Effects of the Economic Crisis on the Placement of People with Disabilities in Singapore

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Abstract

This paper looks at the impact of the economic crisis on the employment prospects of people with disabilities in Singapore. Background information on Singapore pertaining to the employment of people with disabilities (PWDs) is provided to give a proper perspective on the issues to be discussed. Background information on Bizlink Centre Singapore Ltd is also given, since Bizlink Centre is the only centralised job placement agency in Singapore. Retrenchment figures are given and the effects of the crisis on sub-contract jobs made available to sheltered workshops is also discussed. Various initiatives taken by Bizlink Centre Singapore Ltd and other agencies in Singapore are then discussed. The paper concludes that the economic crisis, although unwelcome, has nonetheless provided an impetus for the Singapore government and non-profit organisations to take urgent and new initiatives to that may have lasting impact on the whole issue of employment of PWDs in Singapore.

Introduction

The economic crisis which hit Singapore and which is still affecting us has had some significant impact on the placement of people with disabilities in Singapore. This short paper will try to describe some aspects of this impact, and some steps that were taken to try and minimise the impact.

Background Information

In order to have a proper perspective of the effects of the economic crisis on placement of PWDs, some background information on disability issues in Singapore would be useful.

1. Legislation

Unlike in many other countries, Singapore does not have legislation pertaining to the employment of PWDs. Being a multi-cultural society with a Chinese majority and three other minority races, Singapore does not even have equal opportunity/anti-discrimination legislation. Nor does it have any minimum wage
restrictions. Employers are free to advertise and recruit whomever they want, with the liberty of stating desired sex, age and even race. The implications of this on the employment of PWDs are obvious. Any employer can openly discriminate against employing PWDs without fear of legal action being taken against them. Nor is there any legal recourse if an employer chooses to discriminate against them with regards to remuneration. Placement of PWDs is therefore very dependent on persuasion education and encouragement of employers to accept PWDs as potential employees. Successful placement of PWDs in Singapore is also very dependent on the skill level of such PWDs.

2. Lack of Statistics

In Singapore, the government has not taken a census of the number of PWDs in our population. Therefore, no one actually knows how many PWDs there are in Singapore. The only recourse we have to obtaining the number of PWDs in Singapore is to extrapolate from statistical information of other countries. We normally extrapolate from countries like Hong Kong, and based on this, we estimate that three to four percent of our population are disabled. This works out to 120,000 to 160,000 PWDs in Singapore. In 1985, a survey was conducted by Singapore's Ministry of Community Development on a sample population of PWDs, and discovered that 55 percent of the sample size was unemployed. There are no other known surveys of the employment situation of PWDs in Singapore. Most data on placement of PWDs is obtained from Bizlink Centre Singapore Ltd, which is Singapore's centralised job placement centre for PWDs (see below for more on Bizlink Centre Singapore Ltd). However, Bizlink Centre is only able to provide statistics on PWDs who have accessed the services provided by Bizlink. It is speculated that a large number of PWDs do not avail themselves of Bizlink Centre's services, and seek employment through their own avenues.

3. IT Age and High Cost of Living

Being a small country with no natural resources, Singapore sees it as a necessity to continually upgrade its industries and people. In order to ensure its economic survival, companies in Singapore are urged to move into high value-added industries and to make use of information technology to keep one step ahead of its competitors. Great importance is therefore placed on multi-tasking and skills retraining and upgrading of Singapore workers. This has serious implications for PWDs especially those who are not well educated and are low functioning, such as the intellectually disabled and visually impaired. Singapore's wage cost is also relatively high, and this results in low-value added industries/jobs being relocated to other countries such as Indonesia, Malaysia, China etc where wage costs are much lower. The result of this is that many jobs that are suitable for low-functioning PWDs who have difficulty in acquiring basic skills, have dried up. So a large sector of PWDs are left with little or no employment options, save for employment in sheltered workshops where pay is extremely minimal or even non-existent.
4. Lack of Welfare Benefits

The Singapore government is wary of going the way of some western nations where the state becomes solely responsible for health and welfare subsidies, which would place an immense strain on government finances and result in high income taxes etc. There is therefore neither unemployment nor disability benefits. Neither are there any substantial incentives for employers who employ PWDs. There is only one single incentive scheme for the employment of PWDs, which is a tax relief for modification of premises to accommodate PWDs employed by a company. But the incentive is not attractive, and although the tax incentive has been on the statute books for a number of years, as far as is known, to date, not a single company has applied for this tax incentive.

