



Denmark

Trends, Recent Developments, Active Inclusion and Minimum Resources

First Semester Report 2006

Rambøll Management



On behalf of
European Commission
DG Employment, Social Affairs and Equal Opportunities

Table of contents

1. Introduction	3
2. Summary.....	3
3. Recent policy and legislative developments.....	4
3.1 The Danish NAPincl 2003/2005 in brief	6
3.1.1 Implementation.....	8
3.2 At risk groups.....	9
3.2.1 Socially excluded	9
3.2.2 At risk children and youth.....	10
3.2.3 Ethnic minorities	11
4. "A new chance for everyone" - the ethnic minorities.....	12
4.1 Implementation.....	14
4.2 Indicators	15
4.3 Statistics	15
4.4 Monitoring and evaluation	16
5. "The joint responsibility" – The most disadvantaged groups	17
5.1 Implementation.....	17
5.1.1 Budget allocation.....	18
5.1.2 Organisational setup.....	19
5.1.3 Innovative measures?.....	19
5.2 Monitoring and evaluation	20
6. "A good beginning for all children" - At risk children and youth.....	20
6.1 Implementation.....	20
6.1.1 Budget allocation.....	22
6.1.2 Organisational set-up	23
6.1.3 Innovative measures.....	23
6.2 Indicators	23
6.2.1 Statistics	23
6.3 Monitoring and evaluation	24
7. Thematic chapter on active inclusion and minimum resources.....	26
7.1 Trends on minimum income.....	26
7.1.1 A poverty threshold debate.....	27
7.2 Social assistance and active labour market policies aimed at the most excluded	29

7.2.1 The active social policy	29
7.2.2 The active labour market policy.....	29
7.2.3 A focus on ethnic minorities.....	30

1. Introduction

Non-government experts for the European Commission Dr. Tobias Børner Stax, Dr. Steffen Bohni Nielsen and consultant Anne Mølgaard of Rambøll Management have prepared this report.

The report is a continuation of the expert reporting which the Rambøll Management was contracted to in 2003-2005. In the prior reports a number of policies and issues have already been outlined and discussed.

This report is the first of three outputs required under the 2006 contract. The content of this report is as follows:

In chapter 2 we present a summary of the report.

In chapter 3 we discuss recent policy and legislative developments in Danish social policy. It addresses three major interventions focusing on three distinct target groups in the NAPincl. (i) the socially excluded, (ii) at risk children and youth, and (iii) ethnic minorities.

In chapter 4 we discuss intervention directed at ethnic minorities. Herein we delineate implementation actions, key indicators, recent statistics and M&E setup.

In chapter 5 we discuss intervention directed at the socially excluded groups, and we delineate implementation actions, key indicators, recent statistics and M&E setup.

In chapter 6 we discuss intervention directed at at risk children and youth. Here we delineate implementation actions, key indicators, recent statistics and M&E setup.

In chapter 7 we present the thematic chapter on active inclusion and minimum resources.

2. Summary

In this report Rambøll Management provides a summary of the key policy components and their implementation of the Danish NAPincl.

The report delineates:

- *Recent policy and legislative developments:* The large scale local government reform is well underway and will take effect 1st of January 2007. Local government, i.e. municipalities, will take over current regional government responsibilities and many of those institutions providing services to the citizens.
- *Three groups at risk of exclusion* from Danish society are identified:
 - the socially excluded
 - at risk children and youth
 - ethnic minorities.

These groups reflect those identified in the Danish NAPincl.

