3



# 2003 EDITION

# Labour market policy

Qualitative report

Denmark 2001





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A - Introduction



# A - Introduction

The first publication of the **Qualitative Reports** of the **Labour Market Policy (LMP) database** is issued in 16 volumes, one for each country participating in the LMP data collection<sup>1</sup>. The reports present qualitative information extracted from the database to describe, in total, 550 labour market policy measures included in the Eurostat database for the year 2001. The reports constitute a fundamental component of the Eurostat Labour Market Policy (LMP) database allowing the user to understand what lies behind the figures on expenditure and participants collected in the database. The qualitative reports give a succinct description of each of the labour market policy measures and should be considered as complementary information to the publication *Labour Market Policy - Expenditure and Participants - Data 2001*<sup>2</sup>.

The reports all have the same structure: Part A presents the Introduction, Part B includes the Inventory of measures - i.e. the list of all measures grouped by category, and Part C presents the main details of each measure in three sections: Identification, Description, and Supplementary information. The *Description* contains seven sub-sections: Aim, Beneficiaries, Action/Instrument, Financing/Support, Eligibility, Legal basis, and Recent changes. The *Supplementary Information* contains nine sub-sections covering the target groups, the conditions for participation and other characteristics of the measure. Together, these items summarise the qualitative information collected through the LMP questionnaire<sup>3</sup>.

The measure descriptions in the LMP database are up-dated every year with the contribution of the LMP delegates in each country and should be published by Eurostat every 2 years. They are also available as a chapter of the Basic Information Reports (BIRs) produced by the European Employment Observatory<sup>4</sup>.

<sup>&</sup>lt;sup>1</sup> The reports are issued primarily in English but French and German versions are also available on request. Eurostat makes every effort to ensure that measure descriptions entered in one language are updated in the other two languages but the alignment of translations cannot be guaranteed. Bearing this in mind, the preferred language for each country report is considered to be English for all countries except Belgium, France and Luxembourg (French); Germany and Austria (German)

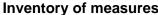
<sup>&</sup>lt;sup>2</sup> European Social Statistics - Labour market Policy - Expenditure and Participants - Data 2001. Eurostat Theme 3 - Population and Social conditions - 2003 Edition.

<sup>&</sup>lt;sup>3</sup> Labour Market Policy Database - Methodology - April 2000. Eurostat Working Papers.

<sup>&</sup>lt;sup>4</sup> The BIRs are produced on behalf of the European Employment Strategy Unit (General Directorate of Employment and Social Affairs) and can be accessed via <a href="http://www.eu-employment-observatory.net/en/publications/bir">http://www.eu-employment-observatory.net/en/publications/bir</a>.



B - Inventory of measures



Measure n°/name

Category



#### Inventory of measures Denmark 2001

0	Genera	N PES					
U	Genera	5 Public employment service					
1	Intensive counselling and job-search assistance						
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		17 Educational and vocational guidance					
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		20 Rehabilitation					
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		12 Enterprise allowance (insured unemployed)					
		13 Enterprise allowance (social assistance recipients)					



# Category Measure n°/name

8	Out-of-work income maintenance and support					
	8.1	<i>Full</i> 1 2	unemployment benefits [Component] Unemployment Insurance - Full time Social assistance (unemployment)			
	8.2	Parti 1	ial unemployment benefits [Component] Unemployment Insurance - Partial			
	8.3	Part <sup>.</sup> 1	-time unemployment benefits [Component] Unemployment Insurance - Part-time			
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	8.5	Bankruptcy compensation				
		25	Wage earners guarantee fund			
9	Early retirement					
	9.1	Conditional				
	9.2	Unc	onditional			
		3	Transitional allowance			
		24	Early retirement pay, from unemployment			
		32	Flex allowance			

Number of measures: 28 (including 1 mixed measure(s) with a total of 3 components)



C - Qualitative information by measure



Country: Denmark Year: 2001 Category 0 - General PES

Measure n°/name: 5 Public employment service

Type of action: 0 General PES

#### Description:

#### Aim:

To provide jobseekers with general services during their search for a job.

#### Beneficiaries:

Jobseekers

#### Action/Instrument:

Public employment services are provided through job centres, where people are assisted during their search for a job. Here the unemployed are registered when they become unemployed.

# Financing/support:

Central government budget

#### Eligibility:

Open to everyone

#### Legal basis:

The Consolidation Act on the Unemployment Insurance System no. 592 of 14.7.99. The Consolidation Act on Active Labour Market Policy (insured) no. 66 of 1.2.99.

#### Recent changes:

None

#### Supplementary information:

 Target groups:
 Unemployed (LTU), Employed at risk, Inactive, Registered jobseekers
 Detailed target groups:
 None groups:

Unemployment Condition for participation: n.a. Other cash None

Unemployment<br/>registration:Condition for participation:n.a.Other cash<br/>n.a.NoneRegistration continued:n.a.benefits:

Type of Transfers to service providers Planned duration: Typical: Not available expenditure: Maximum: Not available

Responsible Central government, Public employment Area of National

institution(s): services Application:

Implementation:Year started:1970Year ended:Ongoing



Country: Denmark Year: 2001 Category 1 - Intensive counselling and job-search assistance

Measure n°/name: 9 Specially arranged activation

Type of action: 1 Intensive counselling and job-search assistance

#### Description:

#### Aim:

To provide counselling, job-search assistance, work experience and training.

#### Beneficiaries:

Low qualified unemployed persons on social assistance and foreigners covered by the act on integration.

#### Action/Instrument

Under the responsibility of the municipal employment service, activation of the unemployed is made trough several types of instrument. These instruments might be for example information meetings and periods of work experience in enterprises, job seeking activities, recruitment interviews, job tests and information meetings. The measure may also contain educational activities.

