

The Economic Activities of Koreans with Disabilities: Current State and Policy Implications

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Economic activities of Koreans with disabilities

This study looks at the economic activities of disabled Koreans as documented by the 2014 Survey of the Living Conditions of Disabled People, and suggest ways to improve the employment outcomes of people with disabilities aged 20~59.

Of the young and middle-aged disabled Koreans, those economically active (either employed or unemployed but seeking work) accounted for 56.9 percent in 2014 (66.2 percent for the men and 36.8 percent for the women), versus 74.7 percent for all the population of the same age range. Among the disabled men, the economic participation rate was highest for those in their 30s at 74.6 percent and declined with age; for the women, the economic participation rate was lowest for those in their 30s at 32.7 percent and remained in the 30-percent range for the other age groups. The unemployment rate was higher for the disabled women (9.2 percent) than for the disabled men (7.4 percent) and for all Koreans of the same age range (3.7 percent). The share of the unemployed was largest in those in their 20s in both the men and women. The employment rate of disabled women, in particular, has increased in recent years for most of the age cohorts, remaining higher than that of disabled men. Of the examined population, 61.3 percent of the men and 33.4 percent of the women were found to be employed. The employment rate was highest for men in their 30s and for women in their 40s.

<Table 1> Economic participation rates of community-dwelling disabled persons aged 20~59, by gender and age

	All population			Disabled population					
	2014			2011			2014		
	EPR	UR	ER	EPR	UR	ER	EPR	UR	ER
All									
Total	74.7	3.7	72.0	57.3	7.8	52.8	56.9	7.8	52.4
20~29	63.1	9.0	57.4	49.7	13.0	43.2	43.6	22.0	34.0
30~39	76.3	3.1	73.9	60.6	11.7	53.5	62.1	11.1	55.2
40~49	80.9	2.2	79.1	61.9	7.3	57.4	61.3	7.4	56.8
50~59	75.9	2.2	74.2	54.3	6.0	51.0	54.6	5.1	51.8
Men									
Total	86.5	3.6	83.4	66.5	8.6	60.8	66.2	7.4	61.3
20~29	62.4	10.5	55.8	50.9	15.1	43.2	46.1	16.3	38.6
30~39	93.7	2.9	90.9	74.8	13.5	64.7	74.6	11.6	66.0
40~49	94.7	2.1	92.7	71.5	7.8	65.9	70.6	6.9	65.8
50~59	89.5	2.3	87.5	62.6	6.3	58.7	63.8	5.2	60.5
Women									
Total	62.8	3.7	60.5	39.1	5.2	37.1	36.8	9.2	33.4
20~29	63.8	7.6	59.0	47.1	8.4	43.1	38.5	35.4	24.9
30~39	58.4	3.5	56.3	32.8	3.4	31.7	32.7	8.2	30.0
40~49	66.7	2.4	65.1	40.6	5.2	38.4	39.8	9.3	36.1
50~59	62.3	2.2	60.9	39.1	5.1	37.1	36.1	5.0	34.3

Note: EPR = economic participation rate; UR = unemployment rate; ER = employment rate

Among these people with various types of disability, those with physical disabilities had the highest economic participation rate (73.2 percent), while the people with intellectual disabilities had the lowest (13.9 percent). The unemployment rate was highest for the physically disabled (34.5 percent) and those with cerebral disabilities (16.3 percent).

