Youth employment measures

In Denmark, several measures are set up in order to integrate young people in the labour market. Some of the measures are permanent, while others are temporary pilot projects or experimental schemes. Most measures are administered by municipal job centres, unemployment insurance funds (a-kasser), and the municipal youth measures (kommunal ungeindsats), and mechanisms are based on early intervention with widespread use of mandatory activation.

Furthermore, for unskilled young unemployed persons the focus is on improving their formal skills through vocational education, based on the fact that unskilled young people are at greatest risk of unemployment and unstable employment.

The two main schemes for all unemployed persons in Denmark also cover young persons: unemployment benefit (dagpenge) and the cash benefit (kontanthjælp). The early retirement benefit scheme may also be relevant for young people.

Unemployment benefit

Members of unemployment insurance funds are eligible for unemployment benefit. Young people are
initially subject to the same offers and obligations as older unemployed persons, including the obligations to actively seek work and attend regular interviews at their local job centre.

In 2010, the government decided to reduce the period in which unemployed insured persons can receive unemployment benefit from four years to two years.

All unemployed persons are entitled to unemployment benefit if they:

- have been a member of an unemployment fund for at least the last 12 months, AND
- have fulfilled a previous work requirement of one full year with an income of at least 233,376 DKK (2019 figures) over the last three years while being a member. They can include a maximum of 19,448 DKK per month to reach the one-year total (2019 figures). If they have earned less per month, it will take them longer to earn the right to receive unemployment benefits, OR
- have fulfilled a previous work requirement of one full year/1924 hours of ordinary work while being a member.

However, if they join within 14 days after finishing vocational training lasting at least 18 months or have members as students, they will be exempt from the above requirement.

In order to receive unemployment benefits, unemployed persons are required to:

- register at the local job centre on the first day of unemployment.
- make a concerted effort to find new work and thereby minimise the amount of time they spend on unemployment benefit.
- attend an introductory CV meeting (velkomstmøde) at the unemployment insurance fund (a-kasse) within the first two weeks after having registered as unemployed on jobnet.dk.
- attend meetings, both with the unemployment insurance fund (a-kasse) and the local job centre. At these meetings, the unemployed person will be required to discuss their strategy for finding new employment.

**Benefit rates**:

- An individual benefit rate is determined based on the unemployed person’s previous working hours, income, education, age, and breadwinner responsibility.
- Maximum benefit rate per 1 January 2019: full-time insured = 18,866 DKK per month; part-time insured = 12,577 DKK per month.
- Graduates and persons completing their national military service with breadwinner responsibility are entitled to 82% of the maximum benefit.
- Without breadwinner responsibility, the rate is 71.5% of the highest unemployment benefit rate.
- Young people below 25 years can enrol at a folk high school or day high school within the first 26 weeks of employment. They are entitled to 50% of the maximum unemployment benefit rate.
- Young people below 25 years without education but with 3848 hours of work within the last three years receive their individual benefit (see first bullet point under Benefit rates). During activation measures lasting more than four weeks, they receive 50% of the maximum benefit.
- Young people below 25 years without an education or previous work experience receive their individual benefit in the first 26 weeks of unemployment. Hereafter, they receive 50% of the maximum benefit rate.
- Young people below 25 years with an education receive their individual benefit. During
Activation measures lasting more than four weeks, they receive the graduate rate of 82% or 71.5% of the maximum benefit rate depending on their breadwinner responsibility.

Employment measures

In the case of young unemployed persons who do not have a vocational education, the municipal youth measures or the job centres place a special emphasis on guiding them towards general or vocational education in the regular educational system [5]. The municipal job centre or the municipal youth measure can offer young people entitled to unemployment benefit, cash benefit, or education benefit the following activation measures. The duration of the measures depends on the specific target group.

- Wage-subsidy job for up to 4–6 months, depending on whether the workplace is private or public
- Internship programme
- Usefulness initiative (nytteindsats) is a measure where young recipients of public benefits undertake socially useful tasks for public employers
- Mentor support

Cash benefit

The Danish government adopted a reform of the cash benefit system [6] in 2013, which has been implemented from 1 January 2014. The reform consists of two parts: a part concerning unemployed persons over 30 years, and a part concerning unemployed 18–29-year-olds. Both parts of the reform focus on early intervention and activation, taking the needs of the individual into account. The overall aim is to help more people obtain an ordinary education and a permanent job.

