



EMBASSY OF DENMARK
Prague



POSLANECKÁ SNĚMOVNA
PARLAMENTU ČESKÉ REPUBLIKY

Kulatý stůl na téma:

**„Flexicurity - Inovace pracovního trhu
Dánská inspirace“**

19.9.2023

Program

Zahájení

9:30–9:45

Michaela Opltová – poslankyně Parlamentu ČR (STAN)

J.E. Søren Kelstrup – velvyslanec Dánského království v ČR

Pavel Štern – ředitel Byznys pro společnost

Konferenci moderuje **Tereza Engelová**, novinářka a zahraniční reportérka



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Blok 1

FLEXICURITY – inovace, flexibilita, mobilita a jistota pro všechny

9:45–10:45

Prezentace a představení dánského modelu trhu práce Flexicurity

J.E. Søren Kelstrup – velvyslanec Dánského království v ČR

Jeppe Sørensen – expert a politický analytik, Dánská odborová konfederace



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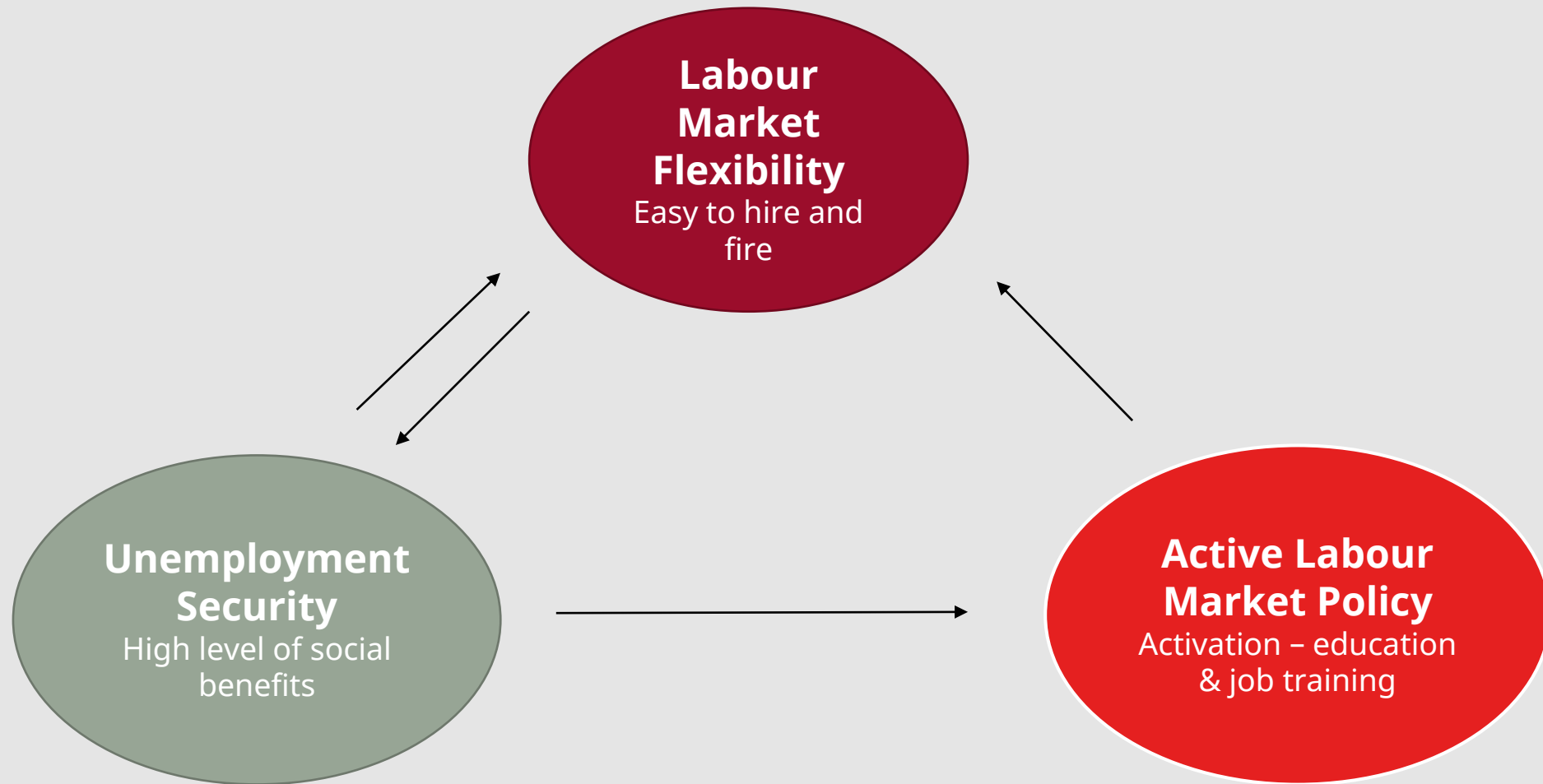
Prague

