

Employment of Persons with Disabilities in Montenegro¹

1. Labour market in Montenegro and position of persons with disabilities

In regard to overall labour market conditions as well social and economic position of persons with disabilities (PWDs), Montenegro shares many similarities with other economies of the Western Balkans. Labour market opportunities for all are much limited due to lack of jobs and high unemployment. The unemployment rate (LFS) in Montenegro has varied between 17.5% and 20% since 2010², decreasing in 2017 to 17%.³ It is combined with generally low activity rate of 53.5% in IV Q 2017, yet increasing over the same period from (49.8% in 2010).

Apart from jeopardized position of PWD due to unfavourable labour market conditions, many external barriers including low accessibility to public spaces, public services, social events, education and information have also lead to their exclusion. In addition, PWDs face deeply rooted prejudices among employers and employees typically underestimating their working capacity and showing reluctance to offer jobs and/or support at the workplace. Coupled with their generally lower educational attainment and lack of practical experience, these factors undoubtedly reduce their possibilities for finding jobs without supportive measures issued by policy makers.

Like elsewhere in the region, official data on PWDs in Montenegro are limited. LFS doesn't provide disaggregate data on PWDs so that core labour market indicators (unemployment, employment and activity rates) addressing this population segment are not available. Its size is estimated based on a question included for the first time in Census 2011⁴. The question addressed faced barriers related with self-perceived health status that reduces the capacity of a person to conduct everyday activities. Accordingly, 11% of the total population (or 68,064 persons) reported barriers stemming from illness, disability and age reducing their capacities to conduct everyday activities. The figure reflects self-perception and thus may differ from the data gathered by various public institutions, which primarily rely on medical documentation not asked for while collecting Census data. While data on PWD clients are kept separately by responsible institutions (e.g. registered unemployed at PES) development of a reliable unique database would call for a multidisciplinary approach involving several public institutions coordinated by the Ministry of Labour and Social Affairs (MLSA)⁵. Therefore, two most important strategic

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² Western Balkans Labour Market Trends 2017, World Bank Group and Vienna Institute for International Economic Studies, available at <http://www.worldbank.org/en/region/eca/publication/labor-trends-in-wb>

³ Data refer to 2017 IV Q, source: LFS, Monstat - State Statistical Office: Release no 47, March 19, 2018, available at: <https://www.monstat.org>

⁴ Government of Montenegro, Strategy for integration of PWDs in Montenegro 2016-2020

⁵ Vujačić, M., Profesionalna rehabilitacija i zapošljavanje osoba s invaliditetom: studija praktične politike, Udruženje mladih sa hendikepom, Podgorica, 2015, available at: <http://umhcg.com/publikacije/>

documents referring to the rights of PWDs⁶ envisage the establishment of a unique Registry of PWDs as a core strategic measure for the achievement of sustainable system of social protection.

Records on registered unemployed PWDs are kept by the Public Employment Service (PES). Data on participation of PWDs in a range of active labour market programmes (ALMPs) implemented through PES may also be found in annual plans and annual reports published on the website of this institution. However, employment of PWDs is not recorded within PES except in the part referring to beneficiaries of subsidies for employment (i.e. the number of employers entitled to subsidies for employment as well as the total number of employees under this scheme). The average number of registered PWDs from 2010 till 2014 was 2,069 ranging from maximum of 2,242 in 2010 to minimum of 1,942 registered in 2013.⁷ At the end of 2015, the total number of registered PWDs was 1,640 (536 or 33% women).⁸ In the same year, 93 employers were entitled to subsidies for employment of 128 employees (49 or 38% women). In the following years, the number of registered unemployed has increased which was reflected also in the increasing number of employers' claims for subsidies for employment of PWDs (214 employers with 319 employees, including 136 (43%) women at the end of 2017).⁹ Table 1 below shows cumulative figures for the period 2015-2017 for registered unemployed overall and PWDs.

Table 1: Registered unemployed at PES (overall and PWDs, total and shares)

	2015-2017 cumulative		
	Registered unemployed overall	Registered unemployed PWDs	% PWDs in overall registered unemployed
total	140.740	6.140	4,36
women	76.626	3.011	3,93
% women	54,45	49,04	na

Source: PES

As evident from the table above, the share of PWDs in overall registered unemployed is 4.36%, whereas the share of women PWDs is slightly lower (3.93%). However, in comparison with the base line of 2015, the participation of women has increased from 33% of registered women PWDs to 49% over the period 2015-2017. Similarly to other peer economies, registered PWDs significantly differ from the overall registered unemployed by their qualifications structure, as PWDs with no/low qualifications account for 52% of the total in comparison with 28% of no/low qualified registered unemployed overall.

