

# CHAPTER 1

## INTRODUCTION

### Background

Work is essential for every human being, not only in economic meaning, but also in the sense of dignity. In Indonesia, this has been regulated in the 1945 Constitution article 27, paragraph 2: “Every citizen has the right to a job and a livelihood worthy of humanity.” It signifies the recognition and guarantee that everyone can find work and achieve a standard of living worthy of every citizen, regardless of their status as a person with a disability. Furthermore, following the Republic of Indonesia's Law No. 8 of 2016, it is clarified that individuals with disabilities possess equal entitlements to the broader population. This encompasses their rights to secure employment opportunities and access educational and vocational training, equipping them with the necessary skills to enter the job market. The International Labor Organization (ILO) has also emphasized the significance of addressing disability-related concerns, particularly following the United Nations Agreement 2008, which calls upon all nations to prioritize these issues. Since that time, many countries and international organizations have been focusing on including them in the economic growth. Like society, people with disabilities also have the skills and potential to contribute to economic development if given equal opportunities and supportive facilities (Fatwa, 2019).

Based on the Indonesian Law No. 8/2016, the definition of persons with disabilities is every individual experiencing physical, intellectual, mental, and sensory

long term limitations that interact with society may experience barriers and difficulties to participate fully and effectively with other citizens based on equal rights. People with disabilities have the same rights as everyone else. Even so, discrimination is still often felt because they are considered not independent and have low productivity levels compared to non-disabled people.

In 2011, the World Health Organization (WHO) noted that more than one billion individuals, or about 15 percentage of the total world population, is disabled, and more than 70 percentage of them are of productive age. This condition necessitates particular focus, as the number of individuals with disabilities is expected to rise annually. Naturally, this demands the participation of all stakeholders, including individuals with disabilities, to exert collective efforts, ensuring their active engagement in the workforce and preventing unemployment (Mont, 2004). In essence, despite their limitations, people with disabilities still need to be guaranteed to get a job. Indonesia, related to guaranteed access to employment, has been mandated in Article 53 of Law No. 8/2016 on Persons with Disabilities. No. 8/2016 on Persons with Disabilities. It clearly states that every company must absorb disabled people at least 1 per cent of the total workforce in the corporate sectors and 2 per cent of the total workforce in the public sector. In addition, persons with disabilities also have potential that must be developed in accordance with their respective talents. As per the International Labor Organization (ILO) in 2011, neglecting the productive capabilities of individuals with disabilities within the labor force leads to societal and even governmental losses. The ILO's calculations indicate

that the national Gross Domestic Product (GDP) can be impacted by as much as 3 to 7 percent due to the productivity of people with disabilities.

People with disabilities often face several significant barriers when entering the workforce. One of the main barriers is the stigma and stereotypes that still exist in society concerning people with disabilities. This can lead to discrimination and prejudice from employers, the idea that people with disabilities are less productive, ultimately hindering their access to jobs commensurate with their abilities. Furthermore, physical infrastructure and accessibility in the workplace are often inadequate to provide an accessible environment for all individuals, which can be a significant physical barrier for people with disabilities. Furthermore, employers' lack of awareness and knowledge on supporting people with disabilities in the work environment can also be a barrier. Overcoming these barriers requires collaborative efforts from governments, employers and society to create inclusive environments and equal opportunities for people with disabilities in the world of work.

Discrimination against people with disabilities in work is a serious problem in many countries. Such discrimination can take many forms and harm people with disabilities. As in the recruitment process some companies may not provide equal opportunities to people with disabilities in the recruitment process. This can occur in the form of outright rejection of applicants with disabilities or irrelevant questions about health or disability during interviews. People with disabilities often receive lower or unequal pay than their similarly skilled peers. Lack of awareness and understanding of disability issues in the workplace can exacerbate discrimination. Often, only with increased awareness and training can these issues be addressed.

Based on the 2020 Sakernas data questionnaire, People with disabilities are grouped into 5 types based on the impairments experienced. Namely seeing impairments, hearing impairments, walking impairments, finger/hand impairments and also speech impairments then further categorized into three based on severity. The disability data to be used in this study is the population aged 15-65 years who have at least one type of disability and are categorized as severely disabled.

Disability of seeing refers to a condition or impediment that affects a person's ability to see or interact with their surroundings. It is a sensory disability where individuals experience vision problems ranging from complete blindness to partial vision problems or diverse visual impairments. Various factors, including congenital abnormalities, trauma, eye diseases or ageing, can cause disabilities in seeing. *Hearing disability* is when a person has an impediment or impairment in their hearing ability. This can range from the inability to hear sounds at all (total hearing blindness) to partial hearing problems, where a person may have a limited level of hearing. Walking disability, also known as mobility impairment or walking disorder, refers to a physical condition in which a person experiences barriers or limitations in their ability to walk or move normally. *Hand disability* is a condition or impairment that affects a person's ability to use or move their hands normally. Speech disability is a condition where a person has difficulty speaking or communicating orally clearly or understandably. This condition can be caused by various factors, such as congenital speech disorders, neurological disorders, brain injury, or certain medical conditions that affect the vocal tract or speech system.