The reform has a direct focus on the education of all young persons under 30 years without an education.

Young people eligible for cash benefit will attend their interview in the municipal youth measure within the first seven days from asking the municipality for support.

The municipal youth measure must clarify whether the unemployed person has a vocational education and is ready for a regular job or whether he/she has to participate in activation measures.

An instruction to begin education (uddannelsespålæg [1]) and an education benefit (uddannelseshjælp [1]) were introduced for persons under the age 30 without vocational education. The benefit is the same amount as the state educational grant (SU [1]).

The group of unemployed persons under the age of 30 without vocational education are divided into three groups in order to be able to design a tailor-made meaningful effort towards the young people and thereby ensure that young people with serious challenges – social, personal, and physical – are met with the right support and help towards education.

- The group of young unemployed persons who are clearly ready for an education should begin an education as soon as possible, and they are urged to try to provide for themselves until they begin an education. Alternatively, they can perform a usefulness initiative (nytteindsats [1]).
- For young unemployed persons who are ready for education within a year, the way towards
education may include: the upgrading of skills and qualifications, short traineeships in educational centres, mentoring, and practical work training in enterprises.

- Young people who are ready for activation include those who are in need of extra measures in order to begin an education. A young person with a number of challenges is categorised as ‘ready for activation’, which entitles them to a particular initiative. The measures for this group include the right to a coordinating caseworker at the municipal youth measure. The young person must receive regular follow-ups, and measures such as the upgrading of skills and qualifications, short internships at educational centres, mentoring, and practical work training in enterprises can also be offered. If there are periods when the young person is not able to participate in any activities, a mentor is obliged to support the young person.

The reform includes a strong focus on the basic reading, writing, and arithmetic skills of young people without an education that are necessary for education and employment. The job centre is obliged to test unemployed young people for difficulties in this matter and afterwards begin the necessary efforts towards upgrading the basic skills in reading, writing, and arithmetic until a level of skills matching the level after finishing primary school is obtained.

**Early retirement benefit**

In 2013, the early retirement benefit scheme was reformed [7]. People below the age of 40 are entitled to early retirement benefit only when it can be documented that their ability to work cannot be improved by other measures (e.g. job clarification, vocational rehabilitation programme, activation, rehabilitation, treatment/therapy).

With the reform, municipalities refer people in the 18–39-year age group to individual vocational rehabilitation programmes of one to five years.

**Measures for the 15-17-years age group**

Those aged 15-17 years are obliged to be in education, employment, or another activity [8] in accordance with their personal education plan (see section 3.4 [9]). The aim is that those aged 15-17 years will complete vocational or upper secondary education or gain a foothold in the labour market. When a young person leaves primary and lower secondary education to begin vocational or general upper secondary education, the municipal youth measure must assess whether the young person in question possesses the necessary educational, personal, and social skills to begin general or vocational upper secondary education. In the case of young people who are assessed as not yet being ready to move onto further education, the municipality must provide training or any other assistance needed in order to help them achieve a positive assessment in this regard.

The municipal youth measures (Kommunal Ungeindsats) provide guidance services for young people up to the age of 25, focusing in particular on the transition from compulsory to upper secondary education or to the labour market.

**Temporary measures and pilot projects**

Job Bridge to Education, January 2018 to March 2020
The goal of Job Bridge to Education is to provide vulnerable unemployed people below the age of 30 who do not have an education with a way to ease the transition from unemployment to education. The ultimate goal of Job Bridge to Education is to enhance the prospect of young people receiving educational benefits starting and completing a vocational training programme.

Job Bridge to Education draws on experience from the Building Bridge to Education project and general knowledge of the effects of active labour market policies and includes mentor support, practical work-based training, support from professionals in dealing with health and social challenges, and education in academic subjects with the aim of qualifying for vocational training.

