



# LATVIA'S DISABILITY POLICY

## Reflections on recent and ongoing reforms

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assessment and employment of persons with disabilities'  
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## OUTLINE

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1. Share a long-term disability policy vision
2. Discuss how far Latvia is away from that vision
  - a. Definition and assessment issues
  - b. PES role and measures
  - c. Role of the benefit system
3. Relate disability policy with selected outcomes
4. Offer a number of policy conclusions



## POLICY VISION

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- Go beyond narrow disability thinking
  - Disability programmes are, first and foremost, labour market programmes
  - Inclusive and fully integrated services to achieve more inclusive labour markets
  - One approach (and one benefit?) for all jobseekers
- ⇒ Consequences on a number of policy aspects



## DEFINITION AND LABELLING

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- A disability label or registry is highly problematic:
  - Is arbitrary and notoriously medical
  - Creates a too narrow disability focus
  - Eliminates the employment expectation
  - Leads do segregation, not integration
- Increase in PWD numbers to be expected
- Relation with labour law and employment quota



# DISABILITY ASSESSMENT AND REFORM

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- Assessment still predominantly medical
  - Who should get involved?
  - Role of general practitioners?
- Distinction disability vs. loss of work capacity?
- Distinction general disability vs. work injury?
- Issue of regular and rigorous reassessment
- Reform only for new or also current claims?



## ROLE OF THE PUBLIC EMPLOYMENT SERVICE

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- The main actor – well understood in Latvia – as good policy is all about “early intervention”
  - Is the PES sufficiently resourced?
  - Does the PES have the necessary competences?
- No activation without mutual obligations!
- Is making measures more generous good enough?
- Lack of integration with health and rehab services



## NEW EMPLOYMENT MEASURES FOR PWD

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- New measures are very promising but:
  - Do they reach enough people, e.g. with mental illness?
  - Are available and new measures sufficiently flexible?
- Need for integrated health/rehabilitation services
- Need for ongoing support for some jobseekers
- PWD are underrepresented on training measures
- Note: OECD evaluation of some measures ongoing!



