

**S B**

**394**

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER SS SB 394

SPONSOR Fahrenkamp

BILL TITLE Group Health for Blwd/Disabled Vendors

DATE REFERRED 3.29.90

HEARING SCHEDULED 4.11.90

FISCAL NOTE PREPARED ✓✓

SPONSOR CONTACTED ✓

INTERESTED PARTIES CONTACTED

✓ Pat Young - Div. of Voc. Rehab

OTHER

# Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Faiks, Vice Chairman

Sen. Al Adams

Sen. Tim Kelly

Sen. Rick Uehling



P.O. Box V  
State Capitol  
Juneau, Alaska 99811

907-465-3712

## Senate State Affairs Committee

### MEMORANDUM

TO: Senate State Affairs Committee Members

FROM: Senator Pat Pourchot

RE: Wednesday, April 11 Committee Hearing

DATE: April 10, 1990

On Wednesday, April 10 at 1:30 p.m. in the Beltz Room the Senate State Affairs Committee will hear the following bills:

SS SB 394. An Act relating to eligibility to participate in the state group insurance for certain licensees in vocational rehabilitation programs.

Second Hearing. Sponsored by Senator Fahrenkamp, this bill would allow the Division of Vocational Rehabilitation (DVR) to include blind and severely disabled people in business as vendors in the group health insurance program. DVR is currently required to provide insurance for these vendors from the proceeds from vending machines in government buildings which are deposited in the Small Business Enterprise Revolving Fund, at a current cost of \$14,772 per year. Including the five vendors in group health would create a savings to the revolving fund of \$5,100 per year and the vendors would receive more comprehensive insurance than they presently have. At the committee's request, DVR has provided results of a current study on comparative rates for disabled versus non-disabled individuals which generally says that there are no increases in insurance compensation costs nor lost-time injuries.

CS HB 224. An Act creating preferences in state employment for prisoners of war and for certain rehabilitated veterans and prisoners of war; and allowing repeated use of the state employment preference by certain veterans and prisoners of war for applications for nonpermanent positions.

Second Hearing. Sponsored by Representative Kubina, this bill changes statute to allow for repeated use of state employment preference by eligible veterans and prisoners of war for nonpermanent positions. It does have one exception for veterans or prisoners of war who were terminated because of a service related disability and who have not worked in a permanent position for two years. These people, with medical certification, are entitled to receive a preference for a permanent position. We have requested Legal to draft an amendment specifying that POWs be "Alaskans". Legal will respond with a paragraph on the "constitutionality" of a residency requirement.

CSSSHB 218. An Act extending the authority of the Alaska Housing Finance Corporation to assist in the development of congregate housing and directing the Alaska State Housing Authority to develop a pilot program for

congregate housing; and providing for an effective date. Second Hearing. Based on committee concerns, a proposed CS has been developed which requires AHFC to operate within prudent lending guidelines, clarifies that no subsidies will be authorized, defines congregate housing and identifies Alaska State Housing Authority role in the pilot program. Your packet contains the CS, a memo from Representative Ulmer highlighting the changes and an explanation of "layered financing".

CSSS SB 369. An Act relating to members of the boards of fisheries and game; and providing for an effective date. Sponsored by Rules at request of the Governor, this bill requires members of the Board of Fisheries or the Board of Game to disclose any interests in organizations relating to fish and game resources. Language in the CS clarifies the Governor's authority to remove board members convicted of violating a statute or regulation on fish or game and increases board compensation to the federal per diem rate (currently \$125 per day for Anchorage) and an honorarium of \$150 for each meeting day. Senate Resources attached a Letter of Intent which states support for increased compensation for board members and urges "streamlining" their functions to reduce hardships to members, the public and government staff.

SB 106. An Act relating to school boards in regional educational attendance areas. Sponsored by Senator Coghill, this bill amends AS 14.08.051(b), relating to the school board sections of statutes on education in the unorganized borough. It provides that a petition to divide a regional educational attendance area (REAA) into sections to recast section boundaries, or a petition to elect REAA school board members, must contain signatures of qualified voters in the area equal to eight percent (reduced from 15%) of the total vote cast in the most recent regional school board election.

DATE: 3/29/90

FURTHER: Finance

DATE TURNED INTO OFFICE: \_\_\_\_\_

State Affairs

Committee considered

SSSB 394

"An Act relating to eligibility to participate in the state group insurance for certain licensees in vocational rehabilitation programs."

and recommended:

- replace with \_\_\_\_\_ CS \_\_\_\_\_  same title
- or adopt \_\_\_\_\_ CS \_\_\_\_\_  new title
- attached amendment(s)  technical title change (HB only)
- \_\_\_\_\_ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

ATTACHES NEW FISCAL NOTE(S):  
Dept/Date:

fiscal note(s) \_\_\_\_\_  
\_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_  
\_\_\_\_\_

appropriation-no fiscal note

APPROVES PREVIOUS:  
Dept/Date:

fiscal note(s) Ed: 1.31.90  
\_\_\_\_\_

zero fiscal note(s) DOA 1.29.90  
\_\_\_\_\_

Governor's bill w/fiscal note

SIGNING DO PASS:

*Jan Tuck*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

OTHER RECOMMENDATIONS:

*Rich Uehy (NO REC)*  
\_\_\_\_\_  
\_\_\_\_\_

*Pat Louch*  
Chair: Signature and Recommendation

# Alaska State Legislature



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## Senate

### MEMORANDUM

TO: Senator Pat Pourchot, Chairman  
Senate State Affairs Committee

FROM: Senator Bettye Fahrenkamp

DATE: March 28, 1990

SUBJECT: Senate Bill 394

"An Act relating to eligibility to participate in the state group insurance for certain licensees in vocational rehabilitation programs."

The Division of Vocational Rehabilitation administers a program to set up blind and severely disabled people in business as vendors in state and federal buildings, licensing them through the Small Business Enterprise Program.

The Division is required to purchase health insurance for these vendors (there are currently five in the state, four of whom are located in Anchorage and the other in Juneau at the State Office Building). The insurance is paid for out of proceeds in the Small Business Enterprise Revolving Fund (which is funded by receipts from vending machines in state and federal buildings).

Because there are only 5 vendors, they are too few to get a group insurance rate on their own, which means they each have to make arrangements for health insurance individually. If we were to include them in the state group health plan as a political subdivision, it would provide them with better insurance for less money. This will save the revolving fund \$5,200 per year, which can then be used toward helping other blind or disabled people to establish vending businesses.

Attached you will find a negative fiscal note and analysis from the Division of Vocational Rehabilitation, and zero fiscal notes from the Division of Retirement and Benefits and the University.

I would very much appreciate your early scheduling and favorable consideration of this measure.

PAT  
FLOOR  
TODAY  
NO S.A. CS  
Rec: YES Vote  
NO ADDED  
INSUR. COST  
FOR COVERED  
DISABLED.

## ATTACHMENT A

### ANALYSIS:

The Division of Vocational Rehabilitation has the statutory and regulatory authority to receive net proceeds from vending machines operated by private persons in state or federal buildings throughout the state of Alaska.<sup>1</sup> These proceeds are deposited quarterly in the Small Business Enterprise Program's revolving fund which is administered by the division. The income from these machines can only be used by the division to enhance, expand and provide fringe benefits to vendors licensed under the Small Business Enterprise Program.

One of the services provided to the licensees is health insurance. The Division has provided this health insurance in the past, but the cost has been higher with less coverage than that provided under the state health insurance program. For calendar year 1991, the division is paying \$14,772.00 to cover five vendors out of this revolving fund. The division would only have to pay \$9,611.40 to cover these same five individuals if they were eligible to participate in the state health insurance program. This would create a net savings of \$5,161.00 for the division in program receipts which could then be used for other services needed to operate the vending program.

<sup>1</sup>AS 23.15.010-210  
4 AAC 54.430

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## DEPARTMENT OF EDUCATION

### DIVISION OF VOCATIONAL REHABILITATION

CENTRAL OFFICE  
P.O. BOX F  
GOLDBELT PLACE  
JUNEAU, ALASKA 99811-0581  
PHONE: (907) 465-2814

April 10, 1990

The Honorable Pat Pourchot  
Room 504, Capitol  
P.O. Box V  
Juneau, Alaska 99811

Dear Senator Pourchot:

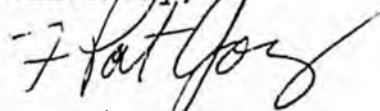
Reference: Insurance Costs vs. Blind and Disabled Individuals

Please find attached the most current study that I have been able to find in this short period of time regarding the rates of insurance for disabled individuals versus "non-disabled." Other pertinent employment information is included in this study. The areas of concern which were addressed yesterday have been highlighted.