Job Bridge to Education follows two core elements, which the participating projects/municipalities are required to adhere to:

1. All young participants have enterprise training in commercial enterprises with a specific direction and goal.
2. All young participants have a ‘Job Bridge mentor’.

Traineeships for new graduates

In October 2019, a political agreement has allocated 12 million DKK to continue the trainee initiative [10] in 2020. The trade unions FH and AC administer the initiative. The objective of the agreement is to strengthen graduates’ competences within the field of IT and technology.

In November 2018, the political agreement on qualified labour continued the trainee initiative in 2019. Part of the tripartite agreement II of 2016 [11] focused on integrating graduates into the labour market. A trainee measure that ran in 2012–2013 and 2015–2016 was extended for the period 2017–2018. The measure was granted 24.5 million DKK in the national budget and the goal was to establish 2450 new trainee appointments. The target group was unemployed graduates with tertiary/higher educations. The trade unions LO, FTF, and AC administered the measure. (See section 3.5 [12])

Tripartite agreement II on a sufficient and qualified workforce in Denmark and enough training places, August 2016

The tripartite agreement II of 2016 [11] ensures a sufficient and qualified workforce in all of Denmark. Part of the agreement focuses on increasing the number of training places at private enterprises for young people enrolled in vocational education programmes.

Employers committed themselves to supplying 8,000–10,000 additional training places by 2025 in order to encourage young people to start a vocational education and thereby meet the required skill composition of workers. (See section 3.5 [12])

The link with the national youth guarantee (YG) scheme

Although the term ‘youth guarantee’ [13] is not commonly used in Denmark, Denmark has a well-established range of policy measures focusing on young people.

All young people without an ordinary education who are receiving an education benefit will receive an
offer of activation within one month. The offer of activation has to be individually tailored and aimed at education.

Young people on unemployment benefit are entitled to receive an offer of activation after six months of unemployment at the latest.

Young people entitled to unemployment benefit, cash benefit, or education benefit participate in at least four interviews with the job centre during the first six months of unemployment.

The implementation of the YG in Denmark is a partnership approach, with inputs from job centres, municipalities, education institutions, youth guidance centres, production schools, youth units, unemployment insurance funds, social partners, and others.

**Flexicurity measures focusing on young people**

There are no flexible employment schemes specifically for young people.

**Reconciliation of private and working life for young people**

**Initiatives to support the balance between work and family responsibilities**

In Denmark, the regulation of working life occurs through collective negotiations between trade union confederations and central employer federations on issues such as working hours, paid lunch breaks, salary during maternity leave/paternity leave, holidays, and illness.

There is no top-level policy to help specifically young people reconcile their private and working lives. Instead, policies exist to help all employees, for instance:

According to the Act on Equal Treatment (Lov om ligebehandling af mænd og kvinder mht. beskæftigelse m.v., [Lov nr 217 af 05/03/2013](http://lovdata.dk/lovgivning/lov/2013-03-05/217?lovgiver=lovdata&format=pdf)), parents have the right to ask for altered working hours and work patterns when they return to work after parental leave. However, employers are not obliged to accept their wishes.

The Act on Entitlement to Leave and Benefits in the Event of Childbirth (Lov om ret til orlov og dagpenge ved barsel, [Lbk nr 67 af 25/01/2019](http://lovdata.dk/lovgivning/lbk/2019-01-25/67?lovgiver=lovdata&format=pdf)) makes it possible to arrange the parental leave individually. Also, parents may return to work part-time and prolong the leave, but only through further agreement with the employer.

According to the Act on Employees’ Right to Absence Due to Family Reasons (Lov om lønmodtageres ret til fravær af særlige familiemæssige årsager, [LOV nr 223 af 22/03/2006](http://lovdata.dk/lovgivning/lov/2006-03-22/223?lovgiver=lovdata&format=pdf)), employees are entitled to absence from work when illness or accidents in the family make the employee’s presence imperative. In practice, employees are allowed absence on their child’s first day of illness. Depending on the collective agreement the employee is part of, some employees are entitled to absence on their child’s second day of illness. Depending on the collective agreement the employee is part of, some employees are entitled to salary during the first and second day of illness.