## ROLE OF THE BENEFIT SYSTEM

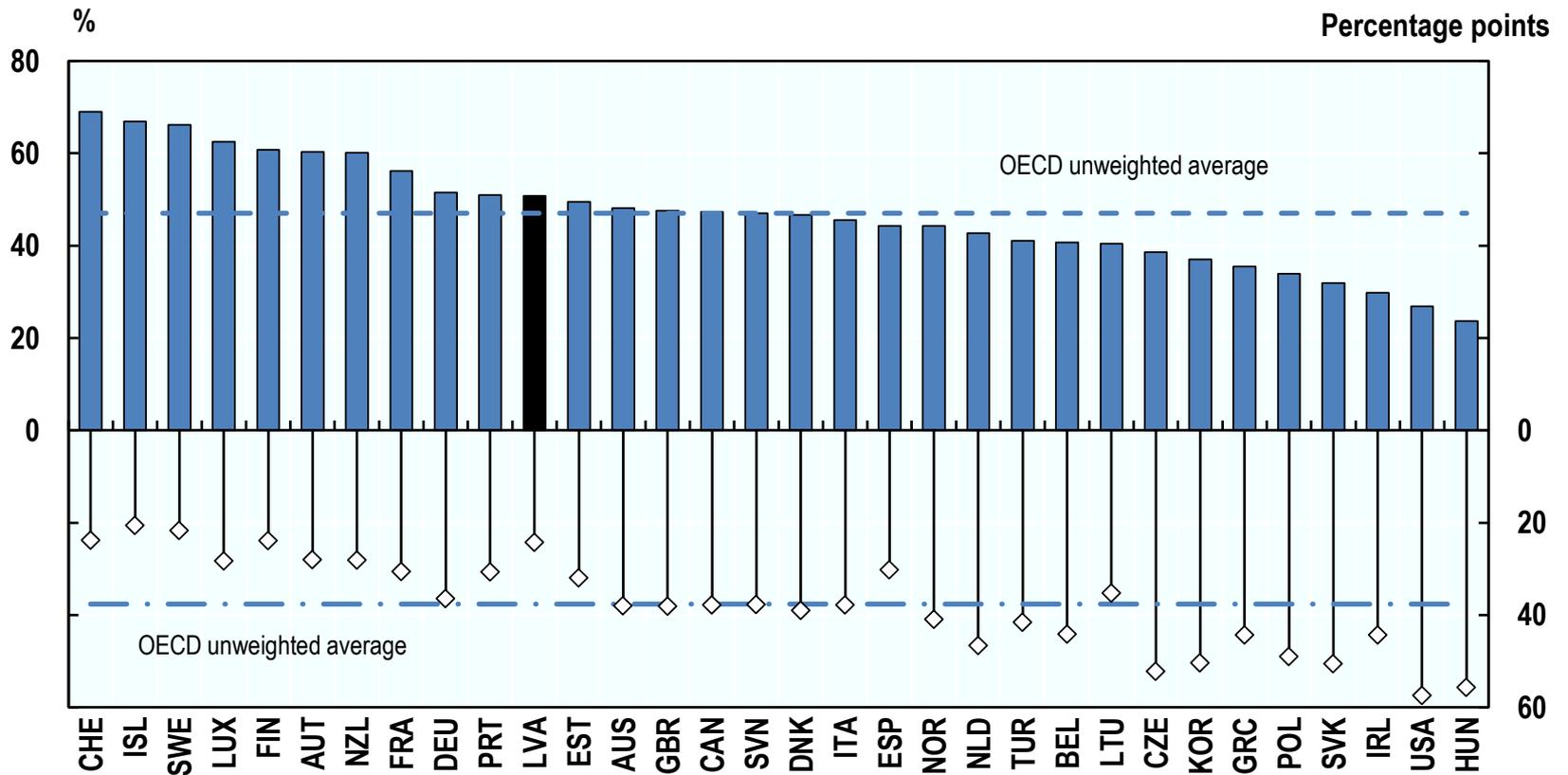
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- Disability beneficiary rates are high and increasing
  - Do we understand why?
  - Is this becoming the benefit of last resort?
- What was the impact of pension reform?
- Benefit payments seem very low – adequacy?
- Work incentives and making work pay – options to combine partial work with partial benefits?