- *Policy interventions aimed at ethnic minorities:* Ethnic minorities are considered to be a primary target group as statistics document that their income is significantly lower than the income of ethnic Danes. An important explanation for this is the high unemployment rate of ethnic minorities. The implementation of the Government's integration plan, "A new chance for every one", is described. In this report two main areas of action have been prioritized by the Government: the integration of ethnic minorities into the labour market and the educational attainment of ethnic minorities.
- *Policy interventions aimed at socially excluded.* The action plan "The joint responsibility", which was presented in 2006, will be succeeded by "The joint responsibility II" in late summer, 2006. The current action plan consists of initiatives targeting e.g. substance abusers, alcohol abusers, the mentally ill, the homeless and the prostitutes. As the next National report focuses upon "The joint responsibility II" we touch more briefly upon this issue in this report.
- *Policy interventions aimed at vulnerable and at risk children and youth.* The major initiative in the NAPincl. was the action plan "A good beginning for all children" launched in June, 2003. The action plan comprises different strategies and initiatives which are currently being implemented. Notably, procedures aimed at matching needs and interventions are being improved. Substantial funding has been allocated to implement the reform. For day care institutions annual learning plans have been implemented. Short-term and long-term effects are currently being evaluated.
- *Active inclusion and minimum resources.* Denmark does not have an official minimum income level. The report describes the Danish welfare system by the term "flexicurity". This notion combines the two terms flexibility and security – flexibility meaning that employers can easily hire and fire, and security meaning that there is a high level of public support when a person e.g. loses a job. The report moreover outlines the debate on whether Denmark should formally adopt a poverty threshold. Finally the report presents existing social assistance and active labour market policies targeted to the social activation of individuals furthest from the labour market.

3. Recent policy and legislative developments

In January 2004 the so-called Structural Reform Commission published the results of its work.¹

Following a hearing among main stakeholders, the government announced the main setup of the structural reform in late April 2004. Despite prolonged negotiations, the government did not succeed in securing a broad political consensus on the reform. It was adopted with the sole support of the Danish People's Party.

As of January 2007 a massive change in Danish social policy will occur once the structural reform will come into effect.

At this point in time regional level of government will be, drastically, reduced to cover only health care and providers of some social care services. Agreements between the Ministry of Interior and

¹ Policy papers and more about the structural reform:
<http://www.im.dk/Index/mainstart.asp?o=104&n=1&h=8&s=4>

the local governments in February 2006 show that a large percentage of the hitherto regional social service providers (e.g. long-term care) will be taken over by local governments.

In the future local governments will be responsible for the provision and financing of a range of social services so far under regional government authority.

The local government structural reform changes the organisation of the employment effort. As from 2007 the tasks of current employment agencies are transferred to local authorities. With the establishment of jobcentres, both recipients of unemployment insurance and recipients of social assistance turn to the same institution where as earlier the first group turned to the employment agencies and the second group to local authorities.² The state, however, maintains the responsibility for recipients of unemployment insurance.³

Concerning social policies the main tenets of the reform are⁴:

- The dismantling of 14 county authorities with responsibilities for health care, secondary education and social care institutions etc. placed at municipal level.
- Establishment of 5 major regions providing health care and some social care.
- National level ensures sufficient provision of specialised social care facilities.
- Municipalities assume responsibility for social care facilities previously under regional government control.

Concerning the provision of social service, interest organisations echoed a number of concerns regarding the pending reform. However, some concerns also addressed issues such as establishment of municipal disability councils, the provision of adequate social care facilities etc.⁵

The number of municipalities will be reduced from the current 271 to 98. In a number of cases the new municipalities have become far larger in terms of population (numbering more than 100 000 citizens) and geography than foreseen by the government.

Still, a key concern to politicians, researchers, and non-government organisation remains the quality of social services delivered when responsibility for their provision ascends from regional to local government level.

A key concern is that the municipal authorities are not large enough to sustain specialised social institutions, and consequently the professional level of the services will suffer. The government seeks to counterbalance this scenario by ensuring that municipalities can “buy” institutional slots in other municipal institutions that hold the professional capacity. Further, the regional government will control some specialised social care institutions as will the national level.

Finally, the Ministry of Interior has announced plans to establish a specialised body for “municipal evaluations” to benchmark the service levels crosswise of municipalities.

² This restructuring is inspired by initiatives in Holland and England.

³ With the exception of 14 “pilot job centres”, where local authorities take over the responsibility of the employment measures for all unemployed.

⁵ The Council for the Socially Vulnerable argued that, in general, the responsibility for social services should be placed at local authority level as this would contribute to the strengthening of social integration.

