# Denmark<sup>1</sup>

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### 1. Current leave and other employment-related policies to support parents

**Note on terminology**: *Graviditetsorlov* is the leave to be taken by the mother before birth; *Barselsorlov* the leave reserved for the mother after birth; *Fædreorlov* the leave reserved for the father after birth; and *Forældreorlov* the leave available for both parents after birth. However, in Danish law, the four leave schemes bear the same name, *Barselsorlov* (or literally Childbirth Leave) because they technically all originate from the same law on leave.

For comparisons with other countries in this review on leave provision and early childhood education and care services, please see the <u>cross-</u> <u>country tables</u> at the front of the review (also available individually on the Leave Network website). To contact authors of country notes, see the <u>members page</u> on the Leave Network website.

# a. Maternity leave (*Graviditets* and *Barselsorlov*: *see* `note on terminology') (responsibility of the Ministry of Labour)

Length of leave (before and after birth)

• 18 weeks: four weeks before the birth and 14 weeks following birth. The first two weeks after the birth are compulsory.

Payment and funding

<sup>&</sup>lt;sup>1</sup> Please cite as: Bloksgaard, L. and Rostgaard, T. (2019) 'Denmark country note,' in Koslowski, A., Blum, S., Dobrotić, I., Macht, A. and Moss, P. (eds.) International Review of Leave Policies and Research 2019. Available at: http://www.leavenetwork.org/lp\_and\_r\_reports/.

- All employees and self-employed persons are entitled to a daily cash benefit based on former earnings, up to a limit of DKK 4,717[€631.62]<sup>2</sup> per week for full-time employees, before tax.
- The cash benefit scheme is funded by the state from general taxation, except for first eight weeks when municipalities bear half of the cost.
- According to the work contract, full earnings may be paid during leave.

#### Pension payments

- The Danish pension system is based on three pillars: 1) a universal and tax-based public pension scheme, 2) occupational pensions which may be quasi-mandatory given the collective agreements, and 3) private pension savings.
- The public pension is not affected by taking leave. If full earnings are paid, pension payments to the occupational pension scheme are not affected by taking leave either. If leave is awarded without full pay, occupational pensions are normally affected since payments from the employer and employee are discontinued. The collective agreement may, however, specify that the employer must continue payments. Special conditions apply for employees working in the state and municipalities where the employer must continue payments to the occupational pensions. Payments to the private pension scheme are entirely covered by the employee who may/may not decide to continue payments.

#### Flexibility in use

• None.

#### *Eligibility (e.g. related to employment or family circumstances)*

- Eligibility to full compensation for an employee is based on a period of work of at least 160 hours in the four months preceding the paid leave, i.e. regardless of the partner's labour market situation. Workers must also have worked at least 40 hours per month in three of those four months. Workers with temporary contracts are excluded only if they are not eligible for unemployment benefit.
- Eligibility for the cash benefit for self-employed persons (including helping a spouse) is based on professional activity on a certain scale for at least six months within the last 12-month period, of which one month immediately precedes the paid leave.
- People who have just completed a vocational training course for a period of at least 18 months, or who are doing a paid work

<sup>&</sup>lt;sup>2</sup> Conversion of currency undertaken for 24 June 2019, using: https://www1.oanda.com/currency/converter.

placement as part of a vocational training course, are eligible for the cash benefit.

- Unemployed people are entitled to cash benefits from unemployment insurance or similar benefits (activation measures).
- Students are entitled to a total of 12 months' extra study grant, thus the 14 weeks of Maternity leave are covered via the study grant.
- People on sickness benefit continue to receive this benefit which is the same amount as the Maternity leave benefit.

Variation in leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; lone parent); or delegation of leave to person other than the mother

• None. There is no additional leave for multiple births as the right to Maternity (and Paternity and Parental) leave is related to the event of birth and not the number of children born.

Additional note (e.g. if leave payments are often supplemented by collective agreements; employer exclusions or rights to postpone)

- In Denmark, leave is not only regulated via national legislation, but also via collective agreements in the labour market and agreements at company level. In 2012, 84 per cent of the total workforce was covered by such collective agreements (compared to only 74 per cent in the private sector).<sup>3</sup> These workers receive compensation during leave from their employer, up to the value of their former earnings, i.e. their employer supplements the state benefit. However, the percentage of the Danish workforce that is covered by collective agreements is declining, especially among the younger age groups, which means that still fewer (younger) workers are ensured pay during leave via a collective agreement.<sup>4</sup>
- To help employers finance the costs regarding compensation up to the workers' former earnings (see above), different leave reimbursement funds have been set up. In 1996, a leave fund was set up to reimburse private employers' leave costs, so that the cost for compensation was pooled. Several municipal employers set up identical funds in the following years, and, in 2005, it was made obligatory for all municipal employers. Municipal employers pool the

<sup>&</sup>lt;sup>3</sup> Dagpengekommissionen (2015) Det danske arbejdsmarked. Arbejdspapir. København: Beskæftigelsesministeriet.

