Sweden: Employment opportunities for people with chronic diseases

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The labour market for people with chronic diseases is not particularly different from the rest of the population and the employment rate and unemployment rate appear to be similar. However, people that have a decreased ability to work diverge from this notion and criticism has been raised towards the labour market entry frictions for this group. Examples include the employer entry fee (arbetsgivarintråde) and other financial responsibilities that employers need to provide. There is a significant gender gap regarding working time and women with chronic diseases and a decreased working ability have problems establishing on the labour market.

Block 1: Concept, definitions, sources of information and methodological issues on chronic diseases and work from the national perspective

1.1. National definition of chronic disease

There is no established definition of chronic diseases in Sweden and, generally, people with chronic diseases are bundled together with long-term sick people or people with disabilities in different studies. Hence difficulties arise when one wants to study statistics for people with chronic diseases and their situation on the labour market. The national agency for statistics, Statistics Sweden, does not gather any statistics specifically for chronic diseases and it is necessary to work around the problem, inevitably opening up for methodology issues. The numbers in this report are estimations building on studies including people with chronic diseases, but also people with disabilities. Thus these numbers should be interpreted with caution, although the real numbers are probably close to the estimations.

Although not officially defined as chronic diseases, asthma, diabetes, cardiovascular disease, rheumatic disorders, HIV/AIDS, neuropsychiatric disorders (such as Attention-Deficit/Hyperactivity Disorder, Asperger’s syndrome and Tourette’s syndrome), gastrointestinal disorders and different cancer forms are commonly used in this context when referring (in Swedish) to chronic diseases.

1.2. Information on national sources of statistical information dealing with the issue of chronic diseases and their relation to employment and working conditions

There is no national database covering the subject of chronic diseases, but Statistics Sweden has conducted a survey every second year in the period 1996-2008, and recently in 2012, that examines the labour market situation for people with disabilities, including people with chronic diseases (according to the Swedish definition of disabilities (in Swedish)). The questions cover areas such as working time, education and main activity and the report is called Förutsättningar i arbetslivet (Conditions in the labour market). The definition of a disability in this case is: reduced hearing or vision, speech disorders, allergic problems, mental disorders, diabetes, cardiovascular disease, gastrointestinal disorders, psoriasis, epilepsy and dyslexia. These problems might be of permanent nature or just long withstanding. The majority of the respondents fall into the chronic disease category according to the definition in the Statistics Sweden report, and is employed, either full-time or part-time. The Swedish Agency for Health and Care Services Analysis released a report (in Swedish) regarding chronic diseases in Sweden. The definition of chronic disease used in this report is wide and include both chronic diseases and long withstanding health problems such as hearing impairment, reduced vision and paralysis. The data is collected from health records.
Block 2: Prevalence, recent evolution and effects of the problem of chronic diseases among workers and companies

2.1. People affected by chronic diseases and employment

According to Eurostat (2012) 34% of the Swedish population has a long withstanding illness or health problem. When looking at the only nationwide statistics in Sweden, which also includes people with disabilities, the number is 26%. The real number of people with chronic diseases is most likely within this interval and appears to have been relatively stable for the last couple of years. The Swedish Agency for Health and Care Services Analysis report, building on a wide definition of a chronic disease, indicate that 44% of the population has a chronic disease. The difference between these sources can probably be connected to the difference in definition and methodology.

The unemployment rate for people with disabilities (including chronic diseases according to the definition above) and that do not have a reduced ability to work is 6.9% and approximately 71% is working. The unemployment rate is slightly higher than the 5.8% for people without any disabilities and the employment rate is lower than the 75% of the last-mentioned group. The same numbers for people that have a reduced ability to perform normal working tasks is 10.1% (unemployment) and 44% (employment).

When considering gender differences for people with chronic diseases, the Statistics Sweden report (in Swedish) states that a higher rate of men (76%) is working compared to women (65%) but this number is similar to the rate for people without any chronic diseases or disabilities. No statistics are reported on the employment rate and different illnesses and the employment rate for different age groups is similar to the rest of the population.