It has been determined that two publications ("The Chartbook on Disability in the United States" and "Data on Disability from the National Health Interview Survey, 1983-1985") are available from the National Institute on Disability and Rehabilitation Research, U.S. Department of Education. It will, however, require some time to obtain that information.

I hope this information will be of assistance to you in making your decision concerning SSSB-394. If I may provide you with any further information, please let me know.

Sincerely,



F. Pat Young  
Deputy Director  
Division of Vocational Rehabilitation

Enc.

cc: Senator Tim Kelly, President of the Senate  
Senator Jan Faiks  
Senator Al Adams  
Senator Rick Uehling  
Senator Bettye M. Fahrenkamp

# Myths About Hiring the Physically Handicapped

by Sandra Kalenik

"I don't think I could take it. I'd probably kill myself."

"I'd probably try to carry on as best I could."

"I can't even imagine it. I'm sure I'd become terribly depressed."

Almost everyone has thought of what he would do or how he would react to a sudden physical disability, such as becoming blind, losing a limb, or becoming a paraplegic. We are aware of the pain, the problems of adjusting to a handicap, the difficulties of carrying on everyday life. What we don't think about is how much the reaction of others would affect us. Their reaction can create problems as severe as those caused by the physical impairment itself—particularly when it closes the door to job opportunities. As one 32-year old paraplegic from Columbus, Ohio, put it: "All I want is the chance to be able to work, to prove myself, and to support my family to the best of my ability. I did it before and I'd like to do it again."

Under the terms of the Rehabilitation Act of 1973, more handicapped persons will have that chance. As Assistant Secretary Stender notes in his editorial, Section 503 of that law is designed to provide employment opportunities for qualified physically and mentally handicapped individuals and to eliminate discrimination based on handicaps. (This article confines itself to the physically impaired, not to those with a mental disability, a subject which will be discussed in a future issue of *Job Safety & Health*.)

Though the President's Committee on Employment of the Handicapped has a history of 25 years of effort to open job opportunities, there is still a significant degree of employer resistance toward the handicapped.

Surinder Dhillon, who has been confined to a wheelchair for eight years as a result of infantile arthritis, knows what it is like to be turned down for employment because of his disability. A computer systems analyst and programmer, Dhillon spent a year and a half looking for work. He estimates that he made 300 to 400 phone calls, all of them leading nowhere. Eventually Dhillon decided to form his own

company, Rehab Computer in Arlington, Virginia. The company, which generated contracts totaling over \$190,000 in 1973, also trains physically disabled persons in computer communications.

It's a pretty success story, illustrating how much the handicapped can accomplish against great odds. But it also illustrates the enormous resistance that even the talented handicapped worker encounters when he looks for a job. A counselor in the District of Columbia's Bureau of Rehabilitation Services offers a partial explanation: "People are scared of what they don't know. Employers don't like to take a chance with a disabled person. All they see are the problems, many of which are imaginary."

There are several, similar reasons employers offer for not hiring handicapped workers, reasons that have one thing in common: they are myths.

"Handicapped workers will jeopardize our company's safety record."

This statement has about as much validity as the classic schoolboy belief that handling toads will cause warts.

The Bureau of Labor Statistics made a classic study of handicapped workers in the late '40's, a time, like today, when many disabled war veterans had returned home. The two-year, comprehensive survey matched the performance of 11,028 impaired workers with that of 18,258 unimpaired workers who were doing the same kind of work. The survey covered 109 plants in a wide variety of industries and geographic locations.

A committee selected for study 10 types of serious physical impairments—orthopedic, vision, hearing, hernia, cardiac, ex-tuberculosis, peptic ulcer, diabetic, epileptic, and combinations of any two of these.

Nearly 58 percent of the workers surveyed were engaged in processing of some kind, 15 percent were in maintenance work, nearly nine percent in materials handling, about seven percent in custodial operations, six percent in inspecting and testing, over four percent in recording and

control, and about one percent in supervision.

Among the findings were these:

1) As a group, impaired workers were as efficient as unimpaired workers.

2) The impaired employee worked as safely as his unimpaired co-worker. For minor injuries, which required only first aid, the injury frequency rates per 10,000 exposure hours were identical for the two groups—9.9. About half of each group experienced no injuries at all during the period studied.

3) The record for more serious injuries was better for the impaired than for the other workers. Where the unimpaired group averaged 9.5 such injuries per million hours worked, the impaired group averaged only 8.9. They also averaged a slightly lower number of days lost per injury. Against 14.9 days for the unimpaired group, the impaired workers averaged 14.5 days.

4) In no instance had an impaired worker suffered another work injury sufficiently severe to make him permanently and totally disabled.

5) No serious injury to an impaired worker could be traced to his impairment. Nor were any cases found in which the impairment caused an injury to a fellow worker.

In a more recent survey conducted by the Du Pont Company of Wilmington, Delaware, a high majority of handicapped employees achieved ratings of average or better when compared with their fellow workers in a study designed to measure job performance, safety, and attendance.

Of Du Pont's more than 100,000 employees in the United States at the time of this survey, 1,452 were physically handicapped. The handicapped workers included those with orthopedic problems, blindness, heart disease, vision impairment, amputations, paralysis, epilepsy, hearing impairments, and total deafness.

The handicapped employees were engaged in a wide range of occupations: craftsmen—562; professional, technical and managerial—334; operators—233; clerical—224; service workers—83; laborers—16.

The safety records of the handicapped group showed that 51 percent were above average, 45 percent were average, and only four percent were below average. In attendance, 79 percent were average or above. In job performance, as rated by their supervisors, 37 percent were above average, 54 percent average, and nine percent were below average.

In addition, the study indicated that the nature of the handicap did not prevent employees from doing good jobs, as some of the best performers had the most severe handicaps—amputation, blindness, deafness, and paraplegia.

The impressive safety records of the handicapped do not surprise Surinder Dhillon. "The disabled person is more aware of his safety than other people usually are. He has had some bad experience that has made him conscious of his safety. Every day. All the time."

**"Our insurance rates will skyrocket."**

One study reported that more than 80 percent of the companies surveyed fear that workers' compensation rates would rise if handicapped workers were hired—a myth that Du Pont's experience alone could dispel. James H. Sears, coordinator of industry education activities for Du Pont and now "on loan" to the National Alliance of Businessmen, reports that "Du Pont has had no increases in compensation costs as a result of hiring the handicapped."

Another study by the U.S. Chamber of Commerce and the National Association of Manufacturers also negates the myth of higher insurance costs. The study showed that 90 percent of the 279 companies surveyed reported no effect on insurance costs as a result of hiring physically handicapped workers.

Further, most states have some form of second injury funds to cover cases where a handicapped worker receives a second injury that leaves him totally disabled. Such cases are rare, but when they occur, the employer is responsible only for the cost of the

second injury. The state fund compensates the worker for the difference between this amount and the amount due the worker for permanent total disability.

**"Handicapped people are not as productive as unimpaired workers."**

The Du Pont study revealed that 91 percent of the company's disabled workers rated average or better when compared with the general workforce.

Dhillon comments, "The disabled are more productive because they have fewer distractions. They are less apt to get up, stroll down halls, take breaks, and visit with other employees because to do these things requires a greater effort. They are also under more psychological pressure to produce."

One company executive also reports a beneficial side effect of hiring the handicapped: when unimpaired workers see a handicapped person doing well on the job, they try harder themselves.

"The impaired workers may need more assistance at the beginning," says a rehabilitation counselor. "But it's generally because they aren't as confident about themselves when they begin."

"I couldn't believe the mistakes I made at first. It was ridiculous," says a successful paraplegic accountant. "I was so nervous, I couldn't even add correctly. For a handicapped person, getting a job is a very emotional experience. You know there aren't as many jobs available for you."