#### Financing/support:

Central government budget and local government budget

#### Eligibility:

The measure is only for unemployed, who do not qualify for unemployment benefit (recipients of social assistance). For those under the age of 30, rules on duration apply. After a period of 13 weeks of continuous unemployment the offer of activation must have a total duration of 6 months for persons with an education that qualifies for admittance as a member of an unemployment fund and 18 months for those without adequate education.

#### Legal basis:

The Consolidation Act on Active Social Policy no.707 of 29.9.99.

#### Recent changes:

None

Suppl	lementary	informat	tion:
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Target groups: Unemployed Detailed target None

groups:

 Unemployment
 Condition for participation:
 Yes
 Other cash
 None

registration: Registration continued: No benefits:

Type of Transfers to individuals (Periodic cash Planned duration: Typical: Not available

 expenditure:
 payments)
 Maximum:
 Not available

 Responsible
 Local government
 Area of
 National

Responsible Local government Area of National institution(s): Application:

Implementation: Year started: 1994

Year ended: Ongoing



Not available

Maximum:

#### Identification:

Country: Denmark Year: 2001 Category 1 - Intensive counselling and job-search assistance

Measure n°/name: 17 Educational and vocational guidance

**Type of action:** 1 Intensive counselling and job-search assistance

#### Description:

#### Aim:

To provide unemployed people with guidance on educational and vocational opportunities

#### Beneficiaries

Unemployed persons on social assistance and foreigners covered by the act on integration.

#### Action/Instrument:

Educational and vocational guidance is given by the public employment service, by schools and other educational institutions and by other authorities and institutions. Guidance shall be given with regard to the qualifications of the individual and to his/her future employment prospects. Its purpose is to ensure that the person concerned obtains a satisfactory educational basis and position in working life.

This measure benefits from the work made by the Council for Educational and Vocational Guidance and regional committees, which contribute to the development and co-ordination of guidance activities and preparing proposals on matters relating to such guidance.

#### Financing/support:

Central government budget and local government budget.

# Eligibility:

#### Legal basis

The Consolidation Act on Active Labour Market Policy (insured) no. 66 of 1.2.99. The Consolidation Act on Active Social Policy (not insured) no.707 of 29.9.99

#### Recent changes:

expenditure:

None

#### Supplementary information:

Target groups: Unemployed Detailed target None groups:

- ...

UnemploymentCondition for participation:NoOther cashNoneregistration:Registration continued:Nobenefits:

Type of Transfers to individuals (Periodic cash Planned duration: Typical: Not available

Responsible Central government, Local government, Area of National

institution(s): Public employment services Application:

Implementation:Year started:1994Year ended:Ongoing

payments)



Country: Denmark Year: 2001 Category 2 - Training

Measure n°/name: 8 Education and training

Type of action: 2.1 Institutional training

#### Description:

#### Aim:

To provide education and training in Institutional centres.

#### Beneficiaries:

Registered unemployed in the activation period

#### Action/Instrument:

Education/training includes training either in the ordinary education/training system or in special tailor-made programmes. During participation in such education, the unemployed person may receive a training allowance which - for unemployed persons above the age of 25 years - corresponds to the amount of unemployment of benefit that the person concerned would otherwise have been entitled to (and for unemployed persons under the age of 25 years to 50% of the maximum rate of unemployment benefit). No training allowance is paid if the young persons qualifies for State Educational Support (SU) or the education/training is covered by this support system.

#### Financing/support:

Central government budget and local government budget

#### Eliaibility:

Unemployed, who qualify for unemployment benefit: After one year of unemployment an unemployed person has the right and duty to be continuously activated for 3 years or until they manage to get an ordinary job or start ordinary education.

Unemployed, who do not qualify for unemployment benefit (recipients of social assistance): For those under the age of 30, rules on duration apply. After a period of 13 weeks of continuous unemployment the offer of activation must have a total duration of 6 months for persons with an education that qualifies for admittance as a member of an unemployment fund and 18 months for those without adequate education.

#### Legal basis:

The Consolidation Act on Active Labour Market Policy (insured) no. 66 of 1.2.99. The Consolidation Act on Active Social Policy (not insured) no.707 of 29.9.99.

#### Recent changes:

None

#### Supplementary information:

Target groups: Unemployed Detailed target None groups:

Unemployment Condition for participation: Yes Other cash None

registration: Registration continued: No benefits:

Type of Transfers to individuals (Periodic cash expenditure: payments), Transfers to service providers Planned duration: Typical: Not available Maximum: Not available

Responsible Central government, Local government, Area of National

institution(s): Public employment services Application:

Implementation:Year started:1994Year ended:Ongoing

Source: Eurostat LMP database. Date of extraction: 13 November 2003

Further reading: European Social Statistics, Theme 3, Labour market policy - expenditure and participants.



Year: 2001 Category 2 - Training Country: Denmark

Measure n°/name: 16 Training leave from unemployment

Type of action: 2.1 Institutional training

#### Description:

#### Aim:

To provide financial support for unemployed persons undertaking agreed training courses

Recipients of unemployment benefit.

#### Action/Instrument:

Training leave allows unemployed persons to break from job-search activities for a period of one week to one year in order to participate in approved training courses. As a rule, leave is not granted in relation to medium and long-term advanced education programmes. During the leave, a leave benefit is paid of (up to) 100% of the maximum rate of unemployment benefit. This measure is also open to employed persons, but only unemployed persons are taken into account within the LMP database.

#### Financing/support:

Central government budget

#### Eligibility:

Unemployed who qualify for unemployment benefit.

The Consolidation Act on Leave no.4 of 4.1.99.

#### Recent changes:

Intake of participants into this measure ceased as from 1.1.2001 by Act no. 402 of 31.5.2000.

