

## European Semester 2017/2018 shadow fiche on disability

Liechtenstein

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With comparative data provided by the ANED  
core team



The [Academic Network of European Disability experts](#) (ANED) was established by the European Commission in 2008 to provide scientific support and advice for its disability policy Unit. In particular, the activities of the Network support the development of the European Disability Strategy 2010-2020 and practical implementation of the United Nations Convention on the Rights of Persons with Disabilities in the EU.

*Note:*

*The statistics provided in October 2017 are based on the EU-SILC 2015. This is the most recent microdata available to researchers for analysis from Eurostat. This report may be updated as new data becomes available.*



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## 1 Summary of the overall situation and challenges

Liechtenstein has been among the richest countries in the world the last twenty years (measured by GDP per inhabitant). Strong public finances have made it possible to spend much money on expanding universal public services (health, education, social care, childcare, etc.). Very little data is available in Liechtenstein concerning the situation of persons with disabilities and the Principality does not participate in EU-SILC.

The general package of measures to get the state finances back under control showed success in 2016 (95% degree of achievement of savings were realised).<sup>1</sup> As the situation showed a surplus in the state budget, the government decided not to propose further cost-cutting packages of measures for 2017.<sup>2</sup>

The global financial crisis 2008 did not have much of an impact on unemployment in Liechtenstein. The total unemployment rate for 2016 was 2.3%, which is one third of the OECD average of 6.2% for 2016. By the end of November 2017 the unemployment rate in Liechtenstein was 1.7%, which is below the unemployment rate for November 2016 (2.2%). As Liechtenstein faces no real problems with unemployment, no specific focus was given to these issues when setting up the general cost-cutting measures from the Agenda 2020 in Liechtenstein from 2009 onward. Liechtenstein does not collect specific data regarding the employment or the situation of people with disabilities for statistical purposes.

The number of households that have received social benefits, in general, due to low household income has increased since 1995. In 2016, 630 households in Liechtenstein claimed social benefits, compared to 286 households in 1995.

State contribution to the statutory health insurance system has been reduced in two steps, based on a revision of the Health Insurance Act passed by the Liechtenstein Parliament in 2016. The main changes of the adopted Act are a freeze of the state health insurance contribution and a so called basic premium contribution system with individual selectable levels of franchise and fixed amount of self-payments. The premium reductions of the state contribution had a significant effect on the individual's premium which increased by 12% and therefore created an additional burden on a family's budget.

The social cohesion, the benefit system and state contribution to all kind of support measures targeting child well-being have remained unchanged. As these supportive instruments are on a high level compared to other European countries, their positive effect remained unchanged with regard to the situation of Liechtenstein's families.

There are no figures available to evaluate the recipient rate for disability benefits with other countries. Thus, comparisons and conclusions to determine if the recipient rate is relatively high or low, cannot be made. Nevertheless, it is a general issue and target of the policies in place, to improve the measures for job retention or job seeking rather than claiming social benefits. For people with disabilities there is a

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<sup>1</sup> Source: <http://www.regierung.li/ministerien/ministerium-fuer-praesidiales-und-finanzen/sanierung-des-staatshaushalts/>

<sup>2</sup> National income statement Liechtenstein 2015: <http://www.regierung.li/news1.aspx?id=108194&nid=7209>



wage subsidy scheme and some provision for adaptations and support in the workplace but this population group is not the main target group of labour market policy.

Whilst social investment is sometimes highlighted by the government, it is not a consistent issue; the priority is still on economic growth and international competitiveness. Thus, there have not been any specific political targets in the area of social inclusion or anti-discrimination within the last couple of years.



## 2 Assessment of the situation of disabled people with respect to the Europe 2020 headline targets

### 2.1 Strategic targets

**Table 1: Europe 2020 and agreed national targets for the general population**

	Europe 2020 targets	National targets <sup>3</sup>
Employment	75% of the 20-64 year-olds to be employed	No specific target of the Agenda 2020 of Liechtenstein's government, but rate is applicable based on the overall good labour market situation and some selective activities of the labour market office (integrating elder people into the labour market etc.).
Education	Reducing the rates of early school leaving below 10%	No specific target of the Agenda 2020 of Liechtenstein's government.
	At least 40% of 30-34-year-olds completing third level education	No specific target of the Agenda 2020 of Liechtenstein's government.
Fighting poverty and social exclusion	At least 20 million fewer people in or at risk of poverty and social exclusion	No specific target of the Agenda 2020 of Liechtenstein's government.

#### Relevant disability targets from national strategies or sources:

In examining the overall extent to which there are specific disability targets within the national strategy of the Principality of Liechtenstein, it is helpful to understand the specific situation of a very small country, economically well established, and extremely dependent on foreign markets. Liechtenstein's economy is heavily export-oriented due to its small domestic market. Consequently, the focus of the national strategy is given to a framework enabling companies to succeed internationally in highly competitive markets.

Within the current Agenda 2020 measures/targets there are basically the following two improvements in the area of disability listed:

- Agreement with the only special education centre (HPZ) in Liechtenstein to set up specific service agreements. The state contribution to the HPZ will be

<sup>3</sup> [http://ec.europa.eu/europe2020/pdf/targets\\_en.pdf](http://ec.europa.eu/europe2020/pdf/targets_en.pdf).



granted on these service agreements in future. This enables the centre to provide high quality service, professional supervision and education for people with disabilities for the coming years.

- Strengthen the independence of human rights institutions. The Equal Opportunities Office was criticised in the past as being too closely dependent on the state and inadequately resourced, both materially and in terms of staff. In November 2016, the Liechtenstein Parliament adopted the Law on the Association for Human Rights in Liechtenstein<sup>4</sup>, which forms the legal basis for the Liechtenstein National Human Rights Institution (NHRI) and entered into force on 1 January 2017. The creation of the independent NHRI is in accordance with the Paris Principles, thereby implementing long-standing recommendations of various international human rights bodies and recommendations as referenced in UPR 2013.<sup>5</sup>

### 2.1.1 A note on the use of EU data

Unless specified, the summary statistics presented in this report are drawn from 2015 EU-SILC micro data.<sup>6</sup> The EU-SILC sample includes people living in private households and does not include people living in institutions. The proxy used to identify people with disabilities (impairments) is whether 'for at least the past 6 months' the respondent reports that they have been 'limited because of a health problem in activities people usually do'.<sup>7</sup> Responses to this question vary between countries and national data sources are added for comparison, where available.

In 2015 there was a break in the German data (with significantly reduced prevalence estimates). As Germany is a very large country, this affected both the German national indicators and EU average indicators for this year. For example, the EU28 average disability prevalence indicator decreased between 2014 and 2015 but increased, as in previous years, if Germany is excluded. A similar trend is evident for the EU average employment rate of persons.

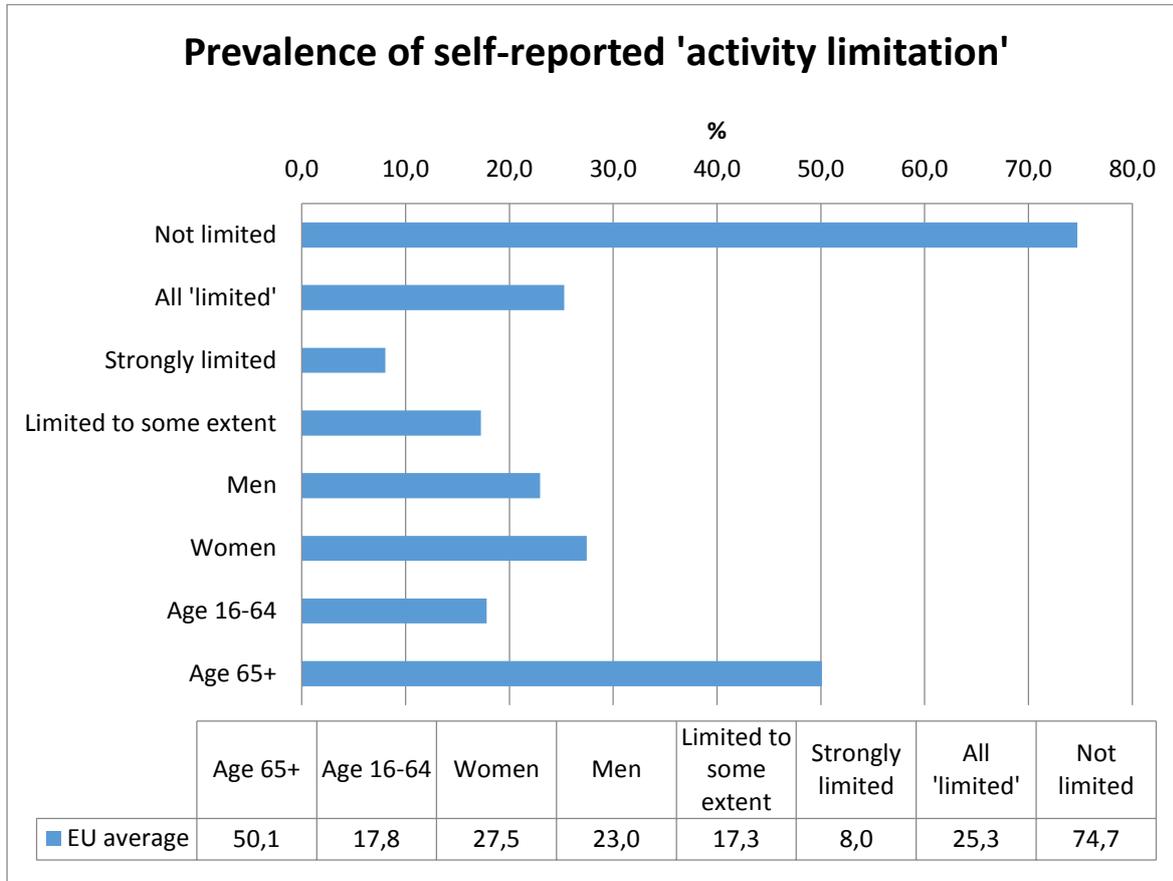
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<sup>4</sup> (LGBl. 2016 No. 504)

<sup>5</sup> UPR third national report: <https://www.llv.li/files/aaa/3-upr-staatenbericht-2017-en-final.pdf>

<sup>6</sup> EUSILC UDB 2015 – version of October 2017

<sup>7</sup> The SILC survey questions are contained in the Minimum European Health Module (MEHM) [http://epp.eurostat.ec.europa.eu/statistics\\_explained/index.php/Glossary:Minimum\\_European\\_Health\\_Module\\_\(MEHM\)](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Glossary:Minimum_European_Health_Module_(MEHM))

**Table 2: Self-reported 'activity limitations' as a proxy for impairment/disability (EU-SILC 2015)**

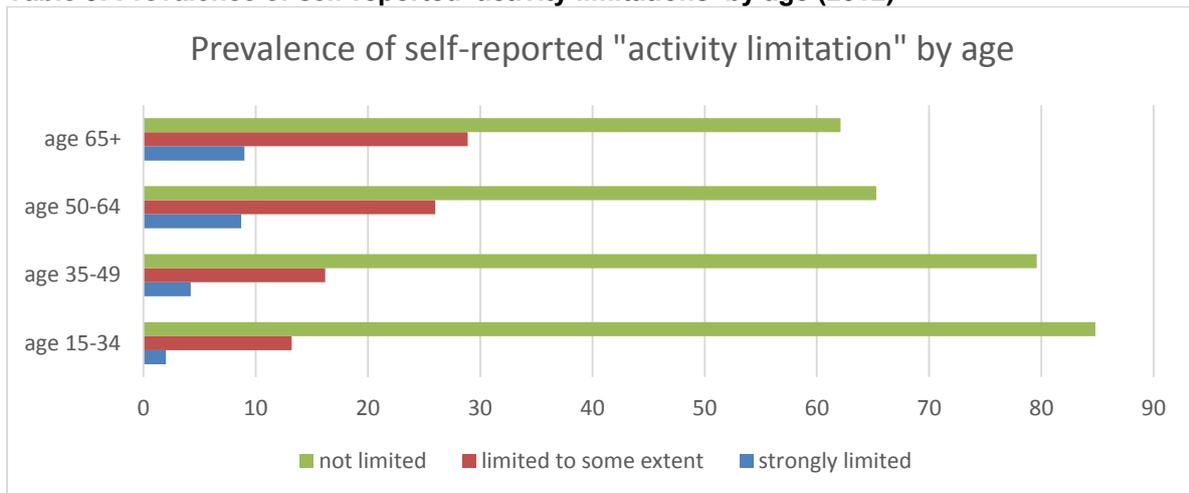
Source: EUSILC UDB 2015 – version of October 2017

In subsequent tables, these data are used as a proxy to estimate 'disability' equality in the main target areas for EU2020 – employment, education and poverty risk.<sup>8</sup> The tables are presented by disaggregating the estimated proportion of people who report and do not report limitations for each indicator (e.g. among those who are employed, unemployed, at risk of poverty, etc.).