The weak labour market position and limited opportunities of PWDs represented one of the core findings of a public opinion research among the general population and PWDs conducted in 2016.¹⁰ The general public opinion reflected the perception of PWDs who faced major obstacles

⁶ Government of Montenegro, Strategy for protection of PWDs from discrimination and promotion of equality for period 2017-2021; Government of Montenegro, Strategy for integration of PWDs in Montenegro 2016-2020

⁷ Vujačić, M., Profesionalna rehabilitacija i zapošljavanje osoba s invaliditetom: studija praktične politike, Udruženje mladih sa hendikepom, Podgorica, 2015, available at: <http://umhcg.com/publikacije/>

⁸ Government of Montenegro, Strategy for protection of PWDs from discrimination and promotion of equality for period 2017-2021

⁹ Official data, source: PES

¹⁰ Istraživanje o obimu i tipovima diskriminacije osoba s invaliditetom, available at: <http://un.org.me/library/>

and limitations in enjoying their rights with regards to employment mainly due to the avoidance of local employers to employ PWDs. Negative attitudes and stereotypes toward PWDs often prevent employers from offering jobs to PWDs in spite of policy measures introduced by the Government to support employment of this hard-to-employ group. Therefore, it seems that the implementation of policies and measures until 2015 has failed to meet the expectations of various stakeholders. Against such a background, the Government has made necessary adjustments while changing the legal and strategic frameworks which finally lead to recognition of Montenegrin regulatory framework as the most properly developed in comparison with Serbia and BiH.¹¹ The text below provides a deeper insight into the regulatory framework and employment policies for PWDs in Montenegro.

2. Assessment of regulatory framework with regard to employment of PWDs

The regulatory framework in Montenegro is aligned with the most important international documents and strategies referring to the field of protection of human rights and provision of equal opportunities for PWDs against discrimination, including: Universal Declaration of Human Rights, UN Convention for the Rights of Persons with Disabilities, EU Strategy for Persons with Disabilities 2010-2020. The National Assembly of the Republic of Montenegro ratified the UN Convention in 2009, making it part of the national legislative framework. General guidelines under Article 27 of the UN Conventions were integrated into the national legislation regulating the field of work and employment of PWDs. The EU Strategy provision referring to employment was built in the Law on Professional Rehabilitation and Employment of Persons with Disabilities¹², fostering actions which would allow access for PWDs on open labour market based on a set of active labour market policies envisaged by the Law. Adjusting the local regulatory framework (legislative and strategic) with the UN Convention and the EU strategy 2010-2020 called for a thorough analysis of all regulative documents, which resulted in issuing the new Law on Prevention on Discrimination of PWDs and revision of the Law on Professional Rehabilitation and Employment of PWDs in 2016.¹³

Main strategic documents in the field of protection of rights of PWDs, including their right to work and employment are *Strategy for protection of PWDs from discrimination and promotion of equality for period 2017-2021*, *Strategy for integration of PWDs in Montenegro 2016-2020* as well as *National Strategy for Employment and Development of Human Resources 2016-2020* with followed with annual action plans setting specific targets with regards to implementation of ALMPs.¹⁴

Apart from other special laws with regards to employment and work (the Law on Employment and Unemployment Insurance¹⁵ and the Labour Law¹⁶), the Law on Professional Rehabilitation

¹¹ Smjernice i preporuke za harmonizaciju zakonodavstva u BiH, Srbiji i Crnoj Gori sa UN Konvencijom o pravima lica sa invaliditetom, 2015 available at: <http://www.cilsrbija.org/ser/ebib.php>

¹² Law on Professional Rehabilitation and Employment of Persons with Disabilities, Official Gazette, No. 49/2008, 39/2011, 55/2016

¹³ The Law on Prohibition of Discrimination of PWDs, Official Gazette No. 33/2006 and 13/2016

¹⁴ The Government of Montenegro, *National Strategy for Employment and Development of Human Resources 2016-2020* with annual national actions plans, available at: <http://www.zzzcg.me/planovianalize-i-izvjestaji/>

¹⁵ The Law on employment and unemployment insurance, Official Gazette, No. 14/2010, 40/2011 – other law, 45/2012, 61/2013, 20/2015 and 52/2016. The Law has acknowledged status of PWDs as hard-to-employed thus setting grounds for their prioritized participation in the labour market programmes implemented through PES.

and Employment of PWDs (the Law) is the main document setting legal grounds for the implementation of employment policy for PWDs, created in accordance with accepted international standards and guidelines. In comparison with previous versions, the Law has advanced in the part where it promotes employment on open labour market by pointing out that employers may specify the number of posts open for employment of PWDs. Such posts may only be offered based on fix-term contracts (one year) to job seekers other than PWDs should they be unavailable on the local labour market. This new provision coupled with the principles of non-discrimination and affirmative action establish the foundations based on which the employment policy and ALMPs for PWDs have been developed.