<Table 2> Economic participation rates of community-dwelling disabled persons aged 20~59, by gender and disability type

		EAP			EIP	EPR	UR	ER
		Total	Employed	Unemployed				
Total	1,156,853	657,732	606,575	51,157	499,121	56.9	7.8	52.4
Physical	575,170	421,303	395,222	26,081	153,867	73.2	6.2	68.7
Cerebral	97,180	23,454	19,626	3,828	73,726	24.1	16.3	20.2
Visual	108,904	72,758	66,841	5,917	36,146	66.8	8.1	61.4
Hearing & speech	92,203	60,671	56,372	4,299	31,532	65.8	7.1	61.1
Intellectual	128,372	43,077	39,437	3,640	85,295	33.6	8.4	30.7
Mental	91,218	12,649	8,285	4,364	78,569	13.9	34.5	9.1
Internal	63,807	23,819	20,791	3,028	39,988	37.3	12.7	32.6
	788,598	522,186	483,451	38,735	266,412	66.2	7.4	61.3
Physical	428,844	351,736	329,710	22,026	77,108	82.0	6.3	76.9
Cerebral	67,906	19,150	16,338	2,812	48,756	28.2	14.7	24.1
Visual	78,095	57,541	52,908	4,633	20,554	73.7	8.1	67.7
Hearing & speech	48,368	38,082	35,979	2,103	10,286	78.7	5.5	74.4
Intellectual	77,112	29,174	27,688	1,486	47,938	37.8	5.1	35.9
Mental	48,171	7,372	4,724	2,648	40,799	15.3	35.9	9.8
Internal	40,014	19,132	16,104	3,028	20,972	47.7	15.8	40.2
	368,255	135,546	123,124	12,422	232,709	36.8	9.2	33.4
Physical	146,326	69,567	65,512	4,055	76,759	47.5	5.8	44.8
Cerebral	29,274	4,304	3,288	1,016	24,970	14.7	23.6	11.2
Visual	30,809	15,217	13,933	1,284	15,592	49.4	8.4	45.2
Hearing & speech	43,835	22,589	20,393	2,196	21,246	51.5	9.7	46.5
Intellectual	51,260	13,903	11,749	2,154	37,357	27.1	15.5	22.9
Mental	43,047	5,277	3,561	1,716	37,770	12.3	32.5	8.3
Internal	23,703	4,687	4,687	0	19,016	19.8	0.0	19.8

Note: EAP = economically active population; EIP = economically inactive population; EPR = economic participation rate; UR = unemployment rate; ER = employment rate

The problem that employees with disabilities said they had most often is "low pay." More than four in ten employees with disabilities, both men (42.3 percent) and women (40.6 percent), said they were low-paid. The average monthly earned income of the surveyed men was KRW2.09 million, while the women on average earned KRW1.1 million. Other often-cited difficulties include "work overload (22.4 percent of the men in their 30s and 21.4 percent of the women in their 50s) and "discrimination against disability" (9.4 percent of the women in their 30s).

<Table 3> Problems encountered by persons with disabilities at workplace

	Men					Women				
	All	20's	30's	40's	50's	All	20's	30's	40's	50's
Low pay	43.3	31.4	34.8	43.2	45.5	40.6	40.6	26.3	39.6	44.7
Interpersonal relationship	2.8	2.9	2.8	2.0	3.4	4.3	0.0	2.3	4.4	5.2
Limited promotion opportunities	0.7	2.1	0.7	0.8	0.5	0.5	0.0	0.0	1.7	0.0
Work overload	16.9	9.5	22.4	16.2	16.1	17.1	7.9	17.6	11.3	21.4
Lack of work-related skills	1.8	6.0	2.6	1.6	1.1	1.5	4.2	3.9	1.5	0.7
Tasks inconsistent with one's interest	1.0	2.5	2.3	1.4	0.1	0.9	0.0	0.0	1.6	0.9
Discrimination against disability	1.0	2.2	0.0	0.1	1.8	1.8	0.0	9.4	0.6	0.8
Lack of disability support facilities	2.1	0.0	1.1	2.4	2.3	1.3	0.0	2.4	1.3	1.2
Lack of convenient transportation	2.5	7.1	2.5	2.8	1.9	2.0	16.6	1.6	1.6	0.8
Communication difficulties	2.3	6.9	2.0	1.7	2.3	3.1	16.2	2.6	3.0	1.8
No problem	26.1	29.4	28.6	27.8	23.8	26.0	14.5	34.0	32.2	21.8
Others	0.5	0.0	0.0	0.0	1.1	0.8	0.0	0.0	1.2	0.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
N	483,450	22,184	82,291	151,385	227,590	123,122	7,210	15,935	36,050	63,927

