Denmark: Developments in working life 2016

Developments in working life in Europe: EurWORK annual review 2016

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European Foundation for the Improvement of Living and Working Conditions

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Political context affecting working life aspects
No information.

The government(s) in office during 2016

<table>
<thead>
<tr>
<th>Government 1</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>In office since / to</td>
<td>18 June 2015 – 26 November 2016</td>
</tr>
<tr>
<td>Name of the head of government (prime minister / chancellor / …)</td>
<td>Prime Minister Mr. Lars Løkke Rasmussen</td>
</tr>
<tr>
<td>Name all the parties that are forming this government</td>
<td>The Danish Liberal Party (da: Venstre)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Government 2</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>In office since / to</td>
<td>27 November 2016</td>
</tr>
<tr>
<td>Name of the head of government (prime minister / chancellor / …)</td>
<td>Prime Minister Mr. Lars Løkke Rasmussen</td>
</tr>
<tr>
<td>Name all the parties that are forming this government</td>
<td>Danish Liberal Party, Liberal Alliance (da: the same), Conservative Peoples’ Party (da: Det Konservative Folkeparti)</td>
</tr>
<tr>
<td>List any changes in the composition of the government in 2016</td>
<td>Liberal Alliance took among other posts the post as Foreign Minister. The Conservatives got the post as Minister of Justice</td>
</tr>
<tr>
<td>Additional comments</td>
<td>The trefoil-government was the result of a government reshuffle made by Mr. Løkke Rasmussen.</td>
</tr>
</tbody>
</table>

Elections and referenda
There were no elections of national importance

Forthcoming significant elections or political events in 2017
Elections to the municipalities and regions will take place the third Tuesday in November 2017

Reactions from the social partners on new government’s working life policies
The new trefoil-government took office 27.11.2016. In the government platform there is nothing that has got special attention of the social partners. It was received as positive, though, that the government in the platform presented visions for a strategy on digitalisation.

With the participation of Liberal Alliance, the government has got a further push in obtaining liberal values. The party is known for wanting significant tax reductions in the top tax. None of the large social partner organisations have supported this point of view.
Developments in social dialogue and collective bargaining 2016

Major developments in national/peak-level social dialogue 2016

Changes affecting the social dialogue actors and institutions in 2016

Representativeness
There were no changes affecting the social dialogue actors and institutions in 2016. 2016 was the first year in seven years without collective bargaining neither in the public nor in the private sector.

Major developments affecting the main actors
There were no major developments regarding neither the peak-level nor the sector level organisations in 2016.

Legislative or institutional changes to the main social dialogue institutions
No changes.

Changes in the social dialogue processes
There was no change in the practice of national-level social dialogue

Main social dialogue topics and outcomes in 2016

<table>
<thead>
<tr>
<th>Themes</th>
<th>Description of issue</th>
<th>Main result</th>
</tr>
</thead>
<tbody>
<tr>
<td>General labour market topics</td>
<td>No (major) issues debated in this area.</td>
<td></td>
</tr>
<tr>
<td>Job creation, reduction of unemployment</td>
<td>Kontanthjælpsloft – Maximum cash benefit. An overall maximum ceiling of cash assistance (i.e. cash benefits, housing benefits, child benefits, etc) was introduced with the aim that ‘it should be worth it to work’.</td>
<td>Act no 296 of 22/03/2016 – on active social policy</td>
</tr>
<tr>
<td>Active labour market policies</td>
<td>New unemployment benefit system – flexible changes in the rules regarding the length of the period of unemployment benefits aims at creating more security for the unemployed.</td>
<td>Consolidated Act no 1307 of 09/11/2016</td>
</tr>
<tr>
<td>Benefits (unemployment, sickness schemes)</td>
<td>A tax reform that shall lower tax for the low-wages is proposed and debated</td>
<td>Debate to be continued</td>
</tr>
<tr>
<td>Taxation and non-wage related labour costs</td>
<td>ian to work’</td>
<td></td>
</tr>
<tr>
<td>Theme</td>
<td>Description</td>
<td>Notes</td>
</tr>
<tr>
<td>------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Pension reforms</td>
<td>Proposals for a new pension reform are presented as part of the government’s 2025-plan. The aim is to get more people to save for their pension.</td>
<td>On 31 October 2016 the government postponed the 2015-plan. Social partners consulted. Debate to be continued.</td>
</tr>
<tr>
<td>Labour market participation of different groups</td>
<td>As part of the tripartite negotiations in 2016 the first stage was to agree on new rules about integrating refugees on the Danish labour market seen in the light of the unusual large flow of refugees through Europe</td>
<td>Tripartite agreement reached</td>
</tr>
<tr>
<td>Working related themes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wage setting systems, including the setting of minimum wages</td>
<td>No (major) issues debated in this area in 2016</td>
<td></td>
</tr>
<tr>
<td>Working time regulations</td>
<td>No (major) issues debated in this area in 2016</td>
<td></td>
</tr>
<tr>
<td>Terms and conditions of employment, including different forms of contracts</td>
<td>No major issues debated in this area in 2016</td>
<td></td>
</tr>
<tr>
<td>Health, safety and well-being at work</td>
<td>The self-controlling health and safety certification schemes have been revised in 2016. In November 2016 a new set of rules was implied to the certification scheme, the so-called crown smiley scheme. The new rules were backed by eight initiatives backed by a great majority of the parliament as well as the social partners.</td>
<td>The initiatives includes stronger control by the Working Environment Authority, a higher degree of transparency, higher demands to external private counsellors and a better use of information from registers on accidents and health related diseases. (BM.DK)</td>
</tr>
<tr>
<td>Work-life balance related themes, incl. family leaves</td>
<td>No major issues debated in this area in 2016</td>
<td></td>
</tr>
</tbody>
</table>
Skills, training and employability

