

DENMARK

Nomenclature

- AMU Arbejdsmarkedsuddannelserne (Training/education courses)
ATP Arbejdsmarkedets Tillægspension (Labour market supplementary pension scheme)

Monetary unit

Social spending is expressed in millions of Danish kroner (DKK).

General notes

In Denmark, about 70% of spending on social benefits is financed out of central and local government tax revenue. In other OECD countries, including Scandinavian countries with which Denmark is often compared, there is much greater role for social security contributions (paid by both employers and employees) in financing social effort.

The individual country notes of the OECD Benefits and Wages (www.oecd.org/els/social/workincentives) provide a comprehensive description of characteristics of social programmes (e.g. conditions for receipt, calculation of payment rates, tax treatment of social support, benefit duration, etc.) for the working-age population, including: unemployment insurance and assistance, social assistance, employment-conditional benefits, housing benefits, family benefits, childcare support, and support for sole parent households.

Break in series

Data for 1990 onwards are based on the new ESSPROS methodology format. Coherent spending series for 1980 onwards at the individual programme level were obtained on basis of information for a few years in the early 1990s for which both historical spending series and information based on the new ESSPROS format were available. For certain programmes and aggregate categories, breaks in series (between 1989 and 1990) were inevitable. In general, programmes from the old ESSPROS format which could not be matched with a figure from the new ESSPROS format were set for the 1990-98 period to “missing”; similarly, figures from the new ESSPROS format which could not be matched to a programme from the old methodology were set to “missing” for the period 1980-89.

Secretariat estimates:

For 2001, data on spending on Active labour market policies (ALMP) has been estimated while using information on spending on Unemployment benefits for 2001 in the Eurostat New Cronos database (theme 3/ ESSPROS).

Sources

1980-89

EUROSTAT (1992), *Digest of Statistics on Social Protection in Europe*, Vol. 2: Invalidation/Disability, Luxembourg.

EUROSTAT (1993), *Digest of Statistics on Social Protection in Europe*, Vol. 4: Family, Luxembourg.

EUROSTAT (1994), *Digest of Statistics on Social Protection in Europe*, Vol. 5: Sickness, Luxembourg.

EUROSTAT (1995), *Digest of Statistics on Social Protection in Europe*, Vol. 6: Maternity, Luxembourg.

EUROSTAT (1994), *Digest of Statistics on Social Protection in Europe*, Vol. 7: Unemployment, Luxembourg.

EUROSTAT (1994), *Digest of Statistics on Social Protection in Europe*, Vol. 8: General Neediness, Luxembourg.

EUROSTAT (1994), *Social Protection Expenditure and Receipts 1980-1992*, Luxembourg.

EUROSTAT (1995), *Social Protection Expenditure and Receipts 1980-1993*, Luxembourg.

EUROSTAT (1996), *Digest of Statistics on Social Protection in Europe – Old Age and Survivors: an update*, Luxembourg.

1990-93

Data from the New Cronos database (EUROSTAT) have been used for estimating expenditure.

1994-2001

Data provided by EUROSTAT (ESSPROS database).

NOSOSCO, *Social Protection in the Nordic Countries*, 1998.

OECD Health Data 2003 (www.oecd.org/health/healthdata).

OECD Labour Market Policy database.

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Code	Title of the programme	Description of the programme and attached notes
1.	OLD AGE	
208.10.1.1.1.1	All residents: State pension	The statutory basic pension may be discontinued, if the old-age pensioner has earnings above a certain level. All those who have been resident in the country for at least 3 years are entitled to a pension. The qualifying age for basic pension and guaranteed minimum pension is 65. The employment pension will be increased if it is not paid out before a pensioner reaches the age of 70. Benefit income for pensioners is taxed in line with prevailing rules for other taxpayers.
208.10.1.1.1.2	Personal supplement	Statutory for public sector employees, and established on the basis of public and private collective agreements. The qualifying age for the supplementary and individual pension is 60.
208.10.1.1.1.3	Employees: labour market scheme (ATP)	Pension funds and life-insurance companies under the Danish Financial Supervisory Authority. Generally, the insured pays one third of the contribution while the employer pays two thirds. The self-employed pay the entire contribution, while those receiving early retirement benefits pay half the contributions with the State paying the other half.
208.10.1.1.2.1	Employees and self-employed, partial pension	The special old age and partial retirement pensions are the general anticipatory pension, which may be awarded to people aged 18-66 whose working capacity has been reduced by at least 50 per cent for health and/or social reasons.
208.10.1.2.1.1	Accommodation for the elderly	Accommodation for the elderly can be provided in a wide range of different institutions that include: nursing homes, homes for the long-term ill, old people's homes, sheltered homes, service flats, collective housing, and housing where special care is provided. The elderly may also, be offered long-term medical treatment in geriatric wards in hospitals.
208.10.1.2.1.2	Assistance in carrying daily tasks for old age people	The extent of assistance is determined on the basis of individual needs and may vary from a few hours per month to several hours per day. Assistance is a municipal matter and is provided by municipal staff.
2.	SURVIVORS	
208.10.2.1.1.1	All residents: widow's state pension	Special pensions for widows and widowers have been abolished: they may apply for general anticipatory pension.
3.	INCAPACITY RELATED BENEFITS	(Disability, Occupational injury and disease, Sickness)
208.10.3.1.4.1	All labour force: daily sickness allowance (social security)	Employers are mandated to pay sickness benefit for two weeks (the employer's period). In general, public sector employers must pay daily cash benefits for the whole of the period of absence, irrespective of its length.
208.10.3.1.4.2	Sickness benefits paid by communities	Municipal payment of sickness benefit to workers
208.10.3.1.5.6	Occupational accident and disease	Compensation is granted for loss of ability to work if an industrial injury has reduced the working capacity by at least 15 per cent. In addition, a non-recurrent payment is payable if the degree of the permanent injury is 5 per cent or more.
208.10.3.1.5.8	Other cash benefits (social security)	Includes sickness benefit paid by voluntary schemes, expenditure on the care of ill or dying people, transport, benefits to sailors and other health insurance.
208.10.3.2.1.2	Accommodation for disabled people	Accommodation for the disabled can be provided in institutions including, nursing homes, homes for the long-term ill, sheltered housing, service flats, collective housing). Disabled people may also be offered long-term medical treatment in hospital wards.