<sup>&</sup>lt;sup>4</sup> http://www.ugebreveta4.dk/lo-om-15-aar-er-kun-hver-anden-medlem-afen-

fagforeni\_20027.aspx?redir=newsletter&utm\_campaign=guest\_GammelA4\_Ik kevalideret&utm\_medium=nl\_top&utm\_source=newsletter\_Morning&nlid=ND Qy&aid=20027

costs of employees' uptake of leave, so that a workplace with a predominance of female workers should not face higher costs.

- Since 2006, it has been obligatory for private employers to also be members of a leave fund. In the largest private leave fund, DA-Barsel, private employers pay DKK924 [€123.73] per year for each full-time employee and receive reimbursement of up to DKK207 [€27.72]<sup>5</sup> per hour for up to 31 weeks.<sup>6</sup> The additional cost of compensation for employees with higher hourly rates than this must be borne by the employer. Depending on the industry in question, the funds also cover full or parts of Parental leave. For example, within the industrial sector, each parent is (as of 2017) entitled to full coverage for five weeks, and in addition three weeks can be shared.
- A reimbursement fund was also set up in 2006 to cover selfemployed people, who were reimbursed for the equivalent 31 weeks for women and 23 weeks for men. As of 1 April 2016, the fund was abolished and this group of employees is no longer covered by more than what equals unemployment benefits, the argument being that it was too costly to cover such a small group sufficiently. This is considered by one of the major unions to represent a blow to gender equality, given that Denmark has a very low proportion of female self-employees already.<sup>7</sup>
- In 2010, an evaluation of the funds covering the private sector showed that around 100,000 companies were members of a fund. The report concluded that the funds seem to be beneficial for women - although employers did not believe that the fund had made them change their view on hiring women - and that more men seemed to take up leave as a consequence of receiving payment during leave. Employers tended to be more positive towards men taking leave than before, as well as being generally positive in their view of the fund. Only around one third of employers were unaware of the possibility of receiving reimbursement for 29 weeks - even in female-dominated sectors - and therefore failed to claim such reimbursement. This was clearly related to whether or not employers paid wages during leave for their employees (COWI, 2010<sup>8</sup>). Statistics from the industrial sector fund show an increase in the refunds for men's uptake of Parental leave - from 17 per cent in 2012 to 40 per cent in 2015. This increase is explained with

<sup>&</sup>lt;sup>5</sup> http://www.dabarsel.dk/refusion/saa-meget-kan-du-faa

As of October 2017, the types of leave are reimbursed differently: pregnancy and Paternity leave (DKK64.96 [ $\in$ 8.70] per hour), Maternity leave (DKK73.46 [ $\in$ 9.84] per hour), and Parental leave (DKK87.52 [ $\in$ 11.72] per hour).

<sup>&</sup>lt;sup>6</sup> See http://www.dabarsel.dk/refusion/saa-laenge-kan-du-faa-refusion
<sup>7</sup> See

http://magisterbladet.dk/news/2016/februar/slutmedbarselsfondogudvidetloe nstatistik

<sup>&</sup>lt;sup>8</sup> See COWI (2010) *Evaluering af barseludligningsloven*. Copenhagen: Ministry of Employment.

reference to larger flexibility in men's use of Parental leave, due to the removal of a clause in the collective agreement for this sector (cf. 1c Additional note).<sup>9</sup>

### b. Paternity leave (*Fædreorlov:* see `note on terminology') (responsibility of the Ministry of Labour)

Length of leave

• Two weeks.

#### Payment and funding

• Payment and funding are the same as for Maternity leave.

#### Pension payments

• Payments made in the same way as for Maternity leave.

#### Flexibility in use

• Employed fathers can take Paternity leave during the first 14 weeks after the child's birth. Fathers who are unemployed or students need to use the leave the first two weeks after the birth.

#### Eligibility

- Employees and self-employed people in a recognised partnership, including same-sex partnerships. The provisions are the same as for Maternity leave.
- Unemployed fathers receive unemployment benefit and people on sickness benefits receive sick benefit in the two weeks of Paternity leave.
- Fathers who are studying receive a total of six months' extra study grant that must also cover the two weeks' Paternity leave.