### Comment from national expert:

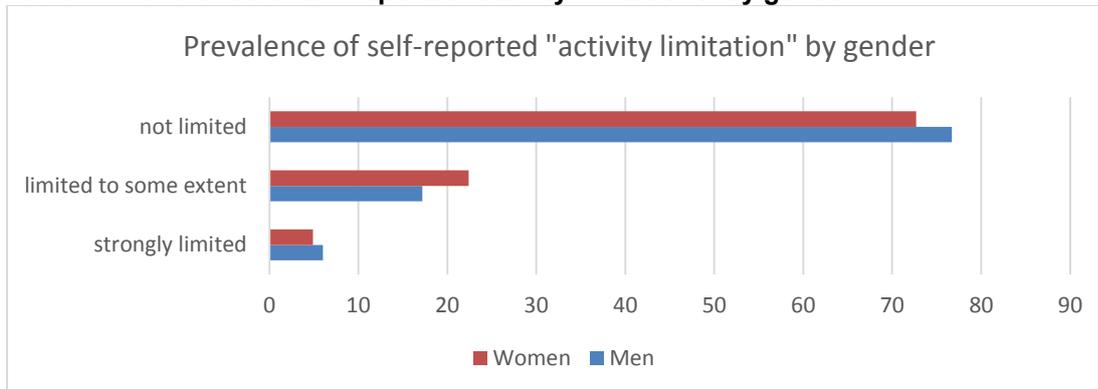
Liechtenstein's last evaluation is based on 2012 data. The 2012 health survey showed that, as in other countries, people report being 'limited to some extent' or 'strongly limited' in relation to their age. The older people are, the larger the proportion who report being limited. The main gap is between the age groups below and above 50 years old. This is in line with the prevalence estimates at the EU level.

<sup>8</sup> The methodology is further explained in the annual statistical reports of ANED, available at <http://www.disability-europe.net/theme/statistical-indicators>

**Table 3: Prevalence of self-reported 'activity limitations' by age (2012)**

Source: Gesundheitsbefragung 2012, Amt für Statistik<sup>9</sup>

When comparing the gender groups in Liechtenstein it can be seen that in the category 'limited to some extent' women show a higher rate than men (primarily due to the greater representation of women in older age groups) but men are slightly over-represented among 'strongly limited' persons.

**Table 4: Prevalence of self-reported 'activity limitations' by gender**

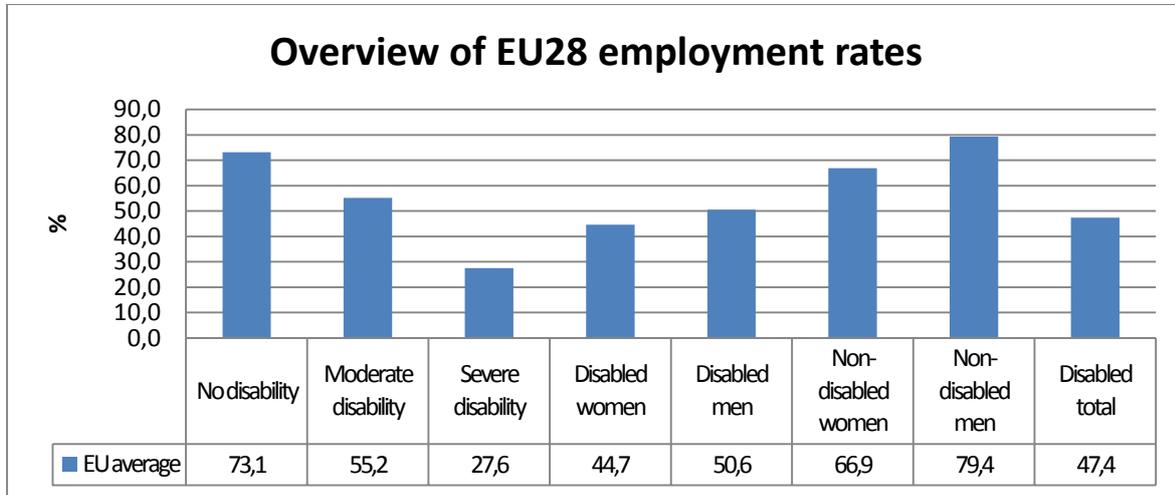
Source: Gesundheitsbefragung 2012, Amt für Statistik

<sup>9</sup> <http://www.llv.li/#/114612/gesundheitsbefragung>



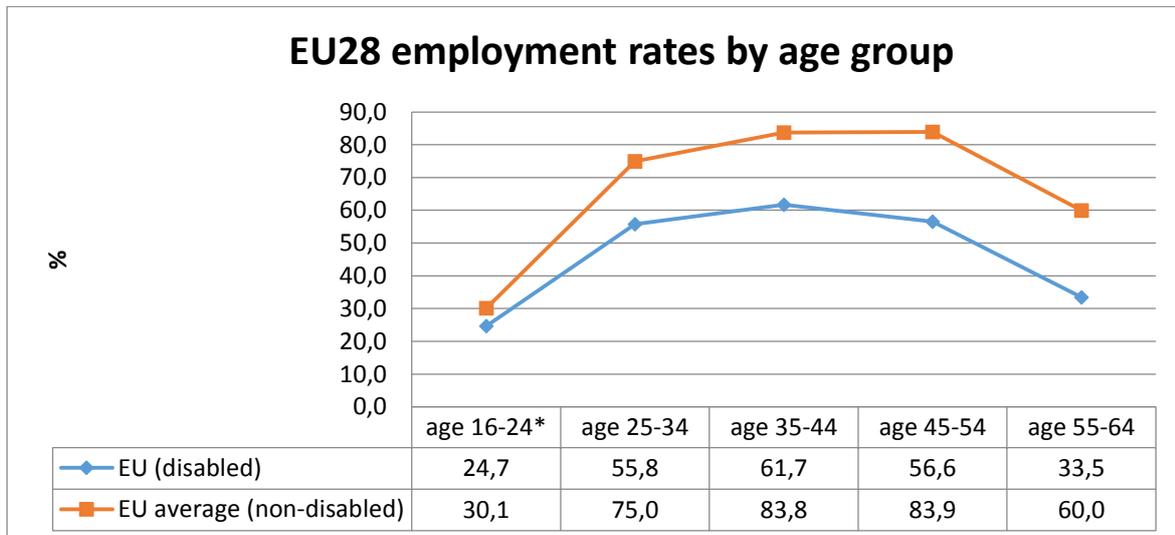
## 2.2 Employment data

**Table 5: Most recent employment data, aged 20-64**

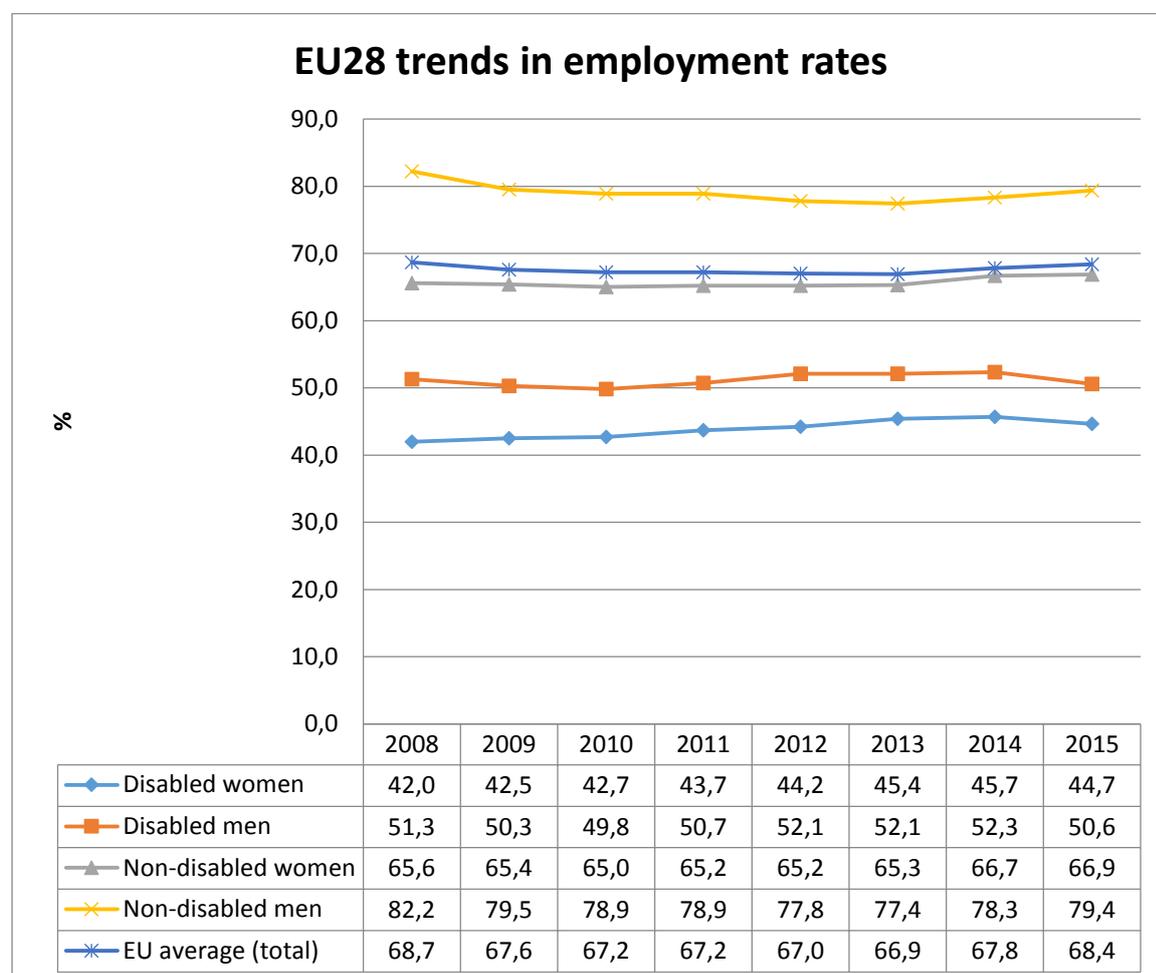


Source: EUSILC UDB 2015 – version of October 2017

**Table 6: Employment rate data, by age group**



Source: EUSILC UDB 2015 – version of October 2017

**Table 7: Trends in employment by gender and disability (aged 20-64)**

Source: EUSILC UDB 2015 – version of October 2017 (and preceding UDBs)

The table above shows the EU2020 headline indicator for the EU as a whole. The apparent downturn in 2015 is influenced by the sampling discontinuity in Germany

The table above shows the EU2020 headline indicator for the EU as a whole.

