People with limitation in activities because of health problems on the Polish labour market

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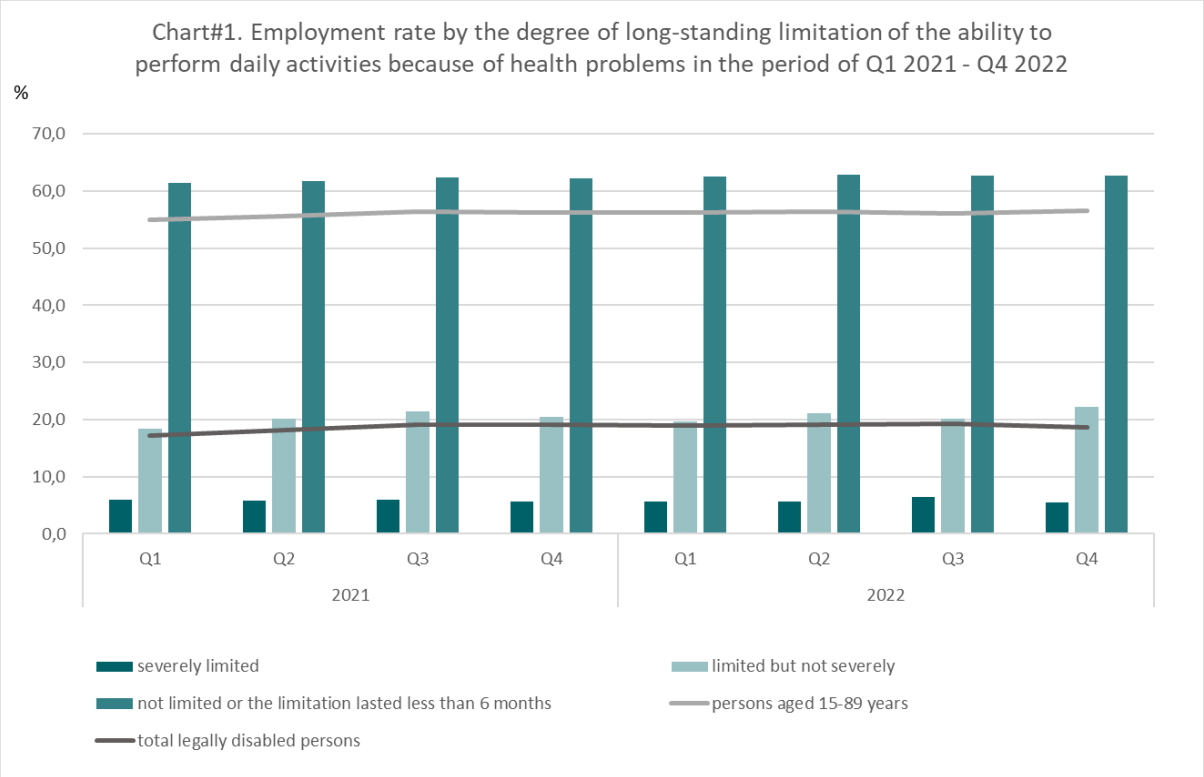
Introduction

The IESS FR implementation has caused inclusion in the EU LFS of new biennial variables, among others Elements of the Minimum European Health Module and in particular the Global Activity Limitation Indicator (GALI). In the Polish LFS these variables have been introduced since 1st quarter 2021 within the core questionnaire. Moreover within the Polish core LFS there is also collected information on legal disability.