**Table 1. 1 Data on disabled people by type of disability**

Type of Disability	Total	Percentage
Disability of Seeing	843	23,91%
Disability of Hearing	350	9,93%
Disability of Walking	1.243	35,25%
Disability of Finger/Hand	185	5,25%
Disability of Speech	905	25,67%
Total	3.526	100,00%

Source: Sakernas Data on August 2020

Based on table 1.1 it is known that the population of people with disabilities aged 15-65 years as many as is 3.526 people. In the table it can be seen that the prevalence of persons with disability of Walking is the largest, namely 35,25 percent of persons with disability of Seeing as much as 23,91 percent, Person with Disability of Hearing as much as 9,93 percent, Persons with Disability of Speech as much as 25,67 percent. A minor prevalence is Persons with a Disability of Finger/Hand at 5,25 percent. Disability can be caused by various factors and conditions that affect an individual's physical, mental, sensory, or developmental functioning. Some common causes of disability include congenital disabilities, accidents, or illness.

**Table 1. 2 Education Level of Persons with Disabilities in 2020**

Level of Education	Freq.	Percentage
Did not finish elementary school	1.496	42,43%
Elementary School	421	11,94%
Junior High School	456	12,93%
Senior High School	1.066	30,23%
Diploma I, II,III	9	0,26%
D1, S1,S2	78	2,21%
Total Unit of analysis	3.526	

Source : Sakernas Data on Agustus 2020

Table 1.2 shows that most people with disabilities did not complete primary school, it can be seen from the table that there are as many as 42.32% of people with disabilities did not complete primary school. This fact indicates that the level of education of people with disabilities in Indonesia is still low, Various complex and interrelated factors can cause low education among people with disabilities. Some factors influencing low education levels among people with disabilities include unresponsive physical accessibility and educational environments and social stigma against people with disabilities that affects people's perceptions of their educational potential. Discrimination and prejudice can also encourage families to reduce their support for the education of children with disabilities. Low participation in quality education can limit the development of skills and knowledge required for certain occupations. Accessibility of physical education and inclusive education programs are also important issues that must be considered to support the employment inclusion of people with disabilities in Indonesia.

At the same time, a high level of education is one of the essential requirements to get a job because one of the benchmarks to see a person's level of welfare is based on their educational attainment. One of the benchmarks to see a person's level of welfare is based on their educational level; the better the educational level, the higher their level of interest. The level of welfare is a factor that determines the likelihood of a person leaving unemployment status by getting a job. The low level of education held by people with disabilities can significantly reduce their opportunity to participate in the labor market (Mizunoya & Mitra, 2013). In general, previous research shows that disability does reduce the likelihood of being recruited

as a worker (ILO, 2017). The issue of unemployment and the persistent low labor turnover among individuals with disabilities remains a pressing concern in Indonesia. In light of this challenge, the government has introduced a range of policies, strategies, and initiatives to enhance the involvement of people with disabilities in the labor market. Among these initiatives is providing job training opportunities for individuals with disabilities, as outlined in Article 46 of the Republic of Indonesia Law No. 8/2016. According to this law, the central government and local governments are responsible for creating avenues for persons with disabilities to engage in job training, whether through government-sponsored programs, local government initiatives, or private job training institutions.

Job training helps people with disabilities develop skills that are relevant to a particular job. These include technical skills, interpersonal skills, time management skills and more, depending on the type of training attended. Through training, people with disabilities can increase their confidence in their ability to succeed in the workplace, and this helps them feel more prepared and confident in finding and holding a job. Training is also expected to provide better preparation for people with disabilities for specific jobs or specific industries. This helps them compete better in a competitive job market.

**Table 1. 3 Training data of People with Disabilities**

Have certification	Freq	Percentage
Yes	199	5,64%
No	3.327	94,36%
Total	3.526	100,00%

Source : Data Sakernas Agustus 2020

Based on the table 1.3 shows it appears that the number of people with disabilities who have training certification is 199 people, or around 5,64 percent of people with disabilities in 2020. Training for people with disabilities is crucial to help them develop the skills and competencies needed to find, secure and hold a job. Through training, individuals can gain more knowledge and skills, which can boost their confidence in finding a job and some training results in certification or official recognition. These certifications can be proof of an individual's skills and competencies, which can make them more attractive to potential employers.