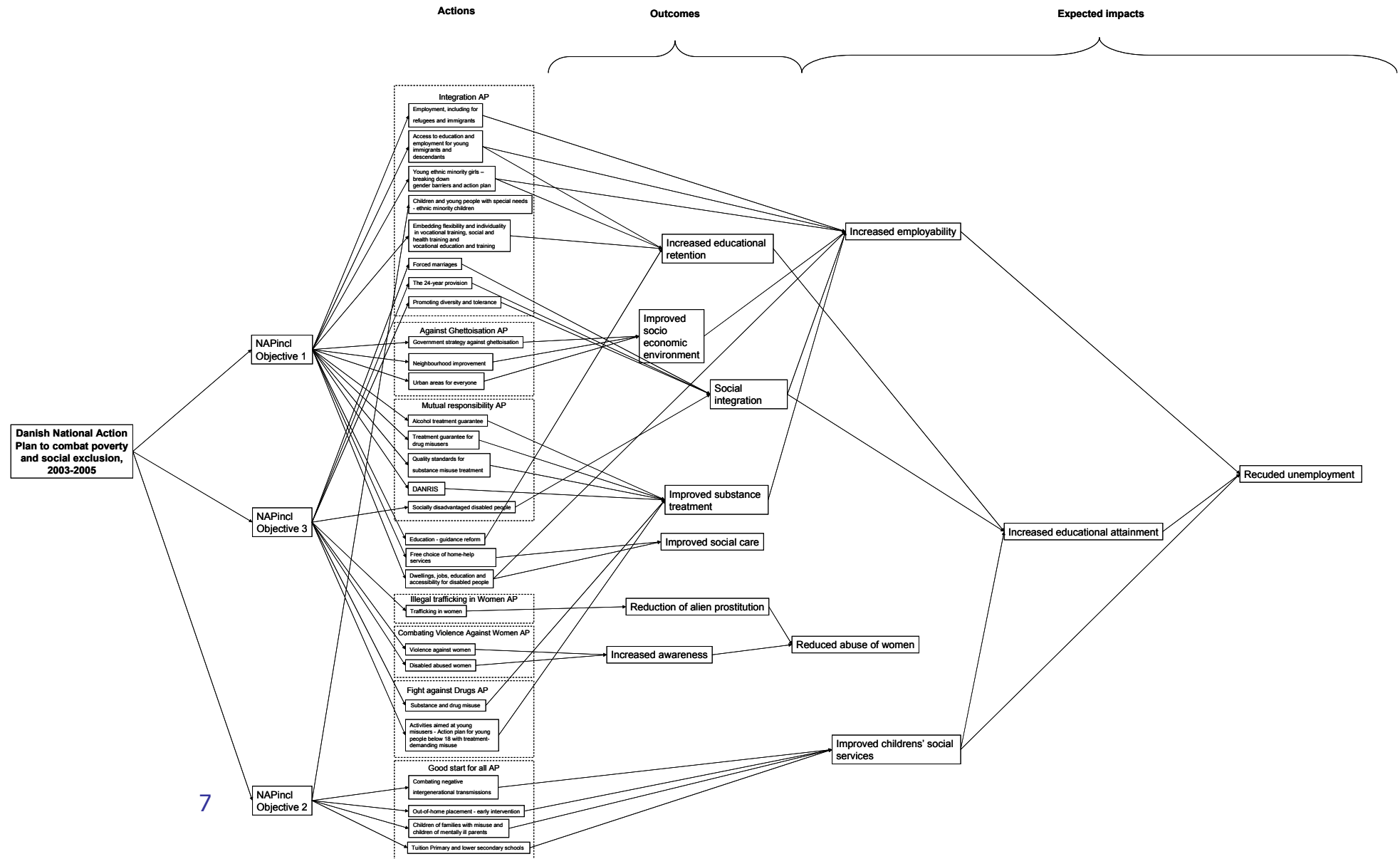
3.1. The Danish NAPincl 2003/2005 in brief

The structural reform was not anticipated in the 2003-2005 Danish NAPincl.

As pointed out in earlier reports, the Danish NAPincl is a compilation of a number of different, uncoordinated policy documents. In that sense, the NAPincl is not an overarching strategic document. Instead it sums up different initiatives and action plans in different areas. The various measures are summarized in the intervention logic below.

