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EEPO Review Spring 2015: Upskilling unemployed adults

The organisation, profiling and targeting of training provision

Denmark

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1 Introduction: Overview of organisation of training for unemployed adults 25-64 (funding, governance, providers)

Training and education for the unemployed has a long tradition in Denmark and especially came into focus with the labour market reforms in the early 1990s. During the last decade the use of training and education however became subject to criticism. Higher priority was given to programmes that were more job-targeted like training counselling, traineeships and wage-subsidies. The main reason for this policy shift was the rising demand for labour and the low unemployment in the years preceding the present economic crisis. Also evaluation studies generally found limited and often even negative effects of educational programmes.

In recent years the tide has again changed. The reforms of the cash benefit system in 2014 and the reform of active labour market policy, which is being implemented from the start of 2015, both have a stronger focus on education and training for unskilled unemployed (both young people and adults).

The legal foundation for training and education for unemployed adults is the Law on Active Labour Market Policy. The law includes rules on individual contact procedures, guidance and qualifying activities, wage subsidies, flex-jobs and the rights and obligations of both the unemployed and the authorities.¹ In addition, support for the unemployed, who are not members of an unemployment insurance fund, is regulated by the Law on Active Social Policy, which is also under the auspices of the Ministry of Employment. The legislation reflects the two-tier character of the Danish system for support to the unemployed. The majority of the unemployed, who have joined an unemployment insurance fund, are eligible for unemployment benefits that are not means-tested. The maximum duration is two years. The non-insured unemployed can apply for means-tested cash benefits, which are lower than the normal unemployment benefits. If the non-insured unemployed take part in the activities offered by the jobcentre, there is no time limit to the benefit period.

The organisation and regulation of active labour market policy are defined by the Law on the Organisation and Support of Active Labour Market Policy. The law describes the role of the job centres, private service providers, the National Employment Council and the eight regional employment councils.

The organisation of the system at national, regional and local level can be depicted as in Figure 2 below. The institutions that are responsible for delivering employment services at the local level are the jobcentres, which are under the auspices of the municipalities. Their work is both monitored and supported by the eight labour market regions and at the national level by the Danish Agency for Labour Market and Recruitment. At both the national and the regional level there are tripartite bodies with representative from the social partners and public authorities. Following reform in 2015 the regulatory authorities of the regional labour market councils were enhanced.

Public educational institutions and private service providers play an important role in assisting job centres. The former offer courses for the unemployed; the latter are especially involved in the case of unemployed with special needs.

¹ Flex-jobs are jobs with permanent wage-subsidies for persons with reduced employability due to physical and mental handicaps.

Figure 1. The organisation of Danish labour market policy after the reform of 2015

Level	Political and administrative bodies		Corporatist bodies	
	Name	Main responsibility	Name	Main responsibility
National	Ministry of Employment	Policy development and strategy	National employment council	Advisory body to the Minister of Employment in all matters related to labour market policy
	Danish Agency for Labour Market and Recruitment	Overall managing of active employment policy including training of unemployed. Supervising the administration of unemployment benefits		
Regional	Employment Region	Supervising the performance of the local job centres Monitoring regional labour market development.	Regional employment council	Managing funds for targeted measures including training Monitoring regional labour markets.
Local	Jobcentres	Employment services to insured and non-insured unemployed including training.	At the local level there are no corporatist bodies set up by law. However many municipalities with have informal bodies with representatives from the business community, the trade unions and educational institutions.	
	Social security office of the municipality	Payment of cash benefits to non-insured unemployed	At the local level the jobcentres cooperate with public educational institutions, who offer training and formal education to unemployed, and with private service providers, who work for the jobcentres mostly to assist special groups (for instance academics). In both cases the job centres pay a fee for the services provided.	
	Unemployment insurance fund	Payment of unemployment benefits to unemployed and control of availability for work. Counselling of unemployed members.		

According to Eurostat data, the total cost of labour market policy in Denmark in 2012 amounted to 3.7 % of GDP. The cost of active labour market policy was 1.5 % of GDP, whereof around one third (EUR 1.1 billion) was for training measures. In 2012 the average stock of participants in active measures including flex-job was 174 100 persons, whereof 56 400 took part in training programmes. One fifth of these were aged less than 25 years.

