

**International Conference on Disability Economics
At Syracuse University on 29 and 30 June 2011**

Abstract

The Nexus between Disability, Education and employment: Evidence from Nepal

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In this chapter, utilizing a unique data set collected from people with hearing, physical, and visual impairments through interview methods with structural questionnaires, we compare across employment based on type of impairments and education levels to identify variation in occupational choices, as well as estimating wage returns to the investment in education.

There are two findings from the data analysis. First, the estimated rate of returns to education is very high among persons with disabilities, ranging from 19.4 to 32.2%. One significant finding was that, across the board, persons with hearing impairments had fewer years of schooling than their counterparts with visual or physical impairments, confirming the lack of schools for students with hearing impairments. Also, years-of-schooling is also affected negatively and significantly by financial constraints.

Second, when analyzing the likelihood of employment of persons with disabilities, it was found that years-of-schooling has a positive effect on the probability of employment. As to the types of impairments, it appears that physical impairment has a negative effect, meaning that compared with persons with hearing and visual impairments, and despite their often higher levels of education, regardless of longer years of schooling, persons with physical impairments are less likely to be employed. The result suggests that unless affirmative action is taken on their behalf, it may be difficult for persons with physical impairments to enter directly into the competitive labor market.