OECD THEMATIC REVIEW ON REFORMING SICKNESS AND DISABILITY POLICIES TO IMPROVE WORK INCENTIVES

Country Note – Denmark

Recent policy developments and brief description of sickness, disability, and rehabilitation programmes, reforms and trends in Denmark.

September 2007

www.oecd.org/els/disability
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1 Introduction

This publication contains an overall description of the Danish system and initiatives in the field of sickness absence and, generally, the area of disability. The publication was drawn up for the purpose of an OECD-review with the theme - REFORMING SICKNESS AND DISABILITY POLICIES TO IMPROVE WORK INCENTIVES.

1.1 The labour market situation in general, and the greatest challenges

The Danish labour market is notable for its high employment ratio of 73.6% (women: 70.2% - and men: 76.9%) (Statistics Denmark, RASFI). In 2006 the unemployment rate was 3.9%, 3.3% for men, and 4.5% for women. From December 2003 until July 2007 unemployment dropped from 5.7% to 3.2% (EUROSTAT). Unemployment is now less than 100,000 people - the lowest level for more than thirty years.

Over the past few years the labour force has stabilised at about 2,887,000 people. However, from early 2006 this trend has been reversed - and the labour force has since been increased by approx. 40,000 people. The rise in the labour force can be attributed, among other things, to an enhanced level of education and the labour market reforms in recent years. A lesser part of the increase was caused by the trade-cycle situation, including the fact that foreigners are attracted to Denmark to work because of the favourable job prospects (Financial Report, August 2007).

The substantial rise in employment is partly due to a sharp rise in domestic demand as well as an increase in exports. The revival was brought about, especially, by these factors and the impact of the more relaxed financial policy in 2004 - which included comprehensive tax reductions from the start of the year and an active labour market policy.

The efforts in terms of labour market policy are and will be focused to a considerable extent on increasing the supply of manpower by retaining senior citizens longer on the labour market, helping the unemployed to return to the labour market as quickly as possible, and making sure that unemployed people are in reality available for the labour market. In 2005 the average retirement age was 60.9 years (Ministry of Employment).

Analyses from the Ministry of Finance show that in the future, attracting an adequate supply of manpower will be a major challenge. So far the demographic trend and a rise in women's work participation rate have contributed to an increase in the supply of manpower. The prospects of achieving an increase in employment are not as bright as they used to be. The reason is, firstly, that women are now on the labour market on virtually the same scale as men, and secondly that the age composition of the population is changing - so that the groups retiring from the labour market will now be bigger than those entering it.

Concurrently with the rise in employment the proportion of those in the 15- to 64-year age bracket who receive transfer payments related to illness or reduced ability to work, etc., has increased from 9.6% in 2001 to 11.2% in early 2007 - corresponding to 404,000 people (Towards New Goals - The Government, August 2007). One of the reasons is that a large part of the population receives sickness-related benefits such as disability pension and sickness benefits. Thus, it remains a challenge to find jobs for as many as possible with reduced ability to work.

1.2 The labour market situation for people who are absent due to sickness or disability
In 2007 there are more than 750,000 people in the normally job-active age brackets who receive public transfer payments in the form of either sickness benefits, cash benefits, daily benefits, rehabilitation benefits, disability pension, voluntary early retirement pay schemes, leave schemes, unemployment allowances (for people in flexi-jobs) or flexi-jobs (Towards New Goals - The Government, August 2007).

1.2.1 Sickness absence

Overall, absence due to sickness in Denmark (autumn of 2006) equals the absence from work of about 140,000 full-time employees throughout the year. Absence due to sickness corresponds to a reduction of the workforce by 3%. Public expenditure on sickness benefits alone amounts to some DKK 12,000 mill. per year. Expenses paid by the enterprises in connection with sickness absence are estimated to be in the order of DKK 23,000 mill. per year. For society as a whole the total expenses are believed to be in the region of DKK 35,000 mill. per year.

The number of people receiving sickness benefits has grown by more than 20% from 2001 to 2006. On average, sickness benefit periods were longer in 2006 than in 2002. This is true both when completed and ongoing absence periods during the year are compared, see also para. 1.4.1.

1.2.2 Disabled people

Surveys from the Danish National Institute of Social Research\(^1\) show that about one person out of five of the Danish population had a disability or a long-term health problem in 2002 and 2005. This corresponds to about 700,000 people. A subsequent survey from the National Institute of Social Research indicates that about 25% of 16-to-64-year-olds had a disability or a long-term health problem in 2006. However, the rise in the number of disabled people may be caused by differences in the data collection methods.

From 2002 to 2006 the surveys from the National Institute of Social Research seem to indicate that employment for disabled people has increased. From 2002 to 2005 the employment of disabled people increased by some 24,000 people, whereas from 2005 to 2006 it increased from 50.6% in 2005 to 54.8% in 2006 for disabled people who work more than 15 hours per week - corresponding to more than 25,000 people, see also para. 1.4.2.

The vast majority of disabled people are employed on normal terms and conditions - and only a small proportion hold jobs on special terms. In 2002 the distribution was to the effect that 53% of disabled people held jobs on ordinary terms and 5% held jobs on special terms. The overall employment rate was thus 58%, compared with 85% for people without disability.

1.2.3 Flexi-jobs and sheltered jobs for disability pensioners

People with permanently and substantially reduced ability to work may have access to employment through the provision of flexi-jobs. Flexi-jobs are jobs on special terms for people who cannot obtain jobs on normal terms and conditions. Since 1998 there has been a significant rise in the number of people employed in flexi-jobs (2001: 13,000 people, and 2006: 41,500 people).

In most cases, people who are not referred directly to flexi-jobs will receive an unemployment allowance. Since 2001 the admission to this unemployment allowance has increased significantly - because of the rise in the proportion of people referred to flexi-jobs.

For disability pensioners, in addition to part-time jobs on ordinary terms, there is access to jobs with public wage/salary subsidies - so-called sheltered jobs. Over the past few years there has been only a small increase in the number of disability pensioners employed with wage/salary subsidies (2001: 6,485; and 2006: 6,824). See also para. 1.4.4.

\(^1\) National Institute of Social Research 2007, Disability and Employment - regional differences.
1.2.4 Rehabilitation

Rehabilitation includes job-oriented activities and financial support that may be granted for the purpose of allowing people with limited ability to work due to physical, mental or social conditions to remain on or join the labour market. A precondition for initiating the rehabilitation is that there is a realistic possibility that it may lead to total or partial self-sufficiency. Rehabilitation is secondary in relation to other offers; therefore, rehabilitation will only be a possibility if other measures and initiatives cannot bring a person with reduced ability to work into employment.

The number of people who received rehabilitation was 37,099 in December 2001. In December 2006 the number of people who received rehabilitation was 23,868. Throughout the period - from the end of 2001 until the end of 2006 - there has been a general decline in the number of people who received rehabilitation. See also para. 1.4.5.

1.2.5 Disability pension

Disability pension can be given to people between the age of 18 and 65 whose ability to work is permanently reduced. The reduction must be significant enough to prevent the relevant person from supporting himself by gainful employment, including in a flexi-job. The number of people on disability pension has been about 245,000 in recent years but is now showing a tendency to decline.

The number of grants of disability pension has been fairly constant since 2003 - namely 14-15,000 per year. According to a report to the Danish Parliament in May 2007 from the Minister of Social Affairs and the Minister for Employment it is significant to note that there has been a change in the type of groups that are granted disability pension. There has been a rise in the percentage of those who are granted disability pension based on a mental disorder - from 32.1% of all grants in 2001 to 44.4% in 2006, whereas there has been a decline in the number of people who are granted disability pension based on a musculo-skeletal disorder.

A survey\(^2\) shows that, in 1999 to 2002, 17.7% of disability pensioners were independently employed or in jobs with public wage/salary subsidies, ordinary employment or sheltered employment. In 2002 this percentage had risen to 19.7% – a two percentage point increase. See also para.1.4.6.

1.3 Organisation of the employment initiatives

Overall responsibility for the active labour market policy (legislation, schemes and initiatives, etc.) is in the hands of the National Labour Market Authority, whereas the day-to-day administration of the schemes and initiatives is carried out by the new Job Centres - where the State and the municipalities work together on the initiatives. Another player is responsible for efforts for the unemployed where there is a special need for insight and qualifications to bring the unemployed person back into a job. This area is governed by the Active Employment Initiatives Act, the Active Social Policy Act, the Active Employment Initiatives (Responsibilities and Control) Act, the Daily Benefits Act, and the Disabled People in Jobs (Compensation, etc.) Act.

The Directorate of Labour carries out the overall supervision of the disbursement of a number of benefits. These include cash benefits, starting allowance for immigrants, integration benefits, daily benefits, sickness benefits, rehabilitation benefits, unemployment benefits, voluntary early retirement pay, and flexi-benefits. Disbursement of benefits is handled by the local administration or the unemployment insurance fund. The area is governed by, for example, the Unemployment Insurance Act, the Active Social Policy Act, and the Flexi-job Benefits Act.

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Overall responsibility for the national occupational health and safety initiatives rests with the National Working Environment Authority, and the administration and inspection are carried out on a daily basis from four inspection districts under the National Working Environment Authority. The area is governed by the Working Environment Act and the Act governing Working Environment Certificates for Enterprises and Government Subsidies for Enterprises with Certificates.

The Ministry of Social Affairs is responsible for initiatives and legislation with regard to disability pensions, disability-compensating measures aimed at the individual citizen, sheltered employment and ordinary pensions payable to people over the age of 65. The area is regulated by the Social Pensions Act, the Disability Pensions (Highest, Middle, Increased Ordinary, and Ordinary) Act, Executive Order of the Ministry of Social Affairs, and the Executive Order on Remuneration and Travelling Expenses, etc., in Sheltered Employment, Specially Organised Employment Courses, and Offers of Activities and Companionship.

1.4 Elaborating notes on developments and trends in the field of sickness absence and disability

This section contains some additional details of the overall development described in para. 1.2.

1.4.1 Sickness absence

The background for the longer average absence due to illness is a considerable growth in the long-term instances. A statement of the number of sickness benefit weeks on a specific date shows that absences in excess of 52 weeks constitute an ever-increasing proportion of the total number of cases, whereas the quite short ones constitute a smaller proportion, cf. Table 1.

Table 1 Number of cases in progress in November - by duration, 2002-2006

<table>
<thead>
<tr>
<th>Duration</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>Change 2002-2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number (thousands)</td>
<td>65</td>
<td>71</td>
<td>72</td>
<td>75</td>
<td>89</td>
<td>36</td>
</tr>
<tr>
<td>2 weeks and less¹</td>
<td>14</td>
<td>13</td>
<td>14</td>
<td>13</td>
<td>12</td>
<td>-13</td>
</tr>
<tr>
<td>2 to 4 weeks</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>9</td>
<td>8</td>
<td>-16</td>
</tr>
<tr>
<td>5 to 8 weeks</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td>15</td>
<td>14</td>
<td>6</td>
</tr>
<tr>
<td>9 to 13 weeks</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>-4</td>
</tr>
<tr>
<td>14 to 26 weeks</td>
<td>17</td>
<td>19</td>
<td>17</td>
<td>17</td>
<td>16</td>
<td>-8</td>
</tr>
<tr>
<td>27 to 39 weeks</td>
<td>10</td>
<td>10</td>
<td>11</td>
<td>10</td>
<td>9</td>
<td>-9</td>
</tr>
<tr>
<td>40 to 52 weeks</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>-4</td>
</tr>
<tr>
<td>53 weeks and more</td>
<td>14</td>
<td>14</td>
<td>15</td>
<td>15</td>
<td>20</td>
<td>40</td>
</tr>
</tbody>
</table>

Source: KMD – "Kommunedata". 
Note: The table contains cases that were active in the middle of the last week of November. Calculations are of length of the absences up to that date. 1) The period includes sickness benefit periods up to and including 14 days.

³ Act No. 58 of 18 January 2007 with associated executive orders and guidelines. 
⁴ Executive Order No. 628 of 15 June 2006.
The trend in total sickness absence is characterised by the fact that there has been an increase in employment among job groups with both a high level of sickness absence and which are experiencing a rise in such absence. A comparison of the average number of self-reported days of illness in 2000 and 2005 (Den Nationale ArbejdsmiljøKohorte, NAK) shows that - for 5 job groups out of 77 - there has been a significant rise in the number of days of illness; this applies to social workers, ambulance-men, hairdressers, food, beverage and tobacco industry workers, and workers in concrete-element factory workers. In all these job groups there has been a significant additional input of people in employment.

1.4.2 Disabled people

Table 2 shows the employment rates for various major disability groups; it appears that there are great differences in employment among these groups.

Table 2 Labour market association - by disability groups 2002

<table>
<thead>
<tr>
<th>Mobility</th>
<th>Senses &amp; communication</th>
<th>Mental disorders</th>
<th>Illnesses</th>
<th>Disabled people, total</th>
<th>Non-handicapped</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment rate 3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployed - as a percentage of the workforce</td>
<td>58</td>
<td>65</td>
<td>41</td>
<td>61</td>
<td>58</td>
</tr>
<tr>
<td>Proportion of the population outside the workforce</td>
<td>9</td>
<td>9</td>
<td>14</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>Proportion of the population in education</td>
<td>35</td>
<td>25</td>
<td>51</td>
<td>31</td>
<td>34</td>
</tr>
<tr>
<td>Actual No. of observations</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Number of observations adjusted to the whole population</td>
<td>928</td>
<td>81</td>
<td>132</td>
<td>824</td>
<td>1965</td>
</tr>
</tbody>
</table>

1) People on leave from employment or “on leave from unemployment” are included as employed and unemployed, respectively. “Unemployed” includes available unemployed people as well as those in various forms of employability enhancement (activation).

2) Please note that the columns in this table do not total “100”, in that the unemployed are listed as a percentage of the workforce, whereas the other categories are stated as a percentage of the whole population.

3) The employment rate indicates the number of employed people as a percentage of the whole population.


One-third of the disabled people - corresponding to 223,000 - are defined in 2002 as ”disabled with full ability to work” (of whom 82% are in employment and 3% are unemployed); these are predominantly people with mobility problems and mental disorders, whereas the remaining two-thirds (457,000) are defined as ”disabled with reduced ability to work” (of whom 47% are in employment and 7% are unemployed); these are mainly people with sensory and communicational disabilities and long-term health problems, cf. Table 3.
Table 3 Proportion of employed, unemployed, people outside the labour market, and in education, 2002.

<table>
<thead>
<tr>
<th>By %</th>
<th>Disabled without reduced ability to work</th>
<th>Disabled with reduced ability to work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment rate</td>
<td>82</td>
<td>47</td>
</tr>
<tr>
<td>Unemployed</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Outside the workforce</td>
<td>12</td>
<td>46</td>
</tr>
<tr>
<td>In education/training</td>
<td>3</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: The National Institute of Social Research, Disability and Employment – an obstacle race? (Handicap og Beskæftigelse – et forhindringsløb) 2004, Fig. 2.1.

Table 4 shows that people with reduced ability to work who retire from the labour market often do so with a disability pension. For disabled people with full ability to work (and non-handicapped) the majority of those retiring early from the labour market receive voluntary early retirement pay (efterløn).

Table 4 Distribution by early retirement benefits - for disabled with full and reduced ability to work, 2002.

<table>
<thead>
<tr>
<th></th>
<th>Disabled</th>
<th>Non-disabled</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Reduced ability to work</td>
<td>Full ability to work</td>
</tr>
<tr>
<td>Voluntary early retirem. pay</td>
<td>7</td>
<td>66</td>
</tr>
<tr>
<td>Transitional allowance</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Disability pension</td>
<td>91</td>
<td>30</td>
</tr>
<tr>
<td>Civil service retirement pay</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Actual No. of observations</td>
<td>352</td>
<td>41</td>
</tr>
<tr>
<td>Number of observations adjusted to the whole population</td>
<td>190,699</td>
<td>18,100</td>
</tr>
</tbody>
</table>


Note: Please note that the definition of reduced/full ability to work is based on the disabled people’s own assessment of ability to work.