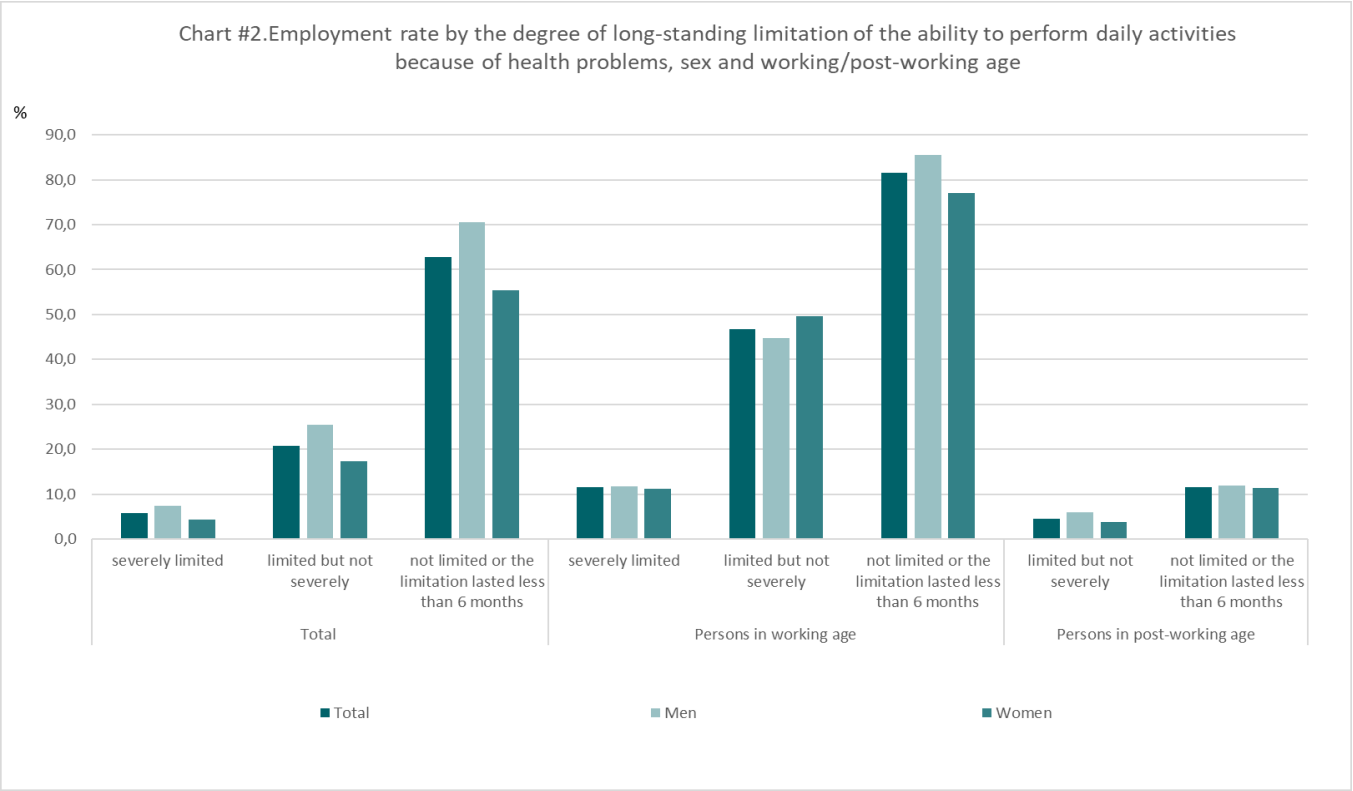
Labour market situation by GALI

The first part of the paper is devoted to a short description of the situation on the Polish labour market taking into account limitation in activities because of health problems. Due to the fact that the level of unemployment in Poland has been quite low for some years, the analysis of unemployment is limited – there are few unemployed people who declare existence of limitation in activities because of health problems, as a consequence unemployment rates for persons severely limited are unreliable. So we present here a short analysis of employment rates of people aged 15-89 years taking into account the degree of long-standing limitation of the ability to perform daily activities because of health problems. In a chart #1 you can see data for eight quarters – from Q1 2021 to Q4 2022.



Generally it is visible that the values are quite stable over the two years covered, so having GALI in the EU-LFS as biannual variable seems to be a rationale solution. What is obvious the more severe limitation occurs the lower employment rate is. Employment rate for persons having severe limitation is between 5.5% and 6.4%, what means that they work rarely. Persons declaring limitation, but not severe, are much often employed – on average every fifth person is working. What seems interesting that employment rates for people possessing legal certificate on the degree of disability or an equivalent certificate (formally disabled) are only slightly lower than for those having limitation, but not severe.