Singapore's system is to emphasise that welfare is a joint responsibility to be shared by private citizens and the government. Funding for welfare programmes is therefore on a fifty percent basis, with NGOs and welfare organisations having to source for the other fifty percent through their own efforts. To facilitate the raising of funds from the private sector, a statutory body called the National Council of Social Service (NCSS), has been set up to raise funds for voluntary welfare organisations who join the NCSS as funded members.

5. High Cost of Transport

Singapore has an excellent transport infrastructure, with many unique schemes found nowhere else in the world, such as its Electronic Road Pricing system and Restricted Zones. However, the excellence of Singapore's transport infrastructure is applicable only to its majority (currently) non-disabled and ambulant disabled citizens. To the non-ambulant disabled, Singapore's transport infrastructure is a nightmare, with neither its underground Mass Rapid Transit system nor its public bus services being accessible to the wheel-chair bound. Taxi services in Singapore are very expensive, and private cars are even more expensive, with many models being 8 to 10 times more expensive than similar models in Europe and the US. This has considerable impact on PWDs who are non-ambulant, who often do not bother to find employment because the bulk of their salaries will go towards paying for their transport to and from work.

Bizlink Centre Singapore Ltd

Bizlink Centre Singapore Ltd was originally set up by Singapore's Ministry of Community Development and then Singapore Council of Social Service as a centralised job placement project for PWDs. The project was then known as the Employment Programme for the Disabled, and its objective was to seek employment opportunities for all categories of PWDs, including the intellectually disabled. In 1995, it was registered as an independent voluntary welfare organisation (VWO) and continues its mission to seek both open and sheltered employment opportunities for PWDs.
Bizlink runs a number of programmes for PWDs. The main ones are as follows:

1. **Employment Placement Programme**

   This programme offers job placement services to persons with disability who are suitable for open employment. It also organises follow-up services such as counselling and company visits to ensure that clients placed by the division have properly adjusted in their workplaces. In 1998, Bizlink placed 212 persons into open employment.

2. **Vocational Assessment Programme**

   This programme assesses the aptitude, skills and interests of PWDs. Interviews and assessments are carried out, including periods of job trial, which can last between two to three weeks. PWDs are placed on job trial at Bizlink's production workshop. Recommendations are then made on the various types of work suitable for them. Those who are found suitable for open employment are channelled to the placement programme. Others are channelled to other services and agencies more suitable for them, such as sheltered workshops, day activity centres etc. Some are channelled to Bizlink's own production workshop. In 1998, this division assessed 468 clients for job placements. Vocational assessments are important in Singapore because of the lack of anti-discrimination legislation and the dependence on persuasion of Singapore employers. Vocational assessment assists in appropriate and efficient placement of PWDs and thus makes it easier for employers to accept PWDs into their workforce.

3. **Business Development Programme**

   This programme operates a Production Workshop, which provides competitive wages to PWDs. PWDs employed by the workshop are those who for some reason or other are unsuitable or not ready for open employment. The workshop also serves as a trial and training area for clients undergoing job trial. It also acts as a showcase to demonstrate the potential of PWDs in open employment.

**Retrenchment of PWDs**

Since the start of the economic crisis, Singapore has experienced large numbers of retrenchments. PWDs are amongst those who are retrenched. Although we have not come across companies who exclusively retrench PWDS, indications are that PWDs are among the first to be retrenched especially those PWDs who are lower functioning. Since the beginning of the economic crisis, Bizlink Centre has registered 110 retrenched PWDs seeking reemployment through Bizlink's placement programme. Placements have also slowed down (212 in 1998 vs. 260 in 1997).

**Slowdown in Production Workshop**
A slowdown was also experienced in Bizlink's production workshop. Sub-contract jobs were harder to come by as companies wound down and economic activity slowed. Sub-contract rates also became lower, as companies sought to lower production costs.

**Initiatives Taken to Minimise Impact of Economic Crisis on Placement of PWDs**

A number of initiatives were taken to minimise the impact of the economic crisis.

1. **Focus on Temporary and Contract Labour**

   There was a shift in focus from permanent placements to temporary placements. With the slowdown in economy, it was felt that a temporary job was better than no job, and PWDs were counselled to accept temporary placements during this period. Bizlink also began to act as a contract labour supplier. Many companies during this period have a zero growth policy with regards to head-count, or a non-replacement policy. But work still needed to be done, and Bizlink offered to supply contract labour to these companies, whereby as far as the company was concerned, its head-count was not affected, but it paid Bizlink a contract sum to supply labour. Bizlink would then supply PWDs to these companies to get the various jobs done, but the workers would technically be under Bizlink's employ.