1.4.3 Disability-compensating measures in the labour market

With regard to retaining or integrating disabled people in places of work, compensation may be offered to individuals in the form of, for example, a special aid or device. The arrangements address people who, because of a disability, can find it difficult to get and keep a job - without any compensation. In recent years there has been a sharp rise in the use of compensation schemes. This applies, in particular, to the use of aids and minor rearrangements of the worksite (2003: DKK 4,200,000; and 2006: DKK 49,300,000), personal assistance to disabled people in employment (2000: about DKK 70 mill.; and 2006: DKK 216 mill.). At the same time there has been a moderate increase in the use of a wage subsidy scheme for newly trained people with handicaps (2000: 20 participants; and 2006: 32 participants), as well as priority access to public-sector jobs (2000: 22 people and 2005: 112 people).
Table 5 Expenditure on various disability-compensating schemes in relation to the labour market

<table>
<thead>
<tr>
<th>Year</th>
<th>Personal assistance in jobs</th>
<th>Aids, devices etc.</th>
<th>Icebreaker scheme</th>
<th>Priority access</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Expend. (DKK)</td>
<td>No. of recipients</td>
<td>Expenditure (DKK)</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td>The State</td>
<td>Municipalities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>70,748,930</td>
<td>1,853</td>
<td>1,817,670</td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>89,100,000</td>
<td>2,022</td>
<td>3,480,274</td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>113,200,000</td>
<td>2,388</td>
<td>2,652,412</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>139,600,000</td>
<td>2,786</td>
<td>2,520,000</td>
<td>1,753,000</td>
</tr>
<tr>
<td>2004</td>
<td>166,285,237</td>
<td>3,235</td>
<td>16,617,351</td>
<td>14,199,000</td>
</tr>
<tr>
<td>2005</td>
<td>183,976,310</td>
<td>3,501</td>
<td>13,945,508</td>
<td>20,035,000</td>
</tr>
<tr>
<td>2006</td>
<td>216,160,132</td>
<td>3,800</td>
<td>22,392,186</td>
<td>26,959,000</td>
</tr>
</tbody>
</table>

Source: Labour market reports and own calculations.
Note: Aids in the Government's expenditure also include minor rearrangements of the workplace and tutorial material. It should be noted that some of the expenditure is for handicap aids, and some of this is for course material for unemployed people in connection with participation in activities, the distribution of which is unknown. Before 2003, funds were earmarked for aids out of a special pool. Municipality operating expenditure concerning aids also includes short courses and the costs of employing a mentor. The expenses also cover the costs of people in flexi-jobs and sheltered jobs. Before 2003, municipality operating expenditure was not stated separately.

1.4.4 Flexi-jobs and sheltered jobs

As will be seen from Table 6, the number of people in flexi-jobs on unemployment benefits rose sharply between 2001 and 2006. The number of annual referrals (i.e., to flexi-jobs) has gone up from almost 8,000 in 2001 to about 12,500 in 2005 - corresponding to an almost 60% increase in four years. The drop from 2005 to 2006 is most likely due to the adjustment of the flexi-job scheme, including the increased demands on documentation for the referral that came into force on 1 July 2006.

Table 6 People working in flexi-jobs or sheltered jobs, on unemployment benefits, and number of referrals to flexi-jobs, 2001-2006.

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working in flexi-jobs</td>
<td>13,000</td>
<td>19,100</td>
<td>24,200</td>
<td>29,800</td>
<td>36,100</td>
<td>41,500</td>
</tr>
<tr>
<td>Unemployment benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Referrals to flexi-jobs</td>
<td>1,400</td>
<td>2,500</td>
<td>5,300</td>
<td>8,300</td>
<td>10,300</td>
<td>12,700</td>
</tr>
<tr>
<td>Sheltered jobs</td>
<td>7,900</td>
<td>10,100</td>
<td>10,700</td>
<td>12,800</td>
<td>12,500</td>
<td>9,400</td>
</tr>
<tr>
<td>No. of referrals</td>
<td>6,485</td>
<td>6,740</td>
<td>6,841</td>
<td>6,839</td>
<td>6,822</td>
<td>6,824</td>
</tr>
</tbody>
</table>

Source: Statistics Denmark, Jobindsats.dk and special machine runs.

1.4.5 Rehabilitation

Fewer people are being offered rehabilitation, and there has been a drop of some 35% from 2001 to 2006. No substantive changes have been made in the rules governing the conditions for obtaining rehabilitation. However amendments have been made in other areas which may have influenced the use of rehabilitation. It should be noted, in particular, that rules have been introduced concerning state education grants (SU) about disability supplements, rules concerning education grants (SU) to principal earners, the access to education/training while on cash benefits - as well as the generally favourable employment situation.
The duration of rehabilitation periods that were concluded in 2000 was, on average, 66.6 weeks, that is, one year and slightly more than three months. Periods that were concluded in 2005 had an average duration of 71.4 weeks, that is, one year and 4.5 months.

**Fig. 1 Degree of self-sufficiency one year after the end of rehabilitation during the year**

![Degree of self-sufficiency](image)

Source: The Ministry of Employment's database DREAM as well as own calculations.
Note: Brief rehabilitation periods are defined as periods of 52 weeks or less. Long-term periods are defined as periods of 53 weeks or more.

The table above illustrates the degree of self-sufficiency (i.e., the degree to which a person is in employment or undergoing training/education or is receiving state education support) ½ and 1 year, respectively, after the end of rehabilitation - divided between brief and long-term rehabilitation periods. For this purpose, brief periods are defined as 52 weeks and less. These periods represent about 55% of the total.

The degree of self-sufficiency is somewhat higher one year after completed rehabilitation than ½ year after. Fig. 1 also shows that, generally, the degree of self-sufficiency is higher after long-term rehabilitation periods.

### 1.4.6 Disability pension

Compared with the level of grants in 2001, the number of grants has not decreased markedly after the implementation of the disability pension reform in 2002. In 2001 14,860 new disability pensions were granted, while in 2006 the number was 14,239, see also Table 7.

In 2001, 4,777 (32%) of the new disability pensioners had a mental disorder, whereas in 2006 this was the case for 6,329 (44%) pensioners - corresponding to an increase of some 33%.

Both before and after the reform in 2002, people with mental disorders account for a much greater proportion of younger disability pensioners under the age of 40 and a substantially smaller proportion of disability pensioners aged 50 or more. Especially in the group aged 20 to 29 the proportion of people with mental disorders is high and represents almost 80% of the new grants in 2006.
Table 7 Grants of disability pension - by diagnosis, 2001-2006

<table>
<thead>
<tr>
<th>Diagnosis</th>
<th>2001 No.</th>
<th>2001 %</th>
<th>2006 No.</th>
<th>2006 %</th>
<th>Change 2001-2006 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mental disorders</td>
<td>4,777</td>
<td>32.1</td>
<td>6,329</td>
<td>44.4</td>
<td>33</td>
</tr>
<tr>
<td><strong>Including:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Organic mental disorders</td>
<td>269</td>
<td>1.8</td>
<td>209</td>
<td>1.5</td>
<td>-22</td>
</tr>
<tr>
<td>- Mental disorders from the abuse of alcohol or other psychoactive substances</td>
<td>535</td>
<td>3.6</td>
<td>648</td>
<td>4.6</td>
<td>21</td>
</tr>
<tr>
<td>- Schizophrenia &amp; psychoses</td>
<td>1,602</td>
<td>10.8</td>
<td>1,802</td>
<td>12.7</td>
<td>12</td>
</tr>
<tr>
<td>- Nervous &amp; stress-related conditions</td>
<td>1,072</td>
<td>7.2</td>
<td>1,793</td>
<td>12.6</td>
<td>67</td>
</tr>
<tr>
<td>- Eating disorders</td>
<td>14</td>
<td>0.1</td>
<td>20</td>
<td>0.1</td>
<td>43</td>
</tr>
<tr>
<td>- Disturbed personality structure</td>
<td>657</td>
<td>4.4</td>
<td>965</td>
<td>6.8</td>
<td>47</td>
</tr>
<tr>
<td>- Mentally retarded</td>
<td>450</td>
<td>3</td>
<td>559</td>
<td>3.9</td>
<td>24</td>
</tr>
<tr>
<td>- Other mental disorders</td>
<td>178</td>
<td>1.2</td>
<td>333</td>
<td>2.3</td>
<td>87</td>
</tr>
<tr>
<td>Musculo-skeletal diseases</td>
<td>3,524</td>
<td>23.7</td>
<td>3,123</td>
<td>21.9</td>
<td>-11</td>
</tr>
<tr>
<td>Other diagnoses</td>
<td>6,559</td>
<td>44.1</td>
<td>4,787</td>
<td>33.6</td>
<td>-27</td>
</tr>
<tr>
<td><strong>Total number</strong></td>
<td><strong>14,860</strong></td>
<td>100</td>
<td><strong>14,239</strong></td>
<td>100</td>
<td><strong>-4</strong></td>
</tr>
</tbody>
</table>

Source: Report on developments in the disability pension area and the inclusive labour market, The National Social Appeals Board’s disability pension register.

Note: The statement is based on reports from the municipalities to the National Social Appeals Board on the primary diagnosis in cases involving the grant of disability pension.

Table 8. Percentage of disability pensioners out of the total number of 18-to-64-year-olds

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7.7</td>
<td>7.7</td>
<td>7.7</td>
<td>7.6</td>
<td>7.4</td>
<td>7.1</td>
</tr>
</tbody>
</table>

Source: Ministry of Social Affairs.

Note: Only the number of 18-to-64-year-olds is considered because of the reduction of the old age pension age from 67 to 65 from 2004.

In proportion to all 18-to-64-year-olds in the population, disability pensioners represent 7.1% in 2006, cf. Table 8.

Cf. Table 9 there has been a rise in the number of working disability pensioners from 1999 to 2002. The rise is attributed primarily to an increase in the proportion of wage-earners whereas the number of self-employed people has been constant.

Table 9 Disability pensioners receiving a pension - broken down as to whether they are working or not, 1999-2002

<table>
<thead>
<tr>
<th>Year</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not working</td>
<td>82.3</td>
<td>81.8</td>
<td>81.7</td>
<td>80.3</td>
</tr>
<tr>
<td>Working:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Sheltered job with wage subsidy</td>
<td>17.7</td>
<td>18.2</td>
<td>18.3</td>
<td>19.7</td>
</tr>
<tr>
<td>- Sheltered job and self-employed.</td>
<td>0</td>
<td>2.2</td>
<td>2.4</td>
<td>2.5</td>
</tr>
<tr>
<td>- Wage-earner 1)</td>
<td>13.4</td>
<td>11.7</td>
<td>11.7</td>
<td>13.1</td>
</tr>
<tr>
<td>- Wage-earner and self-employed</td>
<td>0.7</td>
<td>0.7</td>
<td>0.6</td>
<td>0.7</td>
</tr>
<tr>
<td>- Self-employed</td>
<td>3.6</td>
<td>3.5</td>
<td>3.5</td>
<td>3.4</td>
</tr>
</tbody>
</table>
Among those people\(^7\) who were granted disability pension during the years immediately prior to the disability pension reform, which came into force in 2003, approx. 1,300 people (corresponding to approx. 9\% of all grants in 2001) had supplementary earned income in the year following the grant, whereas this is the case for less than 900 people (approx. 5\% of all grants in 2004) after the implementation of the reform. This equals a drop of more than 30\% in the number of new disability pensioners who have supplementary earned income. Moreover, there is a tendency that those disability pensioners who are working generally earn less after the implementation of the reform.

Overall, a number of factors seem to indicate that the group of people who are granted disability pension today has relatively less residual ability to work than those who were granted disability pension before the reform.

## 2 Main Policy Strategies and Reforms

This chapter contains a brief review of reforms, action plans and strategies that have been initiated in recent years in order to, amongst other things, reduce sickness absence and increase employment for disabled people.

### 2.1 Agreement on a reform of the disability pension system in 2000

In December 2000 the Government then in office concluded an agreement concerning a disability pension reform and an inclusive labour market.

The object of the reform was to ensure that as many as possible retain a connection with the labour market by creating, among other things, a more inclusive labour market where as many as possible are engaged in ordinary employment - and where disability pension is granted only to people who are unable to handle a flexi-job. Concurrently, it was an aim to strengthen the administrative procedures and law and order.

On this background the parties to the compromise agreement adopted a number of changes. The field of disability pension saw the introduction of the concept of "ability to work" instead of the "loss of vocational ability" concept that had applied till then. A clearer delimitation was established between the rules governing disability pension and the other social benefits/flexi-jobs. Special benefits for disability pensioners were abolished. Finally, a number of process demands were introduced in the administrative procedures in the form of a) the ability-to-work method in cases involving rehabilitation, flexi-jobs and disability pension, and b) the ability-to-function method in connection with disabled people.

#### 2.1.1 Report on the disability pension area and the inclusive labour market.

Within the context of the compromise agreement on a disability pension reform in 2000, a report on developments in the disability pension area and on the inclusive labour market was to be submitted to the Danish Parliament in May 2007. The following principal conclusions should be noted:

- The number of people referred to subsidised employment has increased sharply - without this having led to fewer grants of disability pension than in 2001. Consequently, the overall group on flexi-jobs, unemployment allowance and disability pension has grown significantly.

\(^7\) Ministry of Social Affairs, Report on the disability pension area and the inclusive labour market, May 2007. Table 3.1.
In 2006 there were, overall, 34,000 more full-year recipients in the three programmes than estimated at the time of the reform. This figure includes more than 15,100 more in flexi-jobs, 9,400 more on unemployment allowance, 4,400 more on the new disability pension, and 5,000 more on disability pension under the earlier programme. Expenditure for the three types of benefit is DKK 6,100 mill. higher than expected. The trend is noteworthy in the light of the favourable development on the labour market with rising employment and all-time low unemployment during the period. It should be noted, however, that the number of grants of disability pension is lower than the 2001-estimate of the number of grants if the reform had not been implemented.

The target of as many as possible with reduced ability to work in unsubsidised jobs does not seem to have been achieved. This should be seen in the light, among other things, of the fact that the number of people employed in contract-based sheltered jobs has decreased.

In 2006 an adjustment was made to the flexi-job programme seeking to counter a number of problems with the scheme – including referral to flexi-jobs without adequate documentation for the person's fulfilment of the conditions for a flexi-job, and the high level of unemployment among those referred to flexi-jobs.

Investigations made by the National Social Appeals Board show that more than 20% of the cases involving disability pension and more than 50% of the flexi-job cases were inadequately documented - but that the quality of the documentation has improved. Caseworkers and citizens experience a high level of citizen involvement. The number of appeals against refused pension has dropped.

There is still a relatively high number of young people who are granted disability pension.

The number of people who are granted disability pension on the ground of mental disorders has increased significantly. In 2006, 44% of the total number of new grants were based on mental disorders. The proportion of people with mental disorders is especially high among disability pensioners under the age of 40.

In line with the intentions of the disability pension reform, attempts to rehabilitate are now being carried out on more of those who have recently been granted disability pension. Furthermore, substantially more people have had a flexi-job or received unemployment allowances before they were granted disability pension. Before the reform about one-half of the disability pensioners participated in an employment-oriented initiative before they were granted disability pension. After the reform the figure is about 70%. However, there is still room for improvement.

The municipalities are not good enough at ensuring that the employment-oriented effort is sufficiently adapted to the individual person - and even after the reform there are people whose ability to work is inadequately tested before they are granted a pension.

People with mental disorders have their ability to work tested less thoroughly than people with other disorders such as musculo-skeletal problems, before they are granted disability pension.