Then we decided to analyse employment rates by GALI and simultaneously by sex and working/post-working age in 2022 (for annual averages).



In Poland employment rate has been always higher within the male population than among women (in 2022 respective values accounted for 64.0% and 49.3%). In the chart #2 we can see that a similar scheme occurs when breaking down employment rate for persons aged 15-89 years by the degree of long-standing limitation of the ability to perform daily activities and sex. The situation changes significantly whereas a division into working[1] and post-working[2] age is taken into account. It is visible that the differences in the level of employment rates between men and women are much lower than for the total population. Moreover within the group of people declaring a presence of limitation, but not severe one, women in working age are more often employed than men – what is quite atypical – and respective employment rates accounted for 49.6% versus 44.7%. Analysing data for post-working age persons we can see that few people in this age group work – even in the population without any limitation or having a short-term problems (whereby in this population there is a very small divergence between men and women; the respective values of employment rates are: 11.9% and 11.3%).

Analysis of relationships: self-perceived general health vs limitations in activities

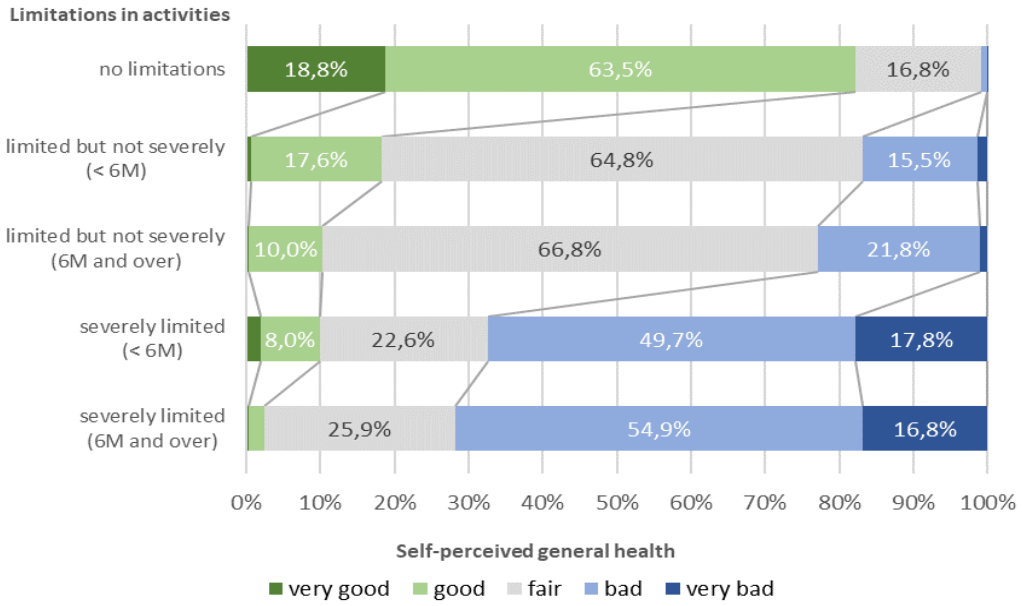
The part of the paper is devoted to analysis of three kinds of relationships: between elements of generalised health assessment (including health-related limitations), between generalised health assessment and formal disability as well as the status on the labour market (ILO status). This part is also based on 2022 annual averages.

The starting point is an assessment of the consistency of two measures that describe the self-perceived health and the health-related limitations. The first is the self-assessment of general health, the second is a subjective assessment of limitations in activities because of health problems (which may be treated as a measure of actual – not formal - disability). They both refer to the health status. We check to what extent these measures are related to each other, whether feeling/experiencing limitations affects the self-assessment of general health using the good-bad scale. The relation is shown in the chart #3 below.