#### Supplementary information:

**Detailed target** Target groups: Unemployed None groups:

Condition for participation: Unemployment Yes Other cash None

registration: benefits: Registration continued: No

Type of Transfers to individuals (Periodic cash Planned duration: Typical: 6 Months expenditure: payments) Maximum: 12 Months

Responsible Central government, Public employment National Area of

institution(s): Application: services

Implementation: Year started: 1990 Year ended:

Ongoing



Year: 2001 Category 2 - Training Country: Denmark

Measure n°/name: 19 Adult and supplementary training

Type of action: 2.1 Institutional training

#### Description:

#### Aim:

To provide financial support for unemployed and other dificult to place persons participating in agreed training courses

Recipients of the social assistance for at least a continuous period of 6 months and foreigners covered by the Act on Integration

Participants can participate in adult- or continuing education course covered in the list approved for paid educational leave. The training is carried out at training centres outside the workplace. There is no fixed or maximum duration of the training. Participants receive a training allowance over a certain period.

#### Financing/support:

Local government budget.

Unemployed persons over the age of 25, who have received social assistance (or other allowance related to activation) for at least a continuous period of 6 months, and foreigners covered by the Act on Integration. Participants must have no proper prospects of getting a stable and non-supported job during the planned period of education.

#### Legal basis:

The Consolidation Act on Active Social Policy no.707 of 29.9.99

#### Recent changes:

None

#### Supplementary information:

Target groups: Unemployed (LTU > 6 months) **Detailed target** None groups:

No Other cash Unemployment Condition for participation:

None registration: benefits: Registration continued: No

Transfers to individuals (Periodic cash Planned duration: Typical: Not available Type of expenditure: payments) Not available Maximum:

Responsible National Local government Area of

institution(s): Application:

Implementation: 1996 Year started: Year ended: Ongoing



Country: Denmark Year: 2001 Category 2 - Training

Measure n°/name: 33 Education of immigrants

Type of action: 2.1 Institutional training

#### Description:

#### Aim:

To provide immigrants with basic education in Danish language and basic social studies.

#### Beneficiaries:

Immigrants with a legal right to stay in Denmark and aged over 18.

#### Action/Instrument

Local government offers courses in Danish and basic social studies as a part of The Law of Integration, which also includes activation. The exact content of the courses is decided in inital contacts between the immigrant and the local government.

During participation in Introductionprogram - education, the immigrants may receive an Introduction allowance and the immigrants must join the training course one month after the Local Government takes over responsibility for their well-being.

#### Financing/support:

Local Government budget and Central Government budget

#### Eligibility:

Immigrants with a legal right to stay in Denmark and aged over 18. Asylum applicants aged under 18 and without parents or guardians can also participate in the introduction-programme.

The measure does not cover citizens from other Nordic Countries, EU-Countries and countries with a visa exemption agreement.

#### Legal basis:

The Consolidation Act on Integration of foreigners in Denmark.

#### Recent changes:

None

# Supplementary information:

 Target groups:
 Unemployed, Employed at risk
 Detailed target groups:
 None

 Unemployment
 Condition for participation:
 No
 Other cash
 None

registration: Registration continued: No benefits:

Type of Transfers to individuals (Periodic cash expenditure: Planned duration: Typical: Not available Maximum: 3 Years

Responsible institution(s):Local governmentArea of Application:National Application:

Ongoing

Implementation: Year started: 2001

Year ended:



Year: 2001 Country: Denmark Category 2 - Training

Measure n°/name: 27 Labour trainee Type of action: 2.2 Workplace training

#### Description:

To increase the skills of participants through working in a private company. Afterwards the participants are hopefully able to get an ordinary job.

#### Beneficiaries:

Recipients of unemployment benefit.

#### Action/Instrument:

Unemployed, who qualify for unemployment benefit get some work experience as a trainee. The duration is between 2 and 4

During the Trainee service, the unemployed person may receive a payment which corresponds to the amount of unemployment benefit that the person concerned would otherwise have been entitled to.

# Financing/support:

Central government budget

#### Eligibility:

Registered unemployed, who are members of an approved insurance fund.

#### Legal basis:

The Consolidation Act on Active Labour Market Policy (insured) no.66 of 1.2.99.

#### Recent changes:

The measure started in February 2000.

#### Supplementary information:

Target groups: Unemployed **Detailed target** None groups:

Other cash Unemployment Condition for participation: Yes None

registration: benefits: Registration continued: No

Transfers to individuals (Periodic cash Planned duration: Typical: Not available Type of payments) expenditure: 4 Weeks Maximum:

Responsible National Central government, Public employment Area of

institution(s): services Application:

Not available Implementation: Year ended: Ongoing

Year started:



Country: Denmark Year: 2001 Category 2 - Training

Measure n°/name: 31 Adult apprenticeship support

Type of action: 2.4 Special support for apprenticeship

#### Description:

#### Aim:

To provide an educated labour force in targeted regions.

#### Beneficiaries:

Employed and unemployed adults

#### Action/Instrument:

PES provides contributions to especially private companies, which commit themselves to make education plans for the employed/unemployed within areas with an actual shortage of persons with a specific education. The regional labour market council determine which educations to contribute to. Only unemployed persons are taken into account within the LMP-database.

#### Financing/support:

Central government budget

#### Eligibility:

Unemployed and employed persons, who are above 25 years old.

#### Legal basis:

The Consolidation Act on Active Labour Market Policy no. 54 of 29.1.2001

#### Recent changes:

None

#### Supplementary information:

**Target groups:** Unemployed, Employed at risk **Detailed target** None **groups:** 

 Unemployment
 Condition for participation:
 No
 Other cash
 None

registration: Registration continued: No benefits:

Type of Transfers to employers (Periodic cash expenditure: Planned duration: Typical: Not available Maximum: Not available

Responsible Public employment services Area of National

institution(s):

Application:

Implementation: Year started: Not available

Year ended: Ongoing



Country: Denmark Year: 2001 Category 4 - Employment incentives

Measure n°/name: 26 Servicejobs

Type of action: 4.1.1 Permanent

#### Description:

#### Aim:

To improve the possibilities for employment for longtime unemployed older people, due to creation of servicejobs.

