

# COUNTRY BACKGROUND: DENMARK

## > National Context

### > Legal and Industrial Relations Context

The Danish industrial relations system has its roots in the "September Compromise" of 1899 and the establishment of collective labour law institutions in 1910. One of the key features of this model is the interdependence between employers and trade unions, which grants labour market organizations significant influence over wages and working conditions through collective bargaining. Unlike in some other countries, the state does not play a direct regulatory role in major labour market issues. However, there are instances where the government invites the main confederations of social partners for tripartite negotiations on specific labour market matters. These negotiations occur on an ad hoc basis and provide a platform for dialogue between the government, employers' organizations, and trade unions. In Denmark, the sectoral level is the primary level for collective bargaining. Negotiations in the industrial sector often set the tone and serve as a reference point for other sectoral negotiations. Consequently, the Central Organisation of Industrial Employees (CO-industri), representing trade unions, and the Confederation of Danish Industry (DI), the largest employer organization, hold significant roles in the Danish industrial relations system.

### > Legal Acts

Minimum wage	no
Contr. requirements	yes
Working time	no

Leave provisions	yes
Health & welfare	yes
Pensions/ Old-age	yes

Maternity, paternity	yes
Sick leave	yes
Vocational training	yes

### > National Legislation

In Denmark, there is no comprehensive labour code governing the regulation of the labour market. Instead, the Danish labour market operates on a system of voluntary agreements between trade unions and employer organizations. Key labour market issues such as wages, working hours, working conditions, and the right to strike are primarily regulated through these voluntary agreements. However, there are certain legislative provisions that establish minimum standards and protections for employees. One of these is the Consolidation Act 81 of 3 February 2009 (Consolidation Act no 268 of 18 March 2005), which specifically addresses working conditions for salaried employees. This act ensures that all employees are entitled to five weeks of annual holiday and sets out provisions related to working hours and other employment conditions. The Danish Working Environment Act provides a framework for ensuring a safe and healthy working environment. It sets out general objectives and requirements related to occupational health and safety in various workplaces. This act also includes provisions specific to the employment of children and young people, ensuring their protection and welfare in the labour market.

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## > Actors

### > Trade Unions

- > In Denmark, the freedom of association and the right to join or not join a union is protected by the 1982 "Act on the freedom of association in the labour market." This act guarantees workers the freedom to choose whether or not to join a union, and it abolished the right to "closed-shop agreements" in 2006. Both public sector and private sector workers have the freedom to join a union, and there are no exclusions based on sector.
- > Regarding representativeness, there is no specific legislation connected to this concept in Denmark. The recognition of a trade union is generally established when two organizations, such as a union and an employer organization, conclude a collective agreement. The selection of leaders within trade union organizations is typically done through democratic processes, with leaders being chosen by the members themselves.

- > Denmark has several trade union confederations, with the Danish Trade Union Confederation being the largest. Formed in 2019 through the merger of the Danish Confederations of Trade Unions and the Danish Confederation of Professionals, the Danish Trade Union Confederation has the highest number of members. However, it does not directly participate in collective bargaining like some of the smaller confederations do. The smaller confederations play a more active role in collective bargaining processes.

### > Coverage

Number of members (in 1000s)	1767 (2019)
Density (%)	67 (2019)

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## > Actors

### > Employer Organizations

- > In Denmark, joining an employer association is voluntary. When an employer joins such an organization, it typically involves an agreement that the employer organization will negotiate and conclude binding collective agreements on behalf of its members. There is no official record of employer organization densities, which makes it challenging to determine specific trends. However, based on limited available data, it is evident that membership percentages vary significantly when considering active employees or establishments.
- > In the private sector, there are two main confederations representing employers, while the public sector has three employer organizations. The largest employer organization is the Confederation of Danish Industry (DI), which represents around one million employees, including employees working abroad. In Denmark, there is no specific legislation connected to the concept of representativeness, meaning that there are no legal requirements or criteria for determining the representativeness of employer organizations.

### > Coverage

Number of members (in 1000s)	unavailable
Density (%)	68.3 (2018)

### > Workplace-Level Employee Representation

- > In Denmark, employee representation at the workplace level is facilitated through shop stewards and Cooperation Committees. Shop stewards, elected among union members, represent employees' interests. Cooperation Committees, comprising equal numbers of employee and management representatives, promote dialogue and cooperation. These structures are typically regulated by collective agreements, outlining their roles, election procedures, and scope of representation. Their purpose is to enhance communication and address workplace issues collaboratively.

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## > Collective Bargaining

### > Nature of Collective Bargaining Laws

In Denmark, the regulation of employment relations, including crucial aspects like wages, working conditions, training, and pensions, is primarily governed by the social partners through collective bargaining. Unlike some other countries, Denmark does not have a labour code that extensively regulates the labour market. Instead, legislation concerning employment relations is minimal, with the focus placed on creating a framework for collective bargaining and facilitating voluntary agreements between trade unions and employer organizations. This system emphasizes the autonomy and responsibility of the social partners in shaping employment conditions and fostering cooperation in the Danish labour market.

### > Levels of Collective Bargaining

National	No
Sectoral	Yes, dominant
Company	Yes, dominant

### > Involved Parties

Bipartite

### > Coverage



### > Duration

- > There is no specific legal provision regarding the duration of a Collective Bargaining Agreement (CBA). The validity of a CBA is typically determined through negotiations between the social partners, considering economic perspectives and the needs of the parties involved. Historically, CBAs in Denmark have had durations ranging from two to four years. However, in recent decades, three-year agreements have become the norm. The duration of a CBA is subject to mutual agreement and may vary depending on various factors and circumstances at the time of negotiation.

All data current as of 22 June 2023



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## > Data Sources

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