Conclusion from the analysis is that they definitely affect each other. People with any limitations (regardless the degree of limitation) rarely asses their health as good (including "very good"). The percentage is below 20%, even in case of people with not severe short-term limitations, while among people without limitations it is over 80%. People with severe long-term limitations practically never declare good health. On the other hand, bad health (including "very bad") is declared almost exclusively by people with actual disability (limitations in activities). In the case of people with severe long-term limitations, such declarations account for over 70%, in the case of not severe short-term limitations about 17%. In the case of people without limitations, they practically do not occur at all.

[1] In Poland it is 18-59 years for women, 18-64 years for men.
[2] In Poland it is 60-89 years for women, 65-89 years for men. For the post-working age population employment rate for severely limited cannot be displayed because of high sampling error, so they do not appear in the chart#2.

Chart #3. Self-perceived general health by self-declared limitations in activities because of health problems



Analysis of relationships: subjective health and health-related assessments vs formal disability

The second point is to check how subjective assessments of health (including health-related limitations in activities) are related to formal disability, understood as having an appropriate legal certificate of disability. The chart #4 shows the distribution of self-perceived general health (subjective self-assessment of health) according to formal disability. The chart #5 presents the assessment of the actual (informal) disability (understood as experiencing limitations in performing daily activities due to health condition, according to the subjective assessment) in the same way. The subset of people who did not declare experiencing limitations for 6 months or over (also includes missing answers to the question about the length of time of experiencing limitations).

We can see that both distributions – of general health and actual disability – are significantly differentiated according to formal disability. There is a quite strict relation between actual disability and formal disability. However, in case of less serious levels of formal disability (minor and moderate), we can observe an important group of people who does not experience/declare limitations in activities even though they have the certificate of disability. For a minor level of disability the percentage exceeds 30%. We should also note that there is a group of people who experience long-term limitations (usually not severe) not having any legal certificate of disability. The percentage of people with limitations among those not having certificate is not high. However, people without certificate make up the vast majority of population aged 15-89 years, so about 7% of them constitute an important group of people.

Chart #4. Self-perceived general health by formal disability status (having an appropriate certificate of legal disability)

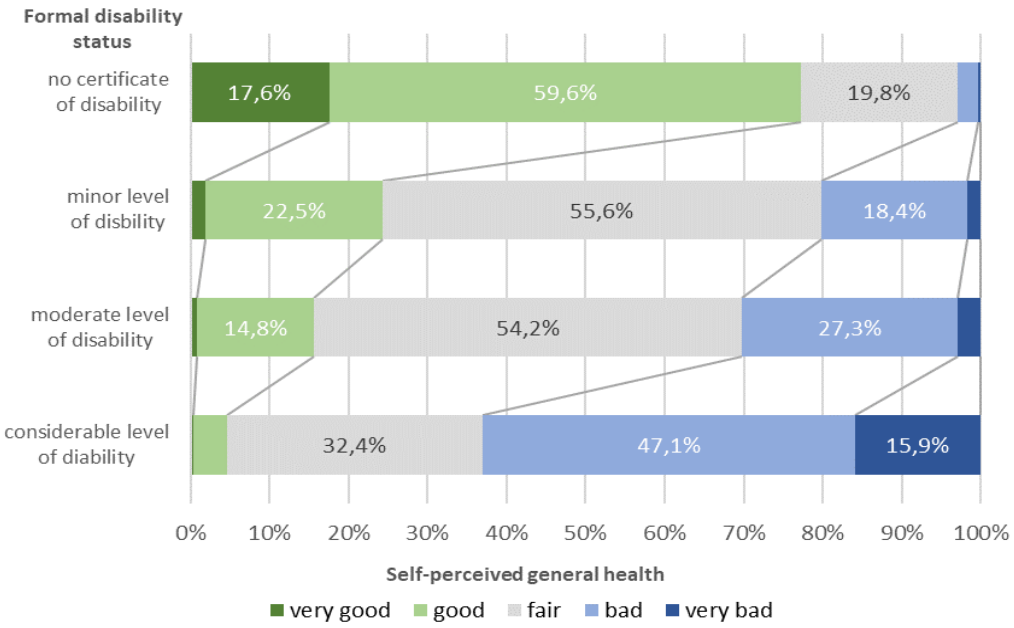
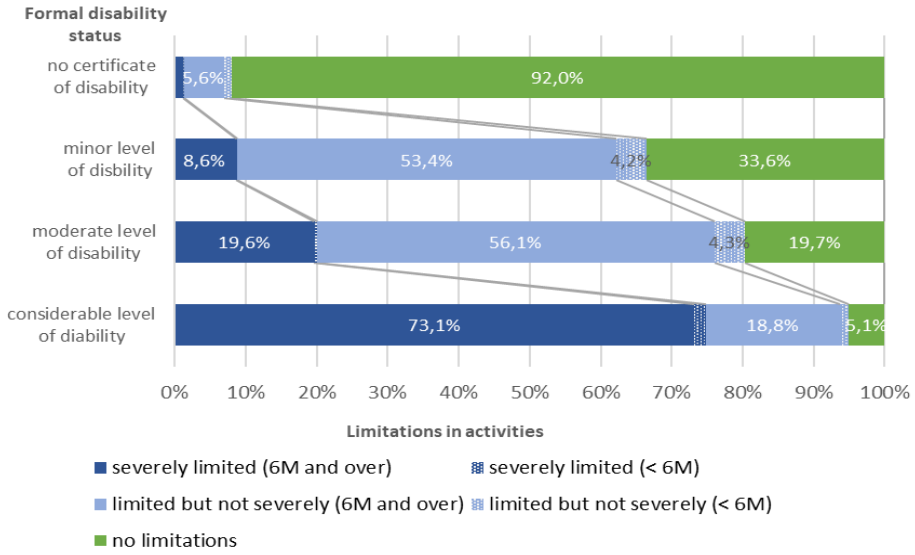