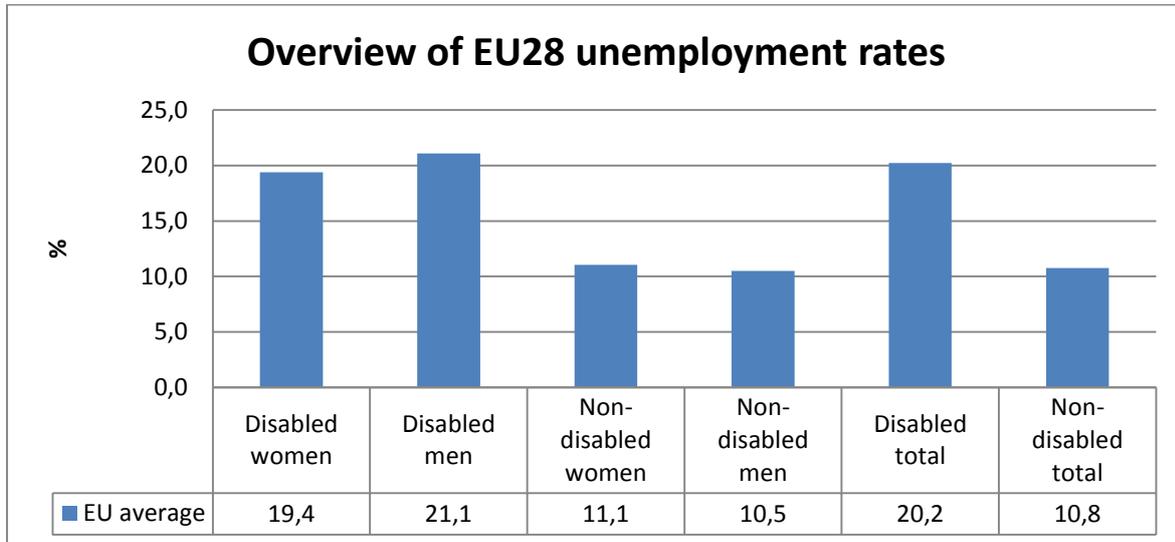
### Alternative data on disability and employment provided by the national expert:

There is no data regarding employment and people with disabilities available in Liechtenstein. None of the responsible public offices evaluates and consolidates the figures and no specific special evaluation has ever been made.

#### 2.2.1 Unemployment

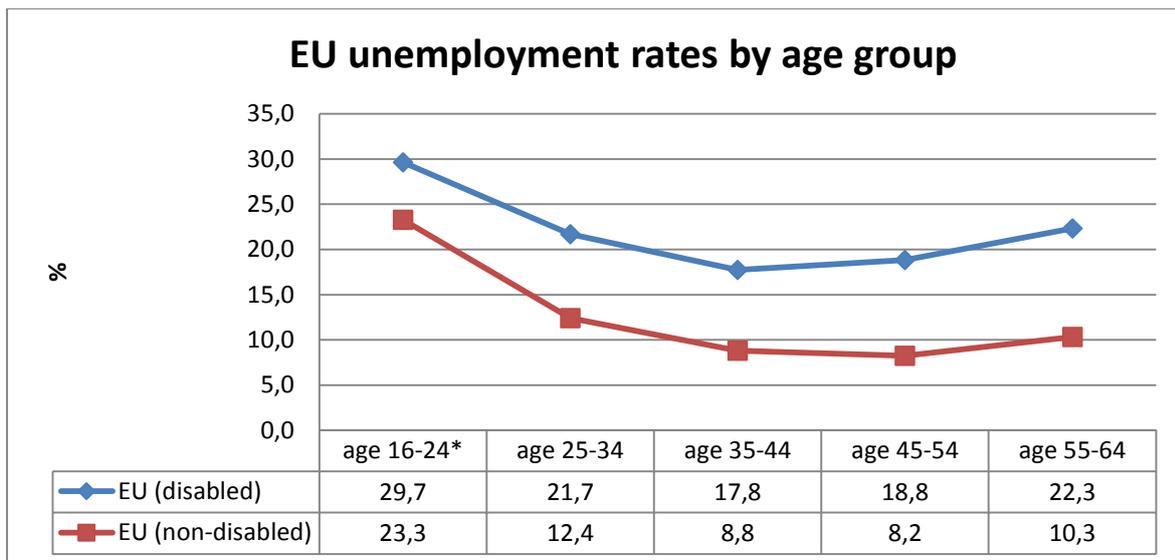
National administrative rules and definitions of 'unemployment' vary, and these may affect the way in which disabled people are categorised in different countries. The following tables compare national data with the EU2020 headline indicator for the EU

**Table 8: Most recent unemployment data, aged 20-64**



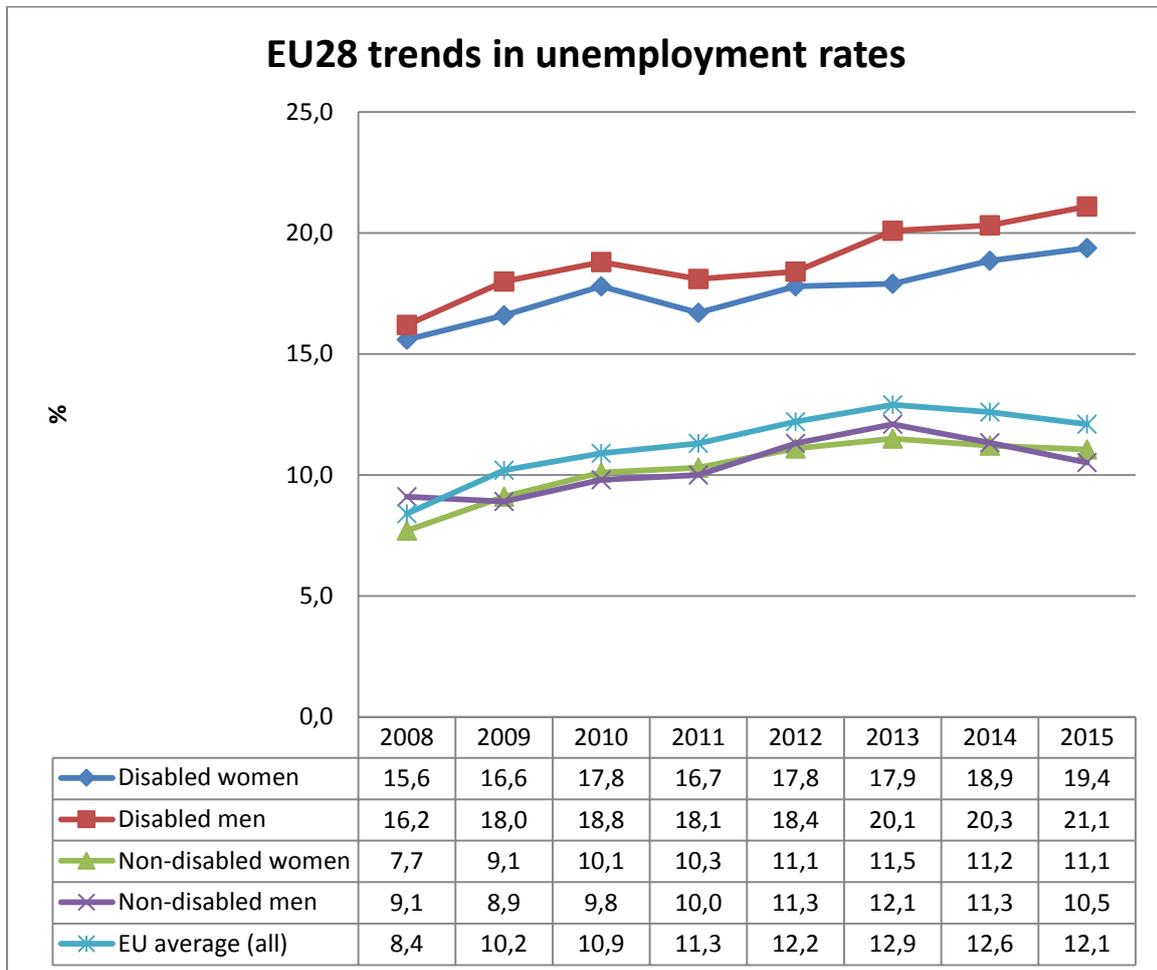
Source: EUSILC UDB 2015 – version of October 2017

**Table 9: Unemployment rate data, by age group**



Source: EUSILC UDB 2015 – version of October 2017

Table 10: Trends in unemployment by gender and disability (aged 20-64)

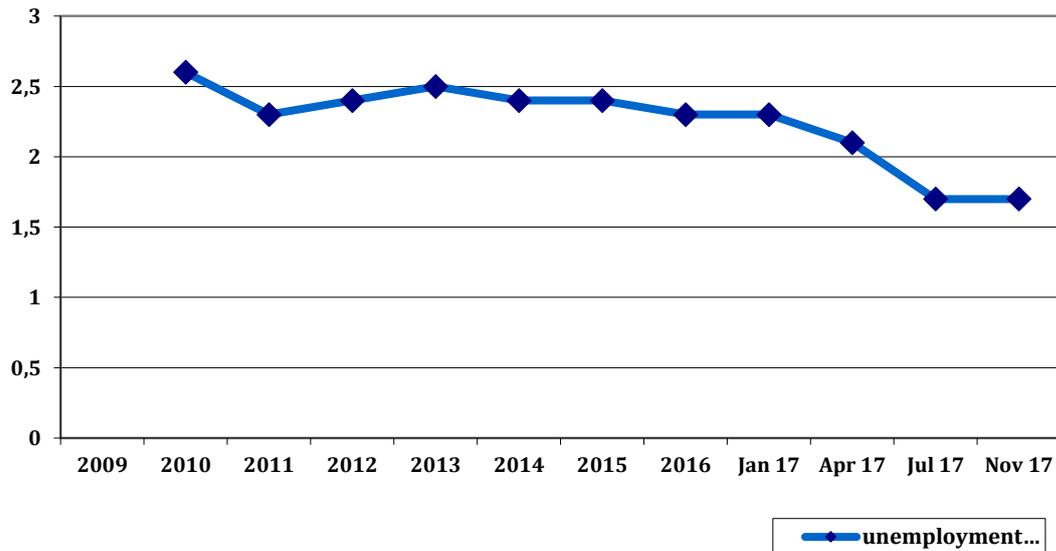


Source: EUSILC UDB 2015 – version of October 2017 (and preceding UDBs)

The table above shows the EU2020 headline indicator for the EU as a whole.

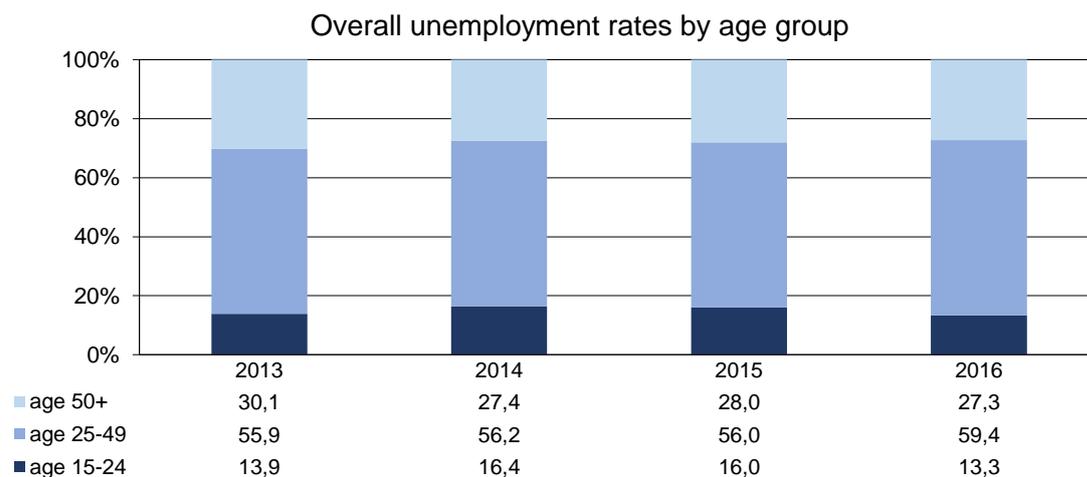
#### Alternative data on disability and unemployment from national sources:

Liechtenstein does not collect specific data regarding the unemployment rate and/or the situation of people with disabilities for statistical purposes. Thus, no figures and no aggregated data for scientific use are available. The general unemployment rate in Liechtenstein shows a continuously decreasing development over the last 7 years.

**Table 11: General unemployment in Liechtenstein**

Source: Unemployment statistic Liechtenstein: <https://www.llv.li/files/as/arbeitslosenstatistik-2016.pdf>.