The Danish flexicurity model

FLEXibility & security on the labour market

Roundtable 19 September 2023

Three Elements of Flexicurity



Basis for "The danish model":

- Long tradition of dialogue between employer associations and labour unions
- Wages and working conditions agreed directly between the two parties
- Government rarely interferes – but supports through active labour market policies
- Trust between employers and labour unions: Sense of duty to reach agreement that will benefit society at large
- Model proved strength in spring



labour market flexibility

- **Flexibility for the employer:**

- Short notice – one month notice in most cases
- Low dismissal compensation – many employees receive no compensation and most long-term employees only one month compensation

- **Flexibility for the worker:**

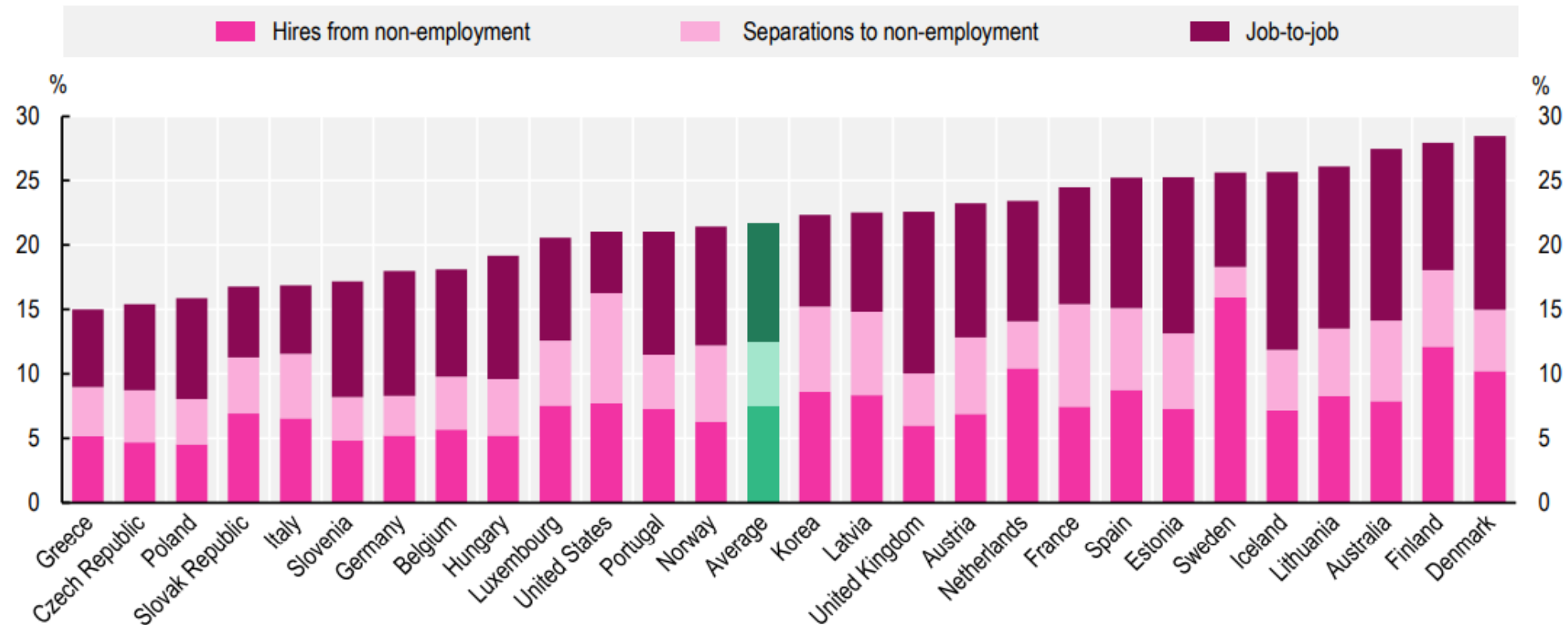
- Short notice – 8 days to one month
- Benefits and welfare not linked to the job