#### Reneficiaries

Recipients of unemployment benefit, who are in the activation period

#### Action/Instrument:

Yearly contributions to the total salary for longtime unemployed older people. The contribution is around 13.000 € for each person/job.

The jobs are going to be in the public sector, on ordinary conditions (incl. ordinary salary levels). The creation of servicejobs may not imply dismiss of other employed.

#### Financing/support:

Central government budget.

#### Eligibility:

Unemployed, who qualify for unemployment benefit, who are above 48 years old and who have been unemployed in above 6 month.

#### Legal basis:

The Act on servicejob no. 1081 of 29 December 1999.

#### Recent changes:

Creation of new servicejobs ended by the 1st of April 2002.

#### Supplementary information:

Target groups: Unemployed (LTU) Detailed target older groups:

Unemployment<br/>registration:Condition for participation:Yes<br/>NoOther cash<br/>benefits:None

Type of Transfers to employers (Periodic cash expenditure: payments)

Typical: Not available Maximum: Not available

Responsible Central government, Public employment Area of National institution(s): Services Application:

Implementation:Year started:1999Year ended:1999



Year: 2001 Country: Denmark Category 4 - Employment incentives

Measure n°/name: 6 Job training

Type of action: 4.1.2 Temporary

#### Description:

#### Aim:

To provide subsidised work experience for the unemployed in order to facilitate future insertion into regular employment.

#### Beneficiaries:

Registered unemployed entering the activation period.

During the activation period (see eligibility), an unemployed person may be offered employment - either with a public or a private employer. The terms and conditions offered must be those applying under the appropriate collective agreement. In connection with employment in the public sector there is a ceiling on the wage. A wage subsidy is paid to employers who recruit unemployed in job training. It is a condition that the employment of unemployed persons in job training results in an increase in the number of staff employed in the enterprise and the subsidy must not lead to distortion of competition. Unemployed members of an unemployment insurance fund may be offered job training for up to 2 years. However, the wage subsidy is payable for up to 1 year. Where the subsidy period lasts more than 6 months a private employer shall subsequently employ the unemployed person without a subsidy or offer training to that person.

#### Financing/support:

Central government budget and local government budget (contribution to the net wage cost for the jobs in the county/municipal sector).

#### Eligibility:

Unemployed, who qualify for unemployment benefit: After one year of unemployment an unemployed person has the right and duty to be continuously activated for 3 years or until they manage to get an ordinary job or start ordinary education. Unemployed, who do not qualify for unemployment benefit (recipients of social assistance): For those under the age of 30, rules on duration apply. After a period of 13 weeks of continuous unemployment the offer of activation must have a total duration of 6 months for persons with an education that qualifies for admittance as a member of an unemployment fund and 18 months for those without adequate education.

#### Legal basis:

The Consolidation Act on Active Labour Market Policy (insured) no. 66 of 1.2.99. The Consolidation Act on Active Social Policy (not insured) no.707 of 29.9.99.

#### Recent changes:

Implementation:

None

#### Supplementary information:

**Detailed target** Target groups: Unemployed None

groups:

Condition for participation: Other cash Unemployment Yes None registration: Registration continued: benefits:

Type of Transfers to employers (Periodic cash Planned duration: Typical: Not available

expenditure: payments), Transfers to service providers Maximum: Not available

Responsible Central government, Local government, Area of National

institution(s): Public employment services Application: 1981

Year ended: Ongoing

Year started:



Country: Denmark Year: 2001 Category 4 - Employment incentives

Measure n°/name: 7 Individual job training

Type of action: 4.1.2 Temporary

#### Description:

#### Aim:

To provide hard-to-place unemployed with a temporary job in order to give them a work experience

#### **Beneficiaries**

Unemployed persons who have difficulties in finding a job or job training on ordinary pay and working conditions (e.g. long-term unemployed and low qualified youngsters).

#### Action/Instrument:

Individual job training is a measure mostly used to activate workers entering the activation period of unemployment (see eligibility). Individual job training may take the form of employment with private associations, private households, sports clubs, cultural associations, etc. as well as with public employers. It is a condition that the employment of unemployed persons in individual job training results in an increase in the number of staff employed in the enterprise and the subsidy must not lead to a distortion of competition. Employers receive a subsidy which may exceed the hourly wage subsidy paid in ordinary job training. Participants receive a wage (called project allowance) which may be lower than in ordinary job training and which is subject to agreement with the organisations who have the right to negotiate in the occupational field concerned. The wage corresponds - for unemployed persons in activation period - to the maximum rate of unemployment benefit.

#### Financing/support:

Central government budget and local government budget (contribution to the net wage cost for the jobs in the county/municipal

#### Eliaibility:

Unemployed, who qualify for unemployment benefit: After one year of unemployment an unemployed person has the right and duty to be continuously activated for 3 years or until they manage to get an ordinary job or start ordinary education.

Unemployed, who do not qualify for unemployment benefit (recipients of social assistance): For those under the age of 30, rules on duration apply. After a period of 13 weeks of continuous unemployment the offer of activation must have a total duration of 6 months for persons with an education that qualifies for admittance as a member of an unemployment fund and 18 months for those without adequate education.

#### Legal basis:

The Consolidation Act on Active Labour Market Policy (insured) no. 66 of 1.2.99. The Consolidation Act on Active Social Policy (not insured) no.707 of 29.9.99.

#### Recent changes:

None

#### Supplementary information:

Target groups: Unemployed Detailed target None

groups:

 Unemployment
 Condition for participation:
 Yes
 Other cash
 None

 registration:
 Registration continued:
 No
 benefits:

 registration:
 Registration continued:
 No
 benefits:

 Type of
 Transfers to individuals (Periodic cash
 Planned duration:
 Typical:

Type of Transfers to individuals (Periodic cash payments), Transfers to employers (Periodic Maximum: Not available

cash payments)

Responsible<br/>institution(s):Central government, Local government,<br/>Public employment servicesArea of<br/>Application:National<br/>Application:

Implementation:Year started:1994Year ended:Ongoing



Country: Denmark Year: 2001 Category 5 - Integration of the disabled

Measure n°/name: 30 Support of disabled

**Type of action:** 5 Integration of the disabled

#### Description:

#### Aim:

To give newly qualified/educated disabled people some occupational experience. Hopefully this experience will help the person to keep the job under ordinary conditions.