<table>
<thead>
<tr>
<th>Skills, training and employability</th>
<th>The second stage of the tripartite negotiation in 2016 were about improving employment skills with a specific focus on increasing the number of vocational internships</th>
<th>Tripartite agreement reached</th>
</tr>
</thead>
</table>

Any other relevant themes/topics addressed in the national level/peak level social dialogue

| Any other relevant themes/topics addressed in the national level/peak level social dialogue | No relevant topics | |

Examples of selected significant social dialogue debates

**Tripartite agreement on integrating refugees at the Danish labour market**

In 2016, the prime Miniser Mr. Lars Løkke Rasmussen invited, as it is custom in DK, the social partners to ad-hoc tripartite negotiations. The main subject to be discussed first was better and faster integration of the increasing amount of refugees to DK on the labour market. The agreement concluded contained an introduction of a so-called ‘phase-in wage’ at the level of apprentices for refugees in order to facilitate their entrance to the labour market. The phase-in wage was a part of a larger Integration Basic Education Programme that also contains Danish lessons and training at workplace. The employer organisations were satisfied while the unions expressed some fear that the phase-in wage would result in social dumping on a broader scale. In the end they agreed, mainly because the next topic on the tripartite agenda was one of the cornerstones of their current priorities for the development at the labour market – an increase of the number of internships in vocational education – see next, debate 2.

**Tripartite agreement on more internships**

The second stage of the tripartite negotiation was focussed on improving skills and in particular on creating more vocational training internships in the companies. After the economic crisis, but not only because of the crisis, the companies have very reluctant to take up apprentices with the result that more students were stopping their training. Besides, the substitute – ‘school practice’ – has been criticised for not being able to match the ‘real’ internships in companies. During these negotiations it was the employers turn to make concessions. School practice replaces the genuine internship, i.e. practice at a company. School practice was introduced because the queue to company practice increased rapidly. The result was an agreement that rewards employers that take in apprentices and punishes those that do not by increasing their contribution to the Employers Educational Fund.

In December 2016, 4,601 young people in vocational training were applying for an internship. 2,761 were in a company internship. In contrast to this 7,203 were in a school internship, which is a less favourable compensation for the lacking company internships being offered by the companies. The aim of the agreement is by the ‘punish and reward’ method to create up to 10,000 company internships a year.

**Sectoral and company level social dialogue 2016**

No changes
Main developments - other than wages and working time - from important collective agreements or bargaining rounds

There was no collective bargaining round in 2016.

Examples of innovative collective agreements (at any level) made during 2016

There was no collective bargaining round in 2016.

Policies and actions to address pay-inequalities

The recent public debate on pay gaps at the workplace

There have been no policies, actions or debates to address gender related pay-inequalities in DK during 2015 and 2016 – neither in public or at workplace or among the social partners.

In connection with tripartite negotiations in the beginning of 2016 about integration of the increased number of refugees from the Middle East to Denmark, that began in 2015, it was debated to introduce a special introduction wage (indslusningsløn) for refugees in order to get them fast into the labour market. The unions were against a low minimum wage because it could result in social dumping. The tripartite parties ended to conclude an agreement that secured the refugees an introduction hourly wage on level of apprentices, that is between DKK 50 to DKK 120 per hour (€6.72 to €16.13) in the first two years. The hourly wage is a part of a so-called Integration Basic Training Scheme (IGU)

Positions regarding the posted workers directive

Positions of trade unions

The Danish support for the ‘yellow card’ was based on very different arguments than those of Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania and Slovakia. The basis position, which is based on a consensus between trade union confederations (LO and FTF and Akademikerne, the employer confederation DA and the government, is that issues of wage-setting and the right to take collective action should be a purely national matter. The Danish system of labour market regulation is very different from those found in most other member states, as it involves wage regulation through collective agreements only and no statutory minimum wage. For this reason, trade unions, employers and the government fear that the Danish system will be challenged or undermined if a common European standard for wage regulation should be found. For this reason, it has been important to maintain the statement from the original directive, which clearly pointed out that the determination of the minimum wages was a national issue.