The costs of active measures are financed jointly by the national government and the municipalities, who collect their own local taxes. There is a complex scheme of reimbursement from the state of the different costs carried by the municipalities for different kinds of benefits and costs of active programmes. In general the Government reimburse 50 % of the costs for education and training.

The European Social Fund (ESF) plays a limited role measured by its share of the total costs. The main contribution of the ESF is as an initiator of innovative pilot projects, which may later become part of mainstream active programmes.

2 Targeting provision to specific unemployed groups: detailed description of training provision

This section first presents training and education within the overall framework of active labour market policy. It then in more detail describes some specific programmes that are targeted at adults with insufficient skills. The description only includes programmes with a well-defined element of regular education and training. Thus practical work training in enterprises and temporary employment with a wage subsidy are excluded, although they are sometimes referred to as 'job-training'. For a discussion of these measures in the Danish context, reference can be made to the Review article on the design of effective hiring subsidies from the spring of 2014. Also, focus is on the programmes targeted at unemployed adults, while measures directed solely at young people are omitted.

2.1 Training as part of active labour market policy – recent reforms

As mentioned above the years preceding the economic crisis in 2008 were characterised by a policy shift towards more job-oriented activation and away from a focus on upgrading the formal skills of the unemployed. However, influenced by the rising level of unemployment and the especially high unemployment levels for unskilled workers a new policy change was announced in early 2013. This outlined higher priority should be given to training and education. Behind this was also the increasing awareness of the need to upgrade the skill level of the Danish workforce in the light of the combined challenges posed by technological change and globalisation. In February 2013 the Government appointed an expert committee (the so-called Koch-committee) with the mandate to propose a comprehensive reform of active labour market policy with an increased focus on education and training.²

A broad political agreement on a major reform of active labour market policy was reached in June 2014 following, to a large degree, the proposals in the first report from the expert-committee (Ekspertgruppen, 2014). The reform, which changes both the content and the organisation of ALMPs targeted at the insured unemployed, has the following main elements.³

² The full name of the committee is "Ekspertgruppen om udredning af den aktive beskæftigelsesindsats [The expert-group on analyses of active employment policy].

³ *Agreement on a reform of active employment policy* (Forlig mellem Regeringen (Socialdemokraterne og Det Radikale Venstre) og Venstre, Dansk Folkeparti og Det

- i. A number of procedural regulations concerning the timing and content of the active measures will be removed thus allowing for a more flexible assistance to those unemployed based on a dialogue with the job centre.
- ii. More options for improving skills in reading, writing and arithmetic.
- iii. During the first six months of unemployment the unemployed will have to take part in monthly meetings with a counselor at the job centre; the meetings will also involve staff from the relevant unemployment insurance fund.
- iv. An opportunity will be given to unskilled workers to use the two-year benefit period to train for skilled workers, the condition being that they already have acquired the necessary practical experience.
- v. All unskilled and skilled unemployed will have access to six weeks of training from the first day of unemployment; the content of the training will however have to be approved by the job centre.
- vi. The existing schemes of adult apprenticeships and job rotation will be maintained, but targeted more directly at the unskilled unemployed.
- vii. The present 98 local employment councils and four regional councils will be abolished and a new structure with eight regional councils will replace them. The councils will have representatives from the social partners and other regional actor including educational institutions and the growth forums.
- viii. The rules for reimbursing the expenses of the municipalities by the national government will be changed in order to allow a greater freedom to choose between different measures, but also with incentives for a rapid effort to assist the unemployed.
- ix. Finally a number of initiatives will be taken to improve the cooperation between the job-centers and the employers.

The reform will be implemented from 2015. In early 2015 the expert committee will submit a new set of recommendations focusing on the non-insured unemployed and other groups at the margin of the labour market, including immigrants. In the following sections, the parts of the reform which focus on education and training are discussed in more detail. Sections 2.2-2.6 relate to reforms of measures which were already part of Danish labour market policy, whilst section 2.7 and 2.8 describes new measures introduced by the 2015 reforms.

2.2 Six weeks of targeted education

For the insured unemployed, a right to six weeks of training and education after a certain spell of unemployment has been a part of Danish active labour market policy for decades. The choice of education is decided by the unemployed; however, as a main rule the education should be offered by a public institution. This provides the opportunity for the unemployed to follow short courses at vocational schools or at university colleges.