**"Special privileges will have to be granted to the handicapped worker."**

It is true that in some cases, some accommodations are made for handicapped workers. They may be given a few minutes' head start at quitting time so that they can get to their cars more easily. Or they might be given a lowered work bench or an entrance ramp.

"If we find that an impaired worker will not be hired because there isn't a ramp available," says a rehabilitation

counselor, "many state or local agencies will install one at no expense to the employer."

James Sears adds, "Fellow employees do not consider a parking spot near the plant entrance for a paraplegic in a wheelchair to be a misuse of privilege."

"Most of all, the handicapped person wants to be treated like everyone else," says Dr. John Kelley of the Department of Physical Medicine of the Ohio State University. "Once a handicapped person has accepted the disability, he wants everyone else to accept it as well."

Several conclusions are clear. Employers, employees, and the general public need to learn more about the physically disabled. In many areas such as safety, motivation, and job performance, the impaired worker actually does better than the unimpaired worker. But more opportunities are needed.

James Sears recommends:

1) Obtain the support of your top management.

2) Seek the cooperation of your employees and union.

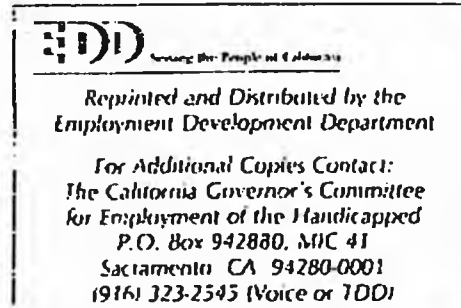
3) Hire the handicapped. The National Alliance of Businessmen is prepared to assist employers throughout the country in the hiring of the physically disabled.

As June H. Wakeford, special assistant to the Assistant Secretary of Labor for Employment Standards, says: "Handicapped persons need and deserve a better break in the employment field. In the past we've had an almost medieval attitude toward their employment, too often denying them jobs for which they were as well qualified as unimpaired workers. Section 503 of the Rehabilitation Act of 1973 will end this discrimination among most federal contractors and give more handicapped workers a chance to prove what they can do. It's time employers put ability ahead of disability."

*Ms. Kalonik is a free-lance writer.*

## SOURCES OF INFORMATION ON HIRING THE HANDICAPPED

- American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Illinois 60606
- President's Committee on Employment of the Handicapped, Washington, D.C. 20210
- Governor's Committee on Employment of the Handicapped in your State
- State Vocational Rehabilitation Agency
- State Employment (JOB) Service Offices



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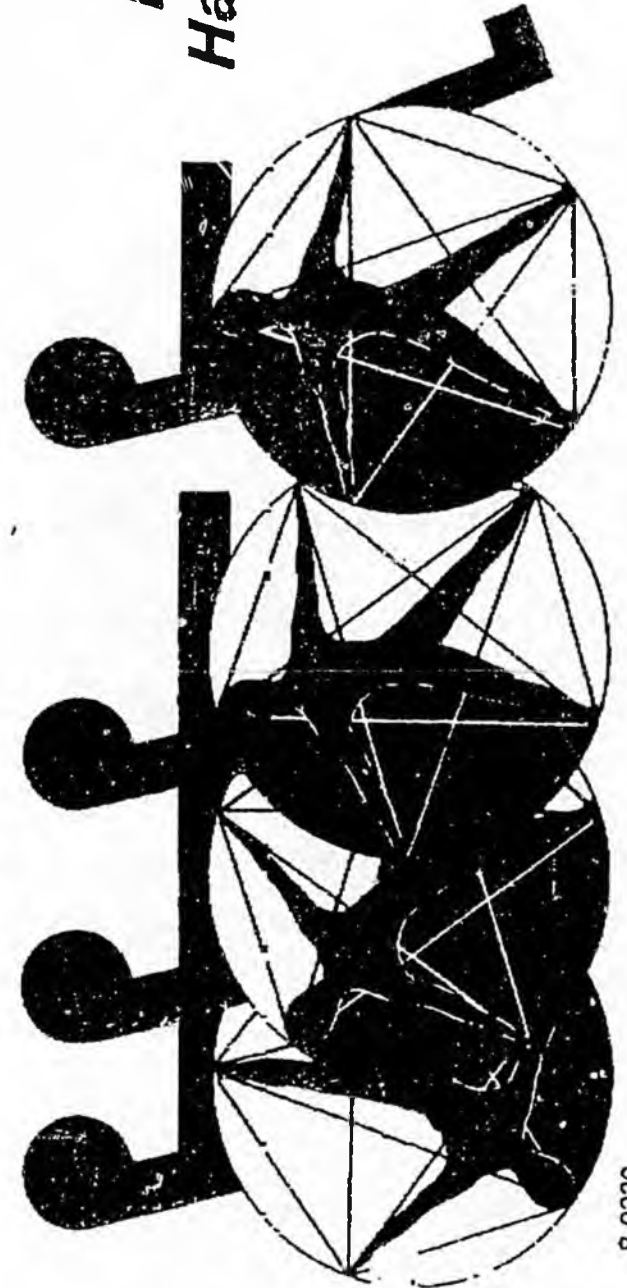
in cooperation with



**THE PRESIDENT'S COMMITTEE ON EMPLOYMENT  
OF THE HANDICAPPED**

8-0330

# Hiring the Handicapped Facts and Myths



8-0330

The square peg in the round hole—the worker whose abilities are not matched to the job. This is the typical employer's nightmare, a situation leading to absenteeism, a low level of production and costly turnover.

Today increased attention is devoted to eliminating this problem. Counseling and testing of students and job applicants help them find the occupations best suited to their individual talents and abilities. It is recognized that every person has certain limitations or relative areas of weakness, but the locus of job placement is on aptitudes or areas of strength. When abilities are matched to the right job, efficiency and performance are the natural result.

Unfortunately there still are many individuals for whom the focus remains directed, not on ability, but on disability. These are the one out of 11 American adults classified by the U.S. Census as "disabled."

## Workers Worth Their Hire

Because their limitations or disabilities are highly visible, many may never be given the opportunity to compete on the basis of their abilities. This inequity is a loss, not only to the prospective employee, but to the employer as well. Because of an erroneous first impression, he may be passing up a valuable human resource—someone who could make real contribution to his business.

Most handicapped individuals are well aware that on the job their handicap cause no problems or only minor difficulty. The real problem for the handicapped is not in holding a job, but in getting the job in the first place.

The otherwise qualified jobseeker who has a visible handicap is working against a number of disadvantages—mostly unfounded myths and misunderstandings which make employers reluctant to hire the handicapped. Among the unfounded marks against the handicapped are these:

- Insurance rates will skyrocket.
- Considerable expense will be involved in making necessary adjustments in the work area.

- Safety records will be jeopardized.
- Other employees will not accept the handicapped.

All these myths have been found to be false assumptions. Assessments of actual on-the-job experience with handicapped workers reveal a picture of average-or-better ratings in those areas which count most with employers: job performance, safety and attendance.

One of the most recent and most extensive surveys of handicapped worker performance was conducted by E. I. Du Pont de Nemours and Company, America's 16th largest employer. This was a fact-finding project for Du Pont, a company of 110,000 employees, which finds hiring mistakes to be extremely costly, just as they are for any employer.

Du Pont's eight-month study gathered data on 1,452 employees with physical handicaps. These included persons with orthopedic problems, blindness, heart disease, vision impairment, amputations, paralysis, epilepsy, hearing impairments and total deafness.

How did the handicapped stack up? Very well. The results were tabulated in seven critical areas and the findings should encourage any employer to review hiring practices concerning the handicapped.

The key findings of the Du Pont study:

1. Insurance: No increases in compensation costs nor lost-time injuries.
2. Physical Adjustments: most handicapped require no special work arrangement.
3. Safety: 96% of handicapped workers rated average-or-better both on and off the job; more than one-half were above average.
4. Special Privileges: A handicapped worker wants to be treated as a regular employee.
5. Job Performance: 91% rated average-or-better.
6. Attendance: 79% rated average-or-better.

The Du Pont study also shows there is very little difference between handicapped and non-handicapped workers as to their ability to work in harmony with supervisors and fellow employees.

In another survey, based on reports from more than 100 large corporations to the U.S. Office of Vocational Rehabilitation, the physically handicapped seem to have the slight edge in job performance, as compared with their able-bodied counterparts.