Labour turnover rate

The high degree of flexibility is seen in a high labour turnover rate – every year DK is in the top of OECD countries

Labour market transitions, average rates 2017-2019



Source: OECD (2023), Retaining Talent at All Ages

Unemployment security

- **Unemployment insurance:**
 - Voluntary to participate (78% do)
 - 90% of former income
 - Time-limited inclusive activation (2 years)
 - Financing: Member contributions and general taxes
- **Social assistance:**
 - Available for the remaining group
 - Not time-limited
 - Administered by local municipalities
 - Financing: General taxes

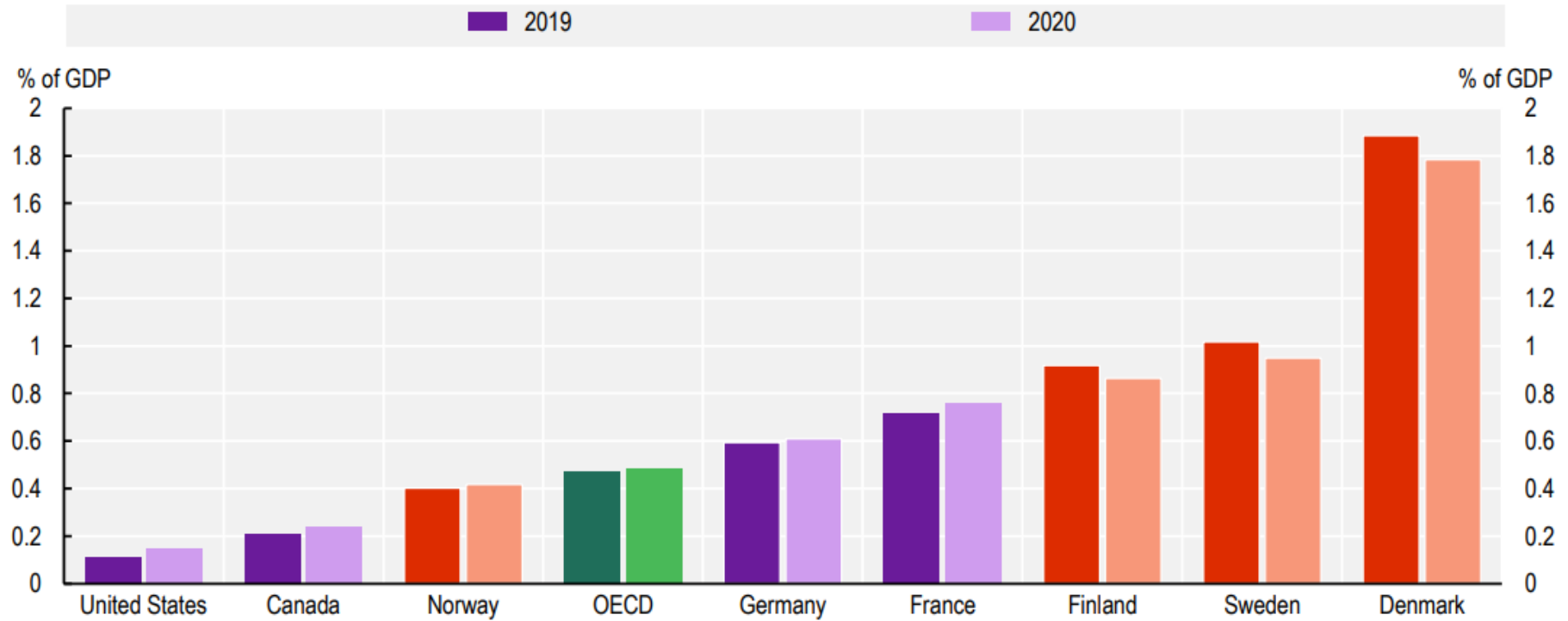


Government role in Flexicurity: Active labour market policy (ALMP)

- ALMP – a system of training and upgrading skills for unemployed persons
- After 6 months of unemployment everyone gets activated. If the unemployed does not comply with activities, unemployment benefits can be sanctioned.
- Activation policies include:
 - Guidance and upgrading of skills and qualifications
 - Practical work training in enterprises
 - Wage subsidies (both private and public sector)
- Denmark´s public expenditure on active labour market policy was 12.7 billion Euro in 2019.