#### Beneficiaries:

Disabled newly graduated persons.

#### Action/Instrument:

The employer benefits from a subsidy covering part of the wage. The subsidy has to be under 50 per cent of the total ordinary salary (or lower than a ceiled amount).

#### Financing/support:

Central government budget.

#### Eliaibility:

The recipients have to be newly graduated from a practical or theoretical education and disabled. The duration of the education have to be at least 18 months, besides that the person shall qualify for admitting as a member of an unemployment fund. The job have to be on ordinary conditions, and within the scope of the education. The recipients do not have to be registered as unemployed.

#### Legal basis:

The Consolidation Act on Compensation of the disabled no. 55 of 29 January 2001.

# Recent changes:

None

# Supplementary information:

Target groups: None Detailed target Disabled

groups:

 Unemployment
 Condition for participation:
 No
 Other cash
 None

registration: Registration continued: n.a. benefits:

Type of Transfers to employers (Periodic cash expenditure: Planned duration: Typical: Not available Maximum: Not available

Responsible Area of National

institution(s): Application:

Implementation:Year started:1998Year ended:Ongoing



Country: Denmark Year: 2001 Category 5 - Integration of the disabled

Measure n°/name: 21 Flex jobs

**Type of action:** 5.2 Sheltered employment

#### Description:

#### Aim

To provide participants with a sheltered environment in order to activate these people trough training/work, or to help them maintain their job.

#### Beneficiaries:

Disabled and people, who have or may have difficulties in maintaining a job

#### Action/Instrument:

Places in a sheltered environment are made available for participants in order to provide them with an activity (training and/or work). Employers benefit from aids for taking in charge participants. The employment can be either in the public or in the private sector.

#### Financing/support:

Central government budget and local government budget

#### Eligibility:

The recipients are people with lasting problems/disabilities, who don't receive any early retirement pension or any other social pension.

#### Legal basis:

The Consolidation Act on Active Social Policy no.707 of 29.9.99

#### Recent changes:

New measure introduced in 1999

#### Supplementary information:

Target groups: Unemployed, Inactive Detailed target Disabled

groups:

Unemployment Condition for participation: No Other cash

registration: Registration continued: No benefits:

Type of Transfers to employers (Periodic cash expenditure: Planned duration: Typical: Not available Maximum: Not available

Other LMP benefit

Responsible Local government Area of National

institution(s): Application:

Implementation:Year started:1999Year ended:Ongoing



Year: 2001 5 - Integration of the disabled Country: Denmark Category

Measure n°/name: 22 Light jobs

Type of action: 5.2 Sheltered employment

#### Description:

#### Aim:

To provide participants with a sheltered environment in order to activate these people through training and/or work.

Disabled and other people, who get early retirement pension.

#### Action/Instrument:

Places in a sheltered environment are made available for participants in order to provide them with an activity (training and/or work). Employers benefit from aids for taking in charge participants.

# Financing/support:

Local government budget

#### Eligibility:

The recipients are people with lasting problems/disabilities, who receive early retirement pension.

#### Legal basis:

The Consolidation Act on Active Social Policy no.707 of 29.9.99

#### Recent changes:

New measure introduced in 1999

# Supplementary information:

Disabled Target groups: Unemployed, Inactive **Detailed target** 

groups:

Other LMP benefit Unemployment Condition for participation: No Other cash

registration: No benefits: Registration continued:

Transfers to employers (Periodic cash Type of Planned duration: Typical: Not available expenditure: payments) Maximum: Not available

Responsible National Local government Area of

institution(s): Application:

Implementation: Year started: 1999

Year ended: 1999



Country: Denmark Year: 2001 Category 5 - Integration of the disabled

Measure n°/name: 20 Rehabilitation

**Type of action:** 5.3 Other rehabilitation and training

#### Description:

#### Aim

To help persons facing difficulties to support themselves and their family in order to enable a future integration into the regular labour market.

#### Beneficiaries:

Inactive persons facing important difficulties (disabled, socially excluded, refugees).

#### Action/Instrument:

A person in rehabilitation can benefit from a package of measures including income support, preparatory training, vocational training and work experience or support for creating new business.

- Rehabilitation benefits are equal to the maximum rate of the unemployment benefit. However, only half of this amount can be claimed if the rehabilitee is under 25 years. Assistance is also provided for the specific expenses which are a natural consequence of the education or of reduced physical or psychical capability to work. Furthermore, education assistance can also be provided in the form of books and other teaching material.
- Employers training or employing rehabilitees are entitled to receive wage and salary subsidies, but they are obliged to pay to the rehabilitee, as minimum, the lowest wages and salaries in accordance with the Danish collective pay agreements applying to the domain of employment in question. In conjunction with education and training the subsidies paid to employers are the difference between the wages and salaries paid during the trainee or apprentice period and the wages and salaries under the collective pay agreements.
- Å rehabilitee is entitled to receive assistance either as subsidies or interest-free loans to establish an independent business, provided that the rehabilitee in question has the vocational and business-oriented prerequisites to run a business. Before participating to rehabilitation period, participants can first be in pre-rehabilitation period (see measure DK-28).

#### Financing/support:

Central government budget and local government budget.

#### Eligibility:

The participants are typically inactive persons facing important difficulties (disabled, socially excluded, refugees). Participants are obliged to follow an occupational plan prepared in advance to get rehabilitation benefit.