According to national statistics 34 000 unemployed (around 10 % of all unemployed) benefitted from this measure in 2012. It was mainly used by unemployed skilled workers and those unemployed with an academic background (Rambøll, 2011).

Following the 2015 reforms the target group has been narrowed to include only unskilled and skilled workers. Access to training is now granted from the first day of unemployment, but the choice must be made from a pre-defined national list of courses. The list is prepared by the Ministry of Employment with the involvement of the Ministry of Education and the social partners.

The reason for the policy shift was an ambition to focus the use of the measure more directly at the unemployed with lower skill levels and to exclude academics and other groups with a longer education.

2.3 Adult apprenticeships

Like the measure of six weeks education discussed above, the programme of adult apprenticeships has been a long-term element in Danish labour market policy. It was introduced in 1997 and made permanent in 1999. In 2011 about 2 000 persons entered the scheme, while the stock was around 8 000 persons. Slightly more men than women start vocational training as adult apprentices. The distribution corresponds to the distribution of vocational education in general. The age distribution is fairly stable over time. About 40 % are aged between 25 and 29 years and around 60 % are aged 30 years or older. Approximately 60 % are unskilled, while about 40 % are skilled or have a higher education prior to commencing training. The proportion of adult apprentices coming from unemployment benefits has decreased from 30 % in 2001 to 18 % in 2011. The proportion of adult apprentices coming from cash benefits during 2001-2010 has on average been around 4-7 %, but rose to 16 % in 2011.

The scheme is generally regarded as a success (Rambøll, 2013). It has shown significant positive employment effects for adults, who come from unemployment. It also increases the general income levels for those unskilled, who become skilled after taking part in the scheme. At the same time displacement of young apprentices seems limited. With the right application, the apprenticeship scheme therefore is seen to have great potential.

This is also the background for the present reform of the scheme, which means that the scheme will be targeted at the unemployed in general and at unskilled persons in employment. Unskilled unemployed and unemployed people with obsolete skills can use the scheme after two months of unemployment, while participation is conditional upon at least twelve months of unemployment for people with a vocational education. The scheme is open to both insured and non-insured unemployed. Also the economic incentives for employers to take in adult apprentices have been increased.

2.4 Job-rotation

Job-rotation schemes have a long history in Danish labour market policy dating back to the early 1990s. At their high point, they had around 80 000 full-time participants, equivalent to 2.7 % of the workforce (Compston & Madsen, 2001). As unemployment levels fell during the 1990s the schemes were gradually rolled back. What remains today is a minor programme with around 1 100 full-time participants (2012). Under the scheme employers receive a hiring subsidy for every hour an employee is on training and an unemployed person is employed as a substitute. In itself it is thus a training measure focused more on the employed persons than on the unemployed, although unemployed participants normally undergo some training in order to fill the vacant jobs.

A recent evaluation of the scheme focused on the effects on the unemployed, who were hired as substitutes (KORA, 2014). It showed that the transition to regular employment as expected falls in the period immediately after employment as a substi-

tute, which is interpreted as a locking-in effect. The effect gradually decreases over time, and a year after starting the job-rotation, the transition to employment rises steeply. Overall, this means that job-rotation on average makes the participants enter into regular employment two to three weeks faster than they otherwise would have done. The effects on both employment and subsequent income are significantly larger for unskilled unemployed, who become substitutes.

Following the 2015 reforms the job-rotation scheme is preserved, but the duration of the hiring of the substitute is shortened from twelve months to a maximum of six months. Also the scheme is targeted more directly at the long-term unemployed by raising the requirement for duration of previous unemployment from three to six months.

2.5 Access for unemployed to improve skills in reading, writing and arithmetic

Job centres are obliged to test the unemployed if there is a suspicion of problems with general skills in reading, writing or arithmetic. However, an evaluation by Deloitte (2012) of the use of basic adult education by job centres showed that there is a great need for basic literacy, writing and numeracy teaching and for dyslexia education among the unemployed, but that very few will get a course and yet fewer complete. The reform from 2015 therefore provides a right to unemployed people, who lack basic reading, writing and numeracy skills, to receive the education that they need. Eligibility is conditional upon having primary education as the highest education and having been tested as having poor skills.

In particular, those unemployed and aged under 25 years, who have not completed an upper secondary youth education or a vocational education, will always be tested, whether they have problems with respect to writing, reading and arithmetic. If the test shows that they have problems, the young person will have the duty to participate in relevant education in the form of a reading, writing or arithmetic course or a dyslexic course.