Percentage of GDP spent on ALMPs

Expenditure on ALMPs as a percentage of GDP in Nordic countries and selected OECD countries, 2019 and 2020



Source: OECD Labour Market Programme Database

Pros and cons to consider for czechia:

- **PRO:**

- A dynamic and competitive society with overall benefits through allocation of skilled people to most profitable sectors.
- Danes supportive of globalisation and automatisisation. Confident that new jobs will be available if old ones disappear.
- Danes comfortable in changing jobs to advance their career. Each year 25% of employees working in private industry change jobs.
- Employers more willing to take a chance on people, who might otherwise be left outside the labour market.

- **Challenges:**

- Willingness to spend on Active Labour Market Policy?
- Employee trust in fair outcomes?
- Will high support for unemployed reduce labour supply?
- Labour union participation?
- Demography?

Sæby and Karvina:



The Danish Labour Market Model

Roundtable 19 september 2023



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HOVEDORGANISATION**

Key points (on the danish model)

- Disagreements solved by negotiations. Both parties acknowledge each others interest.
- Trade union and employers union has a high density.
- A system of arbitration. Nationally and locally. Based on voluntary and selfregulation, as opposed to legislation.
- Give and take with the government. And many points of contact – formal and informal – between the social partners and government.

The Danish Trade Union Confederation

- **We are** the largest national trade union confederation in Denmark and is recognized as the most representative workers' organization in both the private and the public sector.
- **We represent** 64 trade unions and more than 1,3 million workers
- **We aim** to contribute to a society that focuses more on solidarity and democracy, to the benefit of workers.

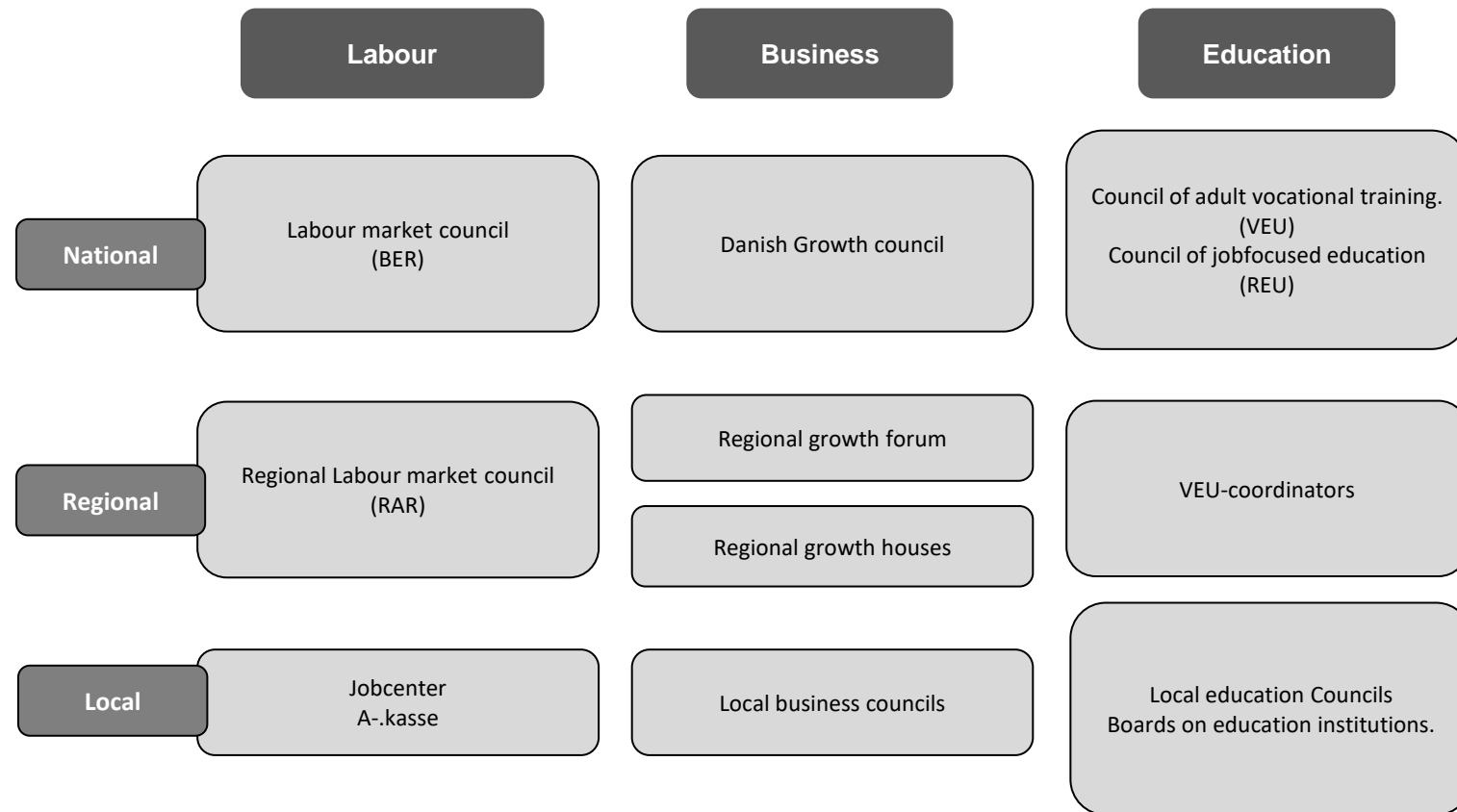
Social Dialogue and Strong Social Partners