2.2 More people into employment, 2002
In 2002 the Government published the action plan: “More People into Employment”, which is based on an extensive political agreement. The aim is to increase the labour force and at the same time make an extra effort to get the weaker unemployed people into the labour market. The agreement also aims to ensure that the labour force acquires qualifications that are new and in demand in the form of education and continued training aimed at fields where bottlenecks exist or may be expected to exist in the future.
A crucial point in the reform was to ensure that the employment effort provides an improved and more equal contribution to all job-seekers with the individual person’s situation as the starting point - and an effort which points in the most direct way to employment. The Government emphasises that disabled people constitute a great resource in the framework of getting more people into employment, and that the labour market reform offers improved prospects of a strengthened employment initiative for disabled people. The principles of the labour market reform are as follows:

- All unemployed people, insured as well as non-insured unemployed people, are evaluated according to the same principles and methods.

- The swiftest and most direct way into employment: the focus of the reform is the most direct way into employment. There is thus increased focus on job-seeking and placement service, and the keyword is help through self-help - and away from clientisation. The swiftest and most direct way into employment must be supported by the intensive contact sequence, the use of other players, experiments with labour market centres, and work addressing the enterprises. A job is essential for the individual person's self-esteem, and disabled people must be offered job possibilities like everybody else – taking into consideration, of course, that everyone has personal qualifications for coping with a job.

- The contact sequence: the object of the intensive contact sequence is to return the unemployed quickly to ordinary jobs by having increased focus on job-seeking and placement service. There must be improved and more individual service vis-à-vis the enterprises and the unemployed, and details of the unemployed people’s qualifications must be available to everybody on the job placement market. This part of the reform improves the prospects of employment initiatives in relation to disabled people. The crucial point is that each individual must be in focus. This is supported by the methods for referral and via an individual contact sequence. The focus of the reform on the individual unemployed person is to make sure that no one is isolated or made "a client”.

- Other players must be incorporated into the employment effort: other players specialising in the correct offers for specific target groups must be incorporated into the combined employment effort, in the contact sequence, the placement service, and the delivery of active offers. This enables the municipalities and the Public Employment Service to use other players in relation to different target groups.

- Simple and active offers, simplification without deterioration: the principle of the right and duty to activation (employability enhancement) is preserved, but activation must be far more flexible. The crucial point is not how much and for how long the unemployed person is in activation; the important thing is that the activation brings the unemployed person closer to a job. The sequences must therefore be target-oriented.

2.3 Sickness absence programme, 2003

In 2003, as part of the effort to increase the workforce and reduce public expenditure, the Government focused on initiatives to reduce sickness absence in the form of a conference, an outline for debate called "What can we do about sickness absence?”, an analysis report and compilation of good examples of the efforts of the enterprises and municipalities to reduce absence. At the same time the stage was set for an open debate about sickness absence, and the Government made it clear that it would follow up with an actual action plan later in the year. The result was the programme "This is what we do about sickness absence” from December 2003.

The action plan contained proposed initiatives for improved municipal follow-up on sickness benefits, initiatives close to the enterprises, initiatives for an improved knowledge basis, and digitalisation.

By way of follow-up to the plan the following initiatives were launched:
The municipal follow-up on sickness benefits has been strengthened since 1 July 2005 - with its focus on initiatives for exposed people on sick leave, and with new referral and follow-up model.

The Sickness Benefits Act has been modernised effective from 3 July 2006. In January 2004 the Minister for Employment set up a committee consisting of the social partners charged with the task of presenting proposals for modernisation of the Sickness Benefits Act. Among other things the background was that the multitude of changes and the many decisions that had been made in the area of sickness benefits since the most recent radical amendment of the Sickness Benefits Act came into force in 1990 implied that there was now a need for a thorough revision that could improve the coherence and systematisation of the legislation, and to incorporate the most important changes of practice. Also, the transfer of maternity matters from the Ministry of Employment to the Ministry of Family and Consumer Affairs made it necessary to consider the expediency of retaining maternity regulations as part of the Sickness Benefits Act.


Based on the work of the modernisation committee the Government tabled Bills which contained the following points and which also embodied parts of the agreement on the Finance Act for 2006:

1) New structure, incorporation of practice, etc.
2) Removal of maternity regulations from the Sickness Benefits Act.
3) Other points:
   a) Abolishing the access to recourse in cases involving occupational injuries;
   b) extending the period for agreement on refund of sickness benefits in connection with long-term or chronic illness from 1 year to 2;
   c) changing the computation basis from 6 days to 5 for self-employed people;
   d) adjusting the time of the adjustment of rates; and
   e) uniform rates for unemployment benefits and sickness benefits.

In connection with the agreement on the Finance Act for 2007 the extension period was extended by up to 52 weeks - so that the combined period on sickness benefits can amount to a total of three years in order to cater for people in long-term treatment. The amendment should be viewed within the context of the rules on modernisation of the Sickness Benefits Act.

It should be noted that - in connection with the hearing of the Bill for the new Sickness Benefits Act and on subsequent occasions - the opposition has been active for a relaxation of the extension period rules and, preferably, a total abolishment of the limitation on duration.

Reduction of sickness absence has become part of the general occupational health and safety area. Sickness absence is now included in the workplace assessment (risk assessment) of the enterprises and in health and safety training.

Improved knowledge basis:

   o New absence statistics incorporating public as well as private enterprises and enabling the enterprises to compare their own absence record with the average for their own industry, area and size. The statistics will provide new and valuable knowledge of the trend in total absence, within industries, and for different groups of people.
   o The www.jobindsats.dk portal is an instrument that can be used by local administrations etc. for the purpose of comparing sickness benefit expenditure.

Digitalisation initiatives
Starting from 1 April 2007, enterprises may choose to report sickness absence to the local administration digitally.

- Sickness absence module on www.virk.dk with specific tools, etc., for the reduction of sickness absence in enterprises.

### 2.4 Action plan for the disability area, 2003

In 2003 the Government presented its Action Plan for the disability area. The Action Plan contains five initiative areas, including the employment area. With this Action Plan the Government wanted to be instrumental in creating a society where everybody feels appreciated and everybody has a chance to be part of community life. Therefore, the Government is striving to create an open society where disabled people have the same opportunities as everybody else.

With the Action Plan the Government intends to emphasise that disabled people are not generally a weak group. Disabled people possess strong resources that can be useful to society. It is up to society to establish frameworks that provide opportunities for disabled people to contribute with their work, etc.

With the Plan the Government wanted to:

- simplify the wage/salary subsidy programme for newly educated disabled people, also called the "Icebreaker Scheme", so that the absorption process can last up to one year (implemented via the reform "More people into employment" (Flere i arbejde)).

- include the Danish Council of Organisations of Disabled People as member of a new National Employment Council (Bill tabled in March 2003).

- start work to develop an information and job portal for disabled people and disability pensioners. The starting point was that the sites were to be closely linked with the official job portal jobnet.dk. Today there is an information website, which is accessed by some 10,000 users per month. At the same time it is possible for people who have been referred to a flexi-job - or who have been granted disability pension - to seek jobs on jobnet.dk.

### 2.5 Spring Package, 2004

In the spring of 2004 the Government presented a number of initiatives aiming to increase employment – the so-called Spring Package. The Spring Package gave rise to a number of amendments to Acts, including a strengthening of sickness absence efforts with new referral and follow-up in sickness benefit matters, etc., involving among other things that, in the event of long-term illness, the local administration must arrange and implement an individual and flexible follow-up procedure for the person who is absent due to illness. As the case may be, the local administration must also involve relevant players in the work - such as the enterprise and the general practitioner. This means that the local administration manages coordination and ensures coherence in the work for the sick person.

The object of the strengthened sickness absence initiative is to ensure that the sick person is, as far as practicable, retained in employment and not excluded from the labour market - and that the individual person's absence becomes as brief as possible.

### 2.6 Employment strategy for disabled people, 2004

Most disabled people are coping well on the labour market, but there are also quite a few who find it difficult to get a job. It is the Government's wish that far more people with a disability become employed. The Government's starting point is that everybody is needed in the future. That it is a waste of good human resources if people are on passive maintenance instead of being on the labour market.
In that light the Government - through the Minister for Employment and the Minister of Social Affairs - has drawn up an employment strategy for disabled people. The strategy included 12 initiatives intended to make it easier for disabled people to have an active working life. They included:

- Extension and expansion of an experiment involving the granting of personal assistance to people with a mental handicap (amended Act implemented on 1 July 2007 in the Compensation to Disabled People in Employment Act).

- Proposal for amendment of Executive Order on Compensation to Disabled People in Employment, etc., so as to make it possible to have personal assistance for up to full working hours (the executive order was amended in March 2005).

- Trial involving certificates for disabled people so as to make it easier for them to seek jobs and manage an employment interview. The certificate is intended to explain briefly what the applicant can do in a job context - and the prospects of compensation, if any. (Because the project was based on few participants, a new experiment will be carried out; this is expected to be concluded in 2007).

- Trial with voluntary registration marking of the accessibility of places of work. (The project has been launched, and so far experience with the registration has been good).

- The tabling of a Bill intended to ban discriminatory treatment on the labour market by reason of disabilities. (The Bill has been passed, and informational activities have been initiated to draw attention to the purpose of the legislation).

- Under the auspices of the Ministry of Social Affairs two initiative areas have been launched which are intended to develop sheltered employment.

One initiative area consists of the announcement of application pools for projects that aim to promote a development which moves 'sheltered employment' from special institutions with sheltered employment to establishing 'sheltered worksites' operating within the framework of or in close association with enterprises on the ordinary labour market. As at 1 November 2007 a pool will be offered which is specifically tailor-made to municipal organisation, administration and referral of disabled people to sheltered employment.

Another initiative area consists of starting a number of centrally controlled model projects with the incorporation of municipal parties - where it is intended to implement the experience gained from the model projects in municipal practice, as well as to inform about the possibilities inherent in the legislation and about good practice in the area.

As a totally new initiative in the area a number of fixed targets were established for what the strategy is to result in:

- Each year 2,000 additional disabled people must get a job; and
- each year the proportion of enterprises that have disabled people employed must increase by one percentage point.

The three focal points of the strategy are:
• We must know more about disability and jobs.
• Our attitude towards disability and jobs must change.
• We must make it easier to combine disability and job.

The first evaluation of the trend in employment for disabled people shows that employment for disabled people who work more than 15 hours per week has increased by more than 25,000 people since the strategy was launched.

The evaluation of the trend was carried out by the National Institute of Social Research. The survey suggests three possible explanations why there has been a rise in employment. These are:
1. The effect of the Government's employment strategy for disabled people;
2. The favourable development in the number of people in flexi-jobs; and
3. The favourable trade-cycle developments.

2.7 New initiatives for disabled people for special pool funds
A number of pools are available in the field of disability. The purpose of the funds is to launch new initiatives for disabled people. These could be projects that are instrumental in developing new methods for integration or retention of disabled people in the labour market.

Since 2005 applications have been invited for projects that can be instrumental in reaching the targets of the Government's employment strategy for disabled people. It has therefore been emphasised that projects should be launched within the three initiative areas specified in the employment strategy. These are:
- compilation of knowledge of disability and job, a change of attitude towards disability and job, and initiatives that can make it easier to combine disability and job.

In order to target the funds further, applications have been invited since 2005 for which special target groups are specified. Thus, blind people and people with impaired vision, deaf and hearing-impaired people, as well as people with dyslexia, mental disorders, brain-injuries, and epilepsy have been in the target group.

In 2007 the target groups selected for the applications are blind people and people with impaired vision, deaf and hearing-impaired people, and those with mental disorders or epilepsy.

Overall, since the employment strategy for disabled people was launched, 43 projects have been initiated to help ensure that disabled people obtain or retain an association with the labour market.

2.8 New initiatives for people with sickness absence for special pool funds
Within the context of implementation of the new referral and follow-up rules and with a view to strengthening the municipal follow-up on sickness benefits, the National Labour Market Authority - jointly with the Local Government Denmark (LGDK) - has had a referral guide (www.sdpguide.ams.dk) drawn up. The guide can be a help to municipal caseworkers in their follow-up work; it is a voluntary implementation tool.

Furthermore, a small number of pilot and development projects have been initiated; these include a project intended to develop the municipal efforts for people with musculo-skeletal disorders, as well as a project aiming to develop the municipal efforts for people with stress and mental disorders.

2.9 "New roads to employment", 2006
With its action plan the Government increases the focus on people with mental disorders and other exposed groups receiving cash benefits. This is done in the form of 14 targeted initiatives intended to help these

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groups to get into the labour market or education. They need extra help to find the road that can bring them closer to the labour market. Generally speaking, this help includes:

- Strengthening each person's personal, professional and social qualifications, so that people with mental disorders people and other exposed groups can cope on the labour market or in the education system.
- Providing the necessary help and back-up at the place of work, so that people with mental disorders and other exposed groups get a chance and can be retained at the place of work.
- Improving and targeting the public efforts so that more people with mental disorders and other exposed groups are given precisely the offer and the help that can get them closer to the labour market or in education/training.

The object of the initiatives is to give more people with mental disorders and other exposed groups a meaningful existence with work. Not necessarily full-time work. The important thing is that all those who actually can work, are given access to a life with work.

Within the context of the Government's package of initiatives, a nationwide network has been established under the auspices of the Danish Council of Organisations of Disabled People. One of the primary target groups for the knowledge network is "disabilities that require great specialised knowledge of compensation (e.g. people with mental disorders)." The knowledge network may be used by the job centres, which can thus gain access to knowledge of and qualifications with regard to groups such as people with impaired vision. The knowledge network has asked the job centres to specify the groups in respect of which they are in particular need of knowledge. They especially need knowledge of mental illness and employment. In particular, job centres need knowledge of stress and depression. Mental disorders will therefore be the first focal area of the knowledge network. The network will be open for counselling as from 1 October 2007.

2.10 Joint Responsibility II, 2006

In 2006, in order to further strengthen the effort in relation to socially exposed groups, the Government published the Second Action Programme for the weakest groups - Joint Responsibility II. The overall object of the Action Pr Forventet forbrug til hjælpemidler mm. og forslag til finansiering

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The knowledge network is to make it possible for the most exposed citizens in society to escape from their isolation and take the necessary steps towards a better and more active existence where each person is part of a community. The object is to ensure that as many as possible have an association with the labour market.

The overall aim is achieved through three mutually supporting initiative areas:

- A more proactive, contact-creating and supportive effort: socially exposed groups need targeted help to break out of their isolation as well as to develop personal, professional and social qualifications.
- More entry points to the labour market: enterprises may be in need of special help when they employ socially exposed people. Indeed, employees who are facing a colleague with, for example, a serious alcohol problem, etc., may need advice and guidance.
- Improvement in the municipal casework procedures: the public effort must be more target-oriented towards each person's needs, and must be given close to the citizens so that more socially exposed people are given precisely the offer and the help that will get them closer to the labour market.

A total of some DKK 622 mill. has been earmarked over a four-year period for the realisation of the 12 initiatives in Joint Responsibility II. The initiatives will be launched throughout 2007, and there is a demand for documentation of the results of the efforts, so that systematic collection and dissemination of knowledge can be undertaken.

2.11 Welfare Agreement, 2006

June 2006 saw a comprehensive political compromise, "Agreement concerning the future prosperity and welfare and investments in the future" (The Welfare Agreement). The Agreement includes the creation of a Prevention Fund. The purpose of the Fund is to provide subsidies to worksite-related projects that preclude or prevent mental and physical attrition. The Fund has a capital of DKK 3,000 mill. In 2007, among other things, DKK 45 mill. will be allotted to projects that improve the follow-up on sickness benefits, rehabilitation, and retraining of sick and disabled people.

In October 2006 the Government concluded an agreement with the Social Democratic Party, the Danish People's Party, and the Social Liberal Party concerning follow-up on the Welfare Agreement in the form of DKK 70 mill. for occupational health and safety. The Agreement means that the National Working Environment Authority will carry out special initiatives and provide extended preventive guidance in areas that are threatened with attrition and burn-out. Also, activities are initiated with regard to the psychological working environment.