Positions of employers organisations

See above

Position of the government

See above
Pay gaps at the workplace

Evidence
None
The Labour Inspectorate (or any other departmental agency) does not monitor pay inequalities/pay discrimination in the companies. This is up to the social partners and would be a case for Danish Labour Law to solve. The number of cases regarding pay discrimination are not available.

Policies to address pay inequalities at the workplace
No legislative policies have been introduced in the period of 2014-2016. Nor have the social partners taken any concrete steps in the period regarding pay inequalities, although showing good will in the ad hoc debates about the subject.

Social partner’s involvement in addressing pay inequalities at the workplace
On 20 November 2015, the Danish Confederation of Trade Unions, LO, launched its policy programme 2016 - 2019 regarding equality, including ‘equal pay and a less gender-specific labour market. The goals of the programme are:

The gender pay gap must be closed through both legislation as well as collective agreements.

More openness about pay gaps at the workplaces. The awareness of the rules about a gender-specific wage statistics is to be extended.

Increased focus on the right to equal pay for ‘work of same value’. LO will work nationally as well as internationally for a clearer definition of ‘work of same value’ and to find common tools to compare work of same value.

Education system and labour market is to be more ‘gender mixed’.
Promoting the reconciliation of working families and caregivers

Recent policies
On 20 November 2015, the Danish Confederation of Trade Unions, LO, launched its policy programme 2016 - 2019 regarding equality, including ‘an equal family policy’.

The goals of the programme are:

- Improved rights regarding the paternity leave (fathers leave in connection with childbirth).
- Parents and children are to have better conditions when the children are sick.
- Offers regarding child care are to a higher degree to match the parents’ working time than it is the case today.

True to tradition, the employers have not issued anything regarding ‘family policy’.
There is an important exception that, however, is not rooted in collective agreements.
According to the Service Act (§ 118 and § 119), there is a possibility to get a paid leave for taking long-term care of very sick or dying relatives. An employee can apply the municipality for a remuneration for taking care of a dying relative. In practice the municipality will hire the employee to take care of the sick person by offering a care remuneration. An employer that pays the employee while on caregiving leave will receive a reimbursement corresponding to the care remuneration. The caregiver can be hired up to nine months, and the period can be divided in monthly periods.

Rights to request special working time arrangements, place of work etc.
§ 8 in the pace-setting Industrial Agreement allows special working time arrangements at company level if agreed by both parties. The current agreement covers 2014 – 2017. This possibility to deviate from the central sectoral agreement is used in the interest of both parties, for instance regarding flexible production, but also regarding a flexible reconciliation of work and family life. Flexible hours is an advantage for parents that bring their children to kindergartens. According to the Confederation of Danish Industry, DI, the possibility to agree on working time arrangements at company level is very much availed. Many more than 50% of the companies have concluded local agreements on this issue.

The role of collective agreements
There is no hard research-based evidence in this regard.
All of the collective agreements in the public and the private sector deal with elements that more or less indirectly support a work-life balance but without having specific paragraphs on ‘work-life balance’.
The above § 8 in the Industrial Agreement can be used to conclude flexible working time at workplace that would favour a work-life balance by making it possible to change working hours frequently. See above. Normally it would concern bigger groups of employees due to changes in sales or new technology or seasonal changes. But it can also affect minor groups or individuals as long as the parties can agree to a plan.
According to both private and public sector agreements it is possible to arrange telework, which could support a situation where it is necessary to take care of a family member, or just facilitating other work-life aspects. Telework is relatively widespread among Danish men and women. In 2012, 29.5% had worked from home at least one time the last four weeks. In 2016 the percentage was 31.2. In the crisis year of 2010, 28.4% had performed telework, which means that telework has not decreased in line with the decreasing effects of the crisis. In 2016, 33.4% men and 28.8% women had worked from home at least once during the last four weeks (Source: StatBank Denmark, AKU603).

Family or parent leave in prolongation of maternity leave up to a year is also possible and some of the leave is earmarked the father. Flexible rules on further training in the company might facilitate the return after a long maternity leave.

These are some possibilities that might be used to facilitate a work-life balance. There is no evidence how and to what degree these elements are used together in order to balance working time and family time.

Although the act on care-taking leave in case of severe illness in the family is not implemented in the collective agreements, there is still a possibility that an employee at a workplace could be allowed periods of caregiving according to a local agreement. It would also, in principle, be possible to get other colleagues to cover the caregivers work in a period through flexible agreements.
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