Chart #5. Actual disability (self-declared limitations in activities because of health problems) by formal disability status (having an appropriate legal certificate of disability)



Analysis of relationships: subjective health and health-related assessments vs economic activity

The third point is the assessment of economic activity (labour market status) according to the characteristics describing self-perceived health and formal and informal (actual) disability. Age plays an important role in all the relationships described. This is because all measures describing health and disability, both formal and informal, tend to deteriorate with age . In the older part of the population, economic activity also decreases with age (in the younger part this relationship takes a different form). When analysing the relationship between health/disability and economic activity, taking this factor into account plays a special role, because after reaching retirement age, economic activity drops to a large extent for natural reasons. The oldest people are at the same time those who have reached retirement age (reducing their economic activity) and those who, on average, are characterized by the worst health and the most frequent disabilities. This fact itself causes an obvious link between health (and disability) and economic activity, regardless of the extent to which health, disability and physical condition affect economic activity (when we take into account people of "comparable" age). In order to limit this effect and to obtain useful conclusions, **only people who have not yet reached retirement age** (i.e. people aged 15-59 for women and 15-64 for men), **were included in the main part of the analysis**. Differentiation of economic activity due to the occurrence of formal disability, self-perceived general health and subjective assessment of actual disability (limitations in performing basic activities due to health reasons) are presented in the charts #6–#8.

In all cases, the picture of the relationship is clear – better health and better condition (including also the formal disability status) mean higher economic activity. Worse health and any type of disability (formal or informal) is associated with lower economic activity, the lower the more severe the degree of disability. Interestingly, a certain (and only) deviation from this pattern is observed in the case of the highest health assessments. It turns out that people who assess their health as "very good" show less economic activity than those who assess them as "good". Perhaps this is an effect linked to the relationship in the opposite direction, i.e. the impact of economic activity on health (not health on economic activity). While good health promotes higher activity, higher activity may not necessarily or not only have a positive effect on health.