#### Legal basis:

The Consolidation Act on Active Social Policy no.707 of 29.9.99

Year ended:

#### Recent changes:

None

# Supplementary information:

**Detailed target** Disabled Target groups: Inactive groups: Unemployment Condition for participation: Nο Other cash None registration: benefits: Registration continued: Transfers to individuals (Periodic cash Planned duration: Typical: Not available Type of expenditure: payments), Transfers to employers (Periodic Maximum: 5 Years cash payments) Responsible Central government, Local government Area of National institution(s): Application: Implementation: Year started: 1990

Ongoing

Source: Eurostat LMP database. Date of extraction: 13 November 2003

Further reading: European Social Statistics, Theme 3, Labour market policy - expenditure and participants.



Country: Denmark Year: 2001 Category 5 - Integration of the disabled

Measure n°/name: 28 Pre-rehabilitation

**Type of action:** 5.3 Other rehabilitation and training

#### Description:

#### Aim:

To prepare persons facing difficulties to participate in rehabilitation measures (see also Measure DK-20)

#### Reneficiaries

Inactive persons facing important difficulties (disabled, socially excluded, refugees).

#### Action/Instrument:

Pre-rehabilitation covers rehabilitation activities whose aim is to make preparations for work and/or is of a clarifying character. These activities are undertaken prior to the actual rehabilitation (see Measure DK-20). During the period of pre-rehabilitation, the rehabilitee maintains his/her basis for maintenance, frequently cash benefits or sickness benefits.

#### Financing/support:

Central government budget and local government budget.

#### Eligibility:

Inactive persons facing important difficulties (disabled, socially excluded, refugees). Frequently former recipients of social assistance.

#### Legal basis:

The Consolidation Act on Active Social Policy no.707 of 29.9.99.

#### Recent changes:

None

Supp	lementary	int	formati	on:
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Target groups: None Detailed target None

groups:

Unemployment Condition for participation: No Other cash None

registration: Registration continued: No benefits:

Type of Transfers to individuals (Periodic cash expenditure: payments) Planned duration: Typical: Not available Maximum: Not available

Responsible Local government Area of National

institution(s): Application:

Implementation:Year started:1998Year ended:Ongoing



Not available

Not available

Typical:

#### Identification:

Year: 2001 5 - Integration of the disabled Country: Denmark Category

Measure n°/name: 29 **Unemployment allowance** 

Type of action: 5.3 Other rehabilitation and training

#### Description:

#### Aim:

To provide income support to disabled persons.

#### Beneficiaries:

Disabled persons becoming involuntarily unemployed after being in a flexjob

#### Action/Instrument:

Unemployment allowance is granted to eligible participants

#### Financing/support:

Central government budget and local government budget

#### Eligibility:

Persons in flex jobs, who become involuntarily unemployed after being in a flexjob for more than 12 months.

#### Legal basis:

The Consolidation Act on Active Social Policy no.707 of 29.9.99.

#### Recent changes:

# Supplementary information:

Target groups: **Detailed target** Disabled None

groups:

Unemployment No Other cash Condition for participation: None benefits:

registration: Registration continued: No

Transfers to individuals (Periodic cash Planned duration: Type of

expenditure: payments)

Maximum: Responsible National Area of

Local government institution(s): Application:

1999 Implementation: Year started:

Year ended: Ongoing



Year: 2001 Country: Denmark Category 6 - Direct job creation

Measure n°/name: 10 Voluntary unpaid activities

Type of action: 6.2 Temporary

#### Description:

#### Aim:

To activate participants and provide them with work experience through unpaid work of community interest.

Low qualified unemployed persons on social assistance (who do not qualify for unemployment benefit), and foreigners covered by the act on integration.

#### Action/Instrument:

Persons on social assistance may - at their own request - work for special organisations without receiving a regular salary, but continuing to receive social assistance benefit. The activities are characterised by being of community interest within the area of culture, sport, environment, communication or the like (e.g. cultural activities, social experiments, humanitarian aid organisations etc.). The local authorities decides which activities can be approved. They may also include educational elements.

#### Financing/support:

Central government budget and local government budget

#### Eligibility:

Low qualified unemployed who qualify for social assistance (who do not qualify for unemployment benefit), who are registered with the PES as jobseekers, and foreigners covered by the act on integration.

For those under the age of 30, rules on duration apply. There is no specific duration for each activity but ater a period of 13 weeks of continuous unemployment the total offer of activation must have a total duration of 6 months for persons with an education that qualifies for admittance as a member of an unemployment fund and 18 months for those without adequate education.

#### Legal basis:

The Consolidation Act on Active Social Policy no.707 of 29.9.99.

#### Recent changes:

#### Supplementary information:

Target groups: Unemployed **Detailed target** None groups:

> Condition for participation: Other cash Yes

Unemployment registration: benefits: Registration continued: Nο

Transfers to individuals (Periodic cash Planned duration: Typical: Type of Not available expenditure: payments) Not available Maximum:

None

Responsible Local government Area of National

institution(s): Application:

Implementation: Year started: 1994

Year ended: Ongoing



Year: 2001 6 - Direct job creation Country: Denmark Category

Measure n°/name: 11 Pool jobs Type of action: 6.2 Temporary

#### Description:

#### Aim:

To activate participants and provide them with work experience through a temporary job within the public sector (culture, environment, energy, public transport, education, public health and public care).

#### Beneficiaries:

Long term unemployed or people with a high risk of becoming long-term unemployed.

#### Action/Instrument:

The offer of taking on a pool job is mostly given in the activation period of unemployment, but the PES can decide on the basis of an individual assessment to offer a pool job to an unemployed person at risk of becoming long-term unemployed. Participants continue to receive unemployment benefit. Engagement in a pool job may be combined with educational activities.

#### Financing/support:

Central government budget and local government budget

#### Eligibility:

Recipients of unemployment benefit for more than 1-2 years, or with a high risk of becoming long-term unemployed.

