

International Forum on Tripartism Singapore, 26 October 2015

*"The role of social partnership in helping
Denmark to realize economic development,
social stability and sustainable growth"*

Labour market Organizations in Denmark

Overall union density: 72 pct., **down** from 77 pct. in 2000

The Danish Confederation of Trade Unions (**LO**)
(Mainly unskilled and skilled workers/clerks in private and public sector) **1 mill. members, 52 pct.**

The Joint Council for Salaried Employees and Public servants (**FTF**) (White Collar Workers in finance, teachers, nurses)
350.000 members, 18 pct.

Labour market Organizations in Denmark

The Danish Confederation of Professional Associations (**AC**) (Academics) 150.000 members, **8 pct.**

Managers and supervisors (**LH**), Engineers, journalists 175.000 members, **9 pct.**

Others 13 pct.

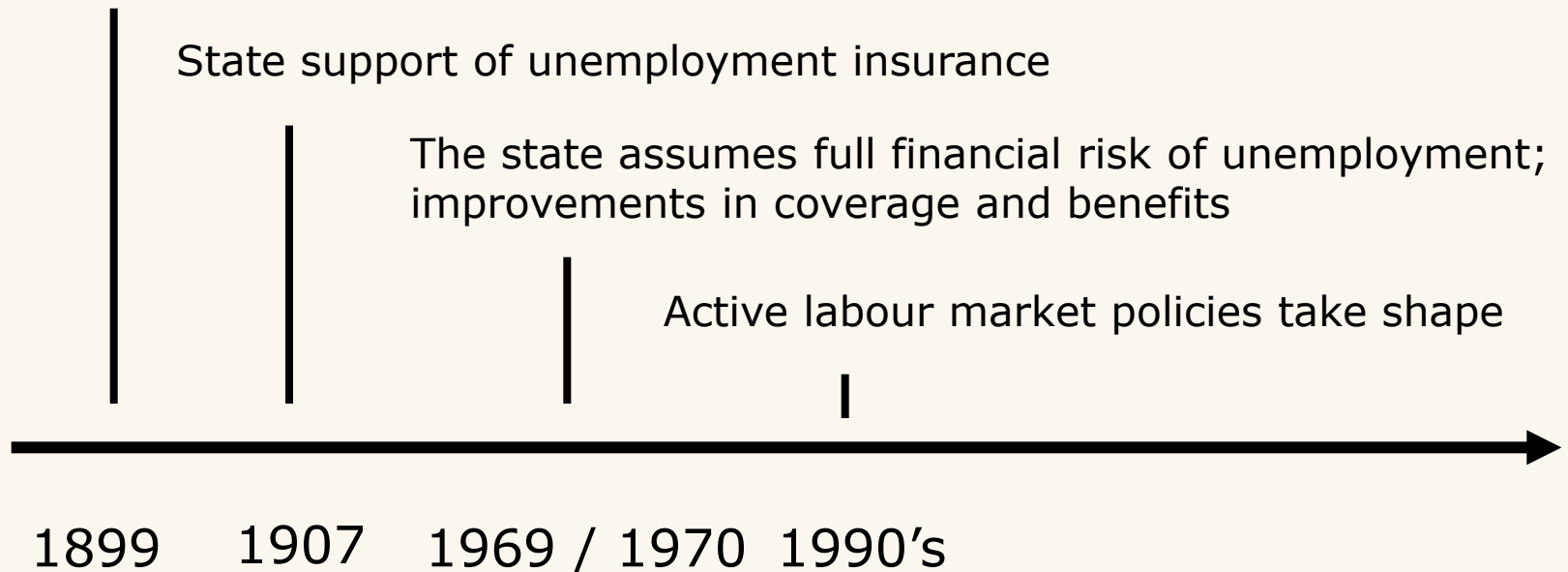
Labour market Organizations in Denmark

Employers organisations pretty stable

Private sector 70 pct. – Public sector 100 pct.