“Denmark has never had a statutory minimum wage. Basic wage levels are typically negotiated by trade unions and employer organizations at the sector level, and the final wage-setting is often determined in local negotiations at the firm level.

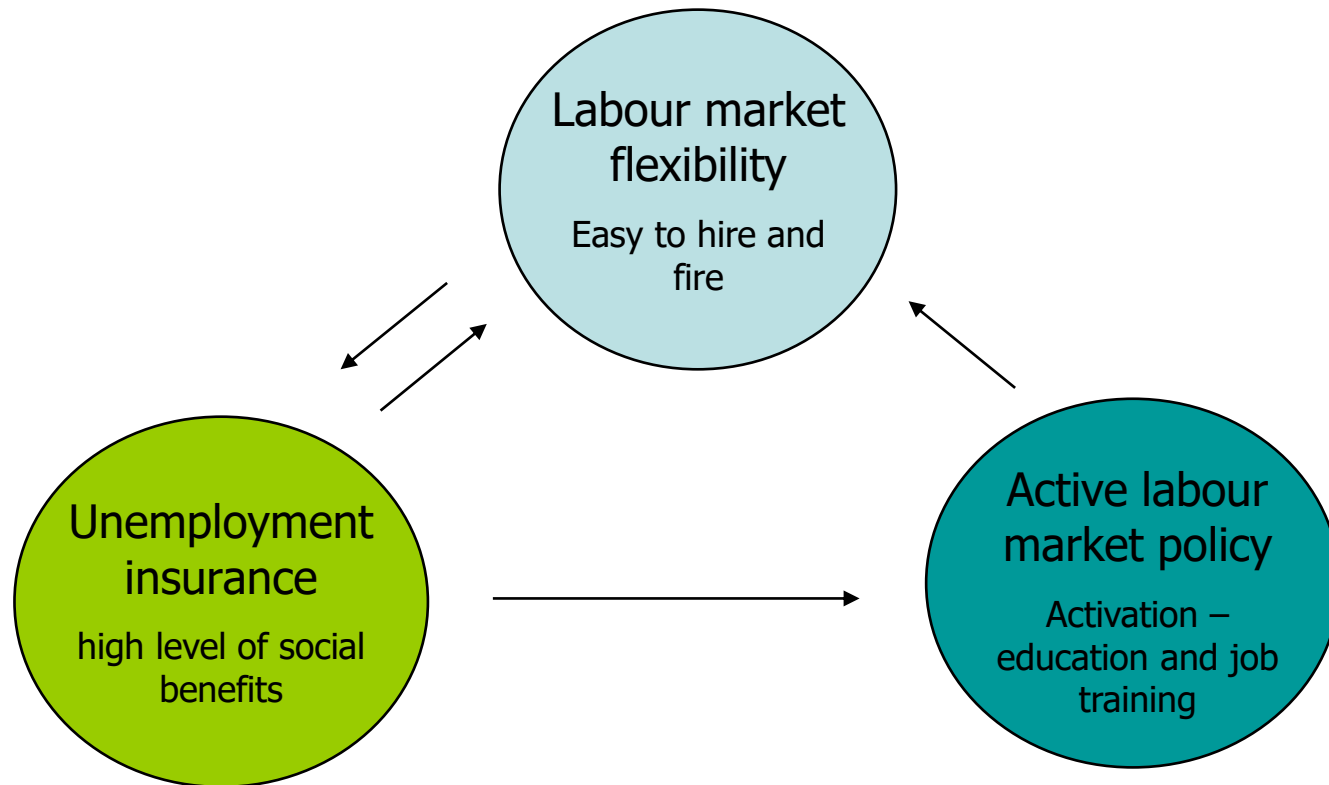
“triparty agreements” between government, the employer association, and the unions are the customary way to make decisions regarding labor market policies, educational policies, work safety, and other issues. “