The main difficulties for enterprises with workers affected by chronic diseases are the financial responsibilities that a possible long term sick-leave could cause. The employer pays the wage for the first two weeks of a sick-leave (the so-called sick-pay period (sjuklöneperiod)) and this rule – also called the employer entry fee (arbetsgivarinträde) - is likely to hamper the employers' motivation of hiring a person with a chronic disease. The employer is also responsible (in Swedish) for a facilitated return to work for the employee. It is likely that people with chronic diseases are in need of special adaption possibilities at their workplace (Statistics Sweden, 2013). Most of the respondents in the Statistics Sweden report state that an individualised working pace, working time flexibility and individualised work assignments are the most important subjects to achieve a sustainable working situation. Solutions that are used to make the transition back to work as smoothly as possible is for example job training – where people perform assignments at their own pace and, if necessary, together with a coach – but also supplementary education and competence development within fields at the enterprise where there is a lack of knowledge and/or staff. This education might enable the employee to stay at his/hers current workplace.

A study (in Swedish) by the National Board of Health and Welfare (2012) examines the employment situation for people with mental disorders and argues that obstacles to an establishment on the labour market include stress, anxiety concerning the financial situation and lack of labour market experience. More general social problems include perceived notions of inflexibility on the labour market and complicated set of regulations.

The financial crisis in 2008-2009 forced a lot of people (in Swedish) with decreased working ability to leave their jobs. The numbers show that there were twice as many with a decreased working ability that were unemployed in 2013 compared to 2008. However, the employment rate for people with chronic diseases has increased over the last ten years and there appears to have been a significant change in 2006 when security employments (trygghetsanstälningar) were introduced and the number of people with wage-subsidised employments (lönebidragsanstälningar) decreased.
In the employment trajectory report (in Swedish) from the National Employment Agency (Arbetsförmedlingen) in December 2013 it is reported that the possibility of finding a job for people with a decreased ability to work will decrease in the next couple of years. The unemployment rate has also increased since 2008 and the reason is, according to the report, the increasing rate of people with mental disorders, particularly among young people.

2.2. Working conditions of employed people affected by chronic diseases

Regarding the health and well-being, occupations involving shift work are known for its exposure to health risks, especially since shift work has been hypothesized to increase health risks and to increase the possibility of developing a chronic disease. Some evidence has been put forward by medical researchers to support this notion. The union IF Metall, which represents workers in the industrial sector, has expressed their concern regarding this matter and says (in Swedish) that it is a problem that is hard to deal with and that ‘it is the employer that evaluates [the risks], we can only through negotiations try to affect [the decisions]. But what we can do is to educate people about the risks’, says Lars-Erik Folkesson at IF Metall’s work environment department. IF Metall has carried out projects together with employers in sectors known for shift work, aimed at educating employees about the risks involved. Hence this problem has been addressed at sector or even company level between the employers and the employee organisations but not at a national level.

No relevant data is available regarding the work-life balance but there is a higher rate (in Swedish) of those with a decreased working ability that works part-time. There is however no information available whether people with chronic diseases are more inclined to having flexible work arrangements. The employment security is widely the same as for the rest of the labour force, with some exceptions more thoroughly described below. Collective agreements cover entire sectors and, in general, there is no difference in employment security; the same terms apply to every employee covered by the collective agreement.

Women need a higher rate of active support or adaptations in their working life, mainly concerning reduced working time, and they are also overrepresented regarding part-time jobs. No other significant differences concerning these aspects can however be determined and the same applies to the skill development possibilities where no specific information is available.

No information is available whether the economic crisis has had any effects on these issues.

Block 3: Policies and measures adopted by public and private agents to favour the employment situation and working conditions of people with chronic diseases

3.1. Description of main policy measures/initiatives developed by public authorities or social partners
As earlier discussed the employer has the general responsibility for an employee with a chronic disease and this responsibility is legislated. The employer must, according to the Work Environment Act (Arbetsmiljölagen), make sure that the organisation is appropriate for working adjustments and possible rehabilitation. If the employee must go on sick-leave, the employer, the employee and the Swedish Social Insurance Agency (Försäkringskassan) have a collective responsibility for the rehabilitation process, which typically involves job training and if possible also eventually new assignments at work. If the employee needs job support (arbetshjälpmedel) in terms of assistance or special equipment in order to be able to performing normal working tasks, this is financed by the employer, but if necessary it is also possible to apply for financial support provided by the Swedish Social Insurance Agency up to SEK 50,000 (EUR 5,663). Sickness benefit provided by the Swedish Social Insurance Agency is also ensured when having a chronic disease and not being able to work full time. However, there are no major actions on national level to increase the flexibility for people with chronic diseases, actions that have been conducted for example in Denmark (in Danish). There is currently a political discussion whether this model would succeed in Sweden.