Chart #6 Economic activity (ILO status) by formal disability status – people, who have **not reached retirement age**

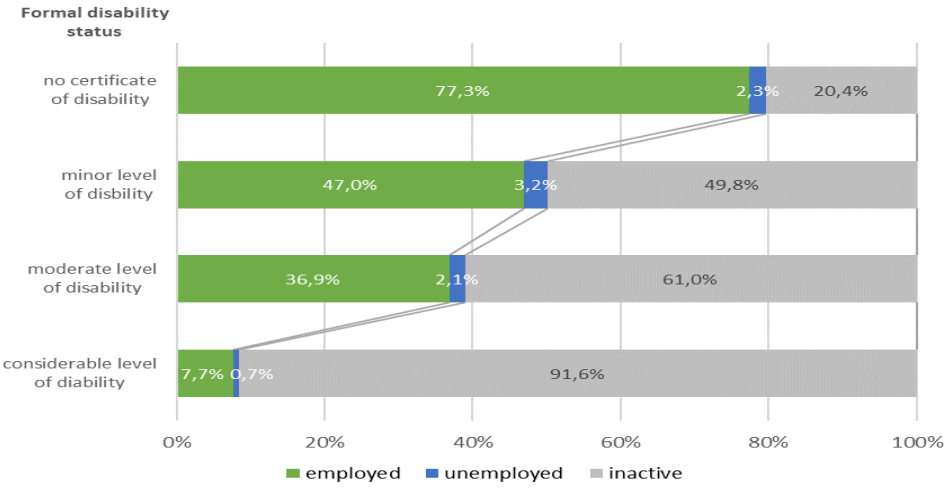


Chart #7 Economic activity (ILO status) by self-perceived general health – people, who have **not reached retirement age**

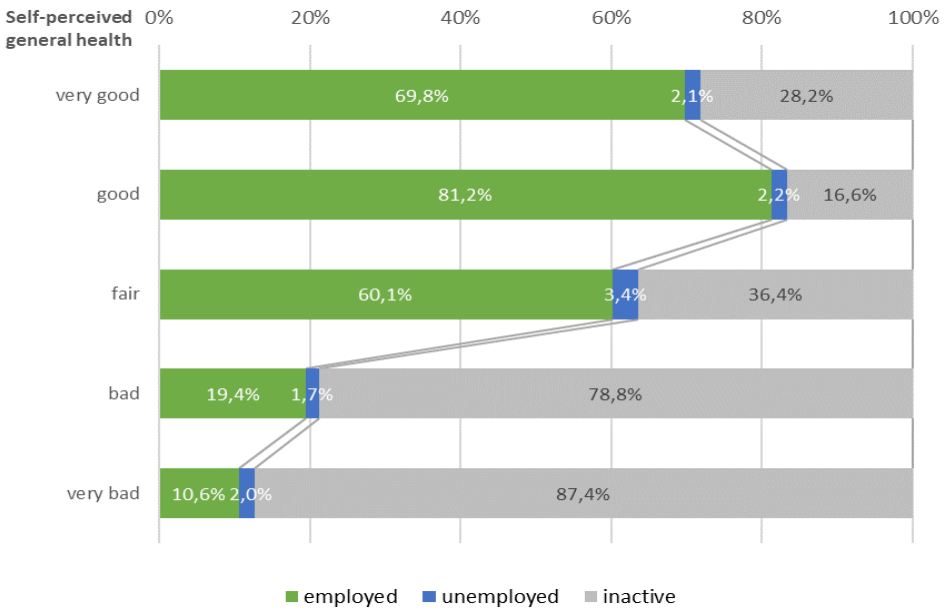
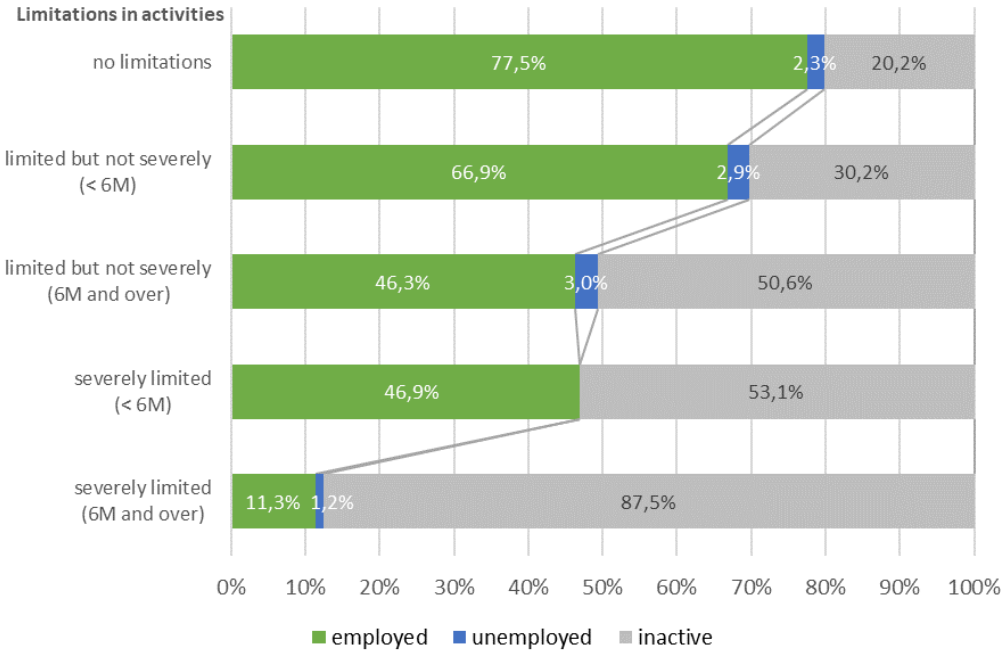