Source: Kreiner & Svarer (2022)

Layers of cooperation (formal)



Elements of Flexicurity



CASE: COVID and the danish model

- Unprecedented crisis and unprecedented respons.
- 21 tripartite agreements!
 - Compensation to companies that are especially hit by lockdown and other restrictions
 - Increased liquidity for companies.
 - “Build back better” – a range of initiatives have been taken to support companies in re-skilling, digitizing and greening their production.
 - Division of labor scheme.
 - Emphasis on education and vocational training schemes.
 - Prolonging subsidies for people on unemployment benefit and suspending offsetting measures for use of unemployment benefits.

The number of registered unemployed increased during the pandemic. Topping at about 4,9 pct. of the Danish workforce (today 4,5).

Graduates entering the labour market during the pandemic have had trouble finding a job.

The pandemic and lockdown had affected the labour market in different ways. Some sectors were still booming (e.g. construction), while others had very little activity (e.g. tourism).

+ 15.000

Increased number of long-term unemployed recipient of unemployment benefits (unemployed: more than 80 % during the last 12 months).

Unskilled workers

Long-term unemployed has especially struck low-skilled recipients of unemployment benefits.

Unemployment in Denmark

Unemployment rate 2022

Denmark: 4,5 %

OECD: 5,0 %

European Union: 6,2 %

Long-term unemployment rate 2022 (as proportion of all unemployed)