Additional note (e.g. if leave payments are often supplemented by collective agreements; employer exclusions or rights to postpone)

• All male employees covered by collective agreements receive full earnings during the Paternity leave. However, as stated earlier (see 1a additional note) the percentage of the Danish workforce

<sup>&</sup>lt;sup>9</sup> See http://www.ugebreveta4.dk/maend-i-skurvognen-skal-ud-medbarnevognen\_20405.aspx?redir=newsletter&utm\_campaign=guest\_EU\_Ekstra list\_From\_MorningNL&utm\_medium=nl\_top&utm\_source=newsletter\_Morning &nlid=NjY5&aid=20405

covered by collective agreements is declining, especially among the younger age groups.

### c. Parental leave (*Forældreorlov*: see `note on terminology') (responsibility of the Ministry of Labour)

#### Length of leave

• Each parent has a right to thirty-two weeks of Parental leave. The right to leave is an individual entitlement. However, although each parent can take 32 weeks of leave, each family can only claim 32 weeks of leave cash benefit in total.

#### Payment and funding

• Payment and funding are the same as for Maternity leave.

#### Pension payments

• Payments are the same as for Maternity leave.

#### Flexibility in use

- Between eight and 13 weeks can be taken later.
- Both parents can be on leave at the same time.
- Each parent can prolong their 32 weeks' leave to 40 weeks (for all) or 46 weeks (only employed and self-employed people). In this case, the benefit level is reduced over the extended leave period, so that the total benefit paid equals 32 weeks at the full rate of benefit (though this extended benefit can only be claimed by one parent, as benefit is per family and not per parent).
- It is possible to return to work on a part-time basis, with a reduced benefit payment spread over this extended period of leave (e.g. a parent may work part-time and thus prolong the leave period from 32 to 64 weeks.) This is subject to agreement with the employer.

*Eligibility (e.g. related to employment or family circumstances)* 

- As Maternity leave.
- Fathers who are studying receive a total of six months' extra study grant.
- Same-sex parenting couples.

Variation in leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; lone parent)

• None.

Additional note (e.g. if leave payments are often supplemented by collective agreements; employer exclusions or rights to postpone)

- All employees covered by collective agreements receive full earnings during part or all of the Parental leave period (a maximum coverage may be set in the agreements, however); see 1a additional note.
- From 2007, the industrial sector (representing 7,000 employers • nationwide, including production, service, knowledge, and IT, and encompassing more than 500,000 employees) introduced a paid father's quota in Parental leave. The entitlement was up to nine weeks' Parental leave with payment. Three weeks of this Parental leave with pay for the father, three weeks for the mother, and three weeks for the parents to share – the weeks for the mother and the father respectively were quotas and, therefore, lost if not used. Later agreements have prolonged the period to first 4+4+3weeks (in 2014),<sup>10</sup> and later to 5+5+3 weeks (in 2017).<sup>11</sup> In the 2012 agreement for the industrial sector, a clause was removed. This clause determined that pay during Parental leave was contingent on leave being taken immediately after the Maternity leave, i.e. week 15 after birth. The clause reduced the flexibility of use considerably; especially in the fathers' uptake of Parental leave (Bloksgaard, 2009<sup>12</sup>). Now, parents covered by this agreement can take Parental leave with pay within a year after the birth of the child.
- In spring 2008, a similar Parental leave model was also introduced for employees working in the public sector. If both parents work in the state sector, they are entitled to leave with full payment for 6+6+6 weeks' Parental leave – 14 weeks of Maternity leave and 18 weeks of Parental leave, all with full payment, making a total of 32 weeks. Six weeks was earmarked for the mother, six weeks for the father, and six weeks could be shared. As a part of the labour market negotiations in spring 2015, fathers employed in the public sector got one further week earmarked with full payment, making a total of seven weeks.

<sup>&</sup>lt;sup>10</sup> http://kooperationen.dk/media/69502/CO-Industriens-Overenskomst-2014-2017.pdf

<sup>&</sup>lt;sup>11</sup> CO Industri & DI (2017) Industriens Overenskomst 2017-2020.

https://di.dk/Shop/Overenskomster/Produktside/Pages/Produktside.aspx?pro ductId=6549

<sup>&</sup>lt;sup>12</sup> Bloksgaard, L. (2009) *Arbejdsliv,forældreskab og køn – forhandlinger af løn og barsel i tre moderne virksomheder (Work-life, parenthood and gender – wage and leave negotiations in three modern Danish companies)*. Aalborg: Aalborg University.