Based on research conducted by Totok Mardikanto (1999), it was found that training proved to have a high level of relevance to employment opportunities. Training can produce a multiplier effect in the form of the ability of most graduates to be self-employed and the ability of graduates who are already self-employed to open job opportunities. Employment opportunities have a positive relationship with vocational training. A workforce that has received vocational training will increase the chances of getting a job. In addition, some studies show that training can shorten a person's unemployment (Khan & Yousef, 2013). Based on the explanation, the main reason for this research is to determine the effect of training that has been followed on employability among persons with disabilities.

### **Problem Statement**

Workers with disabilities often face higher unemployment rates than regular workers in many countries, including Indonesia. Based on 2020 Sakernas data, 82% of people with disabilities are unemployed, and there are only about 18% who work.



Meanwhile, the non-disabled workforce is 60% employed and only 40% unemployed. Of course, this must get serious attention and handling because the prevalence of people with disabilities will continue to increase yearly.

The elevated unemployment rate among individuals with disabilities can be ascribed to multiple factors, such as prejudice, restricted educational and training access, and insufficient physical workplace accessibility and accommodations. Nevertheless, both the Indonesian government and various entities have been actively striving to enhance inclusivity and employment prospects for individuals with disabilities through a range of policies and initiatives. These effort include skill development programs, awareness campaigns, and diverse incentives for enterprises employing individuals with disabilities.

Research conducted by Halimatussadiyah (2017) revealed that a contributing factor to the limited involvement of individuals with disabilities in the workforce is the perception that they possess fewer skills. Similar findings were reported in Maria Elena (2019), which indicated that employers have doubts and reservations about the employability of individuals with disabilities. To address this issue, the Indonesian government has undertaken various initiatives to reduce the unemployment rate among people with disabilities. One such measure stipulates that the central government and local governments must create avenues for individuals with disabilities to partake in job training. The intention behind this requirement is to enable individuals with disabilities to attend certified training programs, which, in turn, is expected to expand their employment prospects and promote active

participation in the job market. Training has very important benefits for people with disabilities. Training can provide an opportunity to improve skills and knowledge relevant to the world of work so that they can be better prepared to enter the labor market. These skills could include technical skills, communication, time management, or skills required in a specific job. It helps them overcome any insecurities or anxieties regarding their ability to work. By feeling more competent, they will be more motivated and able to achieve success in work.

Based on these problems, the questions in this study are:

1. What is the impact of training on the employability of individuals with disabilities in Indonesia?
2. How does the type of disability effect on employability for persons with disabilities in Indonesia?

### **Research Objectives**

1. To determine the effect of training on employability among persons with disabilities in Indonesia.
2. To determine the effect of the type of disability on their employability in Indonesia

### **Benefits of Research**

The achievement of the objectives and the answers to the problems in this study are expected to provide benefits to various groups. The following are the benefits of this research:

- a. This research is helpful as a new insight for every community that does not know about this problem.
- b. This research adds to the knowledge available to individuals with disabilities as they prepare to enter the workforce.
- c. This research is expected to help the government in making policy to facilitate access to PWD in participating in job training.
- d. This research is expected to be useful for the general public regarding the issue of training and employment opportunities for people with disabilities.

### **1.5 Scope and Limitations of the Research**

This study will discuss the effect of training on employability among people with disabilities. This research will use 2020 Sakernas data and the logistic regression analysis method. The object used in this study is people with disabilities aged 15-65 years who have impairments with severe categories. The variables used are employability, training, type of disability, education level, gender, location, and age. This study will start by estimating the number of people with disabilities entering the labor force. After entering the labor force, the study will evaluate the proportion of people with disabilities who participated in the training. Next, this study will estimate the probability of people with disabilities with control variables who have attended training and are employed.

## 1.6 Systematic Writing

**Chapter I:** This chapter is a general overview of the entire research; this chapter will discuss the background of the study, formulation statement, research objectives, research benefits and scope and limitations of this research.

**Chapter II:** This chapter will explain the theories used as a reference for this research, besides that this chapter also contains a literature review, previous research, a framework of thought, and the estimated results of the research to be carried out.

**Chapter III:** In this is the chapter that discusses the research methodology specifically. Starting from explaining the specific research objectives and providing information about when and where this research was conducted. Furthermore, this chapter describes how the data collection and processing process is carried out in this research.

**Chapter IV:** This chapter is an explanation of the results of the research that has been done. The initial part of this chapter is an explanation of all the variables used, then the analysis and interpretation of the processed data in the study.

**Chapter V:** This chapter is the final part of the systematics of writing this thesis. This chapter contains conclusions from the overall research results, research implications and also recommendations.