2.11.1 Reading, writing, and arithmetic education for adult newly unemployed people with short schooling or none

Within the context of the realisation of the Welfare Agreement a grant of DKK 9.5 mill. has been earmarked in 2007 - and DKK 5 mill. in 2008 - for significant enhancement of reading, writing and arithmetic education for adults.

In 2007 a pilot project will be launched where - in connection with activation (employability enhancement) - unemployed people can have their reading and spelling skills screened. Basically, the pilot project addresses newly unemployed people with short schooling or none who, no later than when they are to draw up their job plan, carry out a test. If there is a need, the relevant unemployed person can be referred to a subsequent upgrading course.

The upgrading may be a separate initiative or part of a work-related combination course. As a starting point, the offer is in the form of preparatory adult education. The courses are integrated into the existing employment policy efforts.

5,000 people are expected to be tested, while 1,000 people are likely to be referred to a subsequent upgrading course. The project started in August 2007.

2.11.2 Projects targeting special groups and special initiatives

Despite the fact that unemployment has dropped for elderly people, there is still excess unemployment among people over the age 55. With the Welfare Agreement prospects of employment for older people are enhanced by virtue of a temporary salary subsidy scheme in private enterprises. As from 1 January 2008 a scheme will be introduced where people over the age of 55 who forfeit their right to daily benefits can have a “senior job” in their municipality. Employment in the “senior job” is on ordinary salary and employment terms for equivalent work, and basically the person is guaranteed employment until he or she is entitled to voluntary early retirement pay.
2.12 Municipal Structural Reform, 2007

On 1 January 2007 the new municipal structural reform came into force in Denmark. In terms of employment one of the purposes of the reform was to bring about a framework for improved and more targeted employment initiatives by establishing cooperation between the Public Employment Service and the municipalities on joint job centres throughout Denmark, so that citizens and enterprises only have one entry point to the employment services.

The country is divided into four Public Employment Service Regions. The Region is the secretariat for the regional employment council and performs all tasks in close interaction with the regional employment council.

At the same time several of the country's 271 municipalities were merged into a total of 98; and 91 new job centres have been established with the municipal as well as the national employment services. In 14 municipalities the national employment service will be delegated to the municipal councils. The job centres in these municipalities are designated pilot job centres.

The job centres - including the pilot job centres - will handle all employment-oriented tasks for all unemployed people, regardless of maintenance basis, and will assist enterprises in finding as well as retaining employees.

The idea behind the job centres is to have the access to the public employment service close to the citizens. The total employment effort is combined under one roof for unemployed people, recipients of sickness benefits, people with reduced ability to work, as well as for enterprises. This means that all knowledge is gathered in one technical and professional environment. The purpose is to improve the efforts for the unemployed and the service to enterprises. By combining the municipal and the national services at the job centres it will be easier to solve job-oriented and social problems side-by-side.

To ensure that the job centres stay focused on the crucial task - helping unemployed people to get a job – the job service and payment of benefits were separated. This separation is an essential point in connection with the creation of job centres, for it underlines where the focus is to be in the day-to-day work: in the job centre they specialise in jobs and the labour market.

Benefits are paid elsewhere in the local administration or by the unemployment insurance fund.

The job centre may recommend to the social administration that a disability pension file be opened. The decision concerning disability pension is made elsewhere in the local administration.

The new organisation of the employment service will be evaluated on an ongoing basis during the period from 2007 until the end of 2010.

2.12.1 Involvement of employer, wage earner, and stakeholder organisations

In Denmark it is a tradition that employer, wage earner, and stakeholder organisations are intimately involved in decisions and follow the employment efforts closely. This tradition is preserved with the implementation of the municipal structural reform. Thus, at the national, regional and local levels there are councils where various organisations are represented.

At the national level the Employment Council is instrumental in monitoring the employment services by offering advice to the Minister for Employment and the Minister for Refugees, Immigrants and Integration; among other things, it submits recommendations for major employment policy moves and on the follow-up on the employment efforts. The Employment Council submits, on an annual basis, a report on developments in the labour market with focus on results and effects of the employment initiatives.
The regional employment councils are bound by law to arrange meetings at least once every year with representatives of the Danish Council of Organisations of Disabled People, public employers, etc. to discuss the situation in the region in terms of labour market policy for disabled people. Furthermore, the regional labour market councils/employment councils must draw up an annual report concerning the administration of the Disabled People in Jobs (Compensation, etc.) Act. This report is submitted to the National Labour Market Authority.

The regional employment councils monitor the labour market and may initiate investigations of issues related to employment policy. The council monitors the national and municipal employment services at the job centres and prepares an annual analysis report on the results and effects of the work.

The local employment councils monitor results and effects of the employment work at the job centre and advise those responsible for the employment work about initiatives for improvement of the efforts. The local employment councils are involved in drawing-up the employment plan and may recommend to those responsible for the employment work at the job centre that the plan be modified.

The Danish Council of Organisations of Disabled People is represented at the national level in the Employment Council as well as regionally in the regional employment councils and locally in the local employment councils.

The National Handicap Advisory Board monitors and evaluates conditions in society for disabled people, including in the field of prevention. The Board advises the Government on all matters of a general nature that are relevant to the conditions in society for disabled people. The Board will also offer advice to other central public authorities on matters that affect living conditions for disabled people. Finally, the Board will take disability-policy initiatives and present proposals for changes in the areas referred to.

In connection with the municipal structural reform, all municipalities set up disability-policy councils with the participation of representatives of disabled people's organisations. These have an advisory role for the local authority council in all decisions that have a bearing on disabled people's living conditions.

Disabled people’s organisations are under no obligation in terms of providing services to disabled people.

2.12.2 Work with disabled people at the job centres - mainstreaming

Job centres must provide service to disabled unemployed people, disabled job-seekers, and working disabled people who may be in need of assistance under the legislation for disabled people. Job centres must provide service to unemployed people - whether or not they are insured. Their work with the disabled must promote the retention and integration of disabled people on the labour market and thus contribute to getting more disabled people into employment.

Basic knowledge of the area of disability must be available at the job centres so that the disability work becomes a natural part of the general work for the various target groups at the job centre.

Insured as well as non-insured citizens may need compensating measures.

At the job centres every employee is there to assist the individual person. This means that it is possible to arrange at the job centre that the Disabled People in Jobs (Compensation, etc.) Act may be applied to municipal as well as national employees. The important thing is that the job centre always tries to find the best possible road to employment for disabled people by using the general tools and methods in the labour market legislation.

Key people at all job centres
All job centres have a key person appointed for work with the disabled. The key people are intended to act as the entrance to the specialised function at the job centre - in other words, primary contact is with the key person, who will then disseminate knowledge on to the job centre. This applies to briefing about new initiatives in the area as well as to training activities, etc. The key person's duties in the specialised area are:

- Arranging for the dissemination of current knowledge and information from the specialised function about the individual areas to the job centre, see below about the specialised function.

- Making sure that the four specialised areas become an integral part of the employment work at the job centre.

- Becoming part of a network with the specialised function so as to ensure a uniform level of knowledge at all the job centres.

**Duties in relation to disabled people in work and job-seekers**

The duties of the job centres in relation to disabled people in work and job-seekers can consist of guidance as to the prospects of obtaining compensation under the Active Employment Efforts Act and the Disabled People in Jobs (Compensation, etc.) Act, as well as via the granting of compensating measures. Job-seekers may also have a permanently and significantly reduced ability to work and have been referred to a flexi-job, and people who receive disability pension and wish to work on ordinary or special terms. In these cases the job centre can encourage the relevant person to make use of the special opportunities for disabled people to seek jobs on jobnet.dk.

**Duties in work for the disabled with regard to enterprises**

The special duties of the job centres in connection with contact with enterprises include the duty to inform about the possibilities of combining disability and job, and to gather knowledge about disabled people on the labour market. The guidance can also be in the form of drawing enterprises' attention to the fact that they can advertise vacant posts with flexi-jobs and jobs with salary subsidies for disability pensioners on jobnet.dk.

**Regional specialised function, Job and Disability**

Job centres are responsible for ensuring that staff have the necessary insight and the right tools to be able to manage the above duties so that work with the disabled is carried out in the best possible way. It is possible for the job centres to draw on knowledge and support from a regional specialised function within the disability sector - such as advice and guidance on the labour market for disabled people and on disability-compensating legislation. The specialised function is located at Job Centre Vejle, with a staff of eight people.

Moreover, as from 1 October 2007, job centres can obtain advice and guidance on various types of disability from the forthcoming Knowledge Network, which is to be managed by the Danish Council of Organisations of Disabled People. See also para. 2.9.

Finally, it will also be possible for the job centres to draw on the new national knowledge and special counselling organisation (KSCO), which will be able to offer specialised insight on minor disability groups etc.

2.12.3 Specalised Rehabilitation

Before 1 January 2007 the county authorities would assist municipalities in their rehabilitation work by arranging for offers to people with limited ability to work who cannot be rehabilitated by means of the municipal offers. The municipal structural reform included the abolition of the counties; therefore this somewhat specialised rehabilitation work is being transferred to the municipalities - who are thus now responsible for the total rehabilitation effort. Effective as from 1 January 2007 the municipalities took over the counties' rehabilitation offers and the duty to provide offers within the specialised rehabilitation service.
During a transitional period the employment regions will perform special supervision of developments in the specialised rehabilitation work with a view to ensuring that there are sufficient offers for target groups in need of the specialised rehabilitation service. So as to strengthen the basis for this supervision, during a four-year transitional period, the municipalities must submit an annual report to the employment regions on their need for and anticipated use of the rehabilitation offers previously managed by the counties.

The first report was prepared in 2006 so that, before 1 January 2007, the employment regions could know how the municipalities had made use of the counties' offers so far - and how the needs were expected to be met in the future. Among other things the report was to form the basis for the employment regions to take initiatives to guarantee the contribution - including an evaluation of the need to enter into agreements with municipalities, institutions, etc., on the provision of guidance and advice concerning the specialised rehabilitation work for special target groups to job centres in the region or nationally.

The employment regions' feedback to the National Labour Market Authority was to the effect that the municipalities did not expect that there would be any unfulfilled needs with regard to 2007.

2.12.4 Sickness Benefits

It is up to the sick person's municipality of residence to manage sickness benefits and follow-up. After the municipal structural reform the tasks have been divided between a benefit centre and a job centre. Basically, the benefit centre is in charge of the calculation and payment of the sickness benefits, whereas the job centre handles the follow-up. In practice a file will pass to the job centre for follow-up when the local authority receives the information form back from a person who continues to be absent due to illness. The separation aims to strengthen the work of retaining people in jobs and counteracting the influx to flexi-jobs and disability pension.

2.12.5 Sheltered Employment

Before the municipal structural reform, responsibility for "sheltered employment" was divided between the municipalities and the counties. In most cases the municipalities could refer to sheltered employment, while the counties would handle the arrangement and administration of sheltered workplaces. With the municipal structural reform the local administrations have been given responsibility for the whole area, so that they now arrange, manage and refer disabled people to sheltered employment; in the same vein, the local administrations have also been given responsibility for the development of the area in accordance with local needs and possibilities.

3 Income Support Programmes

This section provides a brief overview of various forms of benefit available to citizens who are unemployed and participating in the labour market efforts, and in the grant of disability pension.

3.1 Cash benefit

Cash benefit is the lowest financial security blanket for citizens who have no other prospects of providing the bare necessities for themselves and their families.

A condition for receiving cash benefits is that the person in question has been exposed to an extraneous change, such as illness, redundancy or termination of cohabitation, because of which he or she is prevented from providing the bare necessities.

Cash benefit is subsidiary to other public support systems. This implies that, if the need can be met via other public benefits - such as daily benefits, sickness or maternity benefits or study grants - cash benefits are not available. Cash benefits are also subsidiary to private means of support. If a person or his or her spouse has assets or income of a certain magnitude, cash benefits are not available.
All people who wish to obtain relief must, to the best of their ability, utilise and develop their capacity to work and must accept job offers.

Generally speaking, only people resident in Denmark can obtain support under the scheme.

### 3.1.1 Reforms of the cash benefit system over the past five years

The integration of refugees and immigrants who are living in Denmark must be improved and they must get a job more quickly. Therefore, in 2002 new principles for cash benefits were introduced so that only people who have been in Denmark for seven out of eight years are entitled to full cash benefit. People who fail to meet the residence requirement but fulfil the other conditions for relief are entitled to starting allowance (for immigrants). In 2007 a further requirement was added, namely for 2½ years of employment within the past 8 years in order to be entitled to cash benefits.

In October 2002 the Government concluded an agreement with the Social Democratic Party, the Danish People's Party, the Social Liberal Party, and the Christian People's Party concerning "More people into employment". The aim of the agreement was to increase employment by 87,000 people before 2010. The agreement contained increased demands for recipients of cash benefits to actually be available to the labour market. It is also a principal element in the agreement that it must pay to go to work. Therefore an upper limit was introduced to the total relief - and a reduction of the relief for spouses after 6 consecutive months with relief.

In June 2005 the Government concluded an agreement with the Social Democratic Party and the Danish People's Party based on the Government's move "New opportunity for everybody". The agreement relies on the fact that successful integration depends on the individual foreigner taking responsibility and showing a will to be integrated, finding a job and becoming self-sufficient. Among other things, the agreement required spouses to have 300 hours of ordinary work within the most recent 24 months, compulsory education/training for young people under the age of 25, the right and obligation to repeated activation for people over the age of 30, as well as improved follow-up on recipients of cash benefits and starting allowance who report absence due to illness.

In June 2006 the Government concluded an agreement with the Social Democratic Party, the Danish People's Party and the Social Liberal Party concerning future prosperity and welfare and investments in the future (the Welfare Agreement). At a time of low unemployment and shortage of manpower the Agreement calls for real availability and active job-seeking among the unemployed - as well as swift and efficient placement of unemployed people with the enterprises. The agreement comprises follow-up, offers and activation, a less bureaucratic employment service, and strengthened measures against moonlighting.

### 3.2 Unemployment allowance

Unemployment allowance is granted to people who are waiting for a flexi-job. The local authority will pay these benefits during periods of unemployment, holidays, etc. It is a condition for eligibility for unemployment allowance - after having been approved for a flexi-job - that the person has immediately before had a certain association with the labour market or has received rehabilitation benefits. It is also a prerequisite for disbursement that a number of conditions are met - such as not being in voluntary unemployment after a flexi-job, and that reasonable offers are accepted.

If a person is unemployed and between two flexi-jobs, he can receive unemployment allowance if he meets the conditions for a flexi-job or has been working in a flexi-job for a combined period of 9 months within the past 18 months.

Unemployment allowance is paid for up to 5 days per week; it is disbursed monthly.
The unemployment allowance is between 91% and 82% of the highest rate of daily benefits. For further details see the sections concerning flexi-jobs: 1.2.4, 1.4.4 and 4.1.8, and the reform of the disability pension system in 2.1.

### 3.3 Rehabilitation benefits

Rehabilitation is a form of assistance to people whose ability to work is limited, if rehabilitation can be instrumental in retaining the person in question on, or returning him to, the labour market.

Rehabilitation includes work-oriented activities as well as financial relief. The financial relief is in the form of either cash benefits, starting allowance, or rehabilitation benefits.

The local authority makes decisions concerning entitlement to rehabilitation and rehabilitation benefits. Rehabilitation benefits are fixed as a monthly sum and correspond to the highest rate of daily benefits in case of unemployment.

However, rehabilitees under the age of 25 are entitled to only 50% of that amount - unless they are supporting their own children at home or have had earned income entitling them to the highest sickness benefit rate.

A person can receive rehabilitation benefits regardless of the spouse's income and property situation. Generally speaking, rehabilitation benefits can be disbursed for no more than five years.

If, during the course of rehabilitation, there is access to have the costs of living paid under other legislation, the person cannot at the same time receive rehabilitation benefits.

If, instead, the rehabilitee receives a salary or wages during his rehabilitation, and the salary/wages is/are lower than the rehabilitation benefits, the relevant local authority may grant a subsidy up to the level of the rehabilitation benefits. It is, furthermore, possible to receive wage/salary subsidies under the Active Employment Efforts Act, including rehabilitation in connection with apprenticeships.

