	7,097	7,028	6,100	1,542
1994	9,306	8,020	7,893	3,093
1995	11,418	7,443	10,134	3,247
1996	12,089	8,185	11,944	4,222
1997	10,896	8,585	13,537	5,041
1998	9,178	14,140	17,437	6,467
1999	14,889	25,831	21,468	9,894

Source: Ministry of Labor (each year), Labor White Book.

Other information services are providing the disabled of suitable vocational rehabilitation and providing employers of sufficient information about suitable work and work places. Vocation evaluation and counselling, post-direction are also important. For these, employment management systems for the disabled should be established for the systematic management of the information.

### Symbolic Tools

Publicity activities for promoting the disability employment are spread through improvement of social recognition about the disability employment. Specific publicity activities are TV, radio campaign, internet ads, bus and subway ads, creating publications, TV movies and documentaries, inviting the public to join in a prize contest for stories and posters, and so on.

## IMPLICATION

At the end of 1990, the number of the disabled who were hired was 7,758 and the employment rate was only 0.36 percent. Although the employment rate began to increase 0.4 percent higher after the law was enacted, the rate remained nearly at the level of 0.4 percent until 1998. Beginning in 1999, the rate increased highly, but still remain far away from the standard employment rate of 2 percent.

**Table 9.** Mandatory Hiring of the Disabled in Each Year

Year	Number of workplaces mandatorily required to hire a disabled workers	Number of the disabled entitled to the mandatory hiring	Number of the disabled required to be hired	Number of the disabled actually hired	Hiring Ratio	Standard Hiring Ratio
1990	2,017	-	21,000	7,758	0.37	-
1991	2,178	2,170,898	33,692	8,764	0.40	1.0
1992	2,242	2,152,751	33,411	8,748	0.41	1.6
1993	2,158	2,013,363	39,059	8,843	0.44	2.0
1994	2,141	2,092,005	40,585	9,097	0.43	"
1995	2,229	2,238,490	43,505	9,582	0.43	"
1996	2,231	2,279,116	44,455	10,185	0.45	"
1997	2,184	2,240,868	43,411	10,331	0.46	"
1998	1,919	1,962,499	38,145	10,625	0.54	"
1999	1,925	1,960,002	38,903	17,840	0.91	"
2000	1,891	1,976,996	39,523	18,710	0.95	"

Source: KEPAD (2001).

In addition, big enterprises prefer paying employment allotment instead of hiring the disabled despite their ability to provide jobs because paying employment allotment is more beneficial. The present condition shows that the employment prospect of the disabled in both public agencies and private companies has made little progress and the goals of the Act of Employment Promotion for the Disabled will remain difficult to fulfill in the near future. This study will show the policy suggestions of the employment

policy for the disabled in terms of rationalization in tools of employment policy.

### **Improving the Compulsory Employment System and Employment Allotment System for the Disabled**

The most important employment policy tool for the disabled in Korea is the compulsory employment system applied to the national agencies and private enterprises. The current system has some flaws including the narrow range of compulsory employment. The current system prescribes that any employer who has more than 300 workers should hire the disabled. Because of that, the Act cannot encourage employers of smaller enterprises enough to hire the disabled even though smaller enterprises provide better opportunities of employment to the disabled.

Another concern is the "Employment Exception Rate" system. In every type of occupation, there are "jobs which the disabled can do" and "jobs which the disabled cannot do" at the same time. Therefore, prescribing the employment exception includes discriminatory elements because in every type of occupation, there are jobs which the disabled can do. There is no country that has accepted the employment exception system besides Japan. In addition, the differences of the rate between private enterprises and public agencies can raise the issue of equity.

Lasting, the success and failure of the current compulsory employment system for the disabled depends on the amount of allotment for the enterprises which did not comply. The current allotment does not implement its policy-enforcing role because the allotment is too low. Enterprises generally prefer paying allotment to hiring the disabled.

### **Actively Using Incentive Tools**

The current Act has been highly evaluated in its incorporation of the employment incentive, Loan-aid system and support system, cost-aid system for employment management, and other incentives. However, the fact that the employment rate does not improve in spite of these systems shows that there are problems within the administration. The administrative process should be rationalized and active publicity shall be implemented as well.

### **Introducing Government Procurement and Government Contract**

Government purchase and contract is the most generally used tool, but it has not been introduced in Korea. Government purchase and contract is the tool that set the compliance of standards of joining the supply contracts and government projects making it necessary to obey the Act for the employment of the disabled. Considering the current situation of many enterprises engaging in contract with government agencies, this policy tool makes the employers comply voluntarily, and has a significant influence. This tool is very effective in the U.S., and could be used effectively in Korea because the portion of public sector in Korean economy is considerable. Therefore this system should be considered for the employment promotion and discrimination prohibition of the social minority like the disabled.