Reiterating the point made above, the NAPincl should not be seen as an overarching strategic document. In this sense, the intervention logic cannot be seen as an overt and stated strategy, but rather as an analysis of the complementarity analysis of the measures mentioned in the NAPincl.

Figure 0-1 – Intervention logic of the Danish NAPIncl, 2003-2005



Generally, the Danish NAPincl 2003/2005 concerns two focus areas:

- Measures to improve the conditions of the most disadvantaged groups.
- Measures to prevent negative intergenerational transmission.

In the Danish policy, government structures, legal structures and in the political debate the integration of ethnic minorities constitutes a distinct field. Therefore, we deal with the integration of ethnic minorities as a separate issue.

Thus, this semester report focuses on the most important policy interventions in the NAPincl, which have also been the subject of our analyses in prior reports.

The three main initiatives that will be described are:

- 1) **The action programme “A joint responsibility”** (“Det Fælles Ansvar”). This action programme targets the most disadvantaged groups, such as substance abusers, prostitutes, disabled people, homeless people, the mentally ill etc.
- 2) **“A Good Beginning for all Children”** (“En ny start for alle”). The programme focuses on at risk children and youth with a view to breaking the negative intergenerational transmission in relation to education, employment, health and quality of life expectancy.
- 3) **“A new chance for everyone”** (“Ny chance for alle”). The NAP 2003-2005 mentions different initiatives targeting ethnic minorities including the government’s proposals for improving integration of immigrants and refugees. Since these proposals have been implemented in the integration plan “A new chance for everyone”⁶, we choose to focus on this integration plan.

With the exception of a few groups, the target groups of these three initiatives more or less correspond to the risk groups identified in the NAPincl 2003/2005, being:

- substance abusers
- prostitutes
- homeless people
- the mentally ill
- disabled people
- women exposed to violence
- ethnic minorities
- long-term unemployed
- disadvantaged children and youth
- disadvantaged elderly⁷

3.1.1 Implementation

A number of stakeholders have been included in the process of developing the NAPincl. A steering group with representatives from 10 ministries was established and NGO’s, volunteer

⁶ The integration plan is carried out with the support of the Danish People’s Party.

⁷ The initiatives towards disadvantaged elderly and women exposed to violence will not be treated in this semester report.

organisations, the Confederation of Trade Unions (LO) and the Confederation of Danish Employers (DA) were involved in seminars and meetings. Eventually, the line ministries contributed with the sections of the NAPincl dealing with their area of responsibility. E.g. the sections in the NAP 2003-2005 concerning integration of ethnic minorities have been prepared by the Ministry of Integration.

Throughout the implementation process the government has arranged seminars and conferences discussing the usefulness and implementation of the NAPincl, focus etc.⁸

Thus, it is our assessment that the discussions of the NAPincl have involved front workers, voluntary organisations, quasi-governmental bodies and public servants from various ministries etc.

However, the political level has been markedly absent, which is the case for both nationally and locally elected politicians. This is quite likely related to the content of the current action plan that in substance presents nothing new compared to the different policies that it compiles.

As pointed out in previous reports (2nd report and 3rd report 2003 and 1st report 2005) the consultation process has been considered to be good by key stakeholders, despite some corners lamenting the actual outcome of the NAPincl.

3.2. At risk groups

3.2.1. Socially excluded

Little solid knowledge exists about the quantity of people being socially excluded. The little that is known pertains to people using various services for different types of socially excluded. Thus, during a year 15,802 people are enrolled at a shelter⁹, 13,161 people are enrolled in a drug treatment programme¹⁰, and 24,872 people were hospitalised for mental illness¹¹. How these known groups of socially excluded relates to the overall number of homeless, substance abusers and mentally ill one can only speculate about. For example there exists no solid information as to how the people using the shelters relates to other positions on a home to homeless continuum¹².

Recent studies on socially excluded carried out by the Danish National Institute for Social Research and by Rambøll Management shows that homelessness seems to be a temporary spell. About half of the homeless population included in the study were registered in an ordinary dwelling seven years after using a shelter. Other findings included that less than 20 percent had a job seven years after staying at a shelter and that around 50 percent received early retirement

⁸ Most recently at a open conference held jointly by the Ministry of Interior and Health and the Ministry of Social Affairs in Copenhagen, 27 April 2006.