During prerehabilitation the person in question will continue on his current benefit, e.g. cash benefit, in accordance with the rules applying to that benefit. For further details see para. 1.2.5 and 1.4.5 concerning rehabilitation.

### 3.4 Sickness benefits

Sickness benefits are payable to wage-earners as well as self-employed people in the event of unfitness for work due to illness. For the first 15 days the costs of sickness benefits to the employee are paid by the employer ("the employer period"); after that it is a public expenditure. The employer or the local authority may require that the absent person documents his illness, for example by means of a medical certificate.

A very large part of all wage-earners will be entitled - for example by virtue of collective agreements - to full wages during illness for the whole or part of the period. In the event that the employer pays wages, he will subrogate to the sick employee's right to sickness benefits - in the case illness lasting longer than the employer period.

To be entitled to sickness benefits the sick person must have a certain association with the labour market ("the employment requirement"). A wage-earner is entitled to sickness benefits from his employer when he has been in his employ without interruption for the last 8 weeks before his absence - and during that period has worked at least 74 hours. After that the wage-earner is entitled to sickness benefits from the public sector when he has been associated with the labour market in the last 13 weeks and, during that period, has worked not less than 120 hours. A wage-earner can also meet the employment requirement if he would have been...
entitled to daily benefits if he had not been ill. A self-employed person must have carried on independent business for at least 6 months within the past 12 months, the last of the six months being immediately prior to the absence due to illness.

People who receive sickness benefits may receive reduced sickness benefits - if they have regained, or in the process regain, part of their ability to work - concurrently with receiving wages for the period where they can work. It is thus a condition for a wage-earner's receiving sickness benefits that the absence is at least four hours per week. In the case of self-employed people reduced sickness benefits can be disbursed only in the form of half sickness benefits.

This possibility has been incorporated in the Sickness Benefits Act for many years. But in relation to the sick people, the employers and the municipalities, added focus has been placed on this possibility in connection with the new follow-up rules.

Sickness benefits from the public sector are financed by means of taxes, and the State refunds the municipalities' disbursements for the first four weeks - whereupon the State and the municipality share the costs on a 50/50 basis until the 52nd week. Thereafter the municipality pays the full cost. Normally, sickness benefits can be disbursed for 52 weeks within the past 18 months. There are, however, a number of possibilities of extension.

Sickness benefits are calculated on the basis of the weekly number of hours during the absence and the salary/wages the person would have been entitled to - except that the sickness benefits cannot exceed DKK 3,415 per week (2007). Divided by the normal weekly working hours under the collective agreement (currently 37 hours). For details see also paras. 1.2.1 and 1.4.1.

3.5 Disability pension for people under the age of 65
Disability pension is paid to people between the age of 18 and 65 and, for singles, corresponds to the maximum daily benefit rate. Disability pension is disbursed as a fixed taxable sum (DKK 14,803 per month for singles in 2007), which is reduced if the disability pensioner or his/her cohabitant/spouse has supplementary income. For example, a single disability pensioner can have up to DKK 60,400 (2007) of taxable income in addition to the pension before the pension is reduced. If the pensioner's supplementary income exceeds DKK 637,700 per year (2007), the disability pension is nil.

If a disability pensioner wishes to return to the labour market on a major scale, the disability pension can be rendered dormant. Making the pension dormant means that pension disbursements cease but can be resumed if it turns out that the disability pensioner is unable to stand up to the demands of the labour market.

As from 2003 the Danish Parliament amended the rules governing disability pension. One of the purposes was to ensure that people with a residual ability to work would have access to use their resources in a job - and to increase law and order for the individual citizen and make the casework more uniform.

In connection with the disability pension reform a new method was developed for the caseworkers with a view to strengthening the active briefing and coherence in the casework. The method was thus designed to support an increased focus on the individual citizen's resources rather than his limitations in relation to the labour market. For the evaluation of the ability to work the municipalities must therefore draw up a resource profile in all cases involving rehabilitation, flexi-jobs and disability pension; the profile should describe the citizen's resources in terms of, e.g., social qualifications, health, education, etc. It depends on the individual circumstances to which elements in the profile the greatest importance should be attached. All relevant elements must be included in the overall evaluation.

Disability pensions are financed via the taxation system. The residential municipality will cover 65% and the State the remaining 35% via refunds. For details see paras. 1.2.5 and 1.4.6.
3.6 Disability-compensating services in the social sector

The Service Act allows for a number of disability-compensating support arrangements:

- **Personal and practical support at home** - To citizens over the age of 18 with temporarily or permanently reduced physical or mental ability to function the local or county council will arrange for offers involving personal help and care (personal hygiene, dressing and undressing, eating assistance, etc.) as well as help with necessary practical chores at home (such as cleaning, food service, laundry, shopping, etc.). Assistance can be provided around the clock if the citizen needs it. On the other hand, allocation of assistance depends on whether there are other people in the household (e.g., a spouse) who would normally carry out some of the tasks.

- **Socio-educational support** - The local or county council must provide offers of socio-educational assistance, care or support to citizens over the age of 18 whose physical or mental ability to function is substantially reduced (or who have special social problems).

- **Personal assistance scheme** - Citizens over the age of 18 with considerably and permanently reduced ability to function as well as special needs can apply for an assistance arrangement, that is subsidies towards the employment of personal helpers. The scheme is not intended for citizens with needs in relation to discharging a job.

- **Attendance Service** - Citizens under the age of 67 who cannot move about outside their home because of considerably and permanently reduced ability to function are entitled to attendance service. The scheme includes up to 15 hours of hours of attendance per month; the purpose for which the citizen desires attendance is immaterial.

- **Contact person for deaf-and-blind people** - All citizens over the age of 18 who are deaf-and-blind must be offered a contact person who can help to break any isolation and enable the citizen to live a life which is as normal as possible - in spite of the grave communication handicap and need for companionship.

- **Necessary surplus expenses** - Citizens between the age of 18 and 65 with permanently reduced physical or mental ability to function can be reimbursed for such expenses as are a consequence of the reduced function. The added expenditure must be a necessary consequence of the reduced ability to function; in other words, expenses which the citizen would not have had if his ability to function had not been reduced. The coverage of added expenses is thus based on a principle of compensation. Reimbursement is only in respect of the extra expenses incurred by the citizen. Where, for example, there is a need for special shoes, the citizen must pay for such part of the cost as a pair of ordinary shoes costs.

- **Activity offers** - Citizens whose reduced functional capacity is so pronounced that they cannot handle sheltered employment may instead receive offers of activities or companionship in the form of day centre, day home or club. The purpose of these offers is to improve the citizen's personal skills and living conditions.

- **Dwelling offers** - Generally speaking, it is a citizen's own duty to find proper accommodation. However, citizens with reduced functional capacity can be given assistance to finding a suitable dwelling. It is up to the local authority to procure an adequate number of dwellings for its citizens (the duty of supply).

- **Facilities and consumer goods** - The local or county council will grant subsidies towards facilities to citizens with permanently reduced ability to function, if the facilities can materially remedy the effects of
the reduced functional capacity, alleviate daily life substantially - or if they are necessary for the citizen's capacity to carry out a job. In addition, the local authority will grant subsidies towards consumer goods based on the same criteria as in the case of facilities. Certain ordinary consumer goods can remedy reduced functional capacity so that the citizen can carry out daily functions which would not otherwise be possible without help from others. The provisions of the Service Act governing facilities and consumer goods do not include help to tools, etc., that are necessary for the work process for working citizens.

- **Motorcar subsidies** - To be eligible for subsidies to a motorcar the citizen must have permanently reduced ability to function so that he cannot - or only with considerable difficulty can - function in daily life without using a motorcar. The ability to move about must thus be substantially reduced - or it must make the citizen's chances of getting or retaining a job or completing an education without a car very difficult. Besides, the transport needs must be of a certain magnitude, and they must be of such a nature that they cannot be met by other transport arrangements in an appropriate manner.

- **Layout and provision of dwelling** - The local or county council will grant subsidies towards the layout of the dwelling for citizens with permanently reduced functional capacity when the layout is necessary to make the dwelling more suitable as a residence for the relevant person. For example, the layout may be in the form of ramps, installation of handles and banisters, alteration of bath/toilet facilities as well as extension or conversion of the dwelling. Help is available regardless of the type of dwelling. Where special layout is insufficient or conversion is impossible, it may be necessary to find another dwelling. In such exceptional cases the local authority will grant help towards the costs of purchasing another dwelling. Such help presupposes that no other suitable dwelling can be assigned.

- **Transport** - The local or county council will grant subsidies towards individual transport if, because of permanently reduced ability to function, the citizen cannot use ordinary public means of transport.

### 4 Employment Support Programmes

#### 4.1 General offers and offers addressing sickness absence and disabled people, etc.

This chapter briefly describes various active arrangements under the Danish employment services. The employment work for people with sickness absence and disabled people is an integral part of the general active effort in the field of employment. Unemployed people - including disabled people - are given the following offers as part of the activation (employability enhancement). There are three offers in the Active Employment Efforts Act:

1. Jobs with wage/salary subsidy - including the possibility of an icebreaker arrangement for newly educated, disabled people, see papa. 4.1.1.
2. Practical workplace training, see para. 4.1.2.
3. Education/training, see para. 4.1.3.

Besides, rehabilitation may be offered to people who, under the Active Social Policy Act, meet the conditions for rehabilitation (see para. 4.1.7).

There is a number of means of offering special employment arrangements to disabled people or people with reduced ability to work, see paras. 4.1.8 and 4.1.1.2. These are:

1. Giving flexi-jobs to people with permanently and significantly reduced ability to work.
2. Giving jobs with wage/salary subsidy to disability pensioners.
There are some additional means of compensating disabled people who are to be retained on or integrated into the labour market, see also para. 4.1.6. These are:

1. Granting facilities, minor worksite layouts, etc.
2. Granting personal assistance to people in employment.
3. Granting personal assistance to people in retraining and further education.
4. Priority to public positions.
5. Mentor scheme for unemployed people who are to be introduced at a place of work.

4.1.1 Wage/salary subsidy jobs to unemployed, newly educated disabled people and disability pensioners

Employment with wage/salary subsidies is for unemployed people with entitlement to activation. It may take place with private and public employers as well as with organisations and associations. In many cases employment with wage/salary subsidy is a shortcut to a permanent job. Here the jobless person can revive or strengthen his qualifications. He can get to use new knowledge from courses or test a totally new type of job. The employer engages the jobless person and receives a subsidy towards that person's salary/wages.

The procedure is arranged in cooperation with the jobless person, the job centre, the unemployment insurance fund, and an enterprise. While working in a salary-subsidy job the relevant person will continue to be registered at the job centre. He can remain working in a salary-subsidy job for up to 12 months. The arrangement is offered to various target groups. The arrangement for newly educated disabled people and disability pensioners is described in some detail below.

4.1.1.1 Icebreaker scheme for newly educated disabled people

For the purpose of being absorbed on the labour market, disabled people who have completed an education of not less than 18 months’ duration which can qualify them for admission to an unemployment insurance fund, and who have not got a job up to two years after having completed the education and lack experience within the field of work for which the education qualifies, can be offered employment with salary subsidy with a private or public employer.

The pay & employment terms must be as specified in collective agreements or those that are customary for a comparable job. If the person is member of an unemployment insurance fund, the responsible authority is the State at the job centre, whereas the municipal part is responsible for non-insured citizens.

As from 1 July 2003 the salary subsidy regulations were amended, and this implies that the icebreaker scheme for newly educated disabled people was improved so that it is possible to receive salary subsides for a full year (previously: six months).

4.1.1.2 Jobs with salary subsidies for disability pensioners - previously referred to as sheltered jobs with salary subsidies

Jobs with salary subsidies for disability pensioners were previously called sheltered jobs with salary subsidies. Like the former sheltered jobs with salary subsidies a job with salary subsidies for disability pensioners is a position on special terms. The special thing is that pay & working conditions are subject to mutual agreement.

Jobs with salary subsidies for disability pensioners can be arranged for people who receive disability pension under the Social Pensions Act. In other words, these are offers to people who receive disability pension - unlike flexi-jobs, which are arranged for people who are not receiving disability pension. For a person to get a job with salary subsidies it is a condition that he is unable to obtain or retain employment in a part-time job on normal terms on the labour market.

The municipality where the disability pensioner lives is responsible for the payment of subsidies in connection with the setting-up of a job with salary subsidies. Jobs with salary subsidies can be offered on full
as well as part time. It is up to the municipality at the job centre to consider cases involving the setting-up of jobs with salary subsidies. There may be people whose ability to work is so reduced that they cannot be employed in a job with salary subsidies. For this group of people there is access to employment in sheltered workshops.

4.1.2 Practical workplace training

Practical workplace training is employment where the unemployed people becomes part of a trainee team, which may last up to four weeks for members of an unemployment insurance fund and up to 13 weeks for recipients of cash benefits with a long prior period of unemployment or lack of work experience. Participation in practical workplace training must correspond to full normal working hours per week for full- and part-time insured, respectively.

Practical workplace training is offered with a view to upgrading the unemployed person's qualifications. As regards the duration, this can be fixed for people with limited ability to work on the basis of an assessment in each individual case.

The enterprise pays no salaries/wages during the trainee period - because the unemployed receive benefits from the unemployment insurance fund or the local administration. The benefit is equal to the daily benefit which an unemployed member of an unemployment insurance fund would otherwise be entitled to - or the cash benefit which an unemployed recipient of cash benefits would otherwise receive.

4.1.3 Offers of education/training

Offers of education/training may consist of brief guidance and clarification periods, specially arranged projects, and training periods. The offer is made with a view to developing and identifying the relevant person's professional, social and linguistic skills for the purpose of upgrading to the labour market.

Generally speaking, offers of training/education during the first unemployment period - i.e., nine months - cannot last more than six weeks. During the period the participants will receive a payment corresponding to the daily benefit which an unemployed member of an unemployment insurance fund would otherwise be entitled to - or the cash benefit which an unemployed recipient of cash benefits would otherwise receive.

4.1.4 Sickness follow-up

In the light of the Government's action plan "This is what we do about sickness absence" new rules concerning sickness benefit follow-up\(^9\) were introduced effective as from 1 July 2006.

With the new rules the efforts for the sick were targeted to those people who have the greatest need for close and individual follow-up. Furthermore, attention was focused on job retention and gradual return of the sick into employment - bearing in mind that the sick should be returned to work as quickly as possible.

As a new element in the follow-up, a (re)referral is to be made to one of three categories: 1) cases where a return to the labour market is imminent, 2) cases where there is a risk of a long period of illness and/or a risk in relation to the ability to work, or 3) cases where the disorder/illness will result in a long period of illness.

The three referral categories determine the procedure for the local authority's follow-up, including the form of interview and the frequency of follow-up. As a new thing follow-up is made every four weeks in cases involving risk; whereas in other cases follow-up is still made every eight weeks.

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\(^9\) Act No. 396 of 1 June 2005.
At the first follow-up the local authority will decide if a follow-up plan is to be prepared, and as a new rule the plan must be drawn up in connection with the second follow-up, that is not later than after about 12 weeks for Category 2 and about 16 weeks for Categories 1 and 3. The Plan must specify targets for the follow-up, and the actual follow-up effort must appear from the Plan. The Plan must provide an overview and coordination of the work in the individual case. A copy of the Plan will be given to the sick person.

As a new thing the local authority must now, within the context of cooperation with the enterprises, inform the workplace of relevant initiatives launched by the local authority for the sick person - such as work testing, other rehabilitation, flexi-job or disability pension. The information is subject to the sick person's consent.

Other players may be in charge of the entire or part of the follow-up work.

The local authority receives no refund from the State as long as the local authority might fail to fulfil its duty to follow-up on sickness benefit cases.