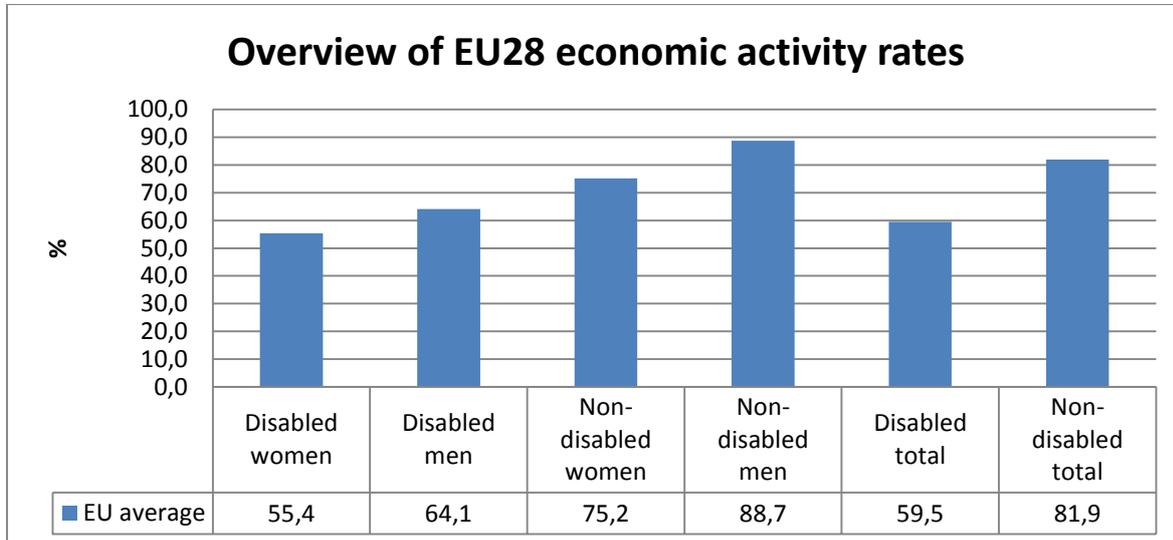
There is no published statistical data available on the unemployment of people with disabilities or on the number of people with disabilities registered at the Labour Market Service Centre. Additionally, the exact number of persons with disabilities is not known either. The number of people registered at the Invalidity Insurance does not include all people with disabilities. Therefore, it cannot be said how high the unemployment rate of people – men or women - with disabilities is in comparison to the non-disabled.

**Table 11: Share of unemployed by age groups from 2013 - 2016**

Source: Unemployment statistic Liechtenstein: <https://www.llv.li/files/as/arbeitslosenstatistik-2016.pdf>

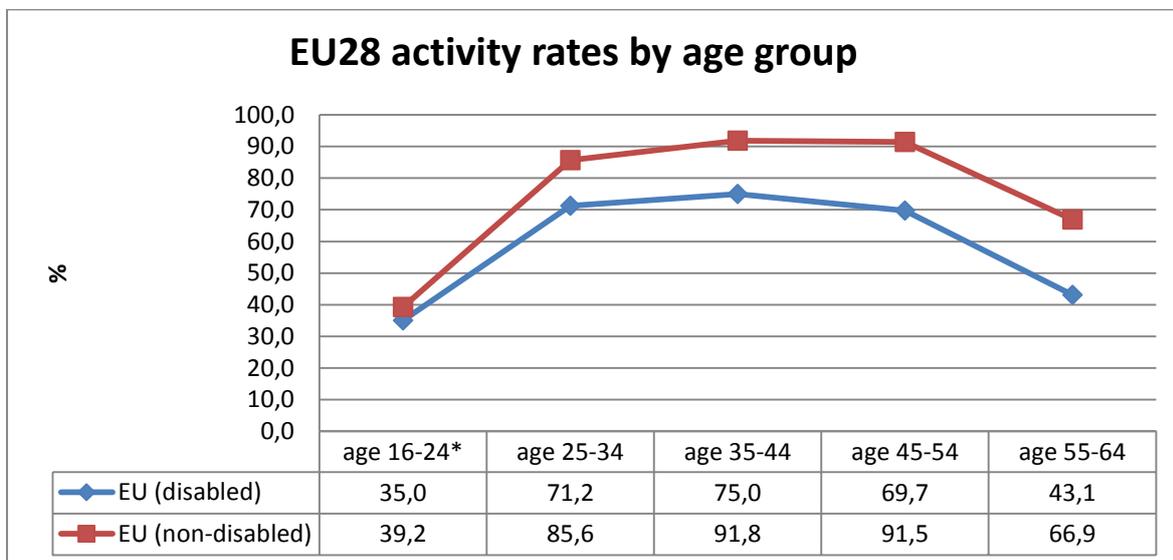
## 2.2.2 Economic activity

Table 12: Most recent economic activity data, aged 20-64



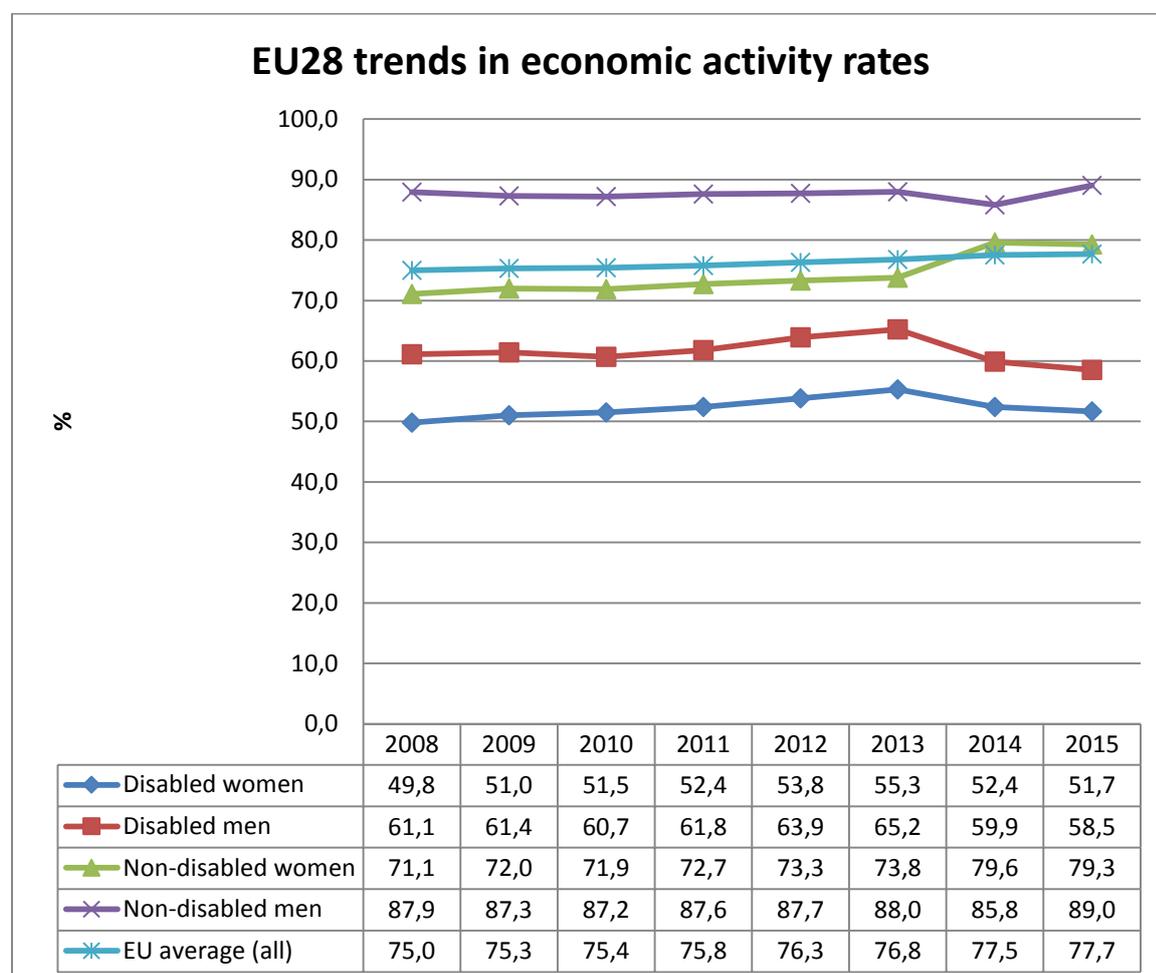
Source: EUSILC UDB 2015 – version of October 2017

Table 13: Activity rate data, by age group



Source: EUSILC UDB 2015 – version of October 2017

Table 14: Trends in activity rates by gender and disability (aged 20-64)



Source: EUSILC UDB 2015 – version of October 2017 (and preceding UDBs)

The table above shows the EU2020 headline indicator for the EU as a whole.

### Alternative data on disability and economic activity provided by the national expert:

There is no economic activity data regarding disability available in Liechtenstein.

### 2.3 Education data

EU statistical comparisons are more limited concerning the education of young disabled women and men in the EU2020 target age groups. Data is available from EU-SILC (annually) as well as the Eurostat Labour Force Survey ad-hoc disability module (for 2011), but with low reliability for several countries on the key measures.<sup>10</sup> Using a wider age range can improve reliability but estimations by

<sup>10</sup> For the LFS AHM data see, Early school leavers  
[http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=hlth\\_de010&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=hlth_de010&lang=en)

gender remain indicative. EU trends are evident but administrative data may offer more reliable alternatives to identify national trends, where available. Confidence intervals for the disability group are wide on both indicators at the national level but reliable at the EU level. An average over several years may provide a more robust national indication.

There was also a change from ISCED 1997 to ISCED 2011 qualification definitions in 2014 although some Member States continued to use the older definition in 2015.

### 2.3.1 Early school leavers

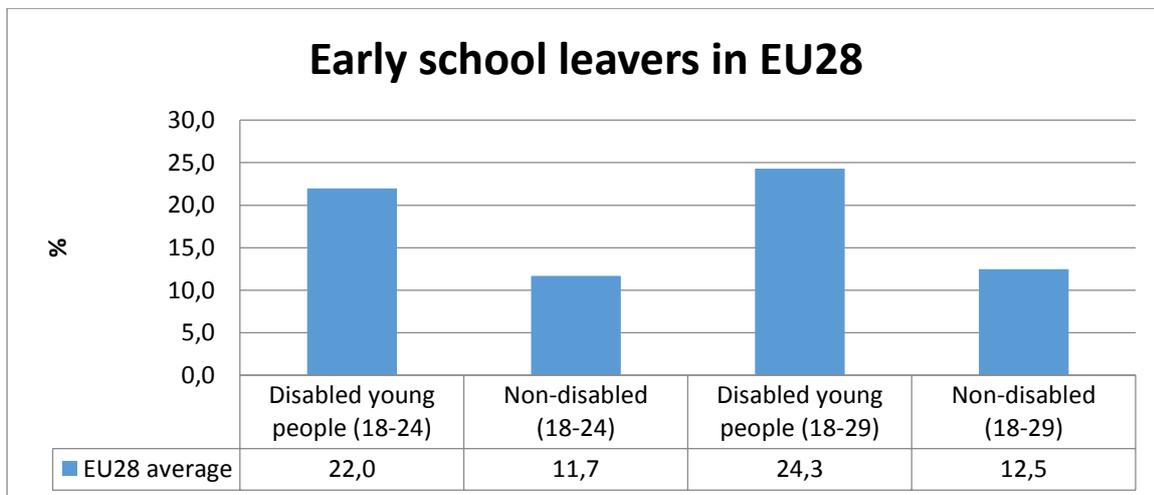
The EU-SILC sample for the target age group (aged 18-24) includes the following number of people reporting activity 'limitation' (as a proxy for impairment/disability).