The Consolidation Act on Active Labour Market Policy no. 66 of 1.2.99.

#### Recent changes:

The opportunity to start in a new pool job ended on 31.12.99.

#### Supplementary information:

**Detailed target** Target groups: Unemployed None groups:

Unemployment Condition for participation: Yes Other cash

None benefits: registration: Registration continued: No

Type of Transfers to employers (Periodic cash Planned duration: Typical: Not available expenditure: payments) Maximum: 3 Years

Responsible Central government, Local government, National Area of

institution(s): Application: Public employment services

Implementation: Year started: 1996 Year ended: Ongoing



Country: Denmark Year: 2001 Category 7 - Start-up incentives

Measure n°/name: 12 Enterprise allowance (insured unemployed)

Type of action: 7 Start-up incentives

#### Description:

#### Aim:

To support the creation of a company by unemployed persons through the provision of an enterprise allowance

#### Reneficiaries

Unemployed persons who qualify for unemployment benefit.

#### Action/Instrument:

Recipients of unemployment benefit who create their own business can receive 50% of the maximum rate of unemployment benefit for 2½ years.

#### Financing/support:

Central government budget

#### Eligibility:

Unemployed persons aged under 60, who qualify for unemployment benefit and who have been unemployed for at least 5 out of the last 8 months.

#### Legal basis:

The Consolidation Act on Active Labour Market Policy no. 66 of 1.2.99.

#### Recent changes:

Intake of participants into this measure ceased as from 1 Jan 1998. This means no more recipients of enterprise allowance from 1. of July 2000.

#### Supplementary information:

Target groups: Unemployed Detailed target None groups:

 Unemployment registration:
 Condition for participation:
 Yes
 Other cash benefits:
 None

Type of Transfers to individuals (Periodic cash Planned duration: Typical: Not available

expenditure: payments) Maximum: 30 Months

Responsible<br/>institution(s):Central government, Public employment<br/>servicesArea of<br/>Application:National<br/>Application:

Implementation: Year started: 1981

Year ended: Ongoing



Country: Denmark

Year: 2001

Category 7 - Start-up incentives

Measure n°/name:

13

Enterprise allowance (social assistance recipients)

Type of action: 7 Start-up incentives

#### Description:

#### Aim:

To support the creation of a company by unemployed persons through the provision of an enterprise allowance

#### Reneficiaries

Unemployed persons who qualify for social assistance

#### Action/Instrument:

Recipients of social assistance who create their own business can receive 50% of the maximum rate of unemployment benefit for 2½ years.

#### Financing/support:

Central government budget

#### Eligibility:

Unemployed persons who qualify for social assistance and who have been unemployed for a continuous period of at least 6 months.

#### Legal basis:

The Consolidation Act on Active Social Policy no.707 of 29.9.99.

#### Recent changes:

Intake of participants into this measure ceased as from 1. Jan. 1998. This means no more recipients of enterprise allowance from 1. of July 2000.

#### Supplementary information:

Target groups: Unemployed Detailed target None groups:

 Unemployment registration:
 Condition for participation:
 Yes
 Other cash benefits:
 None

Type of Transfers to individuals (Periodic cash expenditure: payments)

Planned duration: Typical: Not available Maximum: 30 Months

 expenditure:
 payments)
 Maximum:
 30 Mol

 Responsible
 Local government
 Area of
 National

institution(s): Application:

Implementation:Year started:1994Year ended:1999



Country: Denmark Year: 2001 Category 8 - Out-of-work income maintenance and support

Measure n°/name: 1 Unemployment Insurance

**Type of action:** 8.3 Part-time unemployment benefits

8.1.1 Unemployment insurance8.2 Partial unemployment benefits

#### Description:

#### Aim:

To provide income support to insured unemployed.

#### Beneficiaries:

Employees and self-employed persons who are members of an unemployment insurance fund and who satisfy the conditions for receiving daily cash benefits in the event of unemployment.

#### Action/Instrument:

Daily cash benefits are granted for up to 5 days a week and are set at a maximum amount corresponding to 90% of the previous earnings (with a ceiling) of the persons concerned for one week. Beneficiaries are normally entitled to unemployment benefits for a period of 1 years followed by various offers of training/employment for a period of 3 years. Members above the age of 60 years are entitled to unemployment benefits for a maximum of 30 months. Members under the age of 25 years who have not completed vocational training may, as a starting point, only receive unemployment benefits for 6 months within a period of 9 months. After this period the member has a right and duty to offers of training (or a job offer). During participation in training the member may receive an allowance corresponding to 50% of the maximum rate of unemployment benefits.

#### Financing/support:

Central government budget and insurance fund where the unemployed is insured.

#### Eligibility:

Entitlement to daily cash benefits is conditional upon employment for a period equivalent to the full normal working hours within the trade or occupational field concerned for at least 52 weeks within the last 3 years, or employment as a self-employed person to the same extent. For part-time employees the employment requirement is 34 weeks within the last 3 years. Beneficiaries have to actively search for a job.

#### Legal basis:

The Consolidation Act on the Unemployment Insurance System no. 512 of 19.7.2000 and no. 603 of 25.6.2001

#### Recent changes:

None

# Supplementary information:

Target groups: Unemployed Detailed target None

groups:

 Unemployment
 Condition for participation:
 Yes
 Other cash
 None

registration: Registration continued: Yes benefits:

Type of Transfers to individuals (Periodic cash Planned duration: Typical: Not available

Responsible Central government, State/regional Area of National

institution(s): government, Trade unions or similar, Public Application:

employment services

Implementation:Year started:1970Year ended:Ongoing



Year: 2001 Country: Denmark Category 8 - Out-of-work income maintenance and support

2 Measure n°/name: Social assistance (unemployment)

Type of action: 8.1.2 Unemployment assistance

#### Description:

#### Aim:

To provide income support during active job-search for workers who are not entitled to unemployment benefit.