2. **Contract Labour with Management Responsibility**

   Another initiative, slightly different from the first, was the supply of contract labour with management responsibility. In the first initiative, labour was supplied under contract, but the contracting company managed the labour. In the second initiative, labour was not only supplied under contract, but was also under the management of Bizlink. Such contracts are similar to the existing contract work brought in to be done at our workshop, except that these contracts were done at customers' premises.

3. **Integration of Non-Disabled Workers**

   In order to increase overall productivity and versatility, non-disabled workers were integrated, both at Bizlink's workshop and under the contract labour scheme. In a sense, this move brings "open" employment into a "sheltered" environment. It is the ideal of a commercial workplace integrating PWDs and non-disabled, but beginning from a sheltered environment and moving "outwards", as opposed to beginning from a non-sheltered, commercial environment and moving "inwards" towards integration.

4. **Integration of Specialised Workshops**

   In tandem with initiative number 3, there is also a move in Singapore towards integration of the various specialised workshops currently in existence. The Singapore Association of the Visually Handicapped for example, runs a workshop comprising only of visually impaired persons. This necessarily results in limitations as to the scale
and scope of works that the workshop could perform. An integrated workshop with other disability groups and even non-disabled persons could greatly increase the scale and scope of such workshops. A centralised marketing programme has been set up under Bizlink Centre to co-ordinate the marketing efforts of 4 participating workshops (including the Singapore Association of the Visually Handicapped) as a first step towards greater integration and complementarity of the various specialised workshops in Singapore.

5. Focus on Joint Projects with Commercial Companies

Another initiative is a move towards joint projects with commercial companies, especially in high value-added industries. Bizlink is currently operating a joint project with Singapore Aerospace Manufacturing (SAM). High tech equipment is provided by SAM and located at Bizlink's premises, and Bizlink provides skilled PWDs who have been trained on the job at SAM's premise and who have undergone a specialised certification course with Singapore's Institute of Technical Education. The skilled PWDs manufacture precision machining parts for the aircraft industry using SAM's machines, and Bizlink charges SAM on a per piece rate basis. Quality control is under SAM whilst process management is under Bizlink. The PWDs are under Bizlink's employ.

6. Focus on Ownership Manufacturing

Sub-contract jobs normally are low value-added, so one of the initiatives is to move towards ownership manufacturing. To this end, Bizlink is working with the Singapore Polytechnic's Centre for Applications in Rehabilitative Engineering (SP CARE) to manufacture a low-cost motorised wheelchair. The wheelchair was designed by SP CARE and uses a commonly available manual wheelchair as the base for the new design. Thus it is also possible to retrofit existing manual wheelchairs to turn them into low cost motorised alternatives. Bizlink will manufacture and sell this wheelchair, not on a sub-contract basis but as owner manufacturer, with royalties going to SP CARE for each wheelchair sold. This project will be launched by mid 1999.

In conjunction with this initiative, Bizlink's centralised marketing programme is developing handicraft/gift items for the various participating workshops to manufacture and sell. Design ideas are obtained from collaboration with the various design schools and faculties in the various tertiary institutions in Singapore. Bizlink has also developed a brand name (to be launched in due course) that will identify quality handicraft/gift items that are manufactured, assembled or designed by PWDs.

Involvement of Ministry of Manpower

Perhaps one of the most important developments of this economic crisis is the involvement of Singapore's Ministry of Manpower. In the past, employment of PWDs was seen as a welfare issue, not a manpower/labour issue. But the economic crisis
gave the National Council of Social service an opportunity to organise various seminars and workshops aimed at helping VWOs and their clients to better cope with the impact of the crisis. The ministry of manpower was invited to present some of their assistance schemes during these workshops and this has led to the formation of a loose committee/dialogue grouping involving the National Council of Social Service, the ministry of Manpower (MOM), the ministry of Community Development, Bizlink Centre and the Singapore Action Group of Elders. Although this dialogue group is rather informal, it marks the first time that MOM sees employment of PWDs as part of its agenda. It is also the first time that MOM representatives are actively involved in what would previously have been considered a welfare committee. The hope is that this dialogue grouping/committee will evolve to something more formal that could address issues including employment legislation, employment incentives etc. for PWDs.

**Conclusion**

Although the economic crisis has brought suffering and hardship to countries in South East Asia, including Singapore, and affecting PWDs and non-disabled persons alike, it has also brought with it an impetus to look at old issues with more urgency and renewed vigour. VWOs and the Singapore government have been pushed to action and to take on new initiatives, which may have lasting impact on the whole issue of employment of PWDs in Singapore. There may be a silver lining to this economic cloud after all.

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