2.6 Individual rehabilitation of unemployed

The rehabilitation scheme has existed since 1960 as a tool in the re-employment activities for persons with limited capacity for work. Persons are eligible for the scheme, if the job centre has assessed that the person not through any other offer can be helped to get a foothold on the labour market, and if there is a realistic chance that rehabilitation can lead to partial or total employment. Rehabilitation can take the form of on-the-job-training or formal vocational education. During rehabilitation the participant as the main rule receives a benefit, which is similar to the unemployment benefit for insured unemployed. For unemployed aged less than 30 years the benefit can be lower. The benefit is not means-tested and the maximum duration of the rehabilitation period is five years. In 2013 about 9 000 persons (full-time basis) took part in the scheme. This is a decline from 20 000 persons in 2004. The main reason for the decline is that reforms of other programmes including the State Student Grant, sickness pay, the disability scheme and the flexi-job scheme has allowed for activities that are in many ways similar to the rehabilitation scheme.

A number of studies have tried to assess the impact of the rehabilitation scheme (Bach, 2002, 2007; Filges, 2002; CABI, 2012). Across these studies, the conclusion is that there is evidence that people who have participated in, or completed rehabilitation, are more self-sufficient or in work than individuals, who have completed a standard activation programme.

The rehabilitation scheme has not been part of the current 2015 labour market reforms. It is therefore likely that it will come into focus in reforms, which are expected to follow a second report of the Koch-committee due in March 2015.

2.7 Right for unskilled adult unemployed to get a prior learning assessment

Unskilled unemployed (who are 30 years of age or more) have a right to obtain a prior learning assessment for qualifications, which they may have acquired informally through their previous employment. The prior learning assessment will be made by an ordinary educational institution for adult basic education and training or higher adult education.

The aim is to strengthen educational opportunities of the unskilled unemployed by documenting and supporting the identification of informal or other qualifications and skills. A prior learning assessment may consist of an assessment or examination of whether a person's qualifications, skills and knowledge, for example, can be used in a specific type of job or industry. An assessment of prior learning can therefore be used for job search, where prior learning assessment may serve as proof of unemployed competencies (for example as part of a CV).

The purpose of prior learning assessments is also to strengthen the opportunities of unemployed unskilled adults to earn further education 'credits' through formal recognition of informal and non-formal skills. Importantly, assessments are being made by educational institutions. A prior learning assessment can lead to a formal certificate, if the unemployed fulfils the criteria for the skills acquired through formal education. An assessment of prior learning may last from half a day up to 10 school days.

The measure is also important in terms of the option for upgrading the unskilled during the two-year benefit period (see 2.7 below). The prior learning assessment is expected to form a key source of information when assessing whether the unemployed can complete the vocational education within the two years of the benefit period.

2.8 Upgrading the skills of the unskilled unemployed

This new measure is introduced by the current 2015 labour market reforms, which recognises that unskilled workers account for almost 30 % of insured benefit claimants and that unskilled workers more often become unemployed and remain unemployed for longer than others. The new measure allows unemployed unskilled workers and skilled workers with an outdated education and aged 30 years or more to undertake skilled vocational education during the two-year benefit period. Eligibility is based on membership of an unemployment insurance fund.

Training can be offered from the first day of unemployment, but requires the approval of the jobcentre, who has to make sure that the unemployed person has the prerequisites to complete the education within the two years. During participation, the unemployed are exempt from being available for work. During training unemployment benefit continues to be paid at a reduced rate (80 % of normal unemployment benefit), but with access to loans to top up to the normal benefit level.

A special fund has been allocated in order to increase Government reimbursement to 80 % of municipality's operating costs for this specific measure and thus make it more attractive to job centres.

3 Most Significant Practice

CASE STUDY BOX

Country: Denmark

Name of training programme: Upgrading the skills of the unskilled unemployed

Short description and aims of the training programme: The measure allows unskilled unemployed to undertake skilled vocational education during the two-year benefit period in order to get a more stable attachment to the labour market. The education can be offered from the first day of unemployment, but requires the approval of the job centre, which has to make sure that the unemployed person has the prerequisites to complete the education within the two years. During participation, the unemployed shall be exempt from being available for work.