Source: 2014 Survey of the Living Conditions of Disabled People, Ministry of Health and Welfare and Korea Institute for Health and Social Affairs

The job most wanted by the unemployed disabled people—by 24.6 percent of the men and 42.5 percent of the women—was "simple laborer," after which came "office worker" for men (18.5 percent) and "service worker" for women (19.6 percent). "Office worker" was especially hoped for among disabled men in their 40s (35.8 percent) and "service worker" among disabled women in their 40s (43.1 percent).

<Table 4> Jobs that people with disabilities hope to have, by gender and age

	Men					Women				
	Total	20s	30s	40s	50s	Total	20s	30s	40s	50s
Management occupations	5.3	0.0	12.8	2.2	4.2	0.0	0.0	0.0	0.0	0.0
Professionals and experts	14.7	12.6	27.8	7.9	11.6	17.8	17.1	43.0	10.1	16.4
Office workers	18.5	22.4	15.3	35.8	2.9	14.5	26.3	29.0	0.0	10.8
Service workers	10.4	21.1	6.6	7.7	12.6	19.6	8.0	0.0	43.1	16.0
Sales and related occupations	5.9	12.8	5.2	8.0	2.3	3.3	0.0	0.0	11.3	0.0
Farming, fishing, and forestry occupations	1.1	0.0	0.0	0.0	3.3	0.0	0.0	0.0	0.0	0.0
Production occupations	7.7	9.6	11.3	0.8	10.9	2.4	0.0	0.0	0.0	8.3
Machine and vehicle operators	11.7	7.2	10.0	8.1	18.1	0.0	0.0	0.0	0.0	0.0
Laborers and related occupations	24.6	14.4	10.9	29.5	34.1	42.5	48.6	28.0	35.5	48.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
N	41,961	4,334	10,776	13,318	13,533	12,721	3,952	1,431	3,684	3,654

Source: 2014 Survey of the Living Conditions of Disabled People, Ministry of Health and Welfare and Korea Institute for Health and Social Affairs

<Table 5> Jobs that people with disabilities hope to have, by disability type

	Total	Physical	Cerebral	Visual	Hearing & speech	Intellectual & autistic	Mental	Internal
Management occupations	4.1	8.2	0.0	0.0	0.0	0.0	0.0	0.0
Professionals/ experts	15.4	15.1	38.0	19.2	11.8	9.2	0.0	18.2
Office workers	17.6	8.8	45.9	16.9	21.6	0.0	42.7	26.9
Service workers	12.5	8.0	0.0	28.9	5.1	7.9	26.5	31.3
Sales and related occupations	5.3	7.1	0.0	7.0	0.0	13.9	0.0	0.0
Farming, fishing, and forestry occupations	0.8	1.7	0.0	0.0	0.0	0.0	0.0	0.0
Production occupations	6.4	8.8	0.0	0.0	19.3	0.0	0.0	9.6
Machine/vehicle operators	9.0	12.3	9.6	0.0	10.7	7.8	0.0	11.6
Laborers and related occupations	28.8	30.0	6.6	28.0	31.6	61.2	30.9	2.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
N	54,682	27,301	4,617	5,915	4,300	3,974	5,547	3,028

Source: 2014 Survey of the Living Conditions of Disabled People, Ministry of Health and Welfare and Korea Institute for Health and Social Affairs

What jobs the disabled people hoped to have varied across the types of their disabilities. Of those physically disabled, 30.0 percent said they hoped to land a laborer position and 15.1 percent aspired to work as "professionals or experts." The most hoped for employment in those with visual disabilities was in the "service" sector (28.9 percent), while "simple laborer" was the most widely hoped-for job among the people with hearing and speech disabilities (31.6 percent). For those with an intellectual or autistic disability as well, the most hoped-for job was "simple laborer" (61.2 percent).