In assessing productivity, 66% of these employers reported no difference between the handicapped and the able-bodied, while 24% rated the handicapped higher in productivity. Only 10% reported productivity was lower for the handicapped.

Accident rates were reported lower for the handicapped by 57% of the employers, with 41% reporting the same accident rate for both handicapped and able-bodied. Two percent of the employers reported accident rates were higher for the handicapped.

Absenteeism also was lower for the handicapped according to 55% of the corporate reports, while 40% of these employers found no difference in absence rates between the handicapped and the able-bodied. Five percent reported absenteeism higher for the handicapped.

Turnover rates were reported lower for the handicapped in 83% of the cases, with 16% of the employers reporting turnover for both handicapped and able-bodied the same. Only one percent reported turnover higher for the handicapped workers.

Good health and possession of all limbs and faculties will always be an advantage. But it is no longer essential that a worker possess all of these in order to handle a great variety of the jobs available today. The number of jobs requiring an able-bodied person with unimpaired faculties are fast disappearing. The trends toward automation and specialization in industry are to the advantage of the handicapped worker. A highly-trained computer engineer, for example, can show superb performance on the job even though almost totally paralyzed for many years.

Blind workers, their sense of touch often keenly developed to compensate for lack of sight, make superior assemblers, inspectors and sorters.

Cerebral palsy victims have been trained to use precision hand tools. Paraplegics are working very productively on assembly lines, in technical fields and in the professions.

Prosthetic devices often are so skillfully used that amputees now can accomplish virtually any job they performed before their loss.

Of course, not every handicapped worker is a paragon. People with impairments have their share of other human frailties common to all people. But a survey after survey shows that handicapped workers have unusually good morale and work attitudes.

Knowledgeable employers who are experienced in hiring the handicapped suggest a five-point personnel approach.

1. Stop thinking of impaired people as "disabled." This description was adopted to soften the word "crippled," but the connotations of "disabled" are even more misleading. They imply across-the-board inability to perform. This is simply not true.

# DISABILITY IS NO HANDICAP FOR DU PONT

\*\*\* UPDATE \*\*\*

\*\*\* UPDATE \*\*\*

*New study of 2,745 disabled employees  
reconfirms that a high majority of disabled achieve  
average or better ratings for job performance, safety, and attendance.*

## INTRODUCTION

A 1981 study conducted by E. I. duPont and Company reconfirmed its 1973 survey results that the performance of employees with disabilities is equivalent to that of nondisabled co-workers. The title of the survey is "Equal to the Task." The current survey of employees with disabilities was undertaken to update duPont's earlier findings and to provide direction for future hiring and placement. The survey bears out the conclusion that, given the opportunity, disabled employees are indeed equal to the task.

## WHY WAS A SURVEY DONE?

E. I. duPont de Nemours and Company is the United States' seventh largest employer. More than 135,000 people wake up each morning--or evening--and report for work at the corporation's installations throughout the country.

For duPont, making a hiring mistake is costly, just as it is for any employer, large or small. At the company's headquarters in Wilmington, Delaware, a small corps of highly trained statistical specialists aid the firm in establishing sensible policies in what is quickly becoming known as "The Great American Manpower Search."

According to James H. Sears, coordinator of industry education activities during duPont's 1973 study, research into the performance of disabled employees has convinced the country's largest chemical firm that disabled persons are both a safe and a good bet for any employer. Sears offers statistical proof of the conclusion in an effort to help dispel long-standing myths which are often held in the business world.

## MYTHS IN THE MARKETPLACE

The best way to examine this survey is to first examine the current business market-place myths which surround the hiring of disabled persons. Many employers still believe the following to be true:

1. Insurance rates will skyrocket when you hire the disabled;

2. Considerable expense will be involved in making the necessary adjustments at the place of work;
3. Safety reports will be jeopardized;
4. Special privileges will have to be granted to the disabled;
5. Other employees will not accept the disabled.

According to a duPont executive, "Every one of these reasons for not considering the disabled person is not only a myth--but has been proven through experience to hold no semblance of fact whatsoever."

Regarding insurance, duPont claims it has had no increase in compensation costs as a result of hiring the disabled, and no lost-time injuries of the disabled have been experienced. Studies have been cited by the U.S. Chamber of Commerce and the National Association of Manufacturers showing that 90 percent of 279 companies surveyed reported no effect on insurance costs as a result of hiring disabled employees.

Regarding physical adjustments in the work place, most companies report minimum adjustment, such as a lowered work bench or an entrance ramp. Most disabled employees require no special work arrangements whatsoever.

Regarding the question of safety, duPont pointed out that in 1973 it received the National Safety Council's Award of Honor for the 27th time. The company study showed that 96 percent of its disabled employees rated average or better in the area of safety both on and off the job.

Regarding the myth that special privileges create antagonism among other employees was also easily dispelled by the duPont survey. "The disabled person wants to be treated as a normal employee," said Mr. Sears. Persons in wheelchairs often cannot push their chairs long distances and need wider parking spaces to transfer from their cars. Fellow employees do not consider a parking spot near the plant entrance to be a misuse of executive privilege. Under the circumstances, they would expect the same treatment.

#### HOW WAS THE SURVEY DONE?

Regarding the value of hiring the disabled, duPont's initial conclusions were based upon their 1973 study which examined the job performance, safety records, and attendance of 1,452 company employees whose physical conditions may have prevented them from doing what nonimpaired workers could do.

Since the 1973 survey, duPont's disabled population increased 89 percent, from 1,452 to 2,745 employees. By comparison, in the same period, the total number of duPont employees in the United States increased 13 percent, from 111,000 to 130,000. All disabled employees who worked for duPont were not selected to be tracked by this newest study. They were not involved in the study if they chose not to participate or if they had not identified themselves to management as being disabled.

For the 1981 study, supervisors were asked to rate disabled employees in safety, performance of job duties, and attendance. Disabled employees maintained their high standard of safety and improved their already good records in performance of job duties and attendance.

For this newest survey, duPont adopted the definition of "handicapped" described in the Federal Rehabilitation Act of 1973. According to this law, a "handicapped" person is anyone who has a physical or mental impairment which substantially limits one or more of his major life activities, including employment. duPont worked within the boundaries of this definition, with the assumption that the degree of each specific disability was severe enough to create a substantial handicap in securing, retaining, or advancing in employment. The survey uses 11 disability categories to specify the types of impairment of each employee participating in the study.

At duPont, disabled employees are engaged in a wide range of occupations. Craftsmen comprise the largest segment, followed by professionals, technical and managerial, operators, and office and clerical workers. The remaining employees are divided between service workers and laborers.

#### WHAT WERE THE FINAL RESULTS?

The 1981 survey confirms what duPont supervisors already knew: like their nonimpaired co-workers, disabled employees are safe, productive, and dependable.

Regarding safety, disabled employees maintained the high standard recorded in 1973, with 96 percent rated average or above average, compared with 92 percent for nonimpaired employees.

Regarding the performance of job duties, the disabled improved their rating slightly, from 91 to 92 percent average or above, compared with 91 percent for nonimpaired employees. Furthermore, the duPont study revealed that there seems to be a direct correlation between the job performance of the disabled and the severity of their impairment. Amputees, blind persons, paraplegics, and epileptics, said Sears, were at the top of the job performance list.

Regarding attendance, insignificant improvement was noted in this area. Those rated average or above went up from 79 percent in 1973 to 85 percent in 1981, compared to 91 percent for nonimpaired employees.

Regarding job stability or turnover, 93 percent of the disabled workers rated average or better than the group at large, based upon findings of an earlier survey.

Regarding other information, about one-third of those studied were physically disabled when hired. The remaining two-thirds became disabled after they had been employed. (Ninety-one percent were injured during off-duty hours, with 9 percent injured on the job.) Sears noted that those hired with disabilities (including all of the disabled Vietnam veterans) showed a higher degree of motivation toward good safety, attendance, and job performance than did those who became handicapped subsequent to hiring. The study also revealed that the nature of the specific handicap had no bearing on the level of safety, attendance, or performance.

#### CONCLUSION

In summarizing this survey, Edward G. Jefferson, Chairman of duPont, stated: "I'm pleased with the findings of the 1981 survey. The results confirm what we already knew from direct, personal experience--that persons with disabilities are an important human resource. In my judgement, all employers would serve

society and themselves by providing increased opportunities for disabled individuals to achieve their potential as self-sufficient, contributing members of the work place and the community." As previously stated by James Sears, ". . . the utilization of the abilities of the disabled is good business."