**Table 15: EU-SILC sample size in the target age group 18-24 versus 18-29**

	Age 18-24		Age 18-29	
	No activity 'limitation'	Activity 'limitation'	No activity 'limitation'	Activity 'limitation'
<b>EU sample</b>	32,733	2,673	54,418	4,840

Source: EUSILC UDB 2015 – version of October 2017

**Table 16: Early school leavers aged 18-24 (indicative based on above sample size)**



Source: EUSILC UDB 2015 – version of October 2017

### Alternative data on disability and early school leavers provided by the national expert:

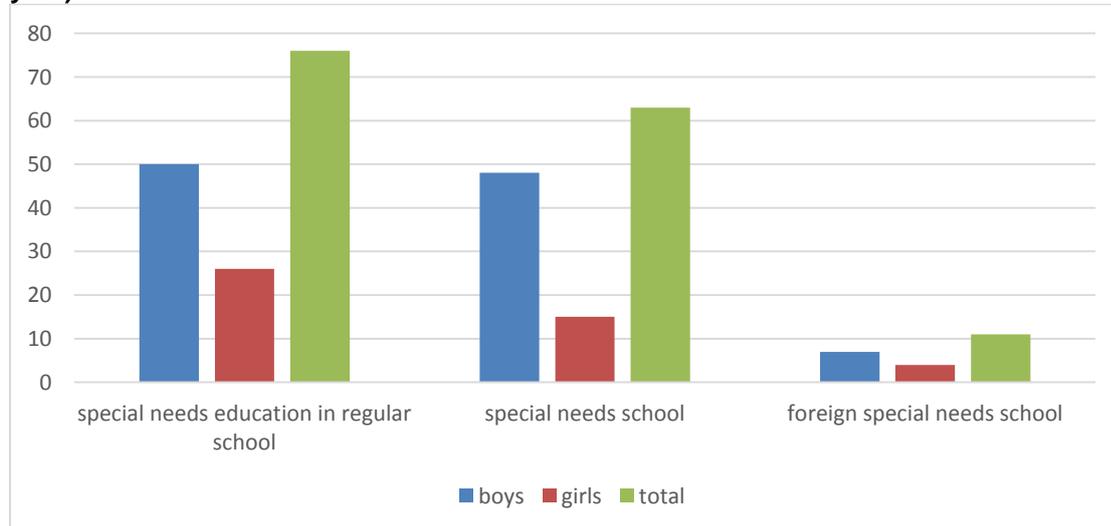
In Liechtenstein, there is no comparable data regarding disability and early school leavers available. From the given national statistics and the national report on human

and for tertiary educational attainment

[http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=hlth\\_de020&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=hlth_de020&lang=en)

rights in Liechtenstein it can be seen, that 76 children of mandatory school-age out of 3,480 had been recognised as pupils with disabilities (around 2%) who attended special schools or school-classes in 2016.<sup>11</sup>

**Table 17: Number of pupils with special needs in different school types in 2015/2016 (school year)**



Source: Education authority Liechtenstein 2016: <https://www.llv.li/files/as/ibildungsstatistik-2016-v-1-2.pdf>

### 2.3.2 Tertiary education

The EU-SILC sample for the target age group (aged 30-34) includes the following number of people reporting activity 'limitation' (a proxy for impairment/disability) although the number of missing observations is larger than the number of observations for activity limitation.

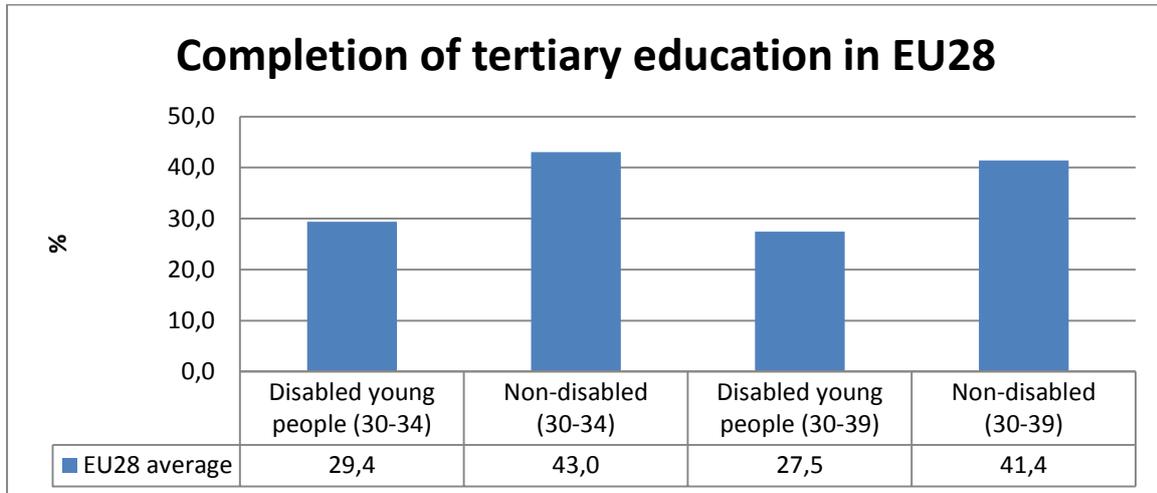
**Table 18: EU-SILC sample size for the target age group 30-34 versus 30-39**

	Age 30-34		Age 30-39	
	No activity 'limitation'	Activity 'limitation'	No activity 'limitation'	Activity 'limitation'
<b>EU sample</b>	23,233	2,793	49,559	6,572

Source: EUSILC UDB 2015 – version of October 2017

<sup>11</sup> Report on Human Rights in Liechtenstein 2017, link: <https://www.llv.li/files/aaa/statusbericht-menschenrechte-2017-final.pdf>

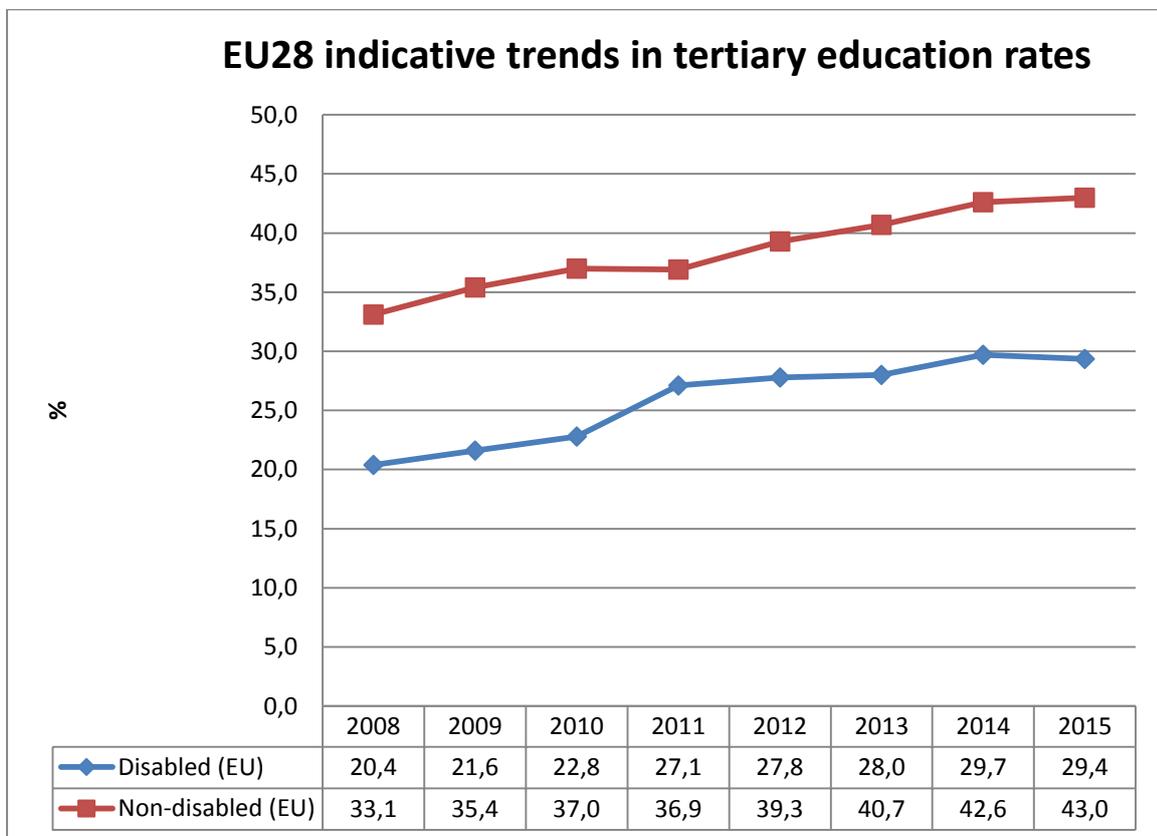
Table 19: Completion of tertiary or equivalent education (indicative based on above sample)



Source: EUSILC UDB 2015 – version of October 2017

The survey sample is not sufficient to provide robust trend data disaggregated by gender in the narrow EU2020 target age group. In general the achievement of tertiary education was higher for women than for men in both disabled and non-disabled groups.

Table 20: Trends in tertiary education by disability (aged 30-34)



Source: EUSILC UDB 2015 – version of October 2017 (and preceding UDBs)

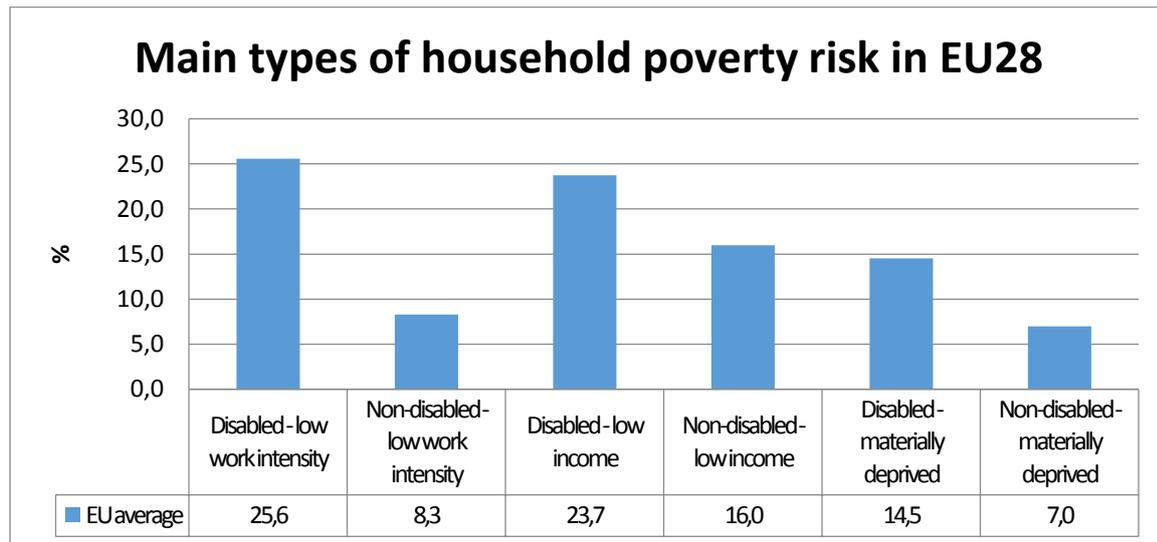
### Alternative data on disability and tertiary education provided by the national expert:

Liechtenstein has no public available data regarding persons in tertiary education with disabilities. Thus, there are no statements or comparisons possible.

