

Executive summary

Throughout the OECD, mental ill-health is increasingly recognised as a problem for social and labour market policy; a problem that is creating significant costs for people, employers and the economy at large by lowering employment, raising unemployment and generating substantial productivity losses. Danish policy makers see the need for stronger action to prevent people from dropping out of the labour market due to mental illness and help those with a mental disorder to find sustainable jobs. Denmark is in a good position to tackle the challenges of mental ill-health, as it can build upon a number of system strengths. These include, for example, a good municipal structure for following up on youth at risk as well as for providing employment services to everyone in need of help. It also has an accessible health system that widely reimburses psychological therapies. Nevertheless, change is needed in order to improve the situation significantly. Changes should include a better implementation of existing regulations and more generally a stronger focus on mental health in current health, social and labour market policies and ongoing welfare reforms.

The OECD recommends that Denmark:

- Assure that ongoing social and labour market reforms, such as the reform of the scheme of subsidised flexjobs, will deliver also for people with a mental disorder.
- Minimise school dropout and improve the transition to secondary education and employment for adolescents with a mental illness.
- Tackle mental ill-health in the workplace with a focus on people facing performance problems but not yet taking relevant sick leave.
- Aim to identify widespread mental health problems among clients of municipal job centres, and address these problems with a range of both health and targeted employment interventions.
- Improve work-capacity assessments for disability benefit eligibility including an identification of needs, especially for claimants with a mental disorder, and introduce periodic reassessments.
- Develop employment-oriented mental health care, and experiment with ways to integrate health and employment services.