In cooperation with the Danish Medical Association (DMA) new medical certificates have been drawn up. They contain details of the sick person's ability to function. This provides an improved basis for evaluating if, for example, the sick person can resume work at the enterprise partially or in another job function. Concurrently, also in cooperation with the DMA, a series of regional courses have been arranged for general practitioners where the focus has been on, amongst other things, the new medical certificates and retention at work.

4.1.5 Caseworker tools at the job centres

4.1.5.1 Referral tools - for municipalities as well as the State

The goal in relation to all unemployed people is the same: the shortest possible road to a job. The work involved in achieving this goal varies. There are - as is well known - great differences between unemployed people. Experience shows that the way in which unemployed people's employment potential is assessed locally varies considerably. This does not benefit anyone; neither the unemployed people, the enterprises, the decision makers, the staff nor - for that matter - the taxpayers. There is a need to bring about a uniform basis and uniform principles for the assessment of each person's resources and prospects on the labour market.

Therefore all job centres must use the same tools when they interview the unemployed people - except that foreigners who come under the Integration Act must have an individual contact drawn up. The so-called referral tools, which were developed in cooperation with local practitioners and the Public Employment Service, assist the job centre in the - systematic - assessment of each person's employment potential.

The unemployed person must be placed in one of five match categories. Direct match means that the unemployed person is quite close to the labour market - and no match implies that the unemployed person has a relatively long way to go to return to the labour market. The placement of the unemployed person in one category or the other can have great impact on the subsequent process. Some can go direct to job-seeking, whereas others need upgrading, practical workplace training, or other means of assistance.

4.1.5.2 The ability-to-work method

The ability-to-work method is a joint casework method to be used in cases involving rehabilitation, flexi-job and disability pension. The ability-to-work method was introduced in 2003 within the context of the disability pension reform.

The overall aim of the ability-to-work method is to make sure that people who have an ability to work which permits association with the labour market are actually given the opportunity to use the resources in a job -
rather than passive maintenance. Another purpose is to ensure that citizens who have no prospects of using their ability to work are given disability pension.

The method supports a process where, jointly with the citizen, the caseworker identifies the resources that the citizen has in relation to the labour market. The result is the starting point for assessing if the citizen has immediate chances of becoming associated with the labour market, or if there are prospects of starting a process of development that can improve the ability to work with a view to total or partial self-sufficiency. The citizen, the citizen's network as well as other relevant cooperation partners will be included in the casework. The aim is jointly to find complete and durable solutions. Decisions must rely on an assessment of the citizen's actual ability to work and the possibilities available on the labour market.

Incorporation of the citizen is a crucial part of the ability-to-work method in the casework, and it is a requirement under the Law and Order Act. The aim is that the citizen can recognise himself in his resource profile and feel a responsibility for his own development process.

The most important instrument in the ability-to-work method is the resource profile, which is a tool and framework for the caseworker's tasks of describing, developing and assessing the citizen's ability to work.

More specifically, the caseworker shall jointly with the citizen describe and deal with 12 different elements, including things such as the citizen's labour market experience, social qualifications, networks and health. Combined, these elements provide a picture of the citizen's resources which can be matched against the demands of the labour market. It is not an aim per se that the preparation of the resource profile must include a thorough description of all the elements. Which elements to describe depend on a specific assessment in each individual case.

Experience shows that law and order for the citizens has increased, and that caseworkers, local administrations, and the citizens are satisfied with the ability-to-work method.

4.1.6 Compensating arrangements for disabled people

4.1.6.1 Personal assistance to unemployed people, wage-earners and self-employed people

Personal assistance may be granted to unemployed people, wage-earners and self-employed people who, because of permanent and substantial physically or mentally reduced functional capacity need special personal assistance.

Personal assistance may be applied for by disabled people who are seeking employment - or are working - in a job on ordinary pay & employment terms, seeking employment - or working - in a job with wage/salary subsidy, in a flexi-job or is participating in a practical workplace training offer under the Active Employment Efforts Act, or is contemplating to set up in independent business, or is a self-employed businessman on the ordinary labour market.

The personal assistant is to assist the person with such practical work functions as follow from the employment - and for which the person in question needs special assistance because of his reduced functional capacity. The person with the reduced functional capacity must be able to carry out the substantive work assignments himself.

Generally, grants are given for up to 20 hours per week on average per quarter of the year for people who work 37 hours per week.

The scheme is managed by the State at the job centres. The scheme is financed by the Government.
In recent years some amendments have been made to the scheme. In March 2005 the executive order was modified so as to ensure that even people with several handicaps or grave handicaps can handle their jobs on equal terms with others. This means that it is now possible to grant personal assistance to disabled people in excess of the previous limit of 37 hours per week.

As from 1 July 2007 the target group for the scheme was extended so as to include also mentally disabled people. Until then only physically disabled people were entitled to have a personal assistant at the place of work. The purpose of the amendment to the Act was to increase the chances of getting mentally disabled people into employment. Many mentally disabled people have resources with which they contribute to the labour market, and they are quite willing to do so. For some of these people it can be difficult to get and preserve a job if no compensation is made for their reduced functional capacity in the form of personal assistance. With the amendment of the Act mentally disabled people are now on an equal footing with physically disabled people.

As from 1 January 2008 an arrangement will be introduced where people over the age of 55 who forfeit their right to daily benefits can have a so-called senior job in their municipality. The target group for this type of job is also covered by the access to obtain personal assistance.

4.1.6.2 Personal assistance during retraining and further education

Personal assistance may be granted to wage-earners and self-employed people who, outside normal working hours, participate in general retraining and further education within the relevant trade. It is a condition that the disabled person is not entitled to special educational support in the form of personal assistance under the laws governing the relevant education/training - or special educational support towards participation in the relevant education/training.

The scheme is managed by the State at the job centres. The scheme is financed by the Government.

4.1.6.3 Aids (tools/implements, minor workplace layouts)

In connection with participation in practical workplace training arrangements and employment with wage/salary subsidy, subsidies may be granted to aids for the purpose of helping the person to get or participate in the offer.

It is a condition for the granting of subsidies towards tools/implements and minor workplace layouts that the subsidy is essential for the person's participation in the offer - or that the tool or layout is compensating for the person's limited ability to work, if any.

In order to increase the chances of people getting or retaining employment with salary/wage subsidy or carrying on independent business, subsidies may be offered towards aids in the form of tools/implements and minor workplace layouts. It is a condition that the subsidy is essential for the employment or the work in the person's own business, or that the tool or workplace layout is compensating for the person's limited ability to work, if any.

Before July 2003 the local administrations were the appropriating authorities in relation to the scheme. But as from 1 July 2003 the (then) state employment services have had access to allocate aids, etc., to citizens who are members of an unemployment insurance fund. For aids, etc., allocated by the State at the job centres the scheme is financed by the State, whereas the State pays a 50% contribution towards aids, etc., allocated by the local administration at the job centre.

4.1.6.4 Priority to public positions

Disabled people have priority access to vacant jobs with public employers, the right to market place stalls, etc., and taxi drivers' licences if the disabled person is just as qualified as the other applicants. The scheme is
governed by the Disabled People in Jobs (Compensation, etc.) Act and is managed by the State at the job centres.

The provision also applies to public authorities when they distribute licences to vacant market place stalls, newspaper and magazine stands, chocolate and tobacco outlets or other permits, tenancies, etc., of a similar nature, and taxi drivers' licences.

Public authorities must notify the State at the job centre of licences to vacant market stalls, etc.

The priority access to public positions is safeguarded by the citizen's right to a job interview, and by the fact that employers have a duty to negotiate with the State at the job centre before a vacant position is filled, if it is not given to the disabled person.

There have been no major reforms of the scheme in recent years.

4.1.6.5 Mentor Scheme

If the unemployed person needs special assistance for the introduction to and training at a place of work or an education, it is possible to obtain support for a mentor. Mentor support can be granted in connection with a salary-subsidy job, educational activation, or new employment in an ordinary job.

In most cases the mentor function is undertaken by an employee at the enterprise. In smaller enterprises (enterprises with not more than ten employees) the mentor function may be handled instead by an external consultant. The employer will be reimbursed for the salary expenses through the "buying off" of the employee handling the mentor function, or the fee to the external consultant. It is a condition in that regard, however, that the employee does not attend to his ordinary job functions during the hours where he is acting as a mentor.

The determination of number of hours for the mentor function is made in cooperation with the employer and on the basis of a specific assessment of the salary-earner's needs and qualifications.

The arrangement has existed in its present form since 2002 and in an earlier form – not quite so comprehensive – since 2001. It was then known as the "Anchor Person Scheme".

4.1.7 Rehabilitation

Rehabilitation takes the form of job-oriented activities and financial support that can be instrumental in ensuring that a person who lacks full ability to work can remain on or enter the labour market.

Rehabilitation addresses people who have limited ability to work for physical, mental and/or social reasons. Starting a rehabilitation process presupposes that there is a realistic possibility that it can lead to full or partial self-sufficiency. It is also a condition for an offer of rehabilitation that other job-oriented activities under the Active Social Policy Act or other legislation - such as the Active Employment Efforts Act - are insufficient to return the person to employment.

The aim of rehabilitation is job-oriented; it must qualify the rehabilitee for a job on normal terms. Measures which are in the nature of retraining to restore a person to the same functional level as before an illness - and therefore have no job-oriented aim - are not covered by the rehabilitation rules, but come under legislation such as the hospital/health laws or the social laws.

The local administration will arrange the rehabilitation in concert with the rehabilitee, so that the offer is adapted to the relevant person's qualifications and needs. At the same time, the rehabilitee's wishes as to future employment are taken into consideration. When the job-oriented aim has been clarified, the local administration will jointly with the rehabilitee draw up a job plan.
Always provided that the rehabilitation occurs in accordance with a fixed job plan, the rehabilitee will receive help in the form of rehabilitation benefits, lowest contractual (collective agreements) trainee, pupil or apprentice pay, or lowest contractual salary/wages - or the salary, etc., customarily paid for similar work. The rehabilitee cannot receive rehabilitation benefits while at the same time having his costs of living paid under other legislation. Furthermore, special rules apply to the benefits payable to young people under the age of 25, and to young people who have just left the school system.

During prerehabilitation, which covers activities with a job-maturing or clarifying aim carried out by the rehabilitee before the job-oriented aim has been clarified, the maintenance basis for the rehabilitee is that which was already in force. This might be cash benefits or sickness benefits.

The rehabilitation must be arranged so that it can be completed as quickly as possible. The maximum period for payment of rehabilitation benefits that the local administration can plan is thus 5 years. There are special cases where it is possible to extend the rehabilitation period.

4.1.7.1 Rehabilitation of disability pensioners
Any person who receives disability pension may apply to the local administration at the job centre for rehabilitation with a view to improving his ability to work and thus qualifying for a job - such as one with salary/wage subsidies or one on the ordinary labour market.

Support towards rehabilitation is also available where it is doubtful if a person can honour the demands made by the wage-subsidised job - or if there is a need for retraining.

In this situation it is possible to provide relief towards the special expenses following from the work testing/retraining or the disability - for example, in the form of personal assistance or necessary tools and implements.

4.1.8 Flexi-job scheme
Flexi-jobs are positions on special terms. Flexi-jobs can be arranged with private and public employers, and subsidies can be paid to self-employed people to retain them in their own business.

The residential municipality of the person who wishes to have a flexi-job or subsidies to allow him to remain working in his own business is responsible for the grant. The local administration will pay a salary/wage subsidy to the employer.

The following criteria must be met before a person can be approved for a flexi-job:

- The person must be under the age qualifying for national pension.
- The person must be unable to get or retain a job on normal terms on the labour market - including work in a contract-based sheltered job in accordance with the social chapters of the collective agreements.
- The person's ability to work must be permanently and significantly impaired. The reasons for the impaired ability to work may be physical, mental or social. The impairment of the ability to work should be considered in relation to any kind of job.
- The possibilities of rehabilitation, activation and other measures (such as relocation at the place of work) that could retain/return the person on or to employment on normal terms must have been exhausted. There are cases, however, where it would be patently futile to carry out such measures prior to the referral to flexi-job.

The local administration will consider the ability to work on the basis of an overall description and assessment of the person's professional and personal resources, prospects of development, and barriers - held
against an assessment of the specific job functions which the person is able to handle. This method is referred to as the ability-to-work method.

In connection with the consideration of the ability to work the focus will be on the person's prospects of getting a job on normal terms - now or henceforth. The crucial point is what the person can or can be made to handle in relation to any type of work on the labour market.

The flexi-job scheme became effective on 1 January 1998 and has since been changed on an ongoing basis. The most comprehensive changes were made in the summer of 2001 in connection with the reform of the disability pension, where the demands on referral were increased and the minimum rate of 1/3 wage subsidy to the employer lapsed, the flexi-benefit - which enables people in flexi-jobs to retire from the labour market when they reach the age of 60 - was introduced, and it became possible to arrange flexi-jobs for self-employed people. The most recent adjustment of the flexi-job rules was in June 2006, when there was a tightening of the municipal referral, a limit was introduced as to public wage subsidies, and the unemployed person was given the right to use another player if he himself or the local administration did not manage to find a suitable flexi-job within the first six months of unemployment. After 12 months - when the job centre has considered that the person still meets the conditions for a flexi-job - the client may demand to see another player.

4.1.8.1 Salary/wage subsidies to flexi-jobs

Flexi-jobs are positions on special terms. Flexi-jobs can be arranged with private and public employers, and subsidies may be granted to self-employed people to retain them in their own business.

Pay & employment terms for the setting-up of a flexi-job are laid down in cooperation among the trade union organisations, the employer and the employee. The pay is generally fixed on the basis of the collective agreement applying to the area, including the social chapters. If employment is effected within an area not covered by a collective agreement, the agreement for comparable areas will be used.

The residential municipality of the person who wishes to have a flexi-job or subsidies to allow him to remain working in his own business is responsible for the grant. The local administration will pay a salary/wage subsidy to the employer. The subsidy is one-half or two-thirds of the minimum pay under the collective agreement, depending on the degree of reduction of the person's ability to work. However, the subsidy cannot exceed one-half or two-thirds of the minimum local hourly pay under the collective agreement applying to the area in question - or of the remuneration customarily paid for comparable work. Besides, there is a refund of the employer's labour market supplementary pension fund contributions as well as the costs of any other employer contributions at the same rate as the remuneration.

4.1.9 Sheltered employment

The local authority must offer sheltered employment to people under the age of 65 who are, owing to considerably reduced physical or mental functional capacity or special social problems, unable to get or keep a job on normal terms on the labour market, and who cannot make use of offers under other legislation. Sheltered employment is a social initiative which must be extended to all disabled people who can to a greater or lesser extent make a productive contribution but who cannot obtain employment on the ordinary labour market.

The general framework for "sheltered employment" is laid down in national legislation, which binds the municipalities to offer sheltered employment to disabled people who cannot otherwise obtain earned income through other forms of employment.

Disabled people who are offered sheltered employment will always have another assured source of support - generally in the form of a disability pension. In more exceptional cases the disabled person's basis of support can also be assured in the form of cash benefits.
The centralised regulation of the area is also laid down in an executive order containing guidelines for the determination of the remuneration to be paid for the work contributed by the disabled person.

People in sheltered employment must pay their own costs of conveyance to and from the enterprise within a distance of 10 kilometres. Any transport expenses in excess thereof will be reimbursed by the local administration which referred the person to sheltered employment.

The legislation further provides that enterprises which employ disabled people according to the rules of sheltered employment must not impose unfair competition on other enterprises.

Offers for sheltered employment are generally made in an institutional framework in especially laid-out workshops that carry out production jobs on consignment for other enterprises.

The political trend in this area is towards a reduction of the number of institutional offers of employment in sheltered workshops and, instead, arranging sheltered employment in connection with or in enterprises that operate on ordinary market terms.

It is possible to post individual people or groups of disabled people from a sheltered workshop to an enterprise. A special division operating as a sheltered workshop can be established within an enterprise. An enterprise may also enter into an agreement with the local authority for the employment of one or several disabled people under the rules governing sheltered employment.