## 2.4 Poverty and social exclusion data

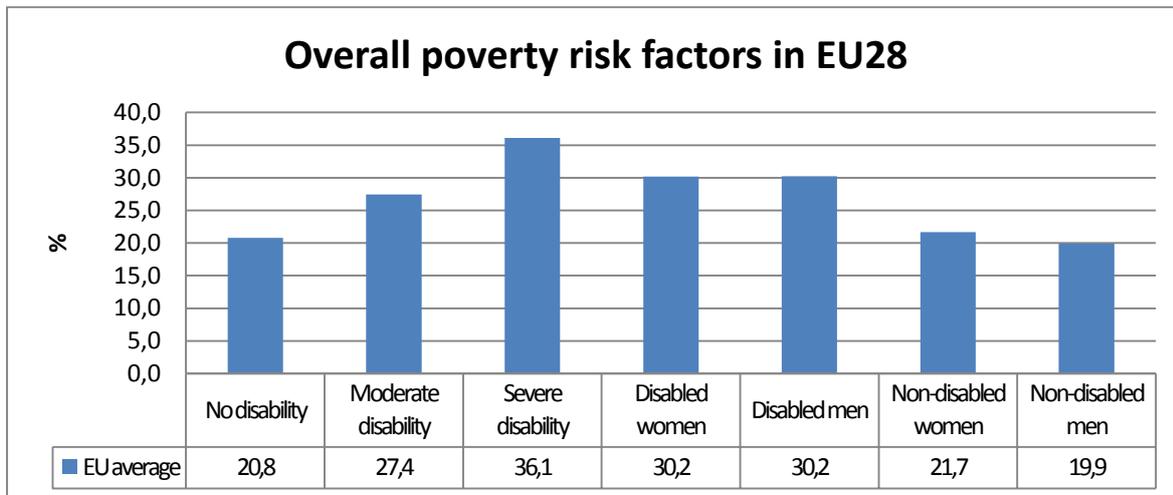
EU SILC data provides indicators of the key risks for people with disabilities. In addition to household risks of low work intensity, there are risks of low income (after social transfers), and material deprivation. These three measures are combined in the overall estimate of risk. The risks for older people do not include work intensity (Eurostat refers to the age group 0-59 for this measure). The survey does not distinguish 'activity limitation' (the proxy for impairment/disability) for children under the age of 16. Relevant data provided by the national expert is added where available.

**Table 21: People living in household poverty and exclusion by disability and risk (aged 16-59)**



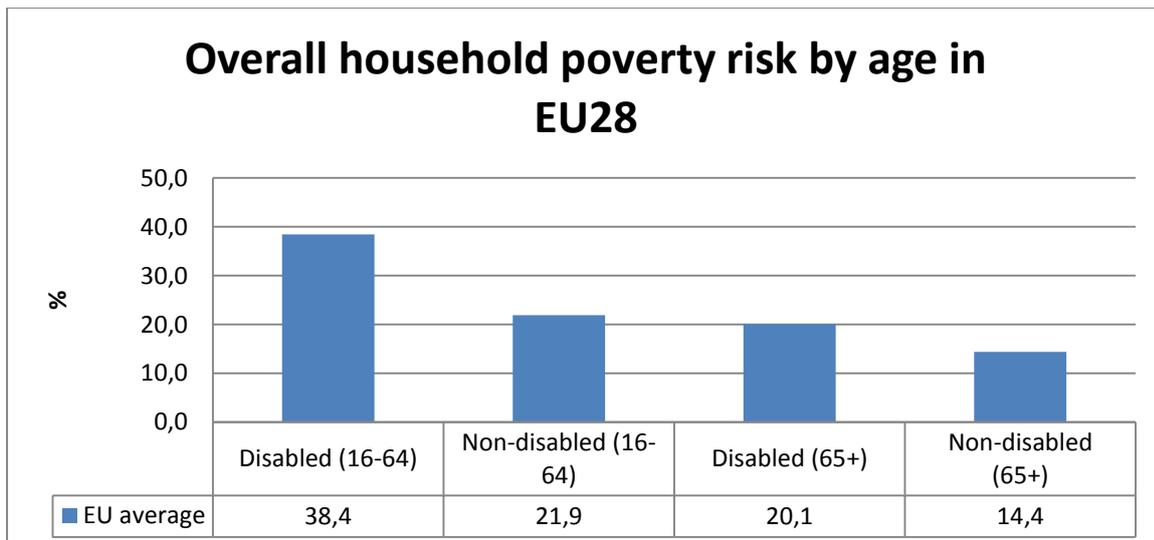
Source: EUSILC UDB 2015 – version of October 2017

**Table 22: People living in household poverty and exclusion by disability and gender (aged 16+)**



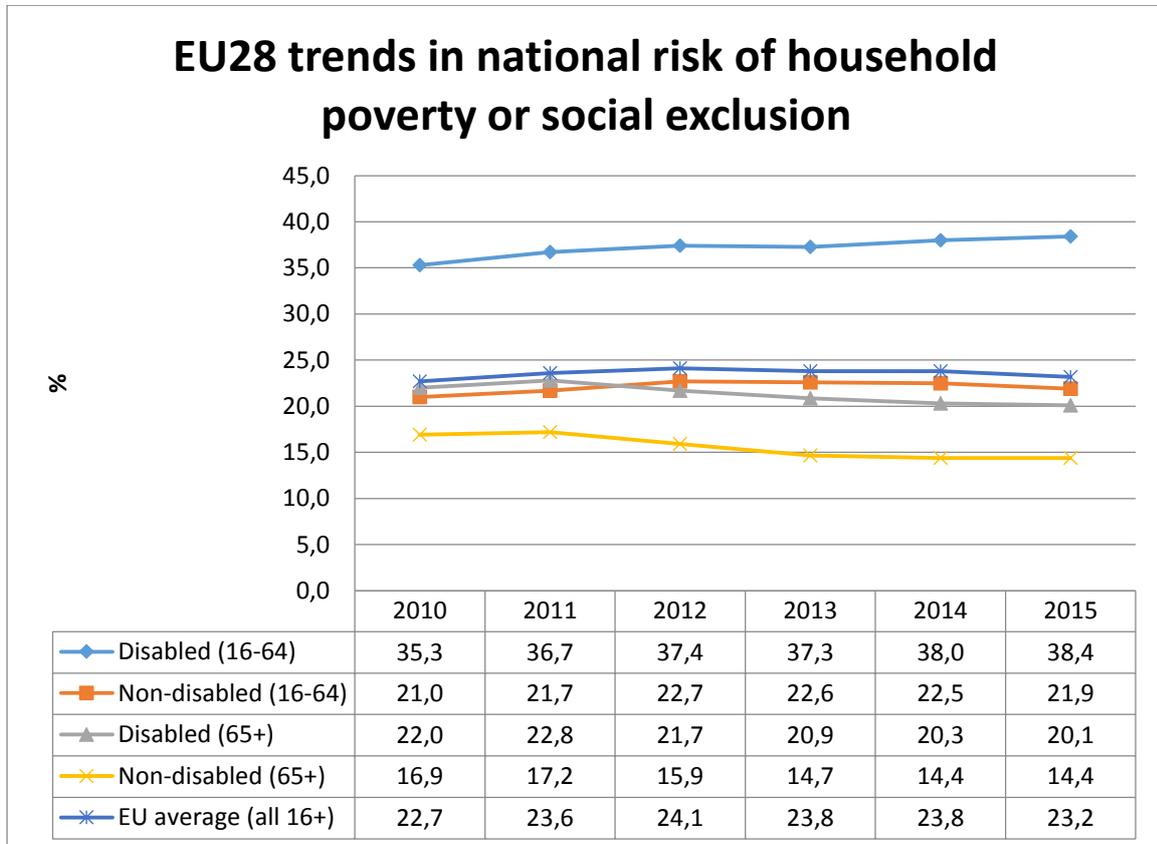
Source: EUSILC UDB 2015 – version of October 2017

Table 23: Overall risk of household poverty or exclusion by disability and age (aged 16+)



Source: EUSILC UDB 2015 – version of October 2017

Table 24: Trends in household risk of poverty and exclusion by disability and age (EU-SILC 2015)



Source: EUSILC UDB 2015 – version of October 2017 (and previous UDB)

The table above shows the EU2020 headline indicator for the EU as a whole.

### Alternative data on disability and risk of poverty or social exclusion provided by the national expert:

Liechtenstein does not participate in EU-SILC and provides no public available data on disability and risk of poverty or social exclusion. Therefore, comparisons with the EU data is not possible.



### 3 Description of the situation and trends in relation to each target area

Due to the lack of national or comparative disability data, and the small size of the country, it is difficult to describe the situation of persons with disabilities in Liechtenstein specifically. However, it is relevant to understand the context in which disability policies are made.

When describing the situation in Liechtenstein, one has to take the impact of the economic crisis 2007/2008 into consideration. The financial forecast 2013 to 2016 for the state financial income (without external borrowing) showed insufficient resources to finance the net investments for even one year of this time period. These estimates of excess spending led to a clear consolidation and cost-cutting policy with a strong impact on Liechtenstein's social policy system up to 2016. Persons with disabilities are inevitably among the groups affected although it is hard to evidence this.

Based on the latest economic data, the GDP annual growth rate was about 1.4% in 2016 following a period of uneven growth since the onset of the economic crisis in 2008 (including negative GDP growth rates in four out of nine years). As a stable and sustainable financial budget is the driver for continually high social investments the Liechtenstein government started a restructuring process in 2010 followed by two cost-cutting programmes and a reduction of 2% of the operating expenses per year.

The early implemented budget consolidation measures showed positive results in the year 2014 and 2015 and improved the financial situation, consolidated the national accounts figures and ensured an appropriate ODA/GNI indicator. All this together reflects the requirements of the Stability and Growth Pact, which allowed the government to focus for the current financial planning period 2017-2020 on sound government finances and to achieve and maintain a balanced state budget. The financial statements of Liechtenstein showed a surplus in 2015 and 2016 and shifted the governmental focus in 2017 to a sustainable long-term balanced federal state budget. As the current situation shows a surplus in the state budget, and a turn-around has now been reached, the government decided to continue without further cost-cutting packages of measures in 2017.

Within the Agenda 2020, the Liechtenstein government has followed the aspirations set out in the 2013 European Commission's Social Investment Package (SIP), even though Liechtenstein is not an EU Member State. Liechtenstein's understanding of social investment policies is to improve human capital and to support people's participation in economic and social life, as well as establishing preventative policies to confront social risks, including poverty. However, disability is not specifically targeted in this context.

Whilst social investment is sometimes highlighted by the government, it is not a consistent issue; the priority of Liechtenstein's government is still on economic growth and international competitiveness. Thus, there have not been any specific political targets in the area of social inclusion or anti-discrimination within the last couple of years. Nevertheless, it is a general issue, and target of the policies in place, to improve the measures for individuals to remain in or to seek employment rather than claiming social benefits.



### 3.1 Employment

Liechtenstein's labour market system includes mandatory social benefits, the unemployment insurance system and the labour legislation (law on minimum wage, employment protection legislation, and the enforcement of the legislation), etc. In case that an individual is not available for the labour market because of mental or physical illness, she or he has to refer to the health insurance, disability pension, or supplementary social benefits for support.

The Disability Insurance Act serves as a legal basis to protect persons with disabilities so that they are able to support themselves in whole or in part by their own means, and are able to live as independently as possible. This includes a range of integration measures such as professional retraining and continuing training, wage subsidies, and additional assistance. Those who are unable, or only partially able, to work are entitled to a disability pension. The most relevant facts and trends are the following:

- There are various labour market integration measures available to combat unemployed or to help at an early stage persons threatened by unemployment.
- In April 2012, the Government adopted the implementation of a new concept for the improved integration of persons with disabilities in the workplace. This concept was implemented as part of the administrative reform. It created a central contact office<sup>12</sup> for affected persons and third parties (e.g. relatives and employers). The central contact office aims to bundle offerings previously provided by several different institutions.
- A legal right of employment is not enacted in Liechtenstein but the Act on Equality of People with Disabilities (Section 10) specifies the extent of duties to make provisions for the avoidance of discrimination in employment and occupation. In the public sector, the Act on the Employment of Public Officials<sup>13</sup> names the integration of people with special needs, such as people with disabilities (Section 4.2), as an objective of personnel policy. There are no such positive statements relating to the private sector. There are no specific provisions in the labour law and special obligations for employers concerning employees with disabilities are rather weak in Liechtenstein.
- Liechtenstein does not collect specific data regarding unemployment and/or the situation of people with disabilities for statistical purposes. Thus, no figures and no aggregated data for scientific use are available. Due to this missing statistical data no trend analyses or comparisons with international data is possible for Liechtenstein but it can be assumed, that persons with disabilities do not have the same job-opportunities as those without. Based on feedback from DPOs it can be said that the goal of the central contact office to achieve closer cooperation with employers, as well as to support and sensitize them, is very much welcome. Nevertheless, it is not yet possible to draw final conclusions about progress in this area so far.

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<sup>12</sup> <http://www.llv.li/#/12395/stabsstelle-chancengleichheit>.

