



SPRING 2018 REFORM BAROMETER – DENMARK

European Semester - Overall assessment of 2017 cycle

	To what extent do you agree with these statements:		Detailed comments
1.	The National Reform Programme submitted by your Government (April 2017) is appropriate.	Not enough	The Danish government describes in the report only already implemented initiatives. There is a lack of proposed initiatives to increase labour supply and initiatives to prevent and overcome the growing shortage of labour. Danish Employers (DA and DI) welcomes that Denmark has implemented initiatives which sets a ceiling on a total of social assistance and a requirement for 225 hours of work to maintain a higher social assistance. By contrast, a majority in Parliament outside the government has implemented a tightening of rules on access to labour from outside the EU, which makes it more difficult for companies to recruit employees.
2.	The Commission's country specific recommendations for your country are appropriate.	Not at all	No recommendations were given to Denmark on labour market and education policy in 2016 and 17. Danish Employers (DA and DI) wishes the European Commission to give Denmark recommendations on policy initiatives. A country specific recommendation on initiatives to overcome a current shortage of labour have a high priority.
3.	The Commission assessment of reform implementation the year before is appropriate.	To some extent	The report is a fine overview of the Danish employment policy and the European Commission recognize the beginning of labour shortages in particular areas. The Commission needs to set more focus on the problems on the Danish labour market with weak growth and that, in spite of the weak growth, an increasing challenge of growing labour shortages.
4.	The Commission assessment of excessive imbalances (in-depth review) is appropriate.	Not at all	There is no Country Report for Denmark



Assessment of Country Specific recommendations 2017 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	Foster competition in the domestically oriented services sector.	Extremely important	Mixed	No recommendations on labour market or education policy for Denmark

Reform Progress in your Member State in 2017

How would you assess reform progress in 2017, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Mixed
Labour market	Unsatisfactory
Innovation and skills	Satisfactory
Access to finance and Financial stability	No progress

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2018 Reform Barometer?

In October 2017 a tripartite agreement on adult and continuing education was concluded. The agreement helps to ensure the right skills in the Danish labour market. The reform also includes a repaying of excessive financial contributions from companies and the contribution in the future will be adjusted in line with the real needs.

The reform also includes initiatives to prevent the shortage of skilled labour. Vocational training gets a boost through increased financial incentive for companies to take more vocational students, and the government has committed itself to compensate for the planned savings on vocational training in 2018.



Reform priorities for 2018

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Labour market mismatch and labour mobility	National initiatives to address and prevent labour shortages through easier access and initiatives to facilitate recruitment for qualified foreign workers from EU and from countries outside the EU.	yes
Priority 2	Labour supply measures for specific groups (older workers, women...)	National initiatives that can contribute to ensure companies access for employees with the right skills: <ul style="list-style-type: none"> • The match between education and labour market must be improved within vocational education and within the STEM-professions at all educational levels to ensure that more people are trained. • Better integration of immigrants and refugees through internships and temporary employments in companies. • New people on social assistance, including young people, must be considered to be available for the labour market. 	yes
Priority 3	R&D and Innovation	Increase of public research and development (in technical areas) and specific business-oriented innovation programs	no
Priority 4	Public sector efficiency	Put up specific targets for how many public sector tasks that are being subject to private sector competition. Improved procurement processes in the public sector and an increased use of technology	yes
Priority 5	Tax reforms	Reduce progressiveness of income tax system. Simplify and lower capital income taxes. Continue to reduce tax burden on companies	no