⁹ Ankestyrelsen, 2005, *Brugere af botilbud efter servicelovens § 94 – Årsstatistik 2004* Den Sociale Ankestyrelse, København, DK.

¹⁰ Sundhedsstyrelsen, 2005, *Stofmisbrugere i behandling 2004 – nye tal fra Sundhedsstyrelsen*, Sundhedsstyrelsen, København, 2005:12

¹¹ Sundhedsstyrelsen, 2006, *Anvendelsen af tvang i psykiatrien – nye tal fra Sundhedsstyrelsen*, Sundhedsstyrelsen, København, 2006:7

¹² Stax, T. B. 1999, *En gang socialt marginaliseret - altid...?* Socialforskningsinstituttet, København, DK.
Stax, T. B. 2001, "Understanding Homelessness and Social Policy in Denmark," i *International Perspectives on Homelessness*, V. Polakow & C. Guillean, red., Greenwood Press, Westport, CT, US, pp. 65-84.

pension. It was not possible to point out which factors were of most significance in reintegrating homeless people.¹³

Other studies have been focusing on the social work carried out towards the most socially excluded. It has been argued that there is only limited focus among social workers on long-term planning for reintegration and that the ordinary measures used for e.g. activating socially marginalised people, planning social interventions etc. are seldom used systematically in the social work related to the most excluded people¹⁴. In addition, it has been argued that a significant part of the social work is carried out and planned by the shelters rather than by the municipalities. It is argued that this leads to problems in regard to coordinating social interventions aimed at the most excluded.¹⁵

Overall it is our assessment that the group of socially excluded does draw a significant amount of political awareness in Denmark. It is also our assessment that a wide range of measures focusing on inclusion are employed. There has been a continual effort to provide various forms of alternative housing to the homeless, there has been a continual focus upon providing treatment for substance abusers, there has been a continual effort directed towards providing inclusive means for people experiencing, e.g., both substance abuse and mental illness. It is as well our assessment that the ongoing awareness does to a large extent provide as permanent as possible solutions to problems experienced by socially excluded in regard to a wide range of their problems – e.g. housing, loneliness, acute financial hardship, treatment, etc. – and that we are observing a rising awareness towards the issue of trying to reintegrate the socially excluded into the labour market.

But it is also our assessment that limited focus is given to attempts at evaluating the different measures employed towards including socially excluded and that little is known about what works for whom.

3.2.2 *At risk children and youth*

Recent findings from a meta-evaluation carried out by the Danish National Institute for Social Research¹⁶ identified that at risk children, in this context defined as those placed away from home, are lacking behind on virtually all areas of life parameters. These parameters include education, employment, self support, health and life expectancy.

Another recent study carried out by the same authors shows that at risk factors can be identified already in the pre-school age¹⁷. Four to five risk factors can be identified for parent(s) and children. In relation to parents these are:

- a) highest level of education is elementary school,
- b) labour market marginalisation,
- c) diagnosed mental illness,
- d) abuse of alcohol or drugs,
- e) at least one parent was placed away from home during childhood.

¹³ Geerdsen, L.P. et al., 2005: Ud af hjemløshed? Om livet efter ophold på en institution for hjemløse, SFI, 05:02.

¹⁴ Stax, T.B., 2005: Duetter fra anden sal på Slottet, Department of Sociology, Copenhagen University.

¹⁵ Fabricius, N. et. Al, 2005: Fra hjemløshed til fast bolig, SFI, 05:17.

¹⁶ Egelund, Tine og Anne-Dorthe Hestbæk, 2004: Anbringelse af børn og unge uden for hjemmet, Socialforskningsinstituttet.

¹⁷ Egelund, Tine, Anne-Dorthe Hestbæk, og Dines Andersen, 2004: Små børn anbragt uden for hjemmet. En forløbsundersøgelse af anbragte børn født i 1995, Socialforskningsinstituttet.

For children the risk factors are:

- a) diagnosed illness or disability,
- b) lack of educational performance,
- c) mental and social problems,
- d) no spare time activities.