<sup>13</sup> Gesetz über das Dienstverhältnis des Staatspersonals (Staatspersonalgesetz; StPG), 24.04.2008, LGBl. 2008 no. 144



## 3.2 Education

Liechtenstein has a well-functioning education system that allows people to engage in lifelong learning. There are nine years of compulsory education. Schooling is available free of charge to all children and young people regardless of their origin, religious affiliation, gender or any disability.

Kindergarten attendance in Liechtenstein is voluntary. Nevertheless, Art 23 of the school law (Schulgesetz)<sup>14</sup> states that kindergarten attendance is mandatory for non-German speaking children for at least one year before compulsory school starts. After that time, the current legal situation in Liechtenstein gives the right and the obligation for children domiciled in Liechtenstein to participate in the school system from the age of six and thence continuously for 9 school years.

The most relevant facts and trends are given as follows:

- Based on the legal framework there exists no general problem with early school leavers in Liechtenstein.
- There exists only a partly integration of pupils with disabilities into mainstream school-system in Liechtenstein. Approx. 51% are integrated into the mainstream school-system.
- Liechtenstein has one special needs school for children with disabilities. Approx. 42% of pupils with disabilities in Liechtenstein are taught und supported by this facility.
- 7% of the children with disabilities attend special need schools in other countries, mainly in Switzerland.
- Liechtenstein does not collect specific education-data regarding people with disabilities for statistical purposes. Thus, no figures and no aggregated data for scientific use are available.
- Thus, based on missing statistical data no trend analyses or comparisons with international data is possible for Liechtenstein.
- It can be assumed, that people with disabilities do not have the same education-opportunities as those without.

## 3.3 Poverty and social inclusion

The Liechtenstein system of social security encompasses health insurance, old-age insurance, disability insurance, survivor's insurance, accident insurance, unemployment insurance, supplementary benefits, helplessness allowances, maternity allowances, and allowances for blind persons. Persons unable to pay for their cost of living despite the social insurances enumerated above may claim financial social assistance as a minimum income (MI). It can be said, that Liechtenstein's minimum income protection regime is a system of social welfare provision that guarantees that all citizens / families have an income sufficient to live

<sup>14</sup> Schulgesetz (SchulG) vom 15.12.1971, LLGB 7, 1972:  
[https://www.gesetze.li/lilexprod/lgsystpage2.jsp?formname=showlaw&lgbid=1972007000&version=7&search\\_text=Schulgesetz&search\\_loc=text&sel\\_lawtype=conso&compl\\_list=1&rechts\\_gebiet=0&menu=0&tablesel=0&observe\\_date=02.12.2015](https://www.gesetze.li/lilexprod/lgsystpage2.jsp?formname=showlaw&lgbid=1972007000&version=7&search_text=Schulgesetz&search_loc=text&sel_lawtype=conso&compl_list=1&rechts_gebiet=0&menu=0&tablesel=0&observe_date=02.12.2015).

on, provided they meet certain conditions. The primary goal of the minimum income protection is to avoid and reduce poverty. So, social welfare benefit is by all means the bottom in the Liechtenstein welfare state. Those who cannot support themselves are eligible to social assistance. The basic idea is, however, that the general income maintenance system (sickness insurance, unemployment insurance, pensions etc.) should guarantee everyone an income without being dependent on social welfare benefit. Social welfare benefit should in principle only be a temporary last social assistance.

In Liechtenstein the MI scheme is set up as granted financial benefits under condition of exhausting the rights to other social protection benefits on one hand, and on the other as personal help for individuals in terms of counselling. If a resident achieves an income from employment and/or social transfers (including pensions) which is below the minimum income defined by the law, this person is generally entitled to social assistance. The alleviation of poverty through an adequate MI scheme has been seen as a fundamental social right by the government of Liechtenstein and therefore found its legal basis in the national Law on Social Assistance (Sozialhilfegesetz, LGBl. 1987 no. 18)<sup>15</sup>. The social welfare benefit is granted on this basis and financed through taxation at state level.

Beside the insurance and the MI benefits, non-means-tested benefits can be obtained, based on the individual situation of the person in question. As the main purpose of MI benefit is the provision of a minimum level of income, other than the insurance against lost earnings. As a result, MI benefit levels tend to be significantly lower and less directly dependent on previous earnings. The most relevant facts and trends are given as follows:

- Liechtenstein is a welfare State with a very high standard of living and a well-developed social net.
- Persons unable to pay for their cost of living despite the social insurances (e.g. disability insurance) may claim financial social assistance as a minimum income. Based on these social benefits, Liechtenstein has a low ratio of low-income households compared to other countries. In 2016, 630 households received financial social assistance<sup>16</sup>.
- Liechtenstein does not collect specific minimum-income-data regarding people with disabilities for statistical purposes. Thus, no figures and no aggregated data for scientific use is available.
- Thus, based on missing statistical data no trend analyses or comparisons with international data is possible for Liechtenstein.
- It can be assumed, that people with disabilities do not have the same job-opportunities as those without and therefore not the same income options.

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<sup>15</sup> Source:

<https://www.gesetze.li/lilexprod/lgsystpage2.jsp?formname=showlaw&lqblid=1985017000&queltigdate=21012016>

<sup>16</sup> Per December 2015 there had been in total 16'522 households in Liechtenstein; no data for 2016 is available.

- The social welfare benefits in Liechtenstein are open as long as the eligibility conditions are met. There is no general time limit or maximum duration of the social benefit in place.

On September, 4 2017 a group of Parliament members forwarded a postulate to the Parliament regarding improvements in the system of the disability insurance for persons receiving an invalidity pension.<sup>17</sup> Their concern was to draw attention to the fact, that the disability insurance act states that permanent wage subsidies are only granted at a disability level of 40% (Art. 45 disability insurance act). In order to receive re-training for a new job with daily allowance, a disability degree of 20% is required by law (Art. 43 disability insurance act). These legal regulations no longer correspond to current labour market conditions. It was therefore proposed that a reassessment should be made.

However, since retraining measures or a wage subsidy are very suitable instruments for placing people in a job in a sustainable and promising manner and thus reducing the risk of further unemployment or preventing them from slipping into social assistance. In the view of the postulants, the suggested changes in the disability insurance act are also economically worthwhile.

Based on this postulate the government answered as follows:

- The existing regulations of retraining in the disability insurance act will be reviewed. The government concludes that the situation of affected persons with a disability can be improved by introducing discretionary financial support, particularly in the area of occupational integration.
- In the area of wage subsidies, the government sees potential for improvement in the fact that the possible duration of work attempts to clarify the situation could be extended.

This current development shows positive signals in terms of more governmental focus on issues of persons with disabilities in Liechtenstein.

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<sup>17</sup> Postulate regarding disability insurance as of 4.9.2017, link:  
[http://www.landtag.li/Protokolle/xsl/Landtagsprotokoll\\_Thema\\_8751.pdf](http://www.landtag.li/Protokolle/xsl/Landtagsprotokoll_Thema_8751.pdf)

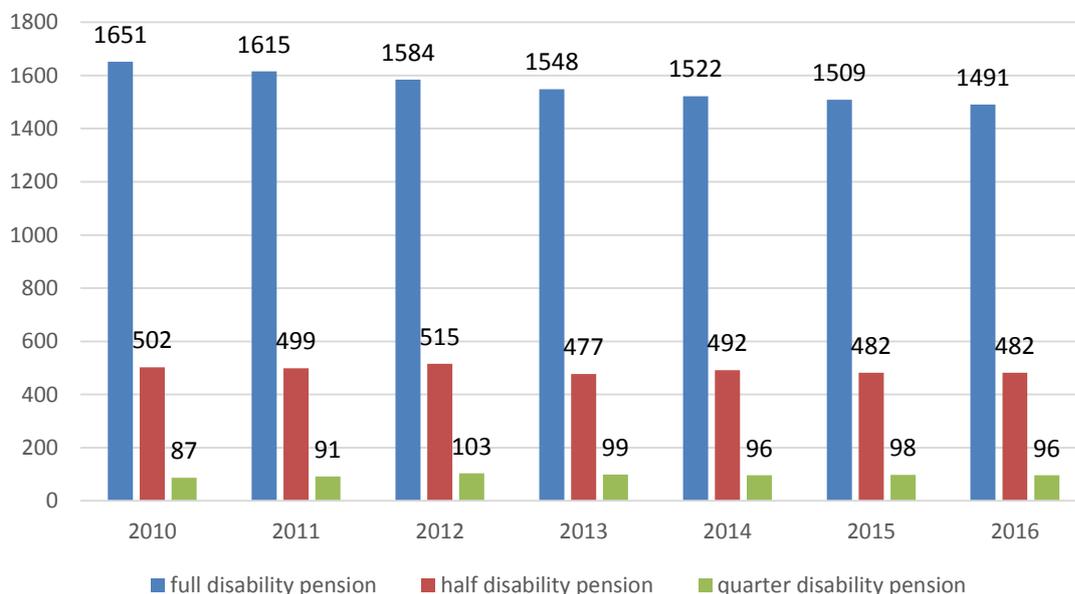
## 4 Assessment of policies in place to meet the relevant headline targets

The official cost cutting measures during this time period affected the healthcare and social insurance area. Regarding the disability insurance a revision of the Disability Act in 2013 ended in a complete elimination of the state funding of formerly 75% of the total expenses of the only special education centre, Heilpädagogisches Zentrum (HPZ)<sup>18</sup> in Liechtenstein. Additionally, there had been a premium reduction of the state contribution to the general health insurance, which led to an increase by 12% of the individual premium contribution and was / is therefore an additional burden not only to people with disabilities but to all residents. Within 2017/2018 no further cost cutting measures had been established in this area.

In 2015 the parliament approved a revision of the healthcare act (Gesetz über die Krankenversicherung, KVG), to change the tariff system and to create more transparency in billing, in order to keep the steadily increasing healthcare costs under control. This led to an intensive discussion between the medical association (Liechtensteinische Ärztekammer) and the government, and finally to a referendum in 2016. Liechtenstein's electorate supported the revision, and thus the new regulations entered into force on 1 January 2017.

The number of persons with a disability who receive a disability pension – either a full disability pension or a half or even a quarter pension – has declined over the last four years when calculating in full disability pension recipients.

**Figure 1: Number of recipients of invalidity pension from 2010 to 2016**



Source: Number of recipients of invalidity pension 2010 – 2016, annual reports of the AHV-IV-FAK, <http://www.ahv.li/ueber-uns/jahresberichte/>.

### 4.1 Employment

<sup>18</sup> <http://www.hpz.li/>.



The Liechtenstein labour market policies establish a system which includes mandatory social benefits, the unemployment insurance system, and the labour legislation (law on minimum wage, employment protection legislation, and the enforcement of the legislation).

The Law on Disability Insurance (Gesetz über die Invalidenversicherung (IVG) guarantees assistance when searching for a job and occupational integration of disabled persons is a central objective of the Liechtenstein Disability Insurance (IV). It acts as an employment agency and provides vocational counselling, additional costs in vocational training or preparation, retraining, work trials and support for self-employment.<sup>19</sup> Section 45bis of the Act on Disability Insurance provides for wage subsidies in the case of persons with disability level assessed above 40%. The aim of the wage subsidy is the professional integration of persons, who are still able to work. The wage subsidy is paid to the employer and enables the companies concerned to pay the standard company wage for a certain position, even if the disabled person cannot perform the same work as a non-disabled person. Likewise, work attempts to clarify the work ability, which are possible both with specialized clarification institutions with protected jobs and with companies of the private economy and with the public administration, are financed in the sense of a wage payment to the person with disability.

Finally, disability insurance also provides capital assistance for taking up or expanding self-employment and for financing disability-related company conversions. However, this is subject to special conditions and is individually clarified and granted.

The Liechtenstein Labour Market Service Centre (AMS)<sup>20</sup> provides employment services for all regions within Liechtenstein. The AMS offers employment services such as job placement, consultations to vocational education and training programmes, support to entrepreneurs in conducting feasibility studies and accessing funds, etc. Independently of the length of time being unemployed and claiming unemployment benefit the AMS helps to break down the barriers and move into sustainable work through a number of programmes. The offer consists out of two different types of services:

- collective activation programmes and
- individual supportive services.