Evolution, not revolution – development of the model

September settlement: Workers organize in unions, employers hire and fire



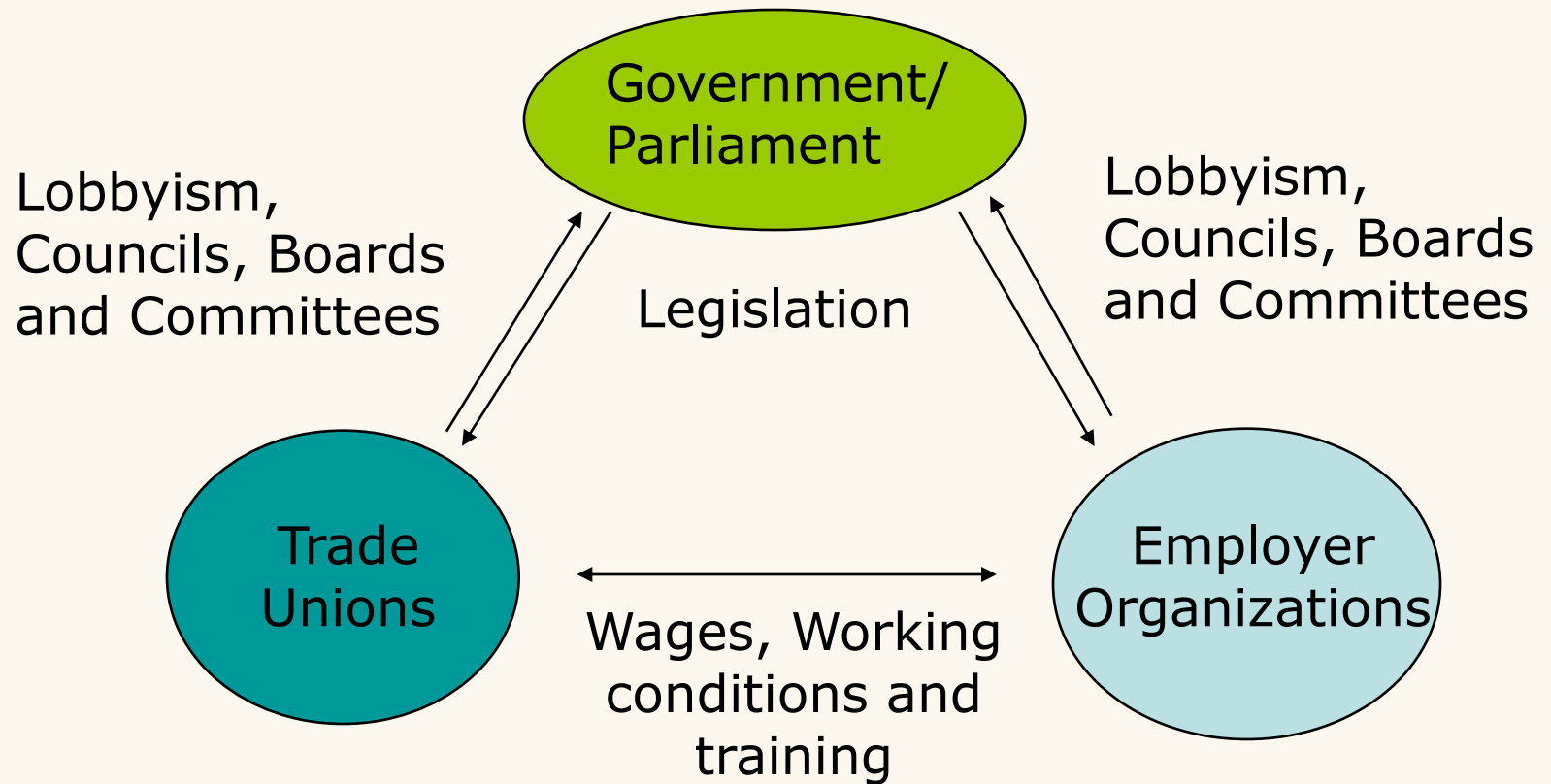
Regulation arena

	CA	Law
Wage	Yes	No
Vacation	Yes	Yes
Paternity leave	(Yes)	Yes
Wage during leave	Yes	No
Lifelong learning	Yes	No
Labour market pension	Yes	No
Compensation during sickness	Yes	Yes, WC
Working time	Yes	(No)
Notice and severance pay	Yes	Yes, WC
Apprentice pay	Yes	No
Social dumping	Yes	Yes

Dynamics of the labour market:

- 30% of all workers change job every year
- 50% of workers only stay in the same job for 3 years
- 20% of all workers temporary unemployed every year
- 12% of all jobs are destroyed/created every year
- Job changes in lifetime: DK 6 – EU 4

Focus of LO: tripartism that works



- Policy Lobbyism: Labour market, education and social policy/welfare

Cooperation strategy - I

The Social Partners participates in standing Councils, committees etc.