For a free written copy of tape of the result of the survey, "Equal to the Task," write:

E. I. duPont de Nemours and Company  
Public Affairs Department  
8084 duPont Building  
Wilmington, DE 19898

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sb394.txt

DUE TO SHORTENED MEETING, NO TELECONFERENCE.

Wednesday, April 11

SB 394, Group Health Insurance for Blind or Disabled Vendors

NO SCHEDULED TESTIMONY; Senator Fahrenkamp and Joan Hope out of town, Tom Moyer will represent the "office" though he knows nothing about the bill. Bettye has given her "OK" to any changes that Pat Young may want to make, as this bill was introduced at Voc. Rehab's request. Pat Young, Div. of Voc. Rehab. will be available for questions. Sally Smith will be available to answer questions on the fiscal note.

NO PROPOSED AMENDMENTS.

UPDATE; *The two committee concerns:*

COMPARATIVE RATES/DISABLED VS NON-DISABLED; Committee packets contain a review of the DuPont study which states there are no increased insurance costs for disabled individuals. Provided by Pat Young.

FISCAL NOTE; Sally Smith reviewed fiscal note and responded that zero is correct.

SS SB 394. An Act relating to eligibility to participate in the state group insurance for certain licensees in vocational rehabilitation programs.  
Sponsored by Senator Fahrenkamp, this bill would allow the Division of Vocational Rehabilitation (DVR) to include blind and severely disabled people in business as vendors in the group health insurance program. DVR is currently required to provide insurance for these vendors from the proceeds from vending machines in government buildings which are deposited in the Small Business Enterprise Revolving Fund, at a current cost of \$14, 772 per year. Including the five vendors in group health would create a savings to the revolving fund of \$5,100 per year and the vendors would receive more comprehensive insurance than they presently have.

# Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Faika, Vice Chairman  
Sen. Al Adams  
Sen. Tim Kelly  
Sen. Rick Uehling



P.O. Box V  
State Capitol  
Juneau, Alaska 99811

907-465-3712

## Senate State Affairs Committee

### MEMORANDUM

TO: Senate State Affairs Committee Members  
FROM: Senator Pat Pourchot  
RE: Friday, April 9 Committee Hearing  
DATE: April 7, 1990

On Monday, April 9 at 1:30 p.m. in the Beltz Room the Senate State Affairs Committee will hear the following bills:

SCR 54, relating to the promotion of Assistant Adjutant General Louis Lee Lucas to brigadier general in the Alaska National Guard. Sponsored by the Rules Committee, this resolution contains the military history of Asst. Adjutant General Louis Lee Lucas and requests the Governor to appoint him to brigadier general in the AK. National Guard.

SB 342. An Act relating to the reenlistment bonus for members of the AK. National Guard and the Naval Militia. Senator Duncan's bill allows Department of Military and Veterans Affairs (DMVA) employees to be eligible to receive the National Guard reenlistment bonus as long as their state position does not require them to belong to the National Guard. For a history of the issue, refer to the DMVA position paper. There are currently no state employees directly impacted by SB 342 but it will allow those National Guard members who apply for future for state positions to not sacrifice their bonus eligibility.

CS HB 224. An Act creating preferences in state employment for prisoners of war and for certain rehabilitated veterans and prisoners of war; and allowing repeated use of the state employment preference by certain veterans and prisoners of war for applications for nonpermanent positions. Sponsored by Representative Kubina, this bill changes statute to allow for repeated use of state employment preference by eligible veterans and prisoners of war for nonpermanent positions. It does have one exception for veterans or prisoners of war who were terminated because of a service related disability and who have not worked in a permanent position for two years. These people, with medical certification, are entitled to receive a preference for a permanent position.

CS HB 493. An Act relating to reemployment rights for members of the state's organized militia. Sponsored by Representative Kubina, this bill would allow reemployment rights to AK National Guard, AK Naval Militia and AK State Militia members who are called to state active duty by the Governor. It would require an employer to grant a leave of absence to a member of the organized militia and upon release from active duty, allow that person to

return to their former position or a comparable position. CSHB 493 also requires the employee to meet certain deadlines for reporting back to work after completing active duty.

SS SB 394. An Act relating to eligibility to participate in the state group insurance for certain licensees in vocational rehabilitation programs.

Sponsored by Senator Fahrenkamp, this bill would allow the Division of Vocational Rehabilitation (DVR) to include blind and severely disabled people in business as vendors in the group health insurance program. DVR is currently required to provide insurance for these vendors from the proceeds from vending machines in government buildings which are deposited in the Small Business Enterprise Revolving Fund, at a current cost of \$14,772 per year. Including the five vendors in group health would create a savings to the revolving fund of \$5,100 per year and the vendors would receive more comprehensive insurance than they presently have.

SJR 63. Proposing an amendment to the Constitution of the State of Alaska relating to the duration of a regular session. The resolution, sponsored by Senator Frank, would limit the legislative session to 90 days, beginning the fourth Monday in January (January 28, 1991). Your packet contains a proposed CS, which would limit the session to 100 days, beginning on the same date.

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Administration  
 Title: An act relating to eligibility to BRU: Retirement and Benefits  
participate in state group insurance.  
 Sponsor: Fahrenkamp Components: Retirement and Benefits  
 Requestor: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

This bill expands the eligibility in the State sponsored health plan for governmental units to allow individuals in certain vocational rehabilitation programs to participate in this coverage.

Prepared by: Sally Smith *Sally Smith*  
 Division: Retirement and Benefits  
 Approved by Commissioner: Frank S. Baxter *Frank S. Baxter*  
 Agency: Department of Administration

Phone: 465-4470  
 Date: Jan. 25, 1990  
 Date: 1/29/90

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

## FISCAL NOTE

**REQUEST:**

Revision Date: \_\_\_\_\_ Agency Affected: Education  
 Title: Eligibility to participate in the state group insurance BRU: Vocational Rehabilitation  
 Sponsor: Senator Fahrenkamp Components: Specialized Facilities  
 Requestor: Senator Fahrenkamp

**EXPENDITURES/REVENUES:** (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	(5.2)	(5.2)	(5.2)	(5.2)	(5.2)	(5.2)
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>(5.2)</b>	<b>(5.2)</b>	<b>(5.2)</b>	<b>(5.2)</b>	<b>(5.2)</b>	<b>(5.2)</b>

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

**FUNDING:** (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER P. R.	(5.2)	(5.2)	(5.2)	(5.2)	(5.2)	(5.2)
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** (Attach a separate page if necessary)

See Attachment A.

Prepared by: F. Pat Young Phone: 465-2814  
 Division: Vocational Rehabilitation Date: 1/31/90  
 Approved by: Commissioner William G. Demmert Date: 1/31/90  
 Agency: Education

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

ATTACHMENT A

ANALYSIS:

The Division of Vocational Rehabilitation has the statutory and regulatory authority to receive net proceeds from vending machines operated by private persons in state or federal buildings throughout the state of Alaska.<sup>1</sup> These proceeds are deposited quarterly in the Small Business Enterprise Program's revolving fund which is administered by the division. The income from these machines can only be used by the division to enhance, expand and provide fringe benefits to vendors licensed under the Small Business Enterprise Program.

One of the services provided to the licensees is health insurance. The Division has provided this health insurance in the past, but the cost has been higher with less coverage than that provided under the state health insurance program. For calendar year 1991, the division is paying \$14,772.00 to cover five vendors out of this revolving fund. The division would only have to pay \$9,611.40 to cover these same five individuals if they were eligible to participate in the state health insurance program. This would create a net savings of \$5,161.00 for the division in program receipts which could then be used for other services needed to operate the vending program.

<sup>1</sup>AS 23.15.010-210  
4 AAC 54.430

# Alaska State Legislature



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## Senate

### MEMORANDUM

TO: Senator Pat Pourchot, Chairman  
Senate State Affairs Committee

FROM: Senator Bettye Fahrenkamp

DATE: March 28, 1990

SUBJECT: Senate Bill 394

"An Act relating to eligibility to participate in the state group insurance for certain licensees in vocational rehabilitation programs."