Target group: Unskilled workers and skilled workers with an outdated education. Participants should be aged 30 years or more, unemployed, and a member of an unemployment insurance fund (insured unemployed).

Number of participants: Not known (new measure)

Duration of programme for the beneficiary (and amount of subsidy beneficiaries receive, if applicable): The duration of the vocational education has a maximum of two years (equal to the benefit period for insured unemployed). Unemployment benefit will be paid during this period at a reduced rate (80 % of normal unemployment benefit), but with access to loans to top up to the usual benefit level.

Target group or educational level targeted: Unskilled workers or workers with an outdated education.

Eligibility Criteria: Unemployed members of an unemployment insurance fund.

Funding source and total budget: A total sum of EUR 20.1 million (DKK 150 million DKK) per year has been allocated to finance the extra costs of the measure. In 2015 and 2016 the cost is covered fully by the national government. Thereafter the municipalities are expected to cover part of the costs.

Types of skills (or qualification if relevant) delivered: Participants will become skilled workers.

Actors involved in the provision of training and their role: The vocational education will take part at regular vocational schools.

Summary of evaluation findings: No evaluations have yet been carried out.

Policy lessons: The measure provides an interesting example of using a period of unemployment to fundamentally upgrade the skills of unskilled unemployed and thus permanently improve their future position on the labour market.

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4 Conclusion

Upskilling the unemployed has a long tradition in Danish labour market policy and is also conceived as an important element of the Danish flexicurity model (Madsen, 2014). This focus was strengthened with the labour market reforms of the 1990s. However the use of education and training for the unemployed received lower priority during the period of low unemployment before 2008. Here more emphasis was put on getting the unemployed back into work as fast as possible. The lower priority to education and training was also supported by several critical evaluations of employment effects of these programmes.

In recent years – and especially with the labour market reforms of 2015 – education and training of those unemployed has come into focus again. The reasons for this policy shift include:

- the high share of unskilled unemployed in total unemployment and forecasts predicting future imbalances on the labour market with a growing surplus of unskilled workers and lack of people with higher skill levels;
- the increasing difficulty of returning to employment after becoming unemployed, exacerbated by the economic recession;
- a rising awareness that many of the ALMP programmes, which were labelled 'education and training', lacked quality and did not equip participants with the skills needed to regain a foothold on the labour market.

A key aim of current 2015 reforms has been to increase the access of unemployed to take part in regular education and training, to provide them with formal competences generally accepted by employers.

Having said this, a number of dilemmas related to the use of regular education and training in the context of labour market policy in Denmark remain.

- Taking part in formal education and training has notable 'lock-in' effects, not least because participants tend to reduce job-search activities during training. If this is not out-weighed by higher employment rates after participation, programmes will have negative effects overall.
- Another issue is the delimitation to the economic support for students in the ordinary education system, which are normally supported by the State Student Grant that is significantly lower than the normal unemployment benefit. There is therefore a risk of dead-weight costs, if people aim at becoming unemployed in order to qualify for higher benefits during education.
- Poor motivation of unskilled unemployed for formal education, since they will often have negative experiences with the regular education system and therefore need special support in preparing for participation.
- The content of educational programmes presupposes some information about the specific bottlenecks to be expected by any future labour market; however, they also point to the need for flexibility in the adult education system in order to adapt to the changing patterns of demand for qualifications.

All these challenges are highly relevant to the use of education and training for unskilled and long-term unemployed in a Danish context. Labour market policies in Denmark seek to respond to these challenges by targeting measures (e.g. by age group) or by paying close attention to the risk of dead-weight losses in defining other eligibility criteria (e.g. the duration of previous unemployment). The issue of identifying future bottlenecks is handled by bodies at both the local, regional and national

level, which closely follow the development of the demand for and supply of labour (Madsen, 2012).

In this context, the main strength of Denmark's education and training has been the ability to avoid a strong segmentation of the labour market. One indication hereof is the relatively low level of long-term unemployment in a European perspective. On the other hand it is evident that the low-skilled are facing a more difficult labour market situation than other groups - current and forecast. The aim of the recent 2015 labour market reforms with its emphasis on regular education and training for the low-skilled groups should be seen in this light. The coming years will show, whether these efforts are sufficient, or whether new reforms are needed.