The collective activation programmes<sup>21</sup> offer classes to enlarge the individuals' knowledge portfolio from communication techniques to practical IT-application usage, to increase the motivation to hand in application forms, set up internships and expand professional networks. There are no complaints or dissatisfaction with the extent and type of activation services known to the authors. Nevertheless, due to the

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<sup>19</sup> Art. 13bis of the Bye-Law to the Act on Disability Insurance (Verordnung zum Gesetz über die Invalidenversicherung (Invalidenversicherungsverordnung; IVV), lists details to these activities

<sup>20</sup> <http://www.amsfl.li>.

<sup>21</sup> Link: Collective activation programmes: [http://www.amsfl.li/ams/upload/downloads/Kollektive\\_Aktivierungsprogramme\\_AMS\\_FL\\_Uebersicht.pdf](http://www.amsfl.li/ams/upload/downloads/Kollektive_Aktivierungsprogramme_AMS_FL_Uebersicht.pdf).

overall low unemployment figures and individual approaches and measures to integrate people with disabilities into the working environment in Liechtenstein, specific labour market policies have not been of high priority for the government within the Agenda 2020.

The by-law to the Act on Invalidity Insurance in Liechtenstein covers measures regarding socio-professional rehabilitation. The Invalidity Insurance provides for remittance of additional funds to insured persons for the purpose of gainful employment on a case-to-case basis, performing their usual work, learning a trade, or by functional rehabilitation. Within this, the responsible office of the disability insurance offers specific measures/programmes and services to re-/integrate people with disabilities into the labour market. Beside this, in some cases the affected persons and their families arrange some kind of employment based on people-to-people contact to employers.

## 4.2 Education

Liechtenstein has an explicit regulation in Art. 18 of the AEPD<sup>22</sup> which states:

- The State shall ensure that children and young people with disabilities receive early intervention and a basic training that is customized to their specific needs. Decisive are the provisions of the Act on School Education (ASE).
- The State promotes appropriate forms of training for pupils as well as adequate training and support for teachers to integrate children and young people with disabilities into regular schools. Decisive are the rules of the Act on School Education and the Act on Teachers.<sup>23</sup>
- The State shall further ensure that children and young people with disabilities receive vocational education with respect to their special needs, abilities and interests. The state can participate in the disability-related costs, provided they are not covered by insurance and other benefits.

In addition, the Act on Vocational Training (AVT, Art. 1c)<sup>24</sup> supports the elimination of discrimination against people with disabilities in any area of vocational training. The specific needs of people with disabilities in respect of their pre-vocational training (in terms of basic education and training) are taken into account by Art. 16 of the AVT through the possibility of shortening or extending the training period.

Thus, Liechtenstein has various support measures in place to ensure, or to strive for, that all children have the same opportunities. There is a wide range of offerings in special education, social-pedagogical and school-supporting measures. For disabled children and young people and for those with learning difficulties who, despite the integration measures, are unable to following ordinary instruction, a school for special education (Special Education Centre) exists in Liechtenstein.

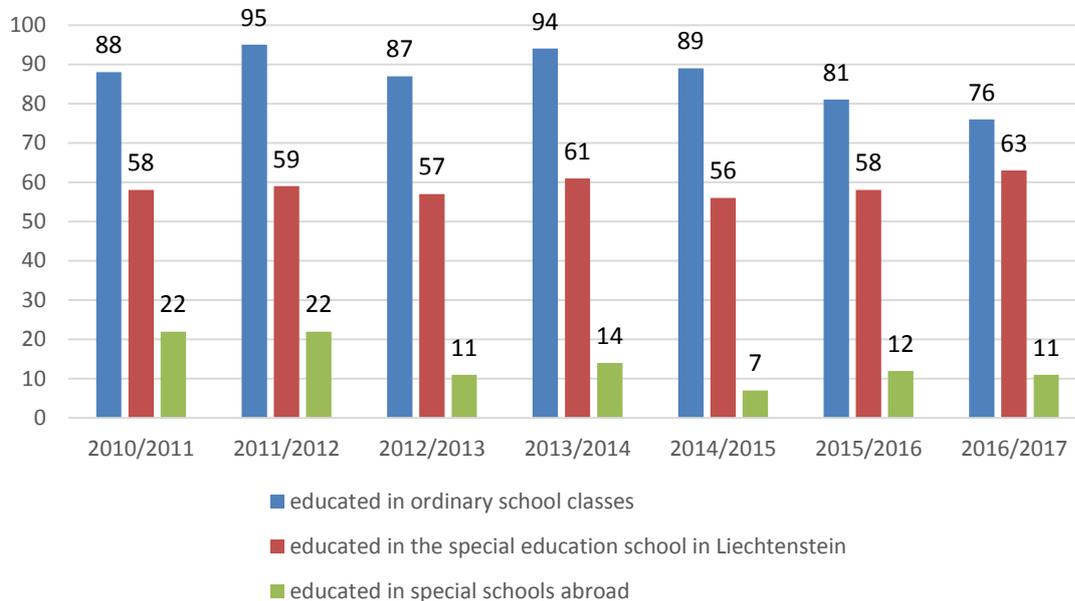
<sup>22</sup> Gesetz vom 25. Oktober 2006 über die Gleichstellung von Menschen mit Behinderungen (Behindertengleichstellungsgesetz; BGIG), LGBl. 2006, no. 243.

<sup>23</sup> Schulgesetz vom 15. Dezember 1971, LGBl. 1972 no. 7; Lehrerdienstgesetz vom 26. November 2003, LGBl. 2004 no 4.

<sup>24</sup> Berufsbildungsgesetz (BBG) vom 13. März 2008, LGBl. 2008, no. 103.

The development within this area from school year 2010/2011 to 2016/2017 can be seen by the following chart:

**Figure 2: Number of pupils with special needs from school year 2010/2011 to 2016/2017**



Source: Number of pupils of special needs 2010/2011 – 2016/2017, education authority Liechtenstein

From the given policies in place it can be said, that Liechtenstein has the necessary measures in place to support people in need in this area. Nevertheless, there are no specific political targets set out for the time being which have to be met.

#### 4.3 Poverty and social inclusion

The current method for setting levels within the social welfare benefit system is basically guided by the average wages in the economy and the Consumer Price Index. This approach ensures that each generation can obtain MI benefits that reflect the living standard of its times. Nevertheless, the law is silent regarding any clear mechanism for periodic review of the social assistance norm which is the basis for MI payment levels.

On the whole, Liechtenstein still faces problems that are not adequately covered by the given measurements when talking about adequacy of minimum income schemes and specific population groups:

- The relatively high cost of living in Liechtenstein and a consumer price growth of 6.9% between 2000 and 2016 involve the increasing risk of poverty within the group of residents, who could not benefit from economic progress in this time frame. For those, the cost of living has increased much more than any social benefit. This effect gains in importance by the fact that the MI scheme has basically remained unchanged since 2010. One could conclude from this that an adjustment of the MI scheme might be necessary to cover the increasing risk of poverty based on higher cost of living than assumed when setting up the given MI scheme.

- The Act on Rent Allowance for Families (ARAF) defines the breadline on the basis of chargeable income with respect to the Liechtenstein tax law. This led at the end to different minimum levels of household income even if the calculation is based on the fact that there must be at least one child (which has no income) in the same household (e. g. 2-person-household = single parent plus child). Thus, the breadline under the ARAF for a 2-person household is 55,000 Swiss francs per year (approx. 48,000 €). Compared to the Law on Social Assistance, which defines the amount of lump sums per household with 20,400 Swiss francs (approx. 18,000 €),<sup>25</sup> which shows a significant difference. This could lead to the interpretation that the current regime of social assistance appears to provide benefits that are considerably lower than the at-risk-of-poverty threshold. However, this assumption is based only on the given breadlines and not on all granted surplus benefits.

#### 4.4 Synergies between developments in the different areas

In general, the situation in Liechtenstein in 2017 was marked by signs of recovery and stabilisation in the economy with a loosening of controls on public spending. Unemployment remains very low in Liechtenstein and there are some targeted policy measures towards disabled employees and job seekers. At the same time, there have been increases in the proportion of households living in relative poverty and some reductions in social policies arising from austerity measures. Although there is an almost complete lack of public data on these issues, it is likely that persons with disabilities and their families are disproportionately affected.

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<sup>25</sup> The numbers in € are about 5 per cent lower than the Swiss francs quotation.



## 5 Assessment of the structural funds ESIF 2014-2020 or other relevant EU funds in relation to disability challenges

As a non-EU country, Liechtenstein does not participate directly in the main structural fund programmes and there is no statistical data to make an objective assessment in relation to disability.

The EU INTERREG VA Programme is intended to help overcome issues that arise from in cross-border regions. Liechtenstein is included in one of its 60 programmes targeting the Alpenrhein-Bodensee-Hochrhein region, between Germany-Austria-Switzerland-Liechtenstein, with a total budget of €56.5m (€39.5m from the EU).<sup>26</sup> Only a small proportion of this programme has so far been spent from the European Regional Development Fund (ERDF) up to 2017.<sup>27</sup> The planned spending includes some elements of labour market, training and youth activities (aiming mainly to an improvement in the supply of skilled workers) but no particular reference to disability equality was made in the 2016 progress report.<sup>28</sup>

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<sup>26</sup> <http://www.interreg.org>

<sup>27</sup> <https://cohesiondata.ec.europa.eu/programmes/2014TC16RFCB024>

<sup>28</sup> <http://www.interreg.org/programm/InterregV/jahresberichte>



## 6 Recommendations

### 6.1 Employment

- Within Art 10 of the AEPD<sup>29</sup> no explicit regulation exists which refers to the employers' obligation to create reasonable accommodation and / or adaptation of workplaces for people with disabilities. Thus, judicial interpretation is required to confirm whether such obligations can be subordinated under the term of "other conditions for employment" as stated within Art. 10 §1 f<sup>30</sup> or if rather general provisions as in the Constitution (Art. 9) is sufficient to protect against discrimination based on missing reasonable accommodation and accessibility of workplaces.
- As a minor weakness it could be mentioned, that additional focus from the government might be given to specific employment schemes and to the political support to encourage the private-sector employers to integrate unemployed persons with disabilities with more effort (e.g. state contributions to the social security payments, financial promotion of employment, set up internships etc.).

### 6.2 Education

- The priority in the legal framework is to include disabled children within mainstream education. But in practice in many cases children and young people with disabilities attend the Special Education Centre, especially the ones with mental impairment.<sup>31</sup> There they have the chance to attend a Special Education Day School<sup>32</sup> which gives them individual teaching and prepares them for the professional world.
- If possible, children are integrated into the regular schools and assistance by professionals is provided in such cases. Due to some DPOs this effort could be enlarged to integrate children with disabilities into the regular schools in a much more comprehensive way.
- In the area of providers of tertiary education there are no specific measures or policies on a state level known to the authors. Within this area statistical data and information is missing for Liechtenstein. Thus, it would be a recommendation to conduct statistical research to help understand the situation of people with disabilities in Liechtenstein in a better way, and to decide on recommendations and actions based on evidence.

### 6.3 Poverty and social inclusion

- Liechtenstein has implemented a one-desk principle when it comes to social assistance, which is considered to have positive effects on take-ups as this administrative structure reduces problems of stigmatisation by avoiding the

<sup>29</sup> Gesetz vom 25. Oktober 2006 über die Gleichstellung von Menschen mit Behinderungen (Behindertengleichstellungsgesetz; BGIG), LGBl. 2006, no. 243.

<sup>30</sup> Gesetz vom 25. Oktober 2006 über die Gleichstellung von Menschen mit Behinderungen (Behindertengleichstellungsgesetz; BGIG), LGBl. 2006, no. 243.

<sup>31</sup> Heilpädagogische Zentrum, located in Schaan.

<sup>32</sup> Sonderpädagogische Tagesschule.



involvement of communities and closer related persons. Nevertheless, one can assume that non-take-ups may occur against the background of several barriers. Some of them may still have to do with feeling ashamed for the need of social welfare benefit or/and private help, which is organised within family clans.

- Thus, Liechtenstein should enforce the given structures and the overall information for people with disabilities to reduce the mental barrier of non-take ups.