- Employment system
- Educational system
- Working Environment
- Economic Council

Cooperation strategy - II

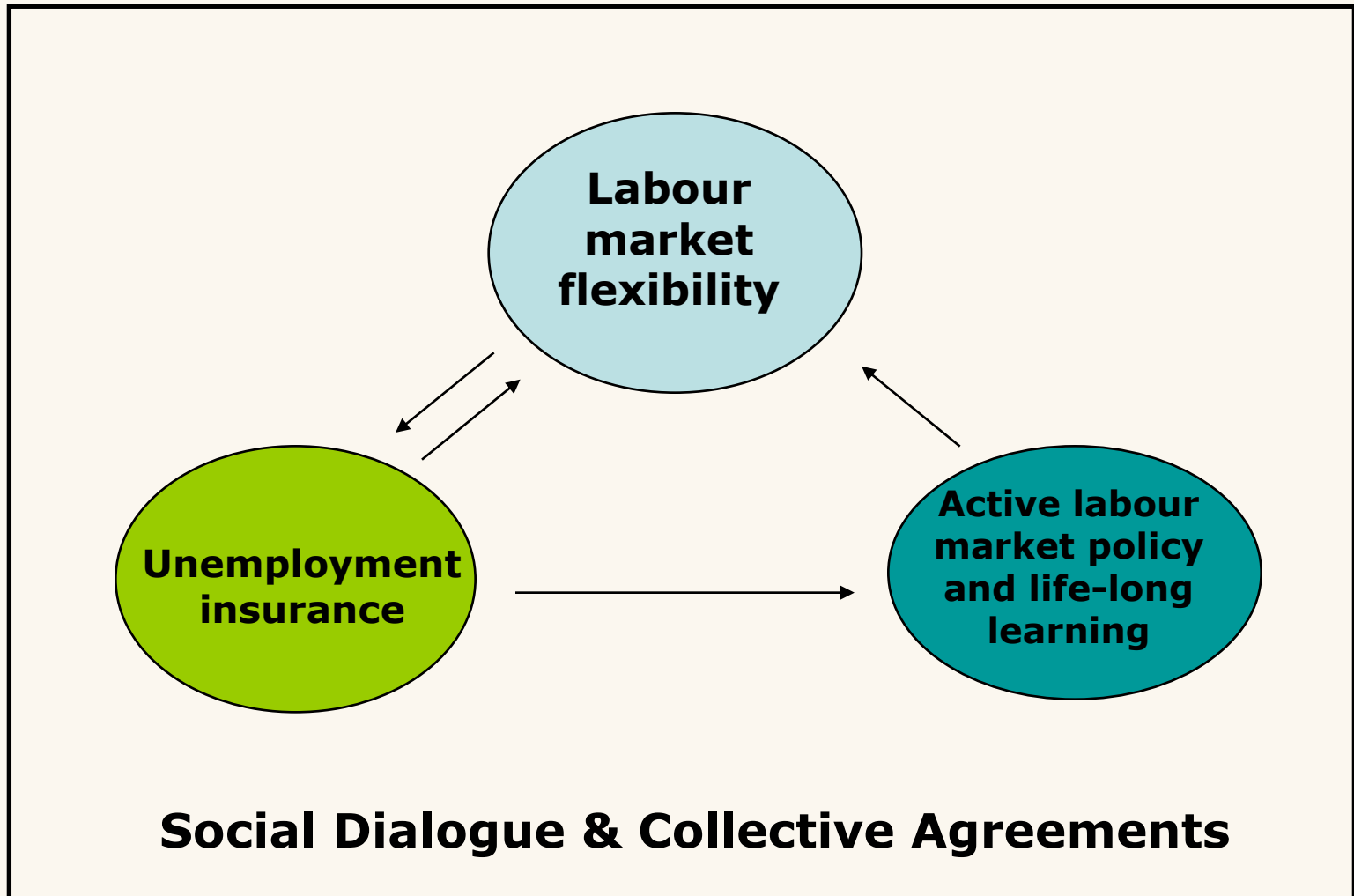
Latest tri- and four- part agreements

- Globalisation and life-long learning, 2006
- Agreement on public employees, 2007
- International recruitment, 2008
- Agreement on vocational training, 2013

Protecting the influence of the social partners

- Flexicurity is partly rooted in the tripartite cooperation
- Important there is a correlation between collective agreements and legislation
- Tripartite negotiations failed in 2012