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Annex 1: Measure Description Table

Main training programmes in DENMARK

Name of training programme	LMP measure: the name and number of the relevant LMP measure, based on the list of LMP measures in the qualitative LMP report (if possible to attribute the training programme to the LMP measure)	Short description and aims of the training programme: e.g. basic skills(literacy, numeracy, ICT, other skills); general work experience and employability skills; initial vocational training oriented to a specific job; continuing training to up/re-skill in own occupation/sector; validation of prior learning and experience; tertiary education; preparation to start own business, etc.	No. of participants	Duration of programme for the beneficiary (and amount of subsidy, if applicable)	Target group or educational level targeted	Criteria for accessing the programme	Funding source and total budget	Types of skills (or qualification if relevant) delivered	Actors involved in training provision and their role	Evaluation results available (here, please provide detail on the method used, on the coverage, and on the evaluation findings)	If no evaluation is available, what is the expert's assessment of the impact of the measure?
Six weeks of targeted education	2.1 Institutional training	Six weeks of targeted education can be granted from the first day of unemployment, but the choice must be made from a pre-defined national list specifying, which courses it is possible to follow. As a main rule the education should be offered by a public institution. This gave the opportunity take short courses at vocational schools or at university colleges.	34 000 (2012)	A maximum of 6 weeks. Normal benefits are paid to the unemployed.	Unskilled and skilled members of an unemployment insurance fund.	Registered as unemployed with the jobcentre.	Costs are shared equally between the municipality and the national government. Yearly costs are 500 million DKK (EUR 67.1 million) (2012)	A wide range of skills offered by public educational institutions (adult vocational schools and university colleges)	The jobcentres administer the scheme, while the education is offered by public educational institutions.	Rambøll (2011) is a comprehensive evaluation based on both quantitative and qualitative data. The evaluation showed mixed results with respect to employment effects and was an important input to the recent reform of the scheme.	
Measures specifically targeting the low-skilled											
Adult apprenticeships	2.4 Special support for apprenticeships	A hiring subsidy for companies that employ an adult over 25 years of age in order to provide them with a vocational education	8 000 persons (full-time equivalents) (2011)	The trainee receives a wage equivalent to the minimum wage stipulated by the collective agreement. The employer receives a wage subsidy	Employed and unemployed aged 25 years and above and entering vocational education.	Unskilled unemployed and unemployed people with obsolete skills can use the scheme after two months of unemployment, while participation is	Costs are shared equally between the municipality and the national government. Yearly costs are EUR 12.1 million (DKK 90 million) (2012)	Vocational education as a skilled worker	The jobcentres administer the scheme, while the education is offered by public vocational schools	The scheme has shown significant positive employment effects for adults, who come from unemployment. It also increases the	

				for a maximum period of two years.		conditional upon at least twelve months of unemployment for people with a vocational education.				general income levels for those unskilled, who become skilled after taking part in the scheme. At the same time displacement of young apprentices seems limited (Rambøll, 2013).	
Access for unemployed to improve skills in reading, writing and arithmetic	2.1 Institutional training	The job-centres are obliged to test the unemployed, if there is a suspicion of problems with general skills in reading, writing or arithmetic, and to offer them relevant adult education. Especially the unemployed under 25 years old, who have not completed an upper secondary youth education or a vocational education, will always be tested for, whether they have problems with respect to writing, reading and arithmetic. If the test shows that they have problems, the young person will have the duty to participate in relevant education in the form of a reading, writing or arithmetic course or a dyslexia course.	4 600 persons (2010)	Duration depends on the individual needs of the unemployed, who receives his/hers normal unemployment benefit, while participating.	Unemployed with deficient skill in reading, writing and arithmetic (incl. dyslexia)	Failure to pass a test of skills in reading, writing and arithmetic	Costs are shared equally between the municipality and the national government. Information about the budget is not available at the national level.	Basic skills in reading, writing and arithmetic	The jobcentres administer the scheme, while the education is offered by public adult educational institutions.	An evaluation by Deloitte (2012) of the use of basic adult education by the job-centres showed that there is a great need for basic literacy, writing and numeracy teaching and for dyslexia education among the unemployed, but that very few will get a course and yet fewer complete.	
Right for unskilled adult unemployed to get a prior learning assessment	2.1 Institutional training	Unskilled unemployed, who are 30 years of age, have the right to obtain a prior learning assessment for qualifications, which they may have acquired informally through their previous employment. The prior learning assessment will be made by an ordinary educational institution for adult basic education and training or higher adult education	n.a.	An assessment of prior learning may last from half a day up to ten school days. During this period, the unemployed is paid his/hers normal unemployment benefit.	Unskilled unemployed.	Unskilled unemployed aged 30 years and more have the right to the prior learning assessment.	Costs are shared equally between the municipality and the national government. Information about the budget is not available at the national level.	An assessment will document informal or hidden qualifications and skills.	The jobcentres administer the scheme, while the prior learning assessment is conducted by public adult educational institutions.	The scheme is introduced from 2015 and no evaluations are available at present.	The measure must be seen in the light of the option for upgrading the unskilled during the two-year benefit period. The prior learning assessment will be a key source of information, when as-