Unemployed persons who do not qualify for unemployment benefit

#### Action/Instrument:

Beneficiaries receive a monthly allowance with no specific limit of duration.

#### Financing/support:

Local government budget

#### Eligibility:

Unemployed persons, who do not qualify for unemployment benefit (either not members of an unemployment fund, or members, but not entitled to unemployment benefit).

To be unemployed you have to be without work, be available for work and actively seeking work.

The Consolidation Act on the Unemployment Insurance System no. 592 of 14.7.99

#### Recent changes:

Implementation:

None

#### Supplementary information:

Target groups: Unemployed **Detailed target** None groups:

Unemployment Condition for participation: Yes Other cash None benefits: registration: Yes

Registration continued: Transfers to individuals (Periodic cash Planned duration: Typical: Type of

Not available expenditure: payments) Not available Maximum:

Responsible Local government, Public employment National Area of

institution(s): Application: services 1970

> Year ended: Ongoing

Year started:



Year: 2001 8 - Out-of-work income maintenance and support Country: Denmark Category

25 Measure n°/name: Wage earners guarantee fund

Type of action: 8.5 Bankruptcy compensation

#### Description:

#### Aim:

To guarantee the employees to be paid in case of the bankruptcy of their companies.

#### Beneficiaries:

Unemployed and employed at risk persons.

#### Action/Instrument:

Reimbursement to individuals of their salaries after the bankruptcy of their enterprises

# Financing/support:

Social security funds

#### Eligibility:

Employees and former employees are eligible to apply for reimbursement.

The Consolidation Act on Employees Guarantee Fund no. 1114 of 12.12.96

#### Recent changes:

Implementation:

None

# Supplementary information:

**Detailed target** Target groups: None None

groups:

Unemployment Condition for participation: n.a. Other cash None benefits:

registration: Registration continued: n.a.

Transfers to individuals ( Lump-sum Planned duration: Typical: Not available Type of expenditure: payments) Maximum: Not available

Responsible Social security funds National Area of

institution(s): Application: 1988

Year ended: Ongoing

Year started:



Year: 2001 9 - Early retirement Country: Denmark Category

3 Measure n°/name: Transitional allowance

Type of action: 9.2 Unconditional

#### Description:

#### Aim:

To enable long-term unemployed to benefit from early retirement.

#### Beneficiaries:

Long-term unemployed aged 55-59.

#### Action/Instrument:

Thanks to this voluntary retirement measure, unemployed may qualify for early retirement pay at the age of 60.

# Financing/support:

Central government budget and also Labour Market contribution.

Older and long-term unemployed aged over 55, who qualify for unemployment benefit, and who are eligible for early retirement pay at the age of 60.

#### Legal basis:

The Consolidation Act on the Unemployment Insurance System no. 592 of 14.7.99

#### Recent changes:

Intake to the measure ended at the beginning of 1996.

#### Supplementary information:

**Detailed target** Older Target groups: Unemployed (LTU)

groups:

None Unemployment Condition for participation: Yes Other cash

registration: No benefits: Registration continued:

Type of Transfers to individuals (Periodic cash Planned duration: Typical: Not available

expenditure: payments) Maximum: 5 Years

Responsible National Central government, Public employment Area of institution(s): services Application:

Implementation: Year started: 1992

Year ended: Ongoing



Country: Denmark Year: 2001 Category 9 - Early retirement

Measure n°/name: 24 Early retirement pay, from unemployment

**Type of action:** 9.2 Unconditional

#### Description:

#### Aim:

To support early retirement of unemployed persons

#### Beneficiaries:

Registered unemployed aged over 60

#### Action/Instrument:

Voluntary early retirement is for both employed and unemployed people, but only the people from unemployment are included in the LMP database.

Beneficiaries are allowed to take up any paid job and the early retirement pay is accordingly reduced by the hours worked.

#### Financing/support:

Central government budget

#### Eligibility:

Unemployed aged between 60 and 65 and insured for at least 25 of the last 30 years.

#### Legal basis:

The Consolidation Act on the Unemployment Insurance System no. 592 of 14.7.99

#### Recent changes:

#### Supplementary information:

Year ended:

Target groups:UnemployedDetailed target<br/>groups:Older<br/>groups:

Unemployment<br/>registration:Condition for participation:YesOther cash<br/>NoNoneRegistration continued:Nobenefits:

Type of Transfers to individuals (Periodic cash Planned duration: Typical: Not available

expenditure: payments) Maximum: 5 Years

Responsible Central government, Public employment Area of National services Application:

Ongoing

Implementation: Year started: 1979



Country: Denmark Year: 2001 Category 9 - Early retirement

Measure n°/name: 32 Flex allowance

Type of action: 9.2 Unconditional

#### Description:

#### Aim:

To support early retirement of unemployed persons who are eligible for a flex job.

#### Beneficiaries:

Unemployed persons aged over 60 who are eligible for a flex job.

#### Action/Instrument:

Flex allowance is available to both employed and unemployed persons who are eligible for a flex job, but only unemployed persons taking the allowance are included in the LMP database.

A person receiving flex allowance may take up any paid job and the flex allowance is accordingly reduced by the hours worked.

# Financing/support:

Central government budget

#### Eligibility:

Unemployed persons aged between 60 and 65 (67) who are eligible for a flex job and who have been insured for at least 25 of the last 30 years.

#### Legal basis:

The Consolidation Act on the Flex Allowance no. 283 of 25 April 2001

#### Recent changes:

None

# Supplementary information:

Target groups:UnemployedDetailed targetOlder

groups:

 Unemployment
 Condition for participation:
 Yes
 Other cash
 None

registration: Registration continued: No benefits:

Type of Transfers to individuals (Periodic cash expenditure: payments)

Planned duration: Typical: Not available Maximum: 5 Years

Responsible Area of National

institution(s):

Area of National Natio

Implementation: Year started: 2001

Year ended: Ongoing