

## **Stream 11.2. Fit for work in Europe? Health, Employability and Challenges for Activation in an Era of Crisis**

### **Title: Integration for disabled workers in Hungary – the role of rehabilitation services and sheltered employment**

Employment rehabilitation is dominated by sheltered employment in Hungary both in terms of state subsidies and numbers of people affected. A handful of underfunded non-profit organisations provide state-of-the-art rehabilitation services, and there is some anecdotal evidence that the latter are much more successful in supporting the integrated (re)employment of disabled job seekers. The paper will report the first results of a survey of reemployment rates and job quality in firms providing sheltered employment compared to alternative forms of support offered by non-profit organisations in Hungary.

Disability pension and similar schemes have been widely used in Hungary as an escape from unemployment (see Vanhuyse 2004 and Scharle 2008) and, until very recently, the government has paid little attention to rehabilitation services. As a result, such services are underdeveloped and the whole area is under-researched in Hungary - as in most post-socialist economies in the region.

The paper will be based on a survey of a large sample of firms and service providers and examine the impact of rehabilitation services controlling for local unemployment and the composition of disabled workers (age, education, loss of work capacity). Best performing firms and service providers are examined in more detail to identify the organisational and other features that make their services successful. The paper will thus help identify the types of service and forms of employment that help people claiming sickness/disability benefits to make progress towards work.

Scharle, Á (2008): A labour market explanation for the rise in disability claims in: [The Hungarian Labour Market](#), Institute of Economics, Budapest

Vanhuyse (2004): The pensioner booms in post-communist Hungary and Poland: political sociology perspectives, *International Journal of Sociology and Social Policy*, 24(1-2)

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