#### d. Childcare leave or career breaks

• No statutory entitlement – it would be dependent on collective agreement or individual contract, but it is not used.

#### e. Other employment-related measures

#### Adoption leave and pay

• For adoptive parents, the same regulations for Parental leave apply as for other parents, with the exception that two of the 48 weeks must be taken by both parents together.

#### *Time off for the care of dependents*

- Most working contracts and labour market agreements include the right to take one day off per sick spell to care for a sick child. Public employees are entitled to two days. Leave is paid.
- All employees may, depending on the assessment of the local municipality, be eligible for a care benefit (*Plejevederlag*) if they care for a terminally ill relative or close friend at home. The municipality decides the length and level of benefit payment. There is no entitlement to leave associated with this benefit.

#### Flexible working

• None.

Specific provision for (breast)feeding

• None.

## 2. Relationship between leave policy and early childhood education and care policy

The maximum period of paid post-natal leave available in Denmark is 14 months, if parents take the option of a part-time Parental leave period with a lower benefit payment. Leave at 100 per cent of earnings subject to a ceiling lasts for 11 months. There is an entitlement to ECEC from when the child is six months of age, so there is no gap between leave and ECEC entitlements. (See also section 3. for current policy debates on ECEC attendance.) Levels of attendance at formal services for children both under and over three years of age are well above the average for the countries included in this review, as well as for OECD countries in general. For actual attendance levels, see 'relationship between leave and ECEC entitlements' on <u>cross-country comparisons</u> page.

## **3.** Changes in policy since April 2018 (including proposals currently under discussion)

Instead of initiatives at the policy level to increase fathers' uptake of Parental leave, in 2017, the Minister for Gender Equality and the Minister of Industry, Business and Financial Affairs initiated a campaign: 'Aktion Fars Orlov' [Operation Dad's Leave] (2017-2020). The campaign is publicly funded by the government and a broad range of parties (DKK4,500,000 [€602,566]) and supported by the unions, as well as a number of Danish companies. It seeks to inspire a cultural change, encourage more men to take (more) leave, and incite companies to support them.<sup>13</sup> As of 2019, five projects have received support in order to promote fathers' leave.<sup>14</sup>

As of November 2018, a policy change was enacted, making ECEC attendance mandatory for children aged one in geographical areas considered 'vulnerable,' i.e. areas with a high proportion of migrants who are not active in the labour market. Attendance is 25 hours per week for the child, with a focus on cultural and linguistic learning and integration. Should the parents decide not to enroll the child in ECEC, they will not receive the child benefit. The parents are also expected to participate in a learning programme of a minimum of six hours per week over three weeks, focusing on how best to support their child.<sup>15</sup> In the agreement, there is no mention of how the policy change will affect parents who would like to take part-time leave and thus extend the leave beyond the one year.

### 4. Uptake of leave

Data on leave uptake for all Danish parents are not available – statistics are instead based on parents entitled to a cash benefit during leave. A number of parents in Denmark lack such entitlements: the latest figures (2014) show that 19 per cent of the fathers and 23 per cent of the mothers were without entitlement.<sup>16</sup> Therefore, the statistics in the following sections do not encompass this demographic of parents.

<sup>&</sup>lt;sup>13</sup> See https://www.aktionfarsorlov.dk/ and

https://www.business.dk/arbejdsmarked/kampagne-skal-faa-flere-maend-paa-barsel-og-goere-op-med-ravnemor

<sup>&</sup>lt;sup>14</sup> https://pulje.dk/farsorlov

<sup>&</sup>lt;sup>15</sup> http://socialministeriet.dk/media/19171/aftaletekst-om-obligatorisklaeringstilbud-og-skaerpet-straf.pdf

<sup>&</sup>lt;sup>16</sup> Danmarks Statistik (2016). *Nyt fra Danmarks Statistik. Dagpenge ved fødsel 2015*, Nr. 140, København: Danmarks Statistik.

#### a. Maternity leave

The present statistics on the uptake of leave do not provide data on the proportion of mothers using Maternity leave only. Survey data from 2006 showed that among parents of children born in 2005, 99 per cent of mothers had taken Maternity leave.<sup>17</sup>

#### b. Paternity leave

Statistics show that among Danish fathers of children born in 2015 entitled to cash benefit, 80 per cent take (some of) the Paternity leave. Thus, 20 per cent of the fathers did not take any Paternity leave.<sup>18</sup>

#### c. Parental leave

As noted above, regular data are not available on the share of all parents who take up Parental leave. New data are likely to become available in 2019.

