Next Speaker

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Denmark
The Tripartite Agreement on Labour Market Integration

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The challenge

- Increasing number of refugees and family reunified.

- Today only 3 out of 10 refugees aged 25-64 years have obtained a job 3 years after submitting the integration programme.

- Today only every second non-western immigrant aged 25-64 years is employed.

- Less than 1 out of 10 refugees are offered company-based measures despite evidence for positive employment effects of company-based measures.

- Possible explanations: General lack of proficiency in Danish, lack of education, administrative and legislative obstacles, etc.
Tripartite negotiations

• Traditionally Denmark involves the social partners in labour market policy – first tripartite agreement was signed in 1899
• Tripartite negotiations and take place between:

  The Government

  The Employers
  (The Confederation of Danish Employers)

  The Trade Unions
  (The Federation of Trade Unions)
The Tripartite Agreement

- Tripartite negotiations have lead to major labour market reforms over the years

- General benefits of tripartite agreements e.g.:
  - All relevant parties are committed
  - All parties’ interests are taken into consideration
  - Robust to change of government

June 14, 2016
The Tripartite Agreement

• March 2016 the government and the social partners signed a tripartite agreement on integration

• The agreement is focused around to main themes
  1) Strengthening employment focus in integration programmes
  2) Offering companies better conditions for hiring refugees

• The most significant initiative in the agreement is the new integrative training programme (IGU)
The integrative training programme (IGU)

**Target group**
- Refugee or reunified aged 18-40 years

**Program elements**
- Practical training in the company
- Skills enhancement – e.g. language course, labour market training courses, classroom education (20 weeks)
- Wage stipulated by collective agreement
- IGU training benefit (funded by local authority)

**Outcome**
- Regular job or education
- Support unemployment fund

2 years
Other key initiatives

- Improved early screening of refugees formal and informal qualifications
- Strengthening of job focus in the integration programme – e.g. local authorities are obliged to offer refugees company-based measures as early as possible
- Updated and more occupation-oriented language training
- Design of a new job-targeted competence clarification tool
- Strengthening of local authorities service to companies
- Financial bonus scheme for companies hiring refugees for IGU or regular jobs in the first two years after refugees have obtained residence permit
Scope

Aim: One in two refugees and reunified relatives must be in a job

If we don’t succeed:
• Public integration expenses will expectedly be 5 times as high in 2020 compared to 2013

If we succeed:
• Public integration expenses will expectedly be reduced with one quarter in 2020
Debate questions

• What are the important skills for the trainees to acquire during the programme if we are to ensure they will be able to meet labour market requirements?

• How can public employment service contribute to the success of IGU or similar programmes?

• How can the social partners to a greater extent contribute to solving the challenge of labour market integrations of refugees?