First and foremost, sheltered employment accommodates the disabled person's needs for activity and contents in daily life. Besides that, another purpose of an offer of sheltered employment is to upgrade the disabled person to be able to handle a job on the ordinary labour market - possibly using the support measures available via the laws on compensation to working disabled people.

The political trend pursued in the area is supported in the main by various development initiatives included in the Government's employment strategy for disabled people.

In the field of 'sheltered employment' a number of specific development projects have been launched via a centralised application pool. These development projects are followed up by centrally controlled model projects designed to initiate municipal development initiatives. Furthermore, a research project is being planned which is intended to deliver detailed documentation of the operation of the area on a number of specific points - for the purpose of updating the legislation in the area.

The division of responsibility between the national government and the local-policy municipal authorities is in parallel with the division of responsibility already existing by virtue of the municipal structural reform. The Government holds overall responsibility for the framework and the legislation - whereas it is a municipal policy responsibility to fill the framework and allocate priorities to the handling of tasks, including the determination of the service level. The regions have no separate politico-economic responsibility. The regions manage joint municipal offers and thus fulfil a supplier function in relation to the municipalities for institutions that were not taken over by a municipality in connection with the municipal structural reform.

4.1.9.1 Remuneration to people in sheltered employment

Disabled people who are offered sheltered employment will always have another assured source of support - generally in the form of a disability pension. In more exceptional cases the disabled person's basis of support can also be assured in the form of cash benefits.

The centralised regulation of the area is also laid down in an executive order containing guidelines for the determination of the remuneration to be paid for the work contributed by the disabled person. The principle
behind the remuneration paid to people in sheltered employment is that the pay should correspond to the value of the work performed – subject to a minimum of 5% of the lowest collective agreement pay in the relevant sector.

People in sheltered employment must pay their own costs of conveyance to and from the enterprise within a distance of 10 kilometres. Any transport expenses in excess thereof will be reimbursed by the local administration which referred the person to sheltered employment.

4.2 The position of disabled person in society/employment

The Ban on Discrimination in the Labour Market Act (The Discrimination Act) contains a ban on direct and indirect discrimination by reason of disability on the labour market. Among other things the Act includes implementing provisions intended to ensure that Danish law complies with the demands in EU Directive No. 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation. The ban on discrimination based on disability came into force on 28 December 2004.

The object of the Act is to ensure that no applicant for a vacant job or wage-earner is subjected to discrimination because of disability. Wage-earners and applicants for vacant jobs are thus protected against discrimination in connection with engagement, during employment, in connection with dismissal, transfer, and promotion, and with regard to terms of remuneration and work. Employers may not discriminate against employees in respect of access to further occupational education, retraining, etc. The Act applies to employers as well as to anyone who carries on instructional and educational activities, and to anyone who provides placement services.

The Act does not define the term "disability". It thus depends on a specific assessment in each individual case if a person comes under the protection of the Act. It appears from the explanatory statement accompanying the Act that the Act does not modify the distinction between disease and disability, and the employer's right to question applicants for vacant positions and employees about their suffering from or having suffered from a disease remains regulated by the Health Disclosure Act.

The Act also contains a duty for the employer to make appropriate adaptations in view of the specific need to grant the disabled person access to employment, to perform a job, find progress in employment or access to education. However, the duty to undertake adaptations must not be unreasonably onerous for the employer. If the burden is sufficiently lightened by means of public measures, it is not considered excessive. On this point the Discrimination Act interacts with the Disabled People in Jobs (Compensation, etc.) Act.

The Act provides access for the public authorities as well as private people to launch special initiatives with a view to increasing disabled people’s prospects of getting a job. The Discrimination Act contains no rules concerning quotas for the employment of disabled people.

People who plead equal treatment for themselves or others are protected by the Act against reprisals. Finally, the Act contains provisions concerning damages. The courts of law may award damages to people who have been subjected to discrimination.

In cases under the Discrimination Act the onus of proof is divided.

Cases involving violation of the Discrimination Act are subject to private prosecution and may be instituted by civil action by either the wage-earner or the latter's trade union organisation. The trade union organisation can also elect to institute proceedings within the industrial dispute system. The Government expects to table a Bill concerning the setting-up of a combined complaints board for equal treatment in the autumn of 2007.

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10 Act No. 286 of 24 April 1996.
The Board is intended to be able to make decisions in matters involving discrimination based on disabilities and to award damages.

The Part Time Act enables the wage-earner to make arrangements with the employer for employment on part time. The Ministry of Employment has no knowledge of the extent to which this possibility is being used by disabled wage-earners.

**4.2.1 Special obligations for employers**

Many enterprises have a sickness absence policy with various follow-up initiatives intended to help the sick employee to get back to work. These might include interviews and ongoing contact during sickness absence as well as offers of other job functions and reduced working hours.

Within the meaning of the *Salaried Employees Act* illness is regarded as a legitimate reason for absence; therefore, wage-earners covered by the Salaried Employees Act are entitled to pay during illness. However, the Salaried Employees Act and the associated court practice provide no obstacle to the dismissal of a salaried employee during illness. In those cases it is necessary that, in the specific situation, the dismissal is reasonably justified by matters relating to either the employee or the enterprise. Thus, if it is established during the salaried employee's illness that he will never get well, this could justify a dismissal. In court practice as well as in decisions from the Dismissals Board, importance is attached to - among other things - how burdensome the illness is for the operation of the enterprise, whether or not the illness was caused by the work, and the duration of the illness compared with the employee's seniority. Similar rules and practices can largely be derived from the *collective agreements* for non-salaried employees.

The Salaried Employees Act also permits agreements in connection with the engagement to the effect that the period of notice shall be shortened if the salaried employee is ill for 120 days within one year.

**4.2.1.1 Sickness absence**

It is reasonable to assume that if the absence is caused by a disability, the Discrimination Act will also apply - so that the objectivity of any dismissal will have to be considered in the light of the provisions of the Discrimination Act. There is not yet any court practice on this point.

**4.2.1.2 Sheltered employment**

Management and labour are not, via legislation, bound to assume responsibility for the provision of sheltered employment for disabled people. The initiatives and projects that are launched and which involve management and labour are therefore on a voluntary basis – motivated, as the case may be, by public subsidy schemes, project funds, etc.

**5 Statistics and Data**

This chapter contains a summary of the most important sources of statistics on the labour market.

**5.1 Statistics Bank – Statistics Denmark**

The Statistics Bank contains - in detailed form - official statistics describing Danish society, also including the labour market.

As a novelty, from the end of 2007 absence statistics will be introduced embracing public as well as private enterprises. It will enable enterprises to compare their own level of absence with the average for their trade, area and size. The statistics will provide new and valuable knowledge of the trend in overall absence - within lines of business and for different groups of people.
5.2 DREAM
The data base of the Ministry of Employment - DREAM - contains details of unemployment periods and active employment efforts, etc. The Register holds detailed information about people who receive public benefits.

5.3 Jobindsats.dk
Jobindsats.dk compiles important figures about trends in the area of employment policy and makes it easy to obtain knowledge of the employment efforts. Jobindsats.dk also shows the result audit carried out at each job centre; it provides an overview of the results and effects of the job centre’s work compared with other job centres.

The focus is on benefits paid to people in the economically active age bracket who – for various reasons – are jobless for more or less extended periods of time. For all types of benefit it is possible to extract a large number of details: How many people on the benefit? For how long have they been so? How much does it cost? How great are the movements into and out of the benefits? Etc.

On Jobindsats.dk, benchmarking is crucial. You can see if one job centre is doing better or worse than last year. Or if it is doing better or worse than other job centres – for example, job centres with the same outline conditions. Data start in 2004 and are updated on a monthly basis so that the data are at all times as fresh as possible. Jobindsats.dk contains data for recipients of daily benefits, starting allowance, introduction benefit, rehabilitation, prerehabilitation, sickness benefits, unemployment benefits, flexi-jobs and disability pension.

Jobindsats.dk is a portal under steady development. Later in the year it will be possible to see the Minister’s targets for the employment effort in 2007. Furthermore, there will be figures for a number of interdisciplinary areas, viz. people ready or not ready for the labour market, ethnic people, and people on the outskirts of the labour market.

5.4 Labour market portal
The labour market portal is a web-based database available for use in connection with the arrangement, administration of and follow-up on the employment-oriented effort by the State, the municipalities, and the unemployment insurance services. The portal has been developed for use by the staffs at the Public Employment Service, the local administrations, the unemployment insurance services, and other players. The portal contains data on maintenance/support and initiatives at the personal level. The portal makes it possible to make various calculations and downloads in relation to, for example, minimum contact, CV-interviews, and bonus settlements for other players. Also, a special module has been developed to support referral - and a module for communication between the Public Employment Service and other players.

6 Surveys, Analyses and Internet Sites in the Areas of Sickness Absence and Disability

6.1 Surveys and analyses in the area of sickness absence

6.1.1 Analysis of Danish sickness absence (2003)
In May 2003 the Ministry of Employment published the report ”Analysis of Danish Sickness Absence”. The report shows that the total absence due to sickness corresponds to about 142,000 people being absent from work and unable to do their job - every day. It is estimated that the employers have direct expenses from sickness absence in the order of DKK 22,000,000,000 per year – in addition to the loss of production which also follows from this absence. Brief sickness absence of up to two weeks’ duration accounts for some 50% of the total sickness absence.
It appears from the report that surveys seem to indicate that the risk of extended sickness periods is significantly smaller if the municipalities live up to their obligation to follow up after 8 weeks of illness.

The reason for the report was that sickness absence has been increasing in the past years. The report can be found on www.bm.dk.

6.1.2 Return to work (2003)
In November 2003 the National Institute of Occupational Health (now: the National Research Centre for the Working Environment) published the report "Return to Work". The report considers the circumstances that can lead to long-term sickness absence, and methods designed to limit that absence. The report focuses on the factors at the place of work which are subject to the direct control of either the employer, the employees, or representatives of these - and which may have an impact on the return to work. The report can be found on www.ami.dk.

6.1.3 Long-term sickness absence – What goes on and how are we doing?
In November 2003 the National Institute of Social Research published the report “Long-term Sickness Absence – What goes on and how are we doing?”. The report states that the Danish sickness absence policy is good but can be improved. It is a drawback of the Danish sickness absence policy, says the report, that it is somewhat deficient in its support of enterprises retaining long-term sick employees. It frequently pays for the employer to lay off an employee who has reported sick - instead of retaining him or her. This means that the sick person runs the risk of dropping out of the labour market - and expensive rehabilitation may be necessary to return the person to work, whereas with limited funds it would have been possible to retain him at the enterprise. The report can be found on www.sfi.dk/udgivelser/seneste_rapporter.

6.1.4 Inquiries by the Appeals Tribunal into the municipalities' follow-up practice in cases involving sickness benefits (2007)
In January 2007 the Appeals Tribunal published an inquiry into the municipalities' follow-up practice in cases involving sickness benefits. The Appeals Tribunal is of the opinion that the municipalities largely follow up on sickness benefit cases in compliance with the legislation and practice. Since 1 July 2005, recipients of sickness benefits must be referred to one of three categories: 1) a return to the labour market is imminent, 2) risk of long-term sickness period, and risk as regards the ability to work, and 3) the illness will give rise to a long-term sickness period. The report can be found on www.ast.dk/Prakisundersøgelser/lov on sickness benefits.

On the other hand, the inquiry also shows that the municipalities have re-referred only 63% of the sick in connection with the subsequent follow-up. The municipalities should have increased focus on the fact that, at each follow-up, the sick citizen must be re-referred to one of the three categories - and that such re-referral should be plain to see from the file. The local administrations' work in connection with the follow-up plan can be improved - in that plans have been drawn up in only 73% of the cases (on time). The cases where the local administrations have subsequently adjusted, extended and handed out the follow-up plan to the sick citizen are even rarer.

Other players are involved in the follow-up. Thus, the citizen's own general practitioner is involved in 80% of the cases; in 50% of the cases various hospital wards are involved; in 8% the place of work; and in 4% a rehabilitation institution.

6.1.5 Report on developments in the disability pension area and the inclusive labour market (2007)
In the Government's "Report on developments in the disability pension area and the inclusive labour market" of May 2007 an analysis has been made of the basis of support/maintenance one month prior to the grant of disability pension.
In 2001, about 47% of those who went on disability pension came from sickness benefits. In 2006 recipients of sickness benefits accounted for 37% of the influx to disability pension. The proportion of disability pensioners coming from sickness benefits has thus dropped after the disability pension reform came into force on 1 January 2003, cf. Fig. 2.

Fig. 2 Where were the disability pensioners before?

This trend is consistent with one of the wishes behind the disability pension reform, viz. to make sure that people all possibilities of retaining a person on the labour market must be exhausted before disability pension is granted.

The drop in the proportion of disability pensioners who come direct from receipt of sickness benefits is in evidence both for those people who receive disability pension because of mental disorders and for people with, e.g., musculo-skeletal diseases, cf. Fig. 3.

Fig. 3 Basis of support/maintenance one month prior to disability pension - before and after the reform, 2001 and 2006

Fig. 3.a. People with musculo-skeletal diseases   Fig. 3.b. People with mental disorders
In the Government's "Report on developments in the disability pension area and the inclusive labour market" of May 2007 the individual schemes are also considered separately.

**Fig. 4. Rate of transfer from sickness benefits to disability pension - 2001 to 2006 (%)**

Source: The Ministry of Employment's database DREAM.

Note: The transfer rate is measured from week 13 to week 25 of the year. However, there are several recipients of sickness benefits who go to disability pension via unemployment benefits.

Fig. 4 shows the rate of transfer, i.e., the proportion of people who pass from sickness benefits to disability pension as a percentage of the total number of people on sickness benefits. In 2004, 2.3% of the people on sickness benefits were transferred to disability pension; in 2006 this percentage was 1.6%. In other words, since 2004 there has been a tendency for recipients of sickness benefits to pass directly to disability pension less often than before.

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11 It was decided to consider the development between two quarters of a year only. This makes the analysis clearer, and an analysis containing the development between several quarters of the year will not change the results. The brief interval (3 months) between the two selected observations in the year ensures a high degree of probability that the person does in fact come from the benefit specified and has not in the intervening period (between weeks 13 and 25) had an extended period on another benefit.
6.1.5.1 The road to disability pension for recipients of sickness benefits

People who have been referred to a flexi-job but have not found one will receive an unemployment allowance. The outflow from unemployment allowance to disability pension has gone up from 2.9% in 2004 to 3.9% in 2006. And relatively more of those people who pass from unemployment allowance to disability pension received sickness benefits immediately before they began to receive unemployment allowance.

The proportion of people who have been transferred from unemployment allowance to disability pension and who were previously on sickness benefits has increased - from accounting for 19% of the recipients of unemployment allowance who were transferred to disability pension in 2003, to 47% in 2006.

This increase has implied that about a quarter of the drop (2004 to 2006) recorded in the number of disability pensioners who came directly from sickness benefits is outweighed by the fact that more recipients of sickness benefits who are transferred to disability pension do so via a period on unemployment allowance, cf.Fig. 5.

It must be regarded as a success in terms of the aims of the disability pension reform that other possibilities of association with the labour market are tested for the previous recipients of sickness benefits before they are transferred to disability pension.

Fig. 5 Number of recipients of sickness benefits who pass directly and via unemployment allowance - to disability pension from the 2nd to the 3rd quarter of the year

Source: The Ministry of Employment's database DREAM.
Note: ‘People’ indicate the number passing from sickness benefits between weeks 13 and 25 of the year.

Read more on:

6.1.6 Forthcoming survey of the new sickness follow-up regulations.

The National Institute of Social Research is currently working on a nationwide evaluation of the new sickness follow-up regulations that were adopted in 2005 and envisage a more individualised effort vis-à-vis people who have reported sick, and the new rules which came into force on 3 July 2006 by virtue of Act No. 563 of 9 June 2006 on sickness benefits.
The evaluation report will be available in early 2008; in the light of the report it will be considered whether there is a need for adjustment of the legislation.