3. Assessment of employment policy and ALMPs for PWDs

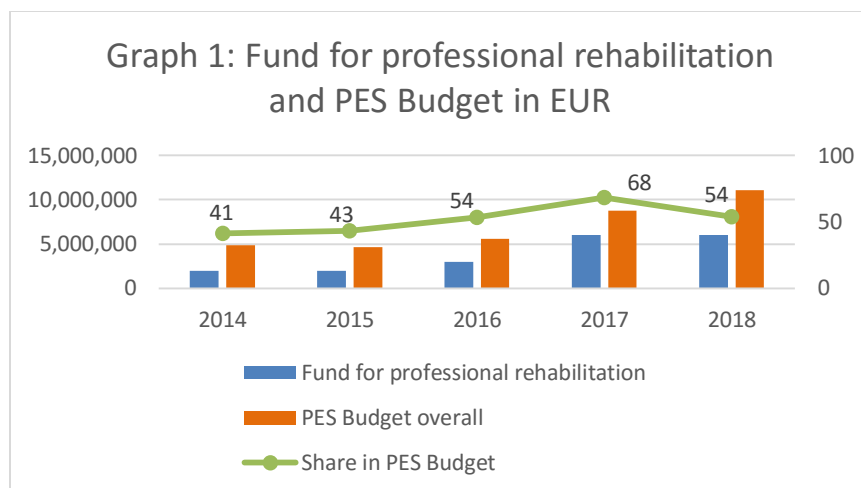
The employment policy for PWDs revolves around delivering a set of programmes with regard to 1) professional rehabilitation and 2) employment of PWDs under general and special conditions through introduction of quota scheme and special organizations for employment of PWDs (e.g. working centres, sheltered workshops and sheltered shops). Participation of PWDs in selected programmes is based on assessment of disability, remaining working capacities and employment possibilities. Assessment Committees established at PES (first level) and Ministry of Labour and Social Welfare -MLSW (second level) are in charge of the assessment process. In contrast to the Host Economy, the assessment procedure doesn't explicitly mention 3 levels of categorization of PWDs, while the introduced quota scheme promotes employment of persons with severe disability (of more than 80%) by specifying that such persons occupy two quota positions at the same employer.

Similarly to the Host Economy, a quota-levy scheme was introduced aiming at the enhancement of employment of PWDs through assuring provision of jobs by existing employers but also aiming at offering measures of professional rehabilitation and ALMPs to increase employability and promote self-employment of PWDs. Therefore, a special Fund for Professional Rehabilitation and Employment (the Fund) has been established. The funding is assured based on 1) contributions paid by the employers failing to fulfil the quotas amounting at 20% of the average salary and obligatory contributions amounting at 5% of the average salary paid by all employers with less than 20 and more than 10 employees provided that they don't engage any PWD, 2) State Budget, 3) Budget of Local Self-governments, 4) donations and 5) other sources of funding. As of January 2014, the Fund was positioned as a separate sub-account of PES. Prior to that, the Fund was operating as part of the State Budget and MLSW transferred the money to PES based on claimed expenses. The change resulted in more opportunities for PWDs to be included in ALMPs. While prior to 2014 no exact data were available on the allocated and delivered funds for ALMPs for PWDs, some evidence shows that the annual delivery was between 270,000 and 480,000 EUR¹⁷. The amount of funds allocated for the implementation of ALMPs directed at PWDs increased substantially in the period from 2014 till present (see graph 1 below)¹⁸.

¹⁶ The Labour Law, Official Gazette, No. 49/2008, 88/2009 – other law, 26/2009, 26/2010 – other law, 59/2011, 66/2012, 31/2014 and 53/2014 – other law.