208.10.3.2.1.4	Assistance in carrying out daily tasks for disabled people	People with severe disabilities may be granted financial support towards payment for personal assistance and help in carrying out daily task. Assistance is a municipal matter and is provided by municipal staff.
208.10.3.2.2.3	Rehabilitation for disabled people (hospitals, social security, family allowances)	See 3.2.2.4
208.10.3.2.2.4	Rehabilitation for disabled people	Support is granted as a fixed rehabilitation allowance, subject to rehabilitation being undertaken in line with a set occupational plan. The allowance is payable until the occupational plan has been implemented, but usually for a maximum of five years.
208.10.3.2.3.1	Subsidies for aid	For the years 1980 to 1984, data for "Counsellors for handicapped persons" and "Miscellaneous subsidies" are included under "Subsidies for aid".
208.10.3.2.3.2	Counsellors for handicapped persons	See 3.2.3.1
208.10.3.2.3.7	Leisure activities	As from 1990, data for "Leisure activities" are included in "Home-help services".
4.	HEALTH	
208.10.4.2.0.0	Public expenditure on health	See <i>OECD Health Data 2003</i> .
5.	FAMILY	
208.10.5.1.1.1	Child family benefit	The allowance is payable until the child reaches the age of 18. It is tax free and independent of parents' income.
208.10.5.1.1.5	Special child allowance for orphans	Special child allowances may be granted where one of a child's parents is a pensioner, or where one of the parents has died, or in case paternity has not been established.
208.10.5.1.1.6	Special child allowance for aged and invalid parents	See 5.1.1.5
208.10.5.1.1.7	Child maintenance benefit paid in advance	Figures represent the amount paid by municipalities to parents/guardians, minus the amount recovered from the parents paying maintenance.
208.10.5.1.2.1	Income maintenance benefit in the event of childbirth	There are daily cash benefits in the event of pregnancy, childbirth or adoption. The maximum number of weeks for which maternity benefits are payable is 30. These benefits are taxable. Public sector employees and some private sector employees receive full pay during the months following childbirth.
208.10.5.1.2.2	Parental leave benefits	Parental leave payments and childminding benefits (although the latter benefit is being phased out).
208.10.5.2.1.1	Institutions and family care	Local authorities are obliged to offer children a place in a pre-school class for at least 20 hours per week. After school hours, children may spend time in either day care institutions or after-school club schemes.
208.10.5.2.2.1	Youth centres	The age limit is 10 in some municipalities and 14 in others for entitlement to places at youth centres.
208.10.5.2.2.2	Clubs	See 5.2.2.1
208.10.5.2.2.5	Other benefits in kind	They include advisory services, practical educational support in the homes, family treatment, residential care for parents and children, or financial support to avoid placing children outside their homes.
6.	ACTIVE LABOUR MARKET PROGRAMMES	
	See OECD Labour Market Policy database.	
208.10.6.0.2.6	AMU courses for unemployed people	The AMU courses are training/education courses which cover qualifying education, ordinary and specially arranged education, individual skill development and job-specific education. The courses are for employed or unemployed persons who are at least 20 years of age. Payments include compensation to employ or insured unemployed persons while in education. For employed participants receiving their normal wage, the employer is entitled to reimbursement up to the maximum of unemployment benefit.

	Participants in AMU courses are entitled to an allowance for travelling expenses.
208.10.6.0.5.1 Training	For the years 1980 to 1985, expenditure for "Training" is included in "Rehabilitation".
7. UNEMPLOYMENT	
	See OECD Labour Market Policy database.
8. HOUSING	
208.10.8.1.2.1 Housing benefits (social housing)	Means-tested payments to families in rented accommodation, but can involve a loan to pensioners who own the house or flat they live in. A heating supplement may be granted.
208.10.8.1.2.2 Other rent benefits	In addition to housing benefit, means-tested financial support is available to (partly) pay the deposit needed to secure an appropriate and reasonable home.
9. OTHER SOCIAL POLICY AREAS	
208.10.9.1.1.1 Income support	People not or no longer entitled to unemployment benefit, are eligible for means-tested social assistance.
208.10.9.1.1.3 Assistance up to 9 months 208.10.9.1.1.4	Support includes payment of non-recurrent expenses as well as removals, assistance to victims of the German occupation, financial assistance to Danish nationals living abroad, compensation to victims of crime, as well as financial support for repatriation of sailors.
208.10.9.1.1.5 Assistance to people under 25	Young people under the age of 25 living at home, without children and without income from work equivalent to 60% of unemployment benefit for 18 months are entitled to special youth benefits.
208.10.9.1.2.1 Cash payments to refugees	Refugees who have been granted a residence permit receive cash payments in line with social assistance payment rates..
208.10.9.2.1.3 Addiction advisory centres (services)	Compulsory treatment may be initiated if an abuser is deemed to be a danger to him/herself or to his/her environment.
208.10.9.2.1.5 Other services (mariners, asylum-seekers, Red Cross, etc.)	The large number of residence permits granted to refugees in 1995 is due to refugees from the former Yugoslavia. Asylum seekers get board and lodging plus pocket money during their stay at an asylum centre.