### **Improving Systems of Vocational Education and Training of the Disabled**

Current systems of vocational education and training of the disabled are distributed among many agencies such as Ministry of Labor, Ministry of Health and Welfare, Ministry of Education and Human Resource. Thus it does not deliver comprehensive and systematic services.

Therefore, the main body of management should be clearly organize to carry out comprehensive and systematic education and training for the disabled. In addition, training specialists are needed for developing and transferring systematic programs of the disabled.

### **Improving the Connection between Medical and Vocational Rehabilitation**

Current employment policy for the disabled focuses on the employment promotion of the disabled by KEPAD and the Ministry of Labor. However, the policy could be made more effective when the employment promotion accompanied with job specification consultation and job evaluation before hiring and ex post guidances after hiring. Therefore, current employment policies for the disabled that are focused on the employment promotion should be improved to intensify the connection between medical rehabilitation and vocational rehabilitation.

## **CONCLUSION**

This study aims at identifying problems and finding possible remedies of current policy tools by analysing the employment policies for the disabled people in Korea from the perspective of policy tools. Social discrimination due to physical or mental handicap cannot be naturally removed from the market. Therefore, the efforts of the government and society are essential for social integration by removing social discrimination against disabled people and protecting their rights. Employment policy for the disabled is especially important among various disability policies because it makes their work activities as normal as possible through employment promotion and occupation rehabilitation. This study will divide policy tools of employment policy for the disabled into "Authority Tools", "Incentive Tools", "Capacity-building Tools", and "Symbolic Tools" based on the discussing Etzioni and other scholars. There are characteristics, advantages and limitations of these employment policy tools for the disabled. As a result, this study suggests the following direction of the employment policy for the disabled in Korea: ① to improve compulsory employment system and employment allotment system for the disabled; ② to use actively by incentive tools; ③ to introduce government procurement and government contract; ④ to improve systems of vocational education and training of the disabled; ⑤ to improve the connection with medical and vocational rehabilitation.

## Bibliography

- Baram, Michael S. 1982. *Alternatives to regulation : managing risks to health, safety and the environment*. Lexington: Lexington Books.
- Byun, Yong Chan *et al.* 2001. *Research on the Actual Condition of the Disabled 2000*. Seoul: Korea Institute for Health and Social Affairs?Ministry of Health and Welfare.
- Choi, Byung Sun 1992. *Government Regulation: the Political Economics of Regulation and Deregulation*. Seoul: Bub Mun Sa.
- Elmore, Richard F. 1987. "Instruments and Strategy in Public Policy". *Policy Studies Review* 7(1): 174-186.
- Etzioni, Amitai 1964. *Modern Organization*. Englewood Cliffs, NJ: Prentice-Hall, Inc.
- Faundez, Julio. 1994. *Affirmative Action: International perspectives*. Geneva: International Labour Office.
- Hood, Christopher C 1983. *The Tools of Government*. London: Macmillan.
- Howlett, Michael 1991. "Policy Instruments, Policy Styles, and Policy Implementation: National Approaches to Theories of Instrument Choice". *Policy Study Journal*, 19(2): 1-24.
- Johnson, William G. 1997. "The Future of Disability Policy: Benefit Payments or Civil Rights?". *The Annals of the American Academy of Political and Social Science*. 549: 160-172.
- Jun, Young Pyung 1995. "Assessing on Administrative Strategies of Promoting Employment for Disabled". *Korean Public Administration Review*, 29(1): 279-300.
- Kirton, Gill & Greene, Anne-Marie 2000. *The Dynamics of Managing Diversity: A Critical Approach*. Oxford, UK: Butterworth Heinemann.
- KEPAD Korea Employment Promotion Agency for the Disabled 2000. *10 Years History of Korea Employment Promotion Agency for the Disabled: 1990-2000*. Sung Nam: Korea Employment Promotion Agency for the Disabled.
- \_\_\_\_\_ 2001. *Research on the Actual Condition of the Disabled Worker 2000*. Sung Nam: Korea Employment Promotion Agency for the Disabled.
- Kwun Do Yong 1995. *Rehabilitation Welfare for the Disabled: Systems and Practices*. Seoul: Hong Ik Jae.
- Ministry of Labor (each year). *Labor White Book*. Seoul: Ministry of Labor.
- Nakamura, Robert T. & Smallwood, Frank 1980. *The Politics of Policy Implementation*. New York: St. Martin's Press.
- Oliver, Michael 1996. *Understanding Disability: From Theory to Practice*. London, UK: MacMillan Press Ltd.
- Ripley, Randall B. & Franklin, Grace A. 1986, *Policy Implementation and Bureaucracy* 2nd ed. (Chicago, IL: The Dorsey Press).
- Sainsbury, Sally 1993. "Disability, Normality and Integrated Living". *Normal Life: a Study of War and Industrially Injured Pensioners*. Aldershot, UK: Avebury.
- Salamon, Lester M. 1989. *Beyond Privatization: The Tools of Government Action*. Washington D.C.: The Urban Institute Press.