¹⁷ Vujačić, M., Profesionalna rehabilitacija i zapošljavanje osoba s invaliditetom, Udruženje mladih sa hendikepom, Podgorica, 2015; Program rada ZZZCG za 2013, available at: <http://www.zzzcg.me/planovianalize-i-izvjestaji/>

¹⁸ Program rada za 2014,2015, 2016, 2017 and 2018 available at: <http://www.zzzcg.me/planovianalize-i-izvjestaji/>



Source: PES

Graph 1 shows that the allocation of funds for ALMPs directed at PWDs has tripled since 2014, amounting to 6,000,000 EUR in 2018 (0.18% of GDP). For the last three years it has accounted for more than half of the funds allocated at ALMPs implemented by PES. In 2018, the Fund is planned to be spent on 1) measures directed at employment of PWDs, including subsidies for employment, adjustment of working place to the needs of PWDs and similar amounting at 1/3 of the total allocated fund (2,000,000 EUR) and 2) financing grant schemes in the amount of 3,300,000 EUR (55% of the Fund). Programmes with regards to professional rehabilitation, active labour market policies as well as entrepreneurship support programmes account for much lesser amount of the Fund (300,000; 200,000 and 50,000 EUR respectively) in accordance with the plan set for 2018. The organizations selected through open calls announced by MLSW are appointed to deliver professional rehabilitation comprised of a set of measures and programmes with regard to individual and group counselling, professional orientation, motivation and other support services in overcoming unemployment and finding job. In addition, special organizations for professional rehabilitation are established in accordance with the Law, while professional rehabilitation may also be delivered through grant schemes.

Measures directed at employment of PWDs

Employers who employ PWDs as well as self-employed PWDs are entitled to several types of subsidies including non-refundable subsidy for adjustment of working place and working environment, loans under favourable conditions for purchase of special equipment and tools, participation in salary paid to engaged personal assistants to PWDs, employment subsidies for PWDs. The Law envisages the establishment of special organizations for employment of PWDs such as: working centres for employment of persons with severe disabilities (with less than 50% of working capacity of a person of the same age), sheltered workshops provided that at least 51% of employees are recruited among PWDs and sheltered shops.

Grant schemes

The main focus of the Fund is to finance grant schemes, i.e. projects developed by organizations offering programs for professional rehabilitation and employment of PWDs. Appointed committees select the projects to be granted funds and monitor their implementation. Prior to establishing the Fund as a sub-account at PES, the implementation of this policy measure used to be highly criticized in public. Public criticism was directed at the fact that rather small if any share of the allocated funds was actually spent on financing projects, due to low interest of organizations to apply for grants and/or ineffective procedures for allowing grants which typically resulted in underspending of the Fund before 2014. However, over the last few years the number of funded projects has been increasing. Namely, 30 granted projects awarded 1,723,607 EUR in total in 2016 were implemented by the end of 2017, whereas in the same year additional 54 projects were granted over 2.5 million EUR to be carried out in 2018¹⁹.

4. Assessment of success factors and transferability

Success factors listed in the Host Economy Case Study revolve around 1) recognition of rights to work and employment and assuring equal opportunities for PWDs based on established status of PWDs, 2) development of four pillars of employment policy and 3) proper implementation of ALMPs for PWDs through NES.

The regulative framework and corresponding employment policy in the peer economies have recognized equal rights to work and employment for all PWDs belonging to this diverse group. A number of supportive programmes and measures in the case of unemployment and to enhance employment and employability of PWDs are offered based on assessed working capacity. However, due to Assessment Committees being placed on two levels (with PES and MLSW), the procedure may be perceived as too complicated and slow, thus restraining PWDs for claiming their rights to participate in ALMPs.

Employment policy for PWDs in Montenegro is similar in many respects to the one in Serbia. Both countries have established Fund for professional rehabilitation and employment of PWDs to finance ALMPs directed at this population group. Professional rehabilitation and measures directed at increasing employment of PWDs constitute the core pillars of these policies. In each of the cases, employment of PWDs is supported through binding quotas. Quota-levy scheme in the Host Economy allows employers to pay-off the binding obligation to employ PWDs by signing procurement agreements with special organizations for employment of PWDs. The model is supportive for the employment of PWDs in such organizations (e.g. enterprises for professional rehabilitation and employment of PWD and sheltered workshops) and could be easily transferred in the peer economies as well.

Public Employment Services are the core organizations responsible for the implementation of ALMPs for PWDs in both countries. However, NES in Serbia has established a Centre for the Professional Rehabilitation and Employment for PWDs offering package of services for PWDs, based on individual employment plans developed jointly between an unemployed PWD and NES counsellors for professional rehabilitation and employment. The model allows better planning of programmes while adjusting it to individual needs, as well as monitoring and evaluation of participation of PWDs in ALMPs, delivery of allocated funds and effects achieved, which could all be easily transferred in the peer economy as well.

¹⁹ Izveštaj o radu ZZZCG za 2017 i 2016, available at: <http://www.zzzcg.me/planovianalize-i-izvjestaji/>

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