6.2 Inquiries and analyses in the field of disabilities
The National Institute of Social Research is focusing on the job situation for disabled people for the purpose of uncovering if there are certain special factors that impede disabled people’s possibilities of obtaining and preserving an association with the labour market.

680,000 (not including people who are mentally retarded or brain-damaged) Danes define themselves as being disabled or suffering from a long-term illness. Out of this group, 53% are in ordinary employment and 5% in employment on special terms. By way of comparison, 85% of the non-disabled are in employment.

One-third - corresponding to 223,000 - can be defined as ”disabled with full ability to work” (of whom 82% are in employment), whereas the remaining two-thirds (457,000) are defined as ”disabled with reduced ability to work” (of whom 47% are in employment). The definitions were established in the light of the disabled people’s own assessment of their ability to work. Out of all ”disabled with reduced ability to work” in ordinary employment (180,000), 10% (18,000) state that they have a need for compensation in the form of aids and other support – but that their needs are not being accommodated.

6.2.1.1 Barriers in the public employment effort in relation to disabled people
The overall legislative basis for compensatory options is considered to be a coherent instrument. Still, compensatory options are lacking in the legislation for mentally disabled people.

Furthermore, knowledge of the compensatory options available in the legislation seems to be low – both among the disabled people, among the enterprises, and among municipal caseworkers and other players.

A unified organisation of the employment effort will imply that for enterprises and disabled people there is only one place to apply to for information and casework.

6.2.1.2 Barriers at the enterprises
The enterprises have a tendency to emphasise retention rather than integration of disabled colleagues - although on an increasing scale the enterprises display a will to retain as well as integrate disabled people.

6.2.1.3 Barriers among disabled people
Generally speaking, disabled people are motivated for an entry into the labour market. However, a lack of recognition and acceptance of the disability - as well as a lack of professional or social skills or low self-esteem - can constitute a barrier.

Read more on http://www.sfi.dk/sw9783.asp.

6.2.2 The framework of "inclusiveness" - Employment options for people with brain damage, mental disorders or retardation (2004)
The National Institute of Social Research has published the survey as a follow-up on the inquiry "Disability and Employment – an obstacle race?". This survey casts light on the employment situation for people with a mentally reduced ability to function.

While the overall conclusion of the Survey is that the legislation is a good starting point for the support of people with mentally-oriented reduced ability to work in the process towards an employment relationship, the Survey nevertheless identifies three shortcomings in the legislation:
i. Permanent support person
ii. Temporary mentors for people in flexi-jobs
iii. Icebreaker arrangement regardless of education

The Survey also suggests that it may be advantageous to extend the right to sickness benefits beyond 52 weeks.

Another point of the Survey is that the multiple systems - where municipalities and county authorities are two different systems - make it difficult to return these people to the labour market. In the future system, the Survey states, it is important that the employment effort is carried out by a job consultant while a caseworker takes care of the rest. The Survey further emphasises that it is important to make sure that there is coordination among the various systems (hospitals, placement services, rehabilitation institutions, etc.).

Read more on http://www.sfi.dk/sw17011.asp.

6.2.3 Disability pensioners in salary-subsidy jobs (2005)

DISCUS A/S has carried out a survey intended to contribute with knowledge and insight - so as to improve the quality of the action to create job possibilities for more disability pensioners. The Survey is based on a nationwide questionnaire inquiry among disability pensioners in salary-subsidy jobs (previously also referred to as ‘sheltered jobs’) and a supplementary interview survey with randomly selected disability pensioners in salary-subsidy jobs.

The Survey concluded that:

- There is a flow in sheltered jobs. Over the past five years the number of sheltered jobs has been fairly constant at about 6,000, but one-seventh of all sheltered jobs were arranged within the past year. And one-third has had more than one sheltered job.
- There is a growth in sheltered jobs at private and small enterprises. The newer the sheltered job, the more often is it established at places of work with less than 50 employees - and at private rather than public places of work.
- There is a high degree of own activity. Three out of ten have personally contacted the place of work. The local administration found barely one-half of the sheltered jobs. The rest were helped by friends and family, earlier places of work, etc.
- Own activity is on the rise. In the case of the most recently established jobs more people found the job themselves.
- Well-being is high. People working in a sheltered job have a high degree of well-being. Virtually all of them are satisfied with their work and have a good relationship with their colleagues and boss. Well-being is an important part of the motivation; the most important factor is to have contents in everyday life, to have social relations with colleagues, and to earn one's own pay.
- Most of them have little economic gain from getting a sheltered job. One-tenth has no gain from it. One-twentieth actually loses money by having the job. The hourly remuneration paid to them varies greatly.

Read more on http://www.discus.dk/viden/index.htm.


The survey from the National Institute of Social Research shows that the number of working disabled people has increased from 2002 to 2005 by some 24,000 people - corresponding to an increase of 8,000 people per year. Other results of the Survey are:
Disabled people have a much lower employment rate than non-disabled people. 56% of the disabled are in employment - where the figure for non-disabled people is 83%.

About 75% of non-disabled people have a positive attitude towards working with disabled people and are favourably disposed towards and will gladly spend a little time helping a disabled colleague - e.g., half an hour each day. However, only 31% are positive if the person is one with a mental disability. There has been no change in the attitude between 2002 and 2005.

Only few of the disabled people know about the support schemes; however, about 90% are familiar with the flexi-job scheme.

Up to 16% of the working disabled people have an uncovered need for aids to enable them to carry out their job. At the same time, more than one out of four non-working disabled people have a need for aids or workplace adaptation to be able to work.

Read more on http://www.sfi.dk/sw43192.asp.


This report from the National Institute of Social Research publishes the first results of a questionnaire survey among people with a long-term health problem or disability. The results are compared with a similar survey from 2005.

The estimates of the National Institute of Social Research show that the proportion of people with a long-term health problem or disability who work more than 15 hours per week has grown from 2005 to 2006. The proportion of disabled people who work more than 15 hours per week has thus grown from 50.6% in the fourth quarter of 2005 to 54.8% in 2006, see for example Table 2.1. in the report.

The difference between 2005 and 2006 corresponds to an increase of employment by more than 25,000 people.

Whereas employment (people who work more than 15 hours per week) among disabled people has grown from 2005 to 2006, there has been no change for people without disability. The proportion of non-disabled people who work more than 15 hours per week is thus 77.4% in both 2005 and 2006, see for example Table 2.2. in the report.

The estimate seems to show that the employment of disabled people has had a favourable trend from 2005 to 2006, whereas this is not the case for people without disability. The National Institute of Social Research has listed three factors that may have had a favourable influence on disabled people’s employment:

1) The Government's employment strategy for disabled people,
2) the development in flexi-jobs, and
3) trade-cycle developments.

6.2.6 Disability and Employment – regional differences (2007)

In this report the National Institute of Social Research takes a closer look at disabled people and their association with the labour market. The report describes such differences as there may be between the employment situations for disabled people in the four new employment regions. In that light the report aims to clarify if there are differences between the challenges facing the four regions when it comes to the employment situation for disabled people.

This is no difference in the proportion of people with disabilities or long-term health problems between the four employment regions (Sealand with Greater Copenhagen, South Denmark, Central Jutland and North Jutland). Nor is there any difference in the composition of the types of disabilities between the regions. In several aspects the North Jutland region differs from the three other regions:

- in North Jutland disabled people account for a greater proportion of those in employment (22.6%) than in the rest of the regions (approx. 19%);
in North Jutland wage-earners are often favourably disposed with regard to work with a disabled person, even if this might mean that they have to help that person for half an hour each day. 95% of the wage-earners in North Jutland are thus favourably disposed - against 83-85% in the other regions; the knowledge of employment-promoting measures is greater among disabled people in North Jutland than on Sealand and in Central Jutland; and the difference in educational level between disabled people without employment and disabled people in employment is less pronounced in North Jutland than in the rest of the country.

6.2.7 Forthcoming surveys regarding disability and employment + disability and social factors (2008)


6.2.8 Nationwide survey of people working in flexi-jobs (2006)

In 2006, DISCUS A/S carried out a survey among people employed in flexi-jobs. The survey shows that people working in flexi-jobs have a splendid time, and that the scheme is being used primarily by people who have been on the labour market for more than 20 years. The survey also shows that 6 out of 10 people in flexi-jobs are women, that 8 out of 10 are middle-aged, and that there is an overrepresentation of members of 3F, HK and FOA (trade unions). The proportion of people of other ethnic origin is small (1 out of 20).

There is an overweight of flexi-jobs at public places of work – presumably because of the national pool and the municipal pools that provide subsidies towards such part of wage/salary as is not covered by subsidies from the flexi-job scheme. On the other hand there has been a growth in flexi-jobs at private places of work in recent years, especially with regard to absorption flexi-jobs.

In the first few years the scheme was used primarily for absorption into the labour market - but in recent years increasingly for retention. Generally speaking, the survey shows that more people are retained in flexi-jobs at the present place of work without any testing as to whether he or she can handle a job on normal terms.

Read more on http://www.discus.dk/viden/index.htm.

6.2.9 The enterprises’ social commitment (1999 to 2006)

Since 1999 the National Institute of Social Research has conducted an annual inquiry into the developments in the inclusiveness of the labour market and the enterprises’ social commitment. The inquiries are based on interviews with the employers as well as with the wage-earners and describe their perception of and attitude towards the social commitment.

The most recent report shows that it is the wage-earners' feeling that the enterprises increasingly make allowance for special groups - such as employees with long-term illnesses. It is thus 79% of the wage-earners who perceive that special allowance is being made for colleagues who are ill for a long time. In 1999 this was 61%. The wage-earners themselves are also favourably inclined towards colleagues who are engaged on special terms. This is true both with regard to retention of employees and to new employment of people on special terms. At the same time the survey shows that 85% of the managers consider it their duty to retain employees with reduced ability to work, whereas more than 50% of the managers consider it their duty to engage people with reduced ability to work.

Read more on http://www.sfi.dk/sw47130.asp
6.3 Internet sites with details of sickness absence and disability

The following is a brief summary of Internet addresses where relevant information can be found concerning sickness absence and disability.

Ministries and Agencies, etc.

www.bm.dk
The website of the Ministry of Employment containing a feature page on sickness and sickness absence, disability, and the Discrimination Act.

www.ams.dk
The National Labour Market Authority is a unit under the Ministry of Employment. Under www.ams.dk/handicap there is information about initiatives in the area, legislation and relevant links, under http://www.ams.dk/sw8774.asp one can find a guide to referral in cases involving sickness benefits, under http://www.ams.dk/temaer fra a-z/sygedagpengeopfølging there is information about follow-up.

www.adir.dk
The Directorate of Labour is a unit under the Ministry of Employment which has overall responsibility for the administration of the maintenance benefits disbursed by unemployment insurance funds and local administrations in connection with unemployment, illness, leave and withdrawal from the labour market. The Directorate is also in charge of administration of the rules concerning the right to holidays and holiday allowances.

www.at.dk
The National Working Environment Authority is a unit under the Ministry of Employment which holds overall responsibility for the working environment sector. The website contains details of Acts of Parliament, guidelines, executive orders and other relevant information about the working environment.

www.forebyggelsesfonden.dk
Forebyggelsesfonden (The Prevention Fund) is a fund established under the Ministry of Employment. The overall object of the fund is to subsidise projects that obviate and prevent physical and mental attrition. Subsidies may be granted to projects with the following three principal purposes:
- Projects that improve the working environment in trades and job groups threatened with attrition
- Projects that improve retraining and rehabilitation
- Projects that increase the awareness of the risk involved in smoking, alcohol, obesity and physical inactivity.

www.nfa.dk
The National Research Centre for the Working Environment (NRWE) has close ties with the Ministry of Employment. It is the object of the NRWE to create a safe, healthy and developing working environment in keeping with the technical and social developments in society.

The NRWE is also a national centre for research in working environment matters. This means that the Institute conducts strategic research and helps ensuring the best possible coordination of Danish working environment research. Furthermore, it is up to the NRWE to monitor international working environment research and the environmental trend at home and abroad.

www.bmhandicap.dk
Website for the specialised function Job and Disability. Details of the job centres' key staff can be found here.

www.sm.dk
On the website of the Ministry of Social Affairs there is a description of the various divisions under the Ministry. These include exposed adults, disabled people, social housing, and benefits.

www.retsinfo.dk
"Legal Info" contains all Acts and executive orders - broken down by ministry.

www.ft.dk
Website of the Danish Parliament.

**Statistical material**

www.jobindsats.dk
Jobindsats.dk compiles important figures concerning developments in terms of employment policy and makes it easy to obtain knowledge about the employment effort. This can be advantageous when analyses show that there are significant local and regional differences in the results of the employment effort. Some are successful - others have less success.

http://www.statistikbanken.dk/statbank5a/default.asp?w=800
Statistikbanken ® contains, in detailed form, official statistics that describe Danish society, including also the labour market.

**Job-seeking portal**

www.jobnet.dk
Denmark's biggest job portal with one million visitors every month and 12,000 announcements of vacant jobs on a daily basis. Jobnet.dk is a self-service instrument where the enterprises can advertise vacant jobs - including jobs with salary/wage subsidy - and job-seekers can put up their CV. Jobnet.dk also assists groups with special needs. The Hot Job function, for example, shows jobs that call for no special qualifications and which any person without any particular introduction can handle – which is especially efficient for unemployed people with a low educational level and work experience.

Citizens who have been referred to a flexi-job - or have been granted disability pension - can also find help on jobnet.dk. They can see which jobs on special terms are available. However, filling a flexi-job or a sheltered job requires the job centre's approval.

**Organisations of Disabled People, etc.**

www.clh.dk
The Centre for Equal Opportunities for Disabled People is an institution under the Ministry of Social Affairs; one of its duties is to operate as secretariat for The Danish National Handicap Advisory Board.

www.handicap.dk
Website for the Danish Council of Organisations of Disabled People, which is a federation of 32 organisations of disabled people.

**Research and Analysis Units**

www.sfi.dk
The National Institute of Social Research is a sector research institution under the Ministry of Social Affairs; it carries out research and performs analyses of, amongst other things, the sickness and disability sector.

www.cabiweb.dk
CABI is a self-governing knowledge and mediation centre under the Ministry of Employment - based on professional independence. The aim is to increase "inclusiveness" on the labour market.
CABI takes a close look at long-term unemployment, sickness absence, linguistic and cultural barriers, disability, mental problems, lack of qualifications, abuse, crime, etc.

CABI works for a labour market which is inclusive enough to permit everybody to contribute and produce according to his or her ability. If this aim is to be achieved, the "inclusive" labour market must be put efficiently and firmly on the agenda. CABI must be a visible and relevant quality centre.

www.discus.dk
DISCUS A/S is an advisory enterprise that has made inquiries of relevance to the disability sector.

Sites with information for enterprises
www.socialtengagement.dk
Information site for enterprises, with target-oriented information addressing the social commitment of enterprises.

www.via2000.dk
Via2000 is a website with insight and guidance on sickness and job retention. Via2000 shows ways and means to prevent sickness absence and how to be able to retain employees whose ability to work is temporarily or permanently reduced owing to stress or illness. Via2000 addresses managers with staff responsibilities and trade union representatives in private and public enterprises.

www.fleksjob.dk
Website for CABI - Eng.: Centre for Active Employment Effort; it contains information about the active employment effort and the "inclusive" labour market.

www.virk.dk
This website appeals to enterprises. On the website there is a feature page about sickness absence with tools and information that can assist the enterprises in their efforts to prevent and reduce sickness absence.

www.bro-til-arbejdsmarkedet.dk
The website contains the tool: "Recruitment on special terms", which is a collection of methods for absorption into the labour market from A to Z - with guidelines for the management and people with staff responsibilities. The guidance is based on the good experience in the area of 60 enterprises - and by using four models the enterprises can receive specific directions as to how they can internally at the enterprise prepare themselves and recruit on special terms.