Close to six in ten (59.1 percent) Koreans with disabilities who were economically inactive said they were not working because they could not due to their disability. The percentage of those who said the same was higher in the people with intellectual and autistic disabilities (79.6 percent) and the mentally handicapped (70.0 percent). Unlike people without a disability, many of the disabled become and remain economically inactive because of such reasons as labor market discriminations and lack of facility support. Some of the reasons the economically inactive Koreans with disabilities cited for their not working are ones that can be mitigated by policy actions.

<Table 6> Reasons people with disabilities are not working

	Total	Physical	Cerebral	Visual	Hearing and speech	Intellectual and autistic	Mental	Internal
Unable to perform work duties due to disability	59.1	43.9	65.0	52.6	36.3	79.6	70.0	66.4
No need to work	4.5	5.1	2.3	2.9	0.0	3.9	8.2	4.6
No job that matches my expected pay	2.5	5.4	1.8	1.0	1.4	1.2	1.0	1.3
No job that matches my major	0.8	0.9	1.1	0.0	1.8	0.0	0.9	1.3
Lack of educational attainment	0.8	1.4	0.0	0.0	0.0	0.9	1.2	0.3
Discrimination and stigma	2.4	3.7	0.9	2.0	2.0	1.7	3.6	0.0
Quitted the previous job to get a new one	2.7	2.8	2.1	1.3	11.3	1.2	2.6	1.1
Lack of work experience	1.3	0.6	0.7	1.6	3.6	1.4	2.6	0.0
In the process of seeking a job	0.9	1.2	0.0	2.3	3.4	0.0	0.5	1.0
Due to age	0.4	1.0	0.0	1.3	0.0	0.0	0.0	0.0
Child care and housework responsibilities	6.6	10.8	3.2	12.4	17.1	2.0	1.8	2.8
Due to health problems other than the disability reported	15.1	19.6	20.1	14.0	19.5	5.5	7.5	21.2
In school	1.1	0.6	1.8	4.0	0.8	1.9	0.0	0.0
Going back to school, getting married, etc.	0.6	0.9	0.0	3.3	1.3	0.0	0.0	0.0
Want to start an own business but unable to make that happen	0.6	1.6	0.0	0.0	1.7	0.0	0.0	0.0
Others	0.6	0.5	1.0	1.4	0.0	0.8	0.2	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
N	499,125	153,867	73,726	36,145	31,535	85,295	78,570	39,987

Source: 2014 Survey of the Living Conditions of Disabled People, Ministry of Health and Welfare and Korea Institute for Health and Social Affairs

Conclusion

Korea's policy for the employment of people with disabilities should focus on customized employment which involves creating jobs that are suited to their unique characteristics (gender, age, disability type, etc.) and helping as many of them as possible to move into the labor force. Considering that "low pay" is the problem employed people with disabilities most often encounter, policymakers should consider introducing a supported wage system that allows employers to pay their disabled employees at least minimum wage.

Training and education programs should be designed, with the involvement and collaboration of experts and professionals, in a way that meets the employment needs of people with disabilities. Those responsible for implementing these programs will need to link their services to the effort of creating social jobs for individuals with intellectual, developmental, and cerebral disabilities, not least those in their 20's, among whom the unemployment rate has been higher than among the rest.

Job consultation services for people with disabilities should be strengthened to include appropriate accommodations, such as support personnel and assistive devices, and monitoring

and follow-up services to address problems that may arise throughout the employment continuum. Also, there is a strong need for developing various microenterprise models for disabled people seeking to become self-employed. This effort should be accompanied by programs that provide microfinance assistance and places or storefronts for individuals with disabilities to use as the headquarters of their microenterprises.