# THE DISABILITY EMPLOYMENT GAP IN LATVIA IS LOWER THAN IN MOST EUROPEAN COUNTRIES

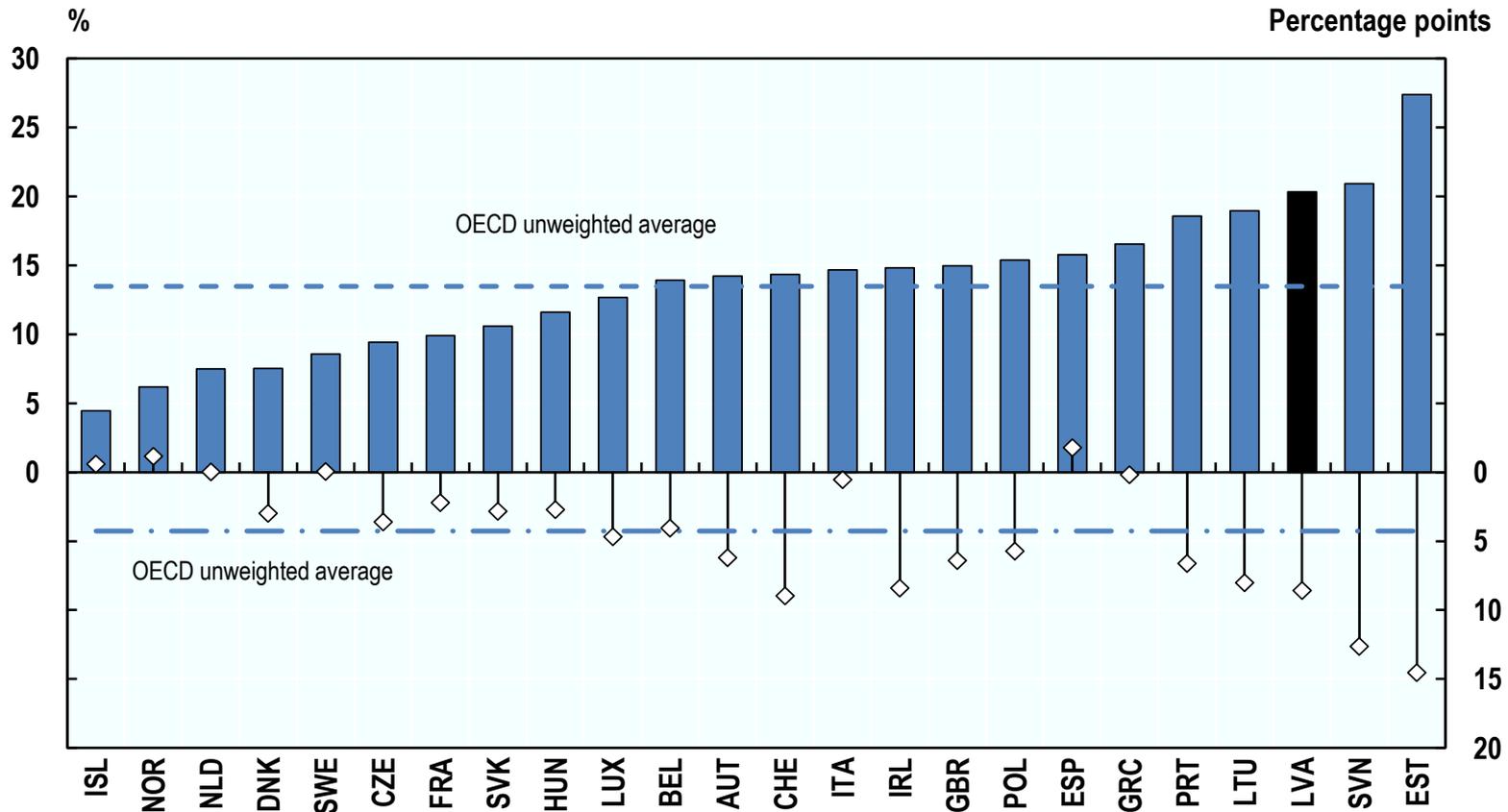
Employment rates (top) and gaps relative to people without disabilities (bottom)





# POVERTY RATES, HOWEVER, ARE HIGHER IN LATVIA THAN IN MOST EUROPEAN COUNTRIES

Low income rates (top) and gaps relative to people without disabilities (bottom)





## GENERAL CONCLUSIONS

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- General policy may matter more than special policy
  - It is less about good *programmes and interventions*, and more about getting *structural* policies right
- Structural reform needs leadership, implementation needs broad consensus and a good evidence base
- Effective disability policy has the same features as effective unemployment policy (“mainstreaming”)
- Early intervention is key and PES is the main actor
- Insider-outsider problematic must be addressed
- Link “disability – age – long-term unemployment”



## RECOMMENDATIONS FOR LATVIA

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- Consider removing disability labelling
  - Dismissal protection and employment quota unhelpful
- Introduce an activation framework with comparable mutual responsibilities for all jobseekers
- Make existing employment measures more flexible, including the option of unlimited support
- Invest in job retention and workplace adjustments
- Address outsider problem through hiring incentives
- Consider benefit reform [more thinking needed]
  - Make benefits more flexible and maybe more adequate



## THANK YOU

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For OECD publications on the topic:

<http://www.oecd.org/employment/sicknessdisabilityandwork.htm>

[www.oecd.org/employment/mental-health-and-work.htm](http://www.oecd.org/employment/mental-health-and-work.htm)

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