Denmark: 11,4 %

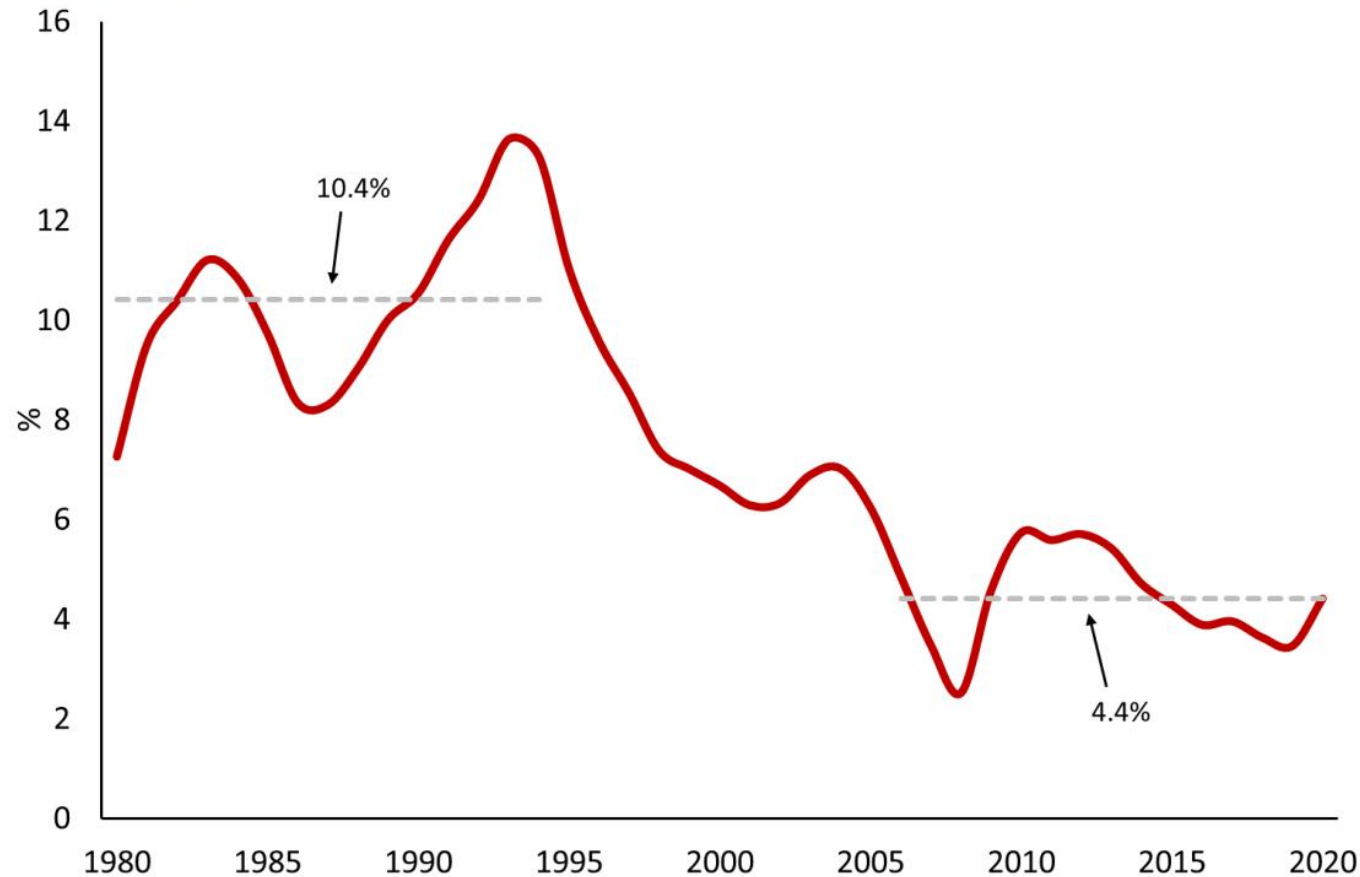
OECD: 25,4 %

European Union: 38,5 %

In 2022 Denmark was the EU country with the lowest incidence of long-term unemployment

Focus on ALMPs in the 1990s, e.g. the Active Social Policy Act introduced in 1998, played a role in reducing unemployment

Unemployment in Denmark



Source: The ADAM Data Bank of Statistics Denmark, version 2021. See www.dst.dk/en/TilSalg/ADAM/Databank.
Notes: The graph plots the share of people in the labor force who are unemployed. It is based on administrative records of people who are registered as unemployed and includes people who participate in active labor market programs. The gray dashed lines are averages for 1980-1994 and 2006-2020.

CASE: Education

- Point of interest for all actors. Business as usual.
- Many tripartite agreements. But also participation from the social partners on all levels.
- Latest tripartite agreement:
 - 360 mio. kr. permanently for adult vocational training.
 - All in all 31 initiatives.
- Employers refunded. Focus on digital learning.
- Employees improved possibilities to “change track” with focus on green transition, digital transition etc.

A long tradition of the government and the partners together tackles central challenges. That also applies to areas of education. Tripartite-agreements in the latter years:

2016: Tripartite agreement on labor market integration.

2016: Tripartite agreement on sufficient and qualified labor and apprenticeships.

2017: Tripartite agreement on strengthen adult vocational training.

2020: Tripartite agreement on extraordinary help for students and companies.

2020: Tripartite agreement on apprenticeships and responsibility.

2020: Tripartite agreement on adjustments to the integration education scheme.

2021: 1-year renewal of tripartite agreement on strengthen adult vocational training.

2022: Renewal of tripartite agreement integration education scheme.

2023: Tripartite agreement on strengthen adult vocational training.

2023: Tripartite agreement integration education scheme (coming)

Take away points

Main advantage of the danish model and flexicurity is the balance between flexibility and security. The interest of the partners is acknowledge in all parties.

Trust and social cohesiveness is paramount.

Formalized structures can pave the way for more unformalized agreements.

Unique active employment –
subsidized work and joboriented education negotiated by the partners.

Continued discussions over the future of the unemployment system in Denmark.

Thank you for your time



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Blok 2

Diskuze

11:00–12:00

Diskuze odpovědných firem, stakeholderů z veřejné správy, odborů, zaměstnavatelských asociací k možnostem uplatnění a využití dánského modelu trhu práce Flexicurity v ČR

Michaela Opltová – poslankyně Parlamentu ČR (STAN)

Ondřej Boreš – Public Affairs Manager, VELUX Česká republika

Gabriela Vaňková – Director of HR, Q&S, Communication and Facility Aeven





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Shrnutí a závěr

12:00-12:15

Michaela Opltová – poslankyně Parlamentu ČR (STAN)

J.E. Søren Kelstrup – velvyslanec Dánského království v ČR

Pavel Štern – ředitel Byznys pro společnost