Employment forms aiming at reducing the entry frictions into the labour market

There are different employment forms that aim at increasing the possibility for people with a decreased working ability to get hired but no specific labour market initiatives directed towards people with chronic diseases have been made. The employment form called job security employments (trygghetsanställningar) builds on article 23 of the Employment Protection Act (Lagen om anställningsskydd) which states that employees with decreased working ability must be excluded from the termination order (so called turordningsreglerna in article 22) if they have a special employment form because of their working ability. The legislation thus protects people with chronic diseases that have a decreased working ability, but otherwise they are not distinguished from other workers. People with chronic diseases and no reduced working ability are employed by the same terms and rules as the rest of the labour force.

It appears that the health problems do not have an impact on the choice of employment form by the employer. Another similar employment form as the job security employments is the wage-subsidised employment (lönebidragsanställning). This employment form aims at decreasing the frictions into the working life for people with a decreased ability to work and to increase the incentives for companies to hire people with these kinds of problems. The government subsidise the wage costs up to SEK 16,700 (EUR 1,890) per month. In order to receive the support, the company must have a collective agreement or an insurance that is similar to a collective agreement. A report from the National Employment Agency showed that only 4.7% in 2012 went from being employed by this employment form to be employed by a regular employment form. The wage-subsidised employment form has been criticised by organisations like the Swedish Rheumatism Federation (Reumatikerförbundet) that wants to simplify the rules and make the system more forward-looking. The employment form was initially supposed to be used for a period of maximum four years. In reality it has been used for much longer periods and there are examples (in Swedish) of workers that have been employed for 20 years with this employment form. The criticism also concerns the rules regarding sick-leave pay which could reduce the incentives for employers to hire people with chronic diseases.

When the Swedish Association of Local Authorities and Regions (Sveriges kommuner och landsting) released a report (in Swedish) in 2012, they asked human resources directors at the local level in the public sector what their most wanted measures to reduce the frictions for people with disabilities were. A higher level for wage-subsidies employments and a higher rate of employments building on this employment form was the two most wanted measures. Further legislation regarding the responsibility for employers was the least mentioned.

National strategy to prevent and treat chronic diseases 2014-2017

The national strategy to prevent and treat chronic diseases (Nationell strategi för att förebygga och behandla kroniska sjukdomar) was announced (in Swedish) by the Swedish government on 20 January 2014 and concerns the whole health sector in Sweden. The main objective with this strategy is to prevent and treat chronic diseases more effectively in order to decrease the number of people with chronic diseases. The budget is SEK 450 million (EUR 50.9 million) that will be used during the period 2014-2017.
FunkA report (Official report of the Swedish Government)

The purpose of the report (SOU 2012:31) is to give proposals for new labour market actions for people with reduced ability to work. The report was released in May 2012 by the Department of Employment and gives legislation proposals. However, the budget for 2014 did not include any financial measures following the report (the full report, in Swedish, pdf 9.1 MB).

Future focus (Framtidsfokus) 2007-2011

The coordination association Östra Östergötland initiated a project in the period 2007-2011 for people with a long-term decreased ability to work and a suspected neuropsychiatric disorder. The project was performed by the private enterprise Iris Hadar in Norrköping. Among the participants were several diagnosed with depression, but after the project the majority of the diagnoses were revised and Asperger’s syndrome and ADHD were the most common diagnoses among the participants. The project focused on job training and other labour market efforts and despite several years off the labour market, the majority of the participants started working or studying during the time of the project (Information about the project and a case study of one of the participants, in Swedish).

3.2. Examples of enterprises and/or collective agreements implementing initiatives or establishing clauses to support people with chronic diseases

The construction retail store K-Rauta in Halmstad, a store with less than 50 employees, has focused on addressing people with a decreased ability to work and has become a role model (in Swedish) in this sector regarding initiatives for people with decreased working abilities. Halmstad municipality awarded the store in late 2013 for its work towards this marginalised group after their cooperation to hire people with disabilities and people with a decreased ability to work. The project has been conducted for four years and the main objective with the project has been to let people with these problems to work in a ‘normal’ job with personalised working pace but with the same work assignments as the ordinary staff. In total 30 persons have been hired due to this initiative and it is likely that it will be exported to other stores within K-Rauta.

Commentary

People with chronic diseases are often bundled together with people with disabilities and hence methodology issues arise when trying to isolate the group. Conclusions that can be drawn are that frictions into the labour market for people with chronic diseases still are high, despite mitigating measures such as wage-subsidised employment forms. The results also point to the fact that people with chronic diseases are able to adjust their working situation to their illness, but legislative measures to protect this right are needed.

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