---

The Division of Vocational Rehabilitation administers a program to set up blind and severely disabled people in business as vendors in state and federal buildings, licensing them through the Small Business Enterprise Program.

The Division is required to purchase health insurance for these vendors (there are currently five in the state, four of whom are located in Anchorage and the other in Juneau at the State Office Building). The insurance is paid for out of proceeds in the Small Business Enterprise Revolving Fund (which is funded by receipts from vending machines in state and federal buildings).

Because there are only 5 vendors, they are too few to get a group insurance rate on their own, which means they each have to make arrangements for health insurance individually. If we were to include them in the state group health plan as a political subdivision, it would provide them with better insurance for less money. This will save the revolving fund \$5,200 per year, which can then be used toward helping other blind or disabled people to establish vending businesses.

Attached you will find a negative fiscal note and analysis from the Division of Vocational Rehabilitation, and zero fiscal notes from the Division of Retirement and Benefits and the University.

I would very much appreciate your early scheduling and favorable consideration of this measure.

# Myths About Hiring the Physically Handicapped

by Sandra Kalenik

"I don't think I could take it. I'd probably kill myself."

"I'd probably try to carry on as best I could."

"I can't even imagine it. I'm sure I'd become terribly depressed."

Almost everyone has thought of what he would do or how he would react to a sudden physical disability, such as becoming blind, losing a limb, or becoming a paraplegic. We are aware of the pain, the problems of adjusting to a handicap, the difficulties of carrying on everyday life. What we don't think about is how much the reaction of others would affect us. Their reaction can create problems as severe as those caused by the physical impairment itself—particularly when it closes the door to job opportunities. As one 32-year old paraplegic from Columbus, Ohio, put it: "All I want is the chance to be able to work, to prove myself, and to support my family to the best of my ability. I did it before and I'd like to do it again."

Under the terms of the Rehabilitation Act of 1973, more handicapped persons will have that chance. As Assistant Secretary Stender notes in his editorial, Section 503 of that law is designed to provide employment opportunities for qualified physically and mentally handicapped individuals and to eliminate discrimination based on handicaps. (This article confines itself to the physically impaired, not to those with a mental disability, a subject which will be discussed in a future issue of *Job Safety & Health*.)

Though the President's Committee on Employment of the Handicapped has a history of 25 years of effort to open job opportunities, there is still a significant degree of employer resistance toward the handicapped.

Surinder Dhillon, who has been confined to a wheelchair for eight years as a result of infantile arthritis, knows what it is like to be turned down for employment because of his disability. A computer systems analyst and programmer, Dhillon spent a year and a half looking for work. He estimates that he made 300 to 400 phone calls, all of them leading nowhere. Eventually Dhillon decided to form his own

company, Rehab Computer in Arlington, Virginia. The company, which generated contracts totaling over \$190,000 in 1973, also trains physically disabled persons in computer communications.

It's a pretty success story, illustrating how much the handicapped can accomplish against great odds. But it also illustrates the enormous resistance that even the talented handicapped worker encounters when he looks for a job. A counselor in the District of Columbia's Bureau of Rehabilitation Services offers a partial explanation: "People are scared of what they don't know. Employers don't like to take a chance with a disabled person. All they see are the problems, many of which are imaginary."

There are several, similar reasons employers offer for not hiring handicapped workers, reasons that have one thing in common: they are myths.

"Handicapped workers will jeopardize our company's safety record."

This statement has about as much validity as the classic schoolboy belief that handling toads will cause warts.

The Bureau of Labor Statistics made a classic study of handicapped workers in the late '40's, a time, like today, when many disabled war veterans had returned home. The two-year, comprehensive survey matched the performance of 11,028 impaired workers with that of 18,258 unimpaired workers who were doing the same kind of work. The survey covered 109 plants in a wide variety of industries and geographic locations.

A committee selected for study 10 types of serious physical impairments—orthopedic, vision, hearing, hernia, cardiac, ex-tuberculosis, peptic ulcer, diabetic, epileptic, and combinations of any two of these.

Nearly 53 percent of the workers surveyed were engaged in processing of some kind, 15 percent were in maintenance work, nearly nine percent in materials handling, about seven percent in custodial operations, six percent in inspecting and testing, over four percent in recording and

control, and about one percent in supervision.

Among the findings were these:

1) As a group, impaired workers were as efficient as unimpaired workers.

2) The impaired employee worked as safely as his unimpaired co-worker. For minor injuries, which required only first aid, the injury frequency rates per 10,000 exposure hours were identical for the two groups—9.9. About half of each group experienced no injuries at all during the period studied.

3) The record for more serious injuries was better for the impaired than for the other workers. Where the unimpaired group averaged 9.5 such injuries per million hours worked, the impaired group averaged only 8.9. They also averaged a slightly lower number of days lost per injury. Against 14.9 days for the unimpaired group, the impaired workers averaged 14.5 days.

4) In no instance had an impaired worker suffered another work injury sufficiently severe to make him permanently and totally disabled.

5) No serious injury to an impaired worker could be traced to his impairment. Nor were any cases found in which the impairment caused an injury to a fellow worker.

In a more recent survey conducted by the Du Pont Company of Wilmington, Delaware, a high majority of handicapped employees achieved ratings of average or better when compared with their fellow workers in a study designed to measure job performance, safety, and attendance.

Of Du Pont's more than 100,000 employees in the United States at the time of this survey, 1,452 were physically handicapped. The handicapped workers included those with orthopedic problems, blindness, heart disease, vision impairment, amputations, paralysis, epilepsy, hearing impairments, and total deafness.

The handicapped employees were engaged in a wide range of occupations: craftsmen—562; professional, technical and managerial—334; operators—233; clerical—224; service workers—83; laborers—16.

The safety records of the handicapped group showed that 51 percent were above average, 45 percent were average, and only four percent were below average. In attendance, 79 percent were average or above. In job performance, as rated by their supervisors, 37 percent were above average, 54 percent average, and nine percent were below average.

In addition, the study indicated that the nature of the handicap did not prevent employees from doing good jobs, as some of the best performers had the most severe handicaps—amputation, blindness, deafness, and paraplegia.

The impressive safety records of the handicapped do not surprise Surinder Dhillon. "The disabled person is more aware of his safety than other people usually are. He has had some bad experience that has made him conscious of his safety. Every day. All the time."

**"Our insurance rates will skyrocket."**

One study reported that more than 80 percent of the companies surveyed fear that workers' compensation rates would rise if handicapped workers were hired—a myth that Du Pont's experience alone could dispel. James H. Sears, coordinator of industry education activities for Du Pont and now "on loan" to the National Alliance of Businessmen, reports that "Du Pont has had no increases in compensation costs as a result of hiring the handicapped."

Another study by the U.S. Chamber of Commerce and the National Association of Manufacturers also negates the myth of higher insurance costs. The study showed that 90 percent of the 279 companies surveyed reported no effect on insurance costs as a result of hiring physically handicapped workers.

Further, most states have some form of second injury funds to cover cases where a handicapped worker receives a second injury that leaves him totally disabled. Such cases are rare, but when they occur, the employer is responsible only for the cost of the

second injury. The state fund compensates the worker for the difference between this amount and the amount due the worker for permanent total disability.

**"Handicapped people are not as productive as unimpaired workers."**

The Du Pont study revealed that 31 percent of the company's disabled workers rated average or better when compared with the general workforce.

Dhillon comments, "The disabled are more productive because they have fewer distractions. They are less apt to get up, stroll down halls, take breaks, and visit with other employees because to do these things requires a greater effort. They are also under more psychological pressure to produce."

One company executive also reports a beneficial side effect of hiring the handicapped: when unimpaired workers see a handicapped person doing well on the job, they try harder themselves.

"The impaired workers may need more assistance at the beginning," says a rehabilitation counselor. "But it's generally because they aren't as confident about themselves when they begin."

"I couldn't believe the mistakes I made at first. It was ridiculous," says a successful paraplegic accountant. "I was so nervous, I couldn't even add correctly. For a handicapped person, getting a job is a very emotional experience. You know there aren't as many jobs available for you."

**"Special privileges will have to be granted to the handicapped worker."**

It is true that in some cases, some accommodations are made for handicapped workers. They may be given a few minutes' head start at quitting time so that they can get to their cars more easily. Or they might be given a lowered work bench or an entrance ramp.