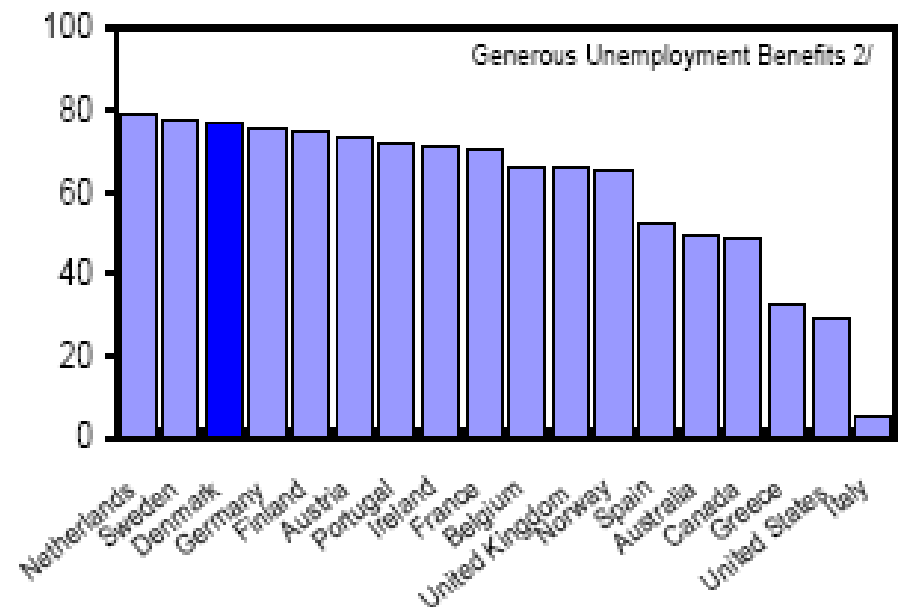
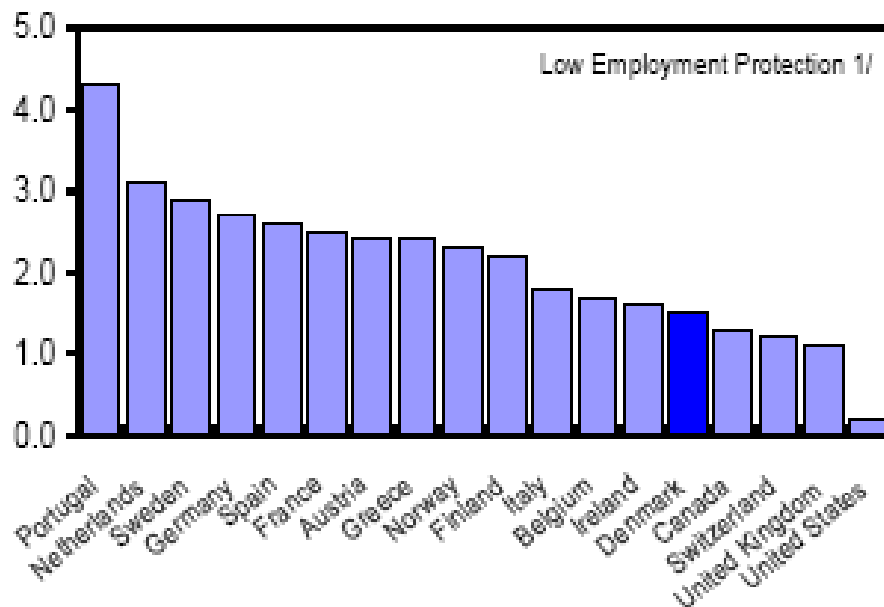
Flexicurity in Denmark: A golden triangle



FLEXICURITY

... Flexibility and security are linked

... Easy to hire and fire - combined with a sound system of unemployment benefits



Source: OECD

The Flexible Labour Market: Periods of notice

	After 1 year employment	After 5 years employment	After 10 years employment	Share of workforce employed in private sector
Construction workers	3 days	5 days	5 days	Approx. 10 %
Industrial and transport workers, etc.	21 days	2 months	3 months	Approx. 40 %
Salaried workers	3 months	4 months	6 months	Approx. 50 %

Future challenges I

- New Danish government will launch tripartite negotiations in 2016 focusing on education and training
- Skills match/miss-match
- Government's interest in tri-partite solutions important to secure the robustness through broad consensus in the regulation.

Future challenges II

- Social partners have a key interest in maintaining their influence through:
 - The important role of collective bargaining
 - Tripartite negotiations
- EU labour mobility is growing
 - A challenge for the regulation through collective agreements

Conclusions

- Social partners and the government maintain their support for tripartite cooperation
- The strong role of collective bargaining delivers a dynamic labour market
- Influence is closely linked to high level of union membership
- Even without a formal tripartite institution Denmark has delivered remarkable changes in the labour market through tripartite cooperation

Thank you for your attention!

- For further reference, please visit:
 - www.lo.dk
 - www.da.dk
 - www.bm.dk