#### d. Leave uptake in total

In addition to the (relatively) limited statistics referred to above, the available statistics presenting the current leave situation survey across the entire leave period (Maternity, Paternity, and Parental leave) and the data are presented in this section. Also, this data is based on parents receiving a cash benefit during leave.

Statistics indicate that mothers' leave uptake is stable. Mothers who have taken leave together with the father took 296 to 299 days between 2006-2015, while mothers who have taken leave alone took 311 to 317 days over the same period.

Well-educated mothers and mothers in top management positions take the shortest leave (in contrast, the opposite is the case among fathers; here, well-educated fathers and fathers in top management positions take the longest leave). The education level of the mother and her position in the labour market is central to the division of leave between the parents. Mothers employed in agriculture take the longest leave,

<sup>&</sup>lt;sup>17</sup> Olsen, B. M. (2007). *Evaluering af den fleksible barselsorlov: orlovsreglerne set fra forældres, kommuners og arbejdspladsers perspektiv.* Copenhagen: SFI - Det Nationale Forskningscenter for Velfærd.

<sup>&</sup>lt;sup>18</sup> Danmarks Statistik (2017). *Fædres brug af orlov*, København, Danmarks Statistik

while mothers employed in information and communications take the shortest leave.<sup>19</sup>

After the data for the period 2007-2010 showed an increase in the number of days that fathers take, when both the mother and the father take leave (not necessarily at the same time) – from 32 days on average in 2007 to 37 days in 2010 – the data for 2011-2013 shows stabilisation. In families where both the father and the mother took leave, the father took an average of 37-38 days of leave in 2012-2015. In the few families where the fathers were the only parent to take Parental leave, their leave uptake in 2015 was 55 days.<sup>20</sup>

Slightly more fathers took leave in 2015 (78.1 per cent) than in 2003 (74.5 per cent).<sup>21</sup> The increase in later years in fathers' leave use may be explained by the fathers' quota in the collective agreements and (partly) by the removal of the clause in the collective agreement of the industrial sector, which leads to larger flexibility in leave use for employees covered by this agreement, especially fathers<sup>22</sup> (see section 1c).

Statistics on fathers' leave uptake based on data from 2014 show that:

- Well-educated fathers and fathers with a high income take the longest leave.
- Fathers living in the largest cities take the longest leave.
- Well-educated fathers living in Copenhagen take the longest leave of all fathers (51.5 days).
- Fathers employed in the public sector take the longest leave period (50 days).
- Fathers employed in male-dominated branches take 5 days less than the average.
- Self-employed fathers take the least leave (16 days).
- Fathers with well-educated partners take 60 per cent longer leave than fathers on average.<sup>23</sup>

Statistics on how parents, where both take leave, share the total leave period show that frequently the father takes precisely the two weeks'

 <sup>&</sup>lt;sup>19</sup> Danmarks Statistik (2017). Statistiske efterretninger: Dagpenge ved graviditet, fødsel og adoption 2016. 2017: 9, København: Danmarks Statistik.
 <sup>20</sup> Danmarks Statistik (2017). Statistiske efterretninger: Dagpenge ved graviditet, fødsel og adoption 2016. 2017: 9, København: Danmarks Statistik.
 <sup>21</sup> Danmarks Statistik (2017). Fædres brug af orlov, København, Danmarks Statistik.

 <sup>&</sup>lt;sup>22</sup> DR Nyheder (2014). 'Mænd i industrijob tager mere barsel.' 25 January 2014.
 <sup>23</sup> Danmarks Statistik (2017). *Fædres brug af orlov*, København, Danmarks Statistik.

Paternity leave and the mother 46 weeks, equalling the 14 weeks' Maternity leave and the 32 weeks of Parental leave.<sup>24</sup>

A report from The Danish Institute for Human Rights concludes that both mothers and fathers experience discrimination due to pregnancy and leave uptake – mothers to the largest degree.<sup>25</sup>

 <sup>&</sup>lt;sup>24</sup> Danmarks Statistik (2017) Statistiske efterretninger: Dagpenge ved graviditet, fødsel og adoption 2016. 2017: 9, København: Danmarks Statistik.
 <sup>25</sup> Warming, Kenn (2016) "Diskrimination af forældre. Oplevelsen af diskrimination i forbindelse med graviditet og barselsorlov". Copenhagen: The Danish Institute for Human Rights.