"If we find that an impaired worker will not be hired because there isn't a ramp available," says a rehabilitation

counselor, "many state or local agencies will install one at no expense to the employer."

James Sears adds, "Fellow employees do not consider a parking spot near the plant entrance for a paraplegic in a wheelchair to be a misuse of privilege."

"Most of all, the handicapped person wants to be treated like everyone else," says Dr. John Kelley of the Department of Physical Medicine of the Ohio State University. "Once a handicapped person has accepted the disability, he wants everyone else to accept it as well."

Several conclusions are clear. Employers, employees, and the general public need to learn more about the physically disabled. In many areas such as safety, motivation, and job performance, the impaired worker actually does better than the unimpaired worker. But more opportunities are needed.

James Sears recommends:

1) Obtain the support of your top management.

2) Seek the cooperation of your employees and union.

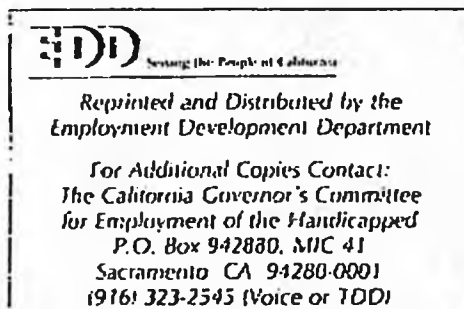
3) Hire the handicapped. The National Alliance of Businessmen is prepared to assist employers throughout the country in the hiring of the physically disabled.

As June H. Wakeford, special assistant to the Assistant Secretary of Labor for Employment Standards, says: "Handicapped persons need and deserve a better break in the employment field. In the past we've had an almost medieval attitude toward their employment, too often denying them jobs for which they were as well qualified as unimpaired workers. Section 503 of the Rehabilitation Act of 1973 will end this discrimination among most federal contractors and give more handicapped workers a chance to prove what they can do. It's time employers put ability ahead of disability."

*Ms. Kalanik is a free-lance writer.*

## SOURCES OF INFORMATION ON HIRING THE HANDICAPPED

- American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Illinois 60606
- President's Committee on Employment of the Handicapped, Washington, D.C. 20210
- Governor's Committee on Employment of the Handicapped in your State
- State Vocational Rehabilitation Agency
- State Employment (JOB) Service Offices



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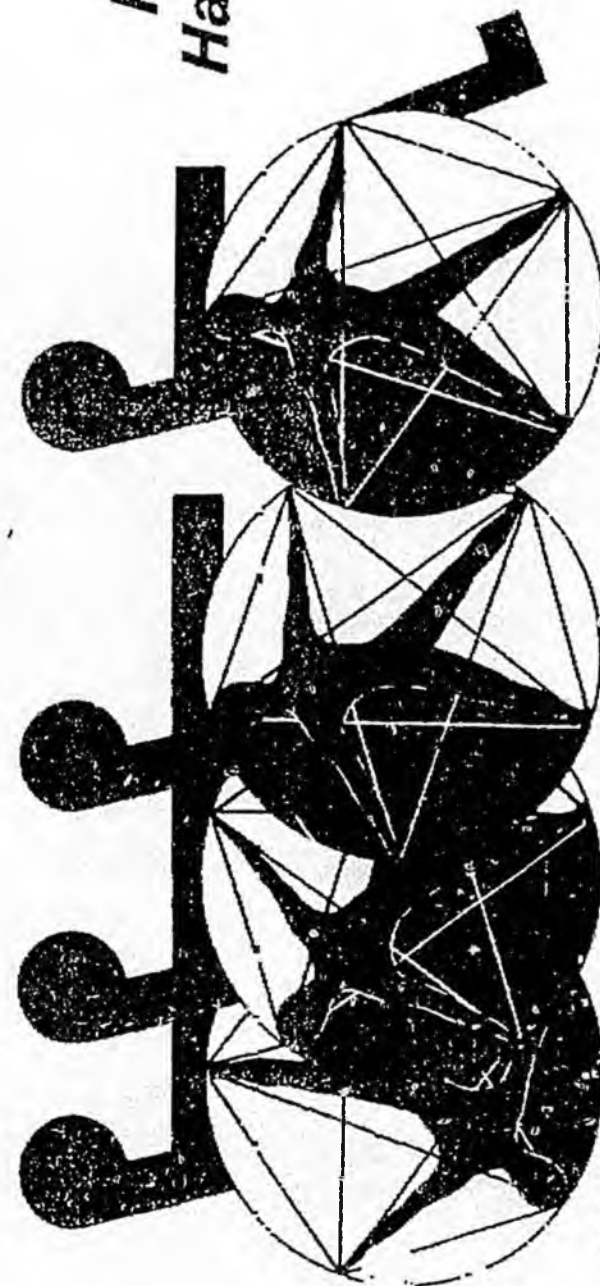
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**THE PRESIDENT'S COMMITTEE ON EMPLOYMENT  
OF THE HANDICAPPED**

8-0330

# Hiring the Handicapped Facts and Myths



8-0330

The square peg in the round hole—the worker whose abilities are not matched to the job. This is the typical employer's nightmare, a situation leading to absenteeism, a low level of production and costly turnover.

Today increased attention is devoted to eliminating this problem. Counseling and testing of students and job applicants help them find the occupations best suited to their individual talents and abilities. It is recognized that every person has certain limitations or relative areas of weakness, but the focus of job placement is on aptitudes or areas of strength. When abilities are matched to the right job, efficiency and performance are the natural result.

Unfortunately there still are many individuals for whom the focus remains directed, not on ability, but on disability. These are the one out of 11 American adults classified by the U.S. Census as "disabled."

## Workers Worth Their Hire

Because their limitations or disabilities are highly visible, many may never be given the opportunity to compete on the basis of their abilities. This inequity is a loss, not only to the prospective employee, but to the employer as well. Because of an erroneous first impression, he may be passing up a valuable human resource—someone who could make real contribution to his business.

Most handicapped individuals are well aware that on the job their handicaps cause no problems or only minor difficulty. The real problem for the handicapped is not in holding a job, but in getting the job in the first place.

The otherwise qualified jobseeker who has a visible handicap is working against a number of disadvantages—mostly unfounded myths and misunderstandings which make employers reluctant to hire the handicapped. Among the unfounded marks against the handicapped are these:

- Insurance rates will skyrocket.
- Considerable expense will be involved in making necessary adjustments in the work area.

- Safety records will be jeopardized.
- Other employees will not accept the handicapped.

All these myths have been found to be false assumptions. Assessments of actual on-the-job experience with handicapped workers reveal a picture of average-or-better ratings in those areas which count most with employers: job performance, safety and attendance.

One of the most recent and most extensive surveys of handicapped worker performance was conducted by E. I. Du Pont de Nemours and Company, America's 16th largest employer. This was a fact-finding project for Du Pont, a company of 110,000 employees, which finds hiring mistakes to be extremely costly, just as they are for any employer.

Du Pont's eight-month study gathered data on 1,452 employees with physical handicaps. These included persons with orthopedic problems, blindness, heart disease, vision impairment, amputations, paralysis, epilepsy, hearing impairments and total deafness.

How did the handicapped stack up? Very well. The results were tabulated in seven critical areas and the findings should encourage any employer to review hiring practices concerning the handicapped.

The key findings of the Du Pont study:

1. Insurance: No increase in compensation costs nor lost-time injuries.
2. Physical Adjustments: most handicapped require no special work arrangement.
3. Safety: 96% of handicapped workers rated average-or-better both on and off the job; more than one-half were above average.
4. Special Privileges: A handicapped worker wants to be treated as a regular employee.
5. Job Performance: 91% rated average-or-better.
6. Attendance: 79% rated average-or-better.

The Du Pont study also shows there is very little difference between handicapped and non-handicapped workers as to their ability to work in harmony with supervisors and fellow employees.

In another survey, based on reports from more than 100 large corporations to the U.S. Office of Vocational Rehabilitation, the physically handicapped seem to have the slight edge in job performance, as compared with their able-bodied counterparts.

In assessing productivity, 66% of these employers reported no difference between the handicapped and the able-bodied, while 24% rated the handicapped higher in productivity. Only 10% reported productivity was lower for the handicapped.