sessing, whether the unemployed can complete the vocational education within the two years of the benefit period.

Measures specifically targeting the long-term unemployed

The job-rotation scheme	4.3.1 Job rotation	Employers receive a hiring subsidy for every hour an employee is on training and an unemployed person is employed as a substitute. In itself it is thus a training measure focused more on the employed persons than on the unemployed, although the unemployed participants normally undergo some training in order to fill the vacant jobs.	1 100 full-time participants (former unemployed) (2012)	The unemployed receives a normal wage, while being employed as a substitute.	Long-term unemployed.	Unemployed having been unemployed for more than 6 months.	Costs are shared equally between the municipality and the national government. Yearly costs are EUR 23.4 million (DKK 174 million) (2012)	The training depends on the skills needed to perform the tasks as a substitute.	The jobcentres administer the scheme, while the education is offered by public vocational schools	A recent evaluation showed that the transition to regular employment falls in the period immediately after employment as a substitute (KORA, 2014). The effect gradually decreases over time, and a year after starting the job-rotation, the transition to employment rises steeply. Overall, this means that job-rotation on average makes the participants enter into regular employment two to three weeks faster than they otherwise would have done. The effects are significantly larger for unskilled unemployed, who become substitutes.
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Individual rehabilitation	5.2 Rehabilitation	The individual rehabilitation scheme is aimed at in the re-employment of persons with limited capacity for work	9 000 persons (full-time) (2013)	The unemployed receives normal unemployment benefits. In some cases the benefit is reduced for persons aged less than 30 years. The maximum duration of rehabilitation is 5 years.	Long-term unemployed with severe employability problems, who are not able to continue in their present profession (e.g. due to a work-related accident)	Persons are eligible for the scheme, if the job-centre has assessed that the person not through any other offer can be helped to get a foothold on the labour market, and if there is a realistic chance that rehabilitation can lead to partial or total employment.	Costs are shared equally between the municipality and the national government. In 2012 the total costs of the rehabilitation scheme was EUR 380 million (DKK 2 840 million DKK), whereof two thirds EUR 267 million (DKK 1990) were for the benefits paid to the participants and the remainder for the costs of active measures.	Rehabilitation can take the form of on-the-job-training or formal vocational education.	The jobcentres administer the scheme, while the education is offered by public upper secondary or tertiary educational institutions.	Several studies have tried to assess the impact of the rehabilitation scheme. (Bach, 2002, 2007; Filges, 2002; CABI, 2012). Across these studies, the conclusion is that there is evidence that people who have participated in or completed rehabilitation, are more self-sufficient or in work than individuals, who have completed a standard activation program.
Upgrading the skills of the unskilled unemployed	2.1 Institutional training	The measure allows unemployed unskilled workers and skilled workers with an outdated education to take a vocational education as skilled workers during the two-year benefit period.	The measure was introduced in 2015. No information about the number of participants is available at present.	The maximum duration is two years. During this period the participants receives 80% of his/hers normal unemployment benefit. There is an option to take state financed loans for the remaining 20%. During participation there is no obligation to be available for work.	Unemployed unskilled workers and skilled workers with an outdated education.	Aged 30 years and above. Members of an unemployment insurance fund. The education must be completed within the two year benefit period.	Costs are shared between the municipality and the national government. There is no information about the total costs of the programme. However A special fund of EUR 20.1 million (DKK 150 million)) per year is allocated in order to increase the Government's reimbursement to 80 percent of the municipality's operat-			

ing costs of
this specific
measure in
order to make
the measure
more attractive
to the job-
centres.

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