Chart #8 Economic activity (ILO status) by self-declared limitations in activities because of health problems (actual disability) – people, who have **not reached retirement age**



An interesting issue, however, may also be the assessment of the extent to which health condition affects the economic activity of people who have reached retirement age, especially those who have slightly exceeded this age. In other words, to what extent can the state of health affect the decision to remain in the labour market after reaching the retirement age. Therefore, in a similar way as in the case of people not reaching retirement age, the differentiation of economic activity according to self-assessment of health status and perceived limitations in activities (actual disability) for people at retirement age up to 74 years old was presented (group 60-74 for women, 65-74 for men).

It turns out that the relationship between health and economic activity at this age is very strong. It seems that the state of health is the basic factor determining a longer stay on the labour market. Among people belonging to the analysed age group and declaring very good health, as many as 32.6% are economically active people. In order to show how large this effect is, it is worth presenting data on economic activity in this age group: working people account for only 12.2%, and economically active people in total 12.3%.

Chart #9 Economic activity (ILO status) by self-perceived general health – people, who **have reached retirement age**

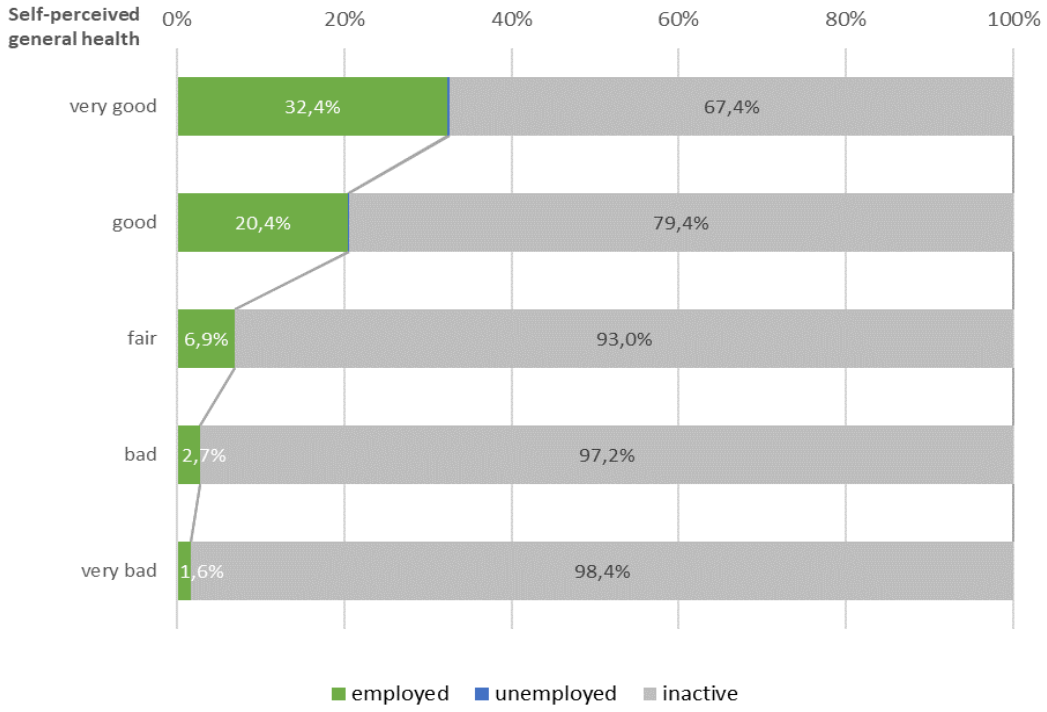
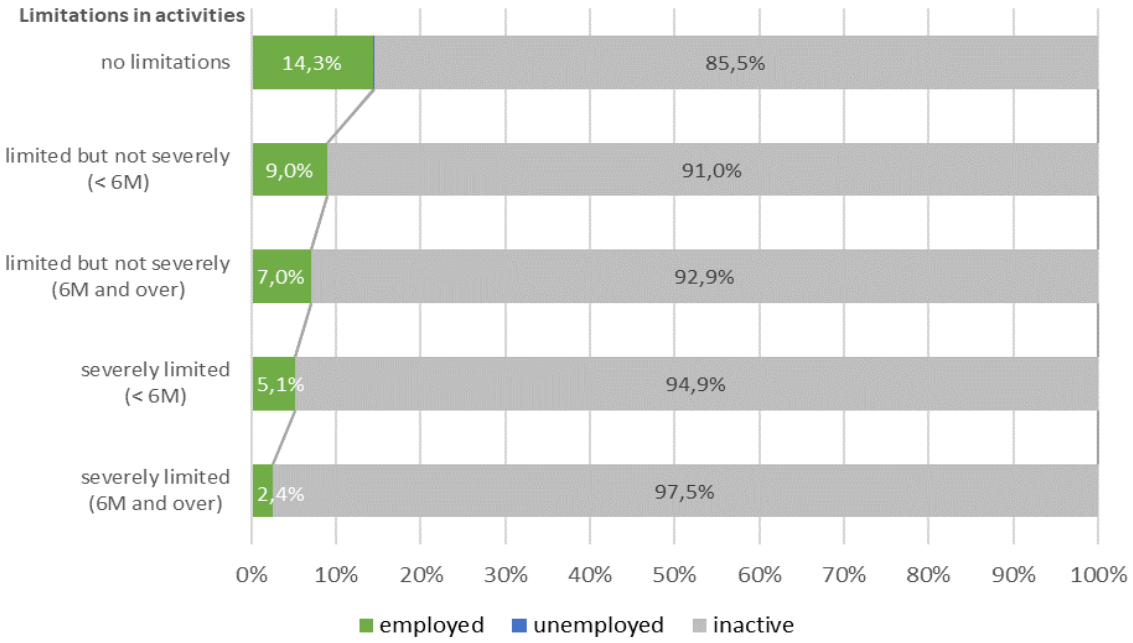


Chart #10 Economic activity (ILO status) by self-declared limitations in activities because of health problems (actual disability) – people, who **have reached retirement age**



Summary

The presented data indicate that both self-perception of health and limitation in activities because of health problems have significant influence on the economic activity of persons aged 15-89 years.

Moreover the time series analysis of employment rates by GALI and formal disability provided at the beginning of the paper and then the analysis of three kinds of relationships: between elements of generalised health assessment (including health-related limitations), between generalised health assessment and formal disability as well as the status on the labour market (ILO status) deliver very coherent results. The data collected as part of the Polish LFS can be used for the purposes of shaping the appropriate labour market and health care policy. The aging resources of the labour market require prior provision of appropriate health care in order to extend their professional activity.