Accident rates were reported lower for the handicapped by 57% of the employers, with 41% reporting the same accident rate for both handicapped and able-bodied. Two percent of the employers reported accident rates were higher for the handicapped.

Absenteeism also was lower for the handicapped according to 55% of the corporate reports, while 40% of these employers found no difference in absence rates between the handicapped and the able-bodied. Five percent reported absenteeism higher for the handicapped.

Turnover rates were reported lower for the handicapped in 83% of the cases, with 16% of the employers reporting turnover for both handicapped and able-bodied the same. Only one percent reported turnover higher for the handicapped workers.

Good health and possession of all limbs and faculties will always be an advantage. But it is no longer essential that a worker possess all of these in order to handle a great variety of the jobs available today. The number of jobs requiring an able-bodied person with unimpaired faculties are fast disappearing. The trends toward automation and specialization in industry are to the advantage of the handicapped worker. A highly-trained computer engineer, for example, can show superb performance on the job even though almost totally paralyzed for many years.

Blind workers, their sense of touch often keenly developed to compensate for lack of sight, make superior assemblers, inspectors and sorters.

Cerebral palsy victims have been trained to use precision hand tools. Paraplegics are working very productively on assembly lines, in technical fields and in the professions.

Prosthetic devices often are so skillfully used that amputees now can accomplish virtually any job they performed before their loss.

Of course, not every handicapped worker is a paragon. People with impairments have their share of other human frailties common to all people. But survey after survey shows that handicapped workers have unusually good morale and work attitudes.

Knowledgeable employers who are experienced in hiring the handicapped suggest a five-point personnel approach.

1. Stop thinking of impaired people as "disabled." This description was adopted to soften the word "crippled," but the connotations of "disabled" are even more misleading. They imply across-the-board inability to perform. This is simply not true.

# DISABILITY IS NO HANDICAP FOR DU PONT

*New study of 2,745 disabled employees  
reconfirms that a high majority of disabled achieve  
average or better ratings for job performance, safety, and attendance.*

## INTRODUCTION

A 1981 study conducted by E. I. duPont and Company reconfirmed its 1973 survey results that the performance of employees with disabilities is equivalent to that of nondisabled co-workers. The title of the survey is "Equal to the Task." The current survey of employees with disabilities was undertaken to update duPont's earlier findings and to provide direction for future hiring and placement. The survey bears out the conclusion that, given the opportunity, disabled employees are indeed equal to the task.

## WHY WAS A SURVEY DONE?

E. I. duPont de Nemours and Company is the United States' seventh largest employer. More than 135,000 people wake up each morning--or evening--and report for work at the corporation's installations throughout the country.

For duPont, making a hiring mistake is costly, just as it is for any employer, large or small. At the company's headquarters in Wilmington, Delaware, a small corps of highly trained statistical specialists aid the firm in establishing sensible policies in what is quickly becoming known as "The Great American Manpower Search."

According to James H. Sears, coordinator of industry education activities during duPont's 1973 study, research into the performance of disabled employees has convinced the country's largest chemical firm that disabled persons are both a safe and a good bet for any employer. Sears offers statistical proof of the conclusion in an effort to help dispel long-standing myths which are often held in the business world.

## MYTHS IN THE MARKETPLACE

The best way to examine this survey is to first examine the current business market-place myths which surround the hiring of disabled persons. Many employers still believe the following to be true:

1. Insurance rates will skyrocket when you hire the disabled;

2. Considerable expense will be involved in making the necessary adjustments at the place of work;
3. Safety reports will be jeopardized;
4. Special privileges will have to be granted to the disabled;
5. Other employees will not accept the disabled.

According to a duPont executive, "Every one of these reasons for not considering the disabled person is not only a myth--but has been proven through experience to hold no semblance of fact whatsoever."

Regarding insurance, duPont claims it has had no increase in compensation costs as a result of hiring the disabled, and no lost-time injuries of the disabled have been experienced. Studies have been cited by the U.S. Chamber of Commerce and the National Association of Manufacturers showing that 90 percent of 279 companies surveyed reported no effect on insurance costs as a result of hiring disabled employees.

Regarding physical adjustments in the work place, most companies report minimum adjustment, such as a lowered work bench or an entrance ramp. Most disabled employees require no special work arrangements whatsoever.

Regarding the question of safety, duPont pointed out that in 1973 it received the National Safety Council's Award of Honor for the 27th time. The company study showed that 96 percent of its disabled employees rated average or better in the area of safety both on and off the job.

Regarding the myth that special privileges create antagonism among other employees was also easily dispelled by the duPont survey. "The disabled person wants to be treated as a normal employee," said Mr. Sears. Persons in wheelchairs often cannot push their chairs long distances and need wider parking spaces to transfer from their cars. Fellow employees do not consider a parking spot near the plant entrance to be a misuse of executive privilege. Under the circumstances, they would expect the same treatment.

#### HOW WAS THE SURVEY DONE?

Regarding the value of hiring the disabled, duPont's initial conclusions were based upon their 1973 study which examined the job performance, safety records, and attendance of 1,452 company employees whose physical conditions may have prevented them from doing what nonimpaired workers could do.

Since the 1973 survey, duPont's disabled population increased 89 percent, from 1,452 to 2,745 employees. By comparison, in the same period, the total number of duPont employees in the United States increased 13 percent, from 111,000 to 135,000. All disabled employees who worked for duPont were not selected to be tracked by this newest study. They were not involved in the study if they chose not to participate or if they had not identified themselves to management as being disabled.

For the 1981 study, supervisors were asked to rate disabled employees in safety, performance of job duties, and attendance. Disabled employees maintained their high standard of safety and improved their already good records in performance of job duties and attendance.

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For this newest survey, duPont adopted the definition of "handicapped" described in the Federal Rehabilitation Act of 1973. According to this law, a "handicapped" person is anyone who has a physical or mental impairment which substantially limits one or more of his major life activities, including employment. duPont worked within the boundaries of this definition, with the assumption that the degree of each specific disability was severe enough to create a substantial handicap in securing, retaining, or advancing in employment. The survey uses 11 disability categories to specify the types of impairment of each employee participating in the study.

At duPont, disabled employees are engaged in a wide range of occupations. Craftsmen comprise the largest segment, followed by professionals, technical and managerial, operators, and office and clerical workers. The remaining employees are divided between service workers and laborers.

#### WHAT WERE THE FINAL RESULTS?

The 1981 survey confirms what duPont supervisors already knew: like their nonimpaired co-workers, disabled employees are safe, productive, and dependable.

Regarding safety, disabled employees maintained the high standard recorded in 1973, with 96 percent rated average or above average, compared with 92 percent for nonimpaired employees.

Regarding the performance of job duties, the disabled improved their rating slightly, from 91 to 92 percent average or above, compared with 91 percent for nonimpaired employees. Furthermore, the duPont study revealed that there seems to be a direct correlation between the job performance of the disabled and the severity of their impairment. Amputees, blind persons, paraplegics, and epileptics, said Sears, were at the top of the job performance list.

Regarding attendance, insignificant improvement was noted in this area. Those rated average or above went up from 79 percent in 1973 to 85 percent in 1981, compared to 91 percent for nonimpaired employees.

Regarding job stability or turnover, 93 percent of the disabled workers rated average or better than the group at large, based upon findings of an earlier survey.

Regarding other information, about one-third of those studied were physically disabled when hired. The remaining two-thirds became disabled after they had been employed. (Ninety-one percent were injured during off-duty hours, with 9 percent injured on the job.) Sears noted that those hired with disabilities (including all of the disabled Vietnam veterans) showed a higher degree of motivation toward good safety, attendance, and job performance than did those who became handicapped subsequent to hiring. The study also revealed that the nature of the specific handicap had no bearing on the level of safety, attendance, or performance.

#### CONCLUSION

In summarizing this survey, Edward G. Jefferson, Chairman of duPont, stated: "I'm pleased with the findings of the 1981 survey. The results confirm what we already knew from direct, personal experience--that persons with disabilities are an important human resource. In my judgement, all employees would serve

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society and themselves by providing increased opportunities for disabled individuals to achieve their potential as self-sufficient, contributing members of the work place and the community." As previously stated by James Sears, ". . . the utilization of the abilities of the disabled is good business."

For a free written copy of tape of the result of the survey, "Equal to the Task," write:

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