According to the Act on Part-Time Work ([Deltidsloven, Lbk nr 1142 af 14/09/2018](http://lovdata.dk/lovgivning/lbk/2018-09-14/1142?lovgiver=lovdata&format=pdf)), further settlements regarding flexible working conditions are a matter of agreement at the local place of employment. As an example, it is possible to make an agreement with the employer to work part-
time, teleworking, or work flexitime, but it is not a right.

The Danish Working Environment Authority, WEA, (Arbejdstilsynet) contributes to the creation of safe and healthy working conditions at Danish workplaces. In the Working Environment Act, a section regulates work performed by young people under the age of 18. Furthermore, WEA provides guidelines to promote a healthy working environment and well-being at the workplace, including preventing bullying and stress. In Denmark, the employers have the responsibility to ensure a healthy, stimulating, and safe working environment.

**Initiatives to remove barriers to access to employment and promote gender equality**

In December 2019, the minister of higher education and science launched a one-year grant programme to strengthen talent development within Danish research by promoting a more even gender ratio in the research milieus in Denmark. The grant programme of DKK 20 million covers all scientific areas, and is open to men as well as women. Preferential treatment may be given to women in case of equal qualifications between two applicants.

**Funding of existing schemes/initiatives**

The unemployment benefit scheme is partly publicly funded and partly funded through private membership contributions. In order to be entitled to unemployment benefit, an unemployed person must be a member of an unemployment insurance fund (a-kasse [1]). However, the unemployment benefit is largely covered by the state.

The cash benefit and early retirement schemes are publicly financed.

The scheme of leave and benefits in the event of childbirth [18] is publicly financed. Udbetaling Denmark is the responsible authority for the paying of maternity/paternity benefits. Unemployed parents on parental leave receive parental leave benefit if they are insured. The benefit is administered by unemployment insurance funds (A-kasser [1]) but is largely financed by the state. Uninsured unemployed parents can be entitled to cash benefit.

Some employees are entitled to a salary during a part of or the whole leave period. The right to salary during a part of or the whole leave period depends on the employee’s collective agreement.

No EU funds are used.

**Quality assurance**

The Danish Agency for Labour Market and Recruitment (STAR [1]) is working to support the policy process by systematically compiling evidence about the effects of active labour market policies.

**Collect existing evidence about what works**

STAR finances researchers to collect existing effect studies (both Danish and international studies) on active measures and calculate the overall effect for each of the active measures.
The researcher enters the results from each of the effect studies into STAR[1]'s knowledge bank 'employment effects' (www.jobeffekter.dk[19]). The researcher then updates the knowledge bank on an annual basis to include new studies in order to ensure that the bank provides the most accurate and up-to-date results.

**Labour market monitoring**

The agency monitors the labour market by combining its own statistics and surveys with data from Statistics Denmark (Danmarks Statistik) in order to evaluate and improve the employment policy.

Based on the monitoring, STAR[1] conducts evaluations, evidence-based reports, and reports on the practice of labour market schemes[20].

Furthermore, the benchmark report presents the status of the government’s employment policy goals and describes how far Danish job centres have come with regard to implementing major reforms.

The report[21] is prepared by the Danish Agency for Labour Market and Recruitment (STAR[1]). On a monthly basis, it presents the status of the government’s employment policy goals and describes how far each Danish job centre has come with regard to implementing the major employment reforms.

**Innovate new evidence about what works**

STAR[1] finances the introduction of new projects to investigate the effects of existing and new programmes in a Danish context.

These projects are conducted as randomised controlled trials (RCTs) or projects that use econometric methods to evaluate existing programmes. Since 2005, STAR[1] has been using RCTs in order to provide the best possible information about what works. The effects of the programme are evaluated by external evaluators. Qualitative methods are used in order to provide a greater understanding of the ‘why’ – the mechanism at work – and of the implementation of the programme.

The main goal of the government’s labour market policy is to increase the number of persons that are able to provide for themselves. Thus, the main criterion in the evaluations is whether the schemes contribute to increasing the number of people in education or employment.

The labour market schemes can be restructured as a consequence of the evaluations.