This implies that early identification of at risk children and preventive social work ought to be the mainstay of the Danish social policy aimed at this group. Despite efforts of early identification and a drastic rise in individuals served (from about 7.000 in 1994 to more than 15.000 in 2004) and expenditures over the past 15 years the number of out of home placements has remained at virtually the same level.

3.2.3 *Ethnic minorities*

Ethnic minorities are considered a separate risk group in the NAPincl, the main reasons for this being the employment rate and educational level of ethnic minorities.

Low employment rate

The total number of immigrants and descendants in Denmark is 452.095 (8,4 % of the total population of 5,4 million¹⁸. The employment rate of immigrants is low – although the employment rate of immigrants and descendants has increased from 46 % in 2004 to 48 % in 2005 according to a recent analysis. The lack of attachment to the labour market for large groups among ethnic minorities – in particular women – entails a major risk of social and economic marginalisation for this particular target group.

Much of the political debate on ethnic minorities in Denmark focuses on the low unemployment rate of ethnic minorities. The government in particular has focused their attention on this topic. It is the goal of the government that ethnic minorities should participate in the labour market to the same extent as ethnic Danes. Partly to achieve this goal, the active employment policy has been simplified to three main employment measures in the policy.¹⁹ These employment measures are reflected in the Integration Act.²⁰

Drop-outs in the education system

Another topic which has gained increasing attention is the drop-out rates of ethnic minorities in vocational training – technical colleges and business colleges. Many social workers, vocational counsellors, politicians and companies share the view that technical schools and a job as artisan have not been popular choices of career in most families of ethnic minorities. The experience of social workers and others is that these areas are low status in the home countries of many immigrants and therefore not their first choice. Moreover, a lot of case workers are under the impression that many parents of young ethnic minorities have higher ambitions – e.g. that their children should go to medical school, become engineers or study law.

Whether these explanations hold true or not, it is, however, a fact that the building industry in Denmark is currently in lack of qualified workers. And of the relatively few ethnic minorities that have chosen a vocational education (though the number is increasing) 60 % has dropped out

¹⁸ Ministry of Foreign Affairs: *Factsheet Denmark*. February 2006.

¹⁹ The active employment policy is further described in chapter 7.

²⁰ The Integration Act will be described in chapter 7.

during the studies²¹. One of the many reasons for this is problems with obtaining training agreements with companies.

There has been a lot of debate on this topic both from a political stance – the Danish Minister of Integration has stated that this is one of the primary challenges in the integration process – and among social workers and vocational counsellors.

Income distribution

One of the consequences of the high unemployment rate among ethnic minorities is that their income is significantly lower than the income of ethnic Danes. Whereas the average income of ethnic Danes in 2003 was DKK 252.044, for immigrants the average income was DKK 175.113. Moreover, the difference is even more significant when comparing ethnic Danes with immigrants from non-western countries. Immigrants from these countries have an average income of only DKK 157.955.²² From the experts' view this clearly demonstrates the economic marginalisation of immigrants from non-western countries in Danish society.

Moreover, when looking specifically at the average income of unemployed, statistics also document that unemployed ethnic minorities receive less than unemployed ethnic Danes. Whereas an average unemployed ethnic Dane receives DKK 178.199 a year, the income for unemployed ethnic minorities from non-western countries is DKK 151.688.²³ This is partly due to the fact that many immigrants receive a special financial support 'start hjælp [translateable to 'initial help'] which is lower than cash assistance.

On the basis of this, it is the expert's assessment that there is a risk of financial exclusion of ethnic minorities in Danish society.

4. "A new chance for everyone" - the ethnic minorities

In May 2005 the government launched its proposals for improving the integration of immigrants and refugees. The proposals were implemented in the integration plan "A new chance for everyone" in June 2005.²⁴ The overall purpose of the integration plan is to provide employment for an extra 60.000 people by 2010. Of these, 25.000 are expected to be ethnic minorities.

In the introduction to the proposal it is stated that:

"It is unacceptable that so many immigrants and descendants of immigrants still live on the edges of society with only slight ties with the labour market and a significantly lower education rate than Danes."²⁵

Two main focus areas are addressed in this statement, being education and employment – and it is primarily in these areas that the government plans to carry out initiatives to promote the integration process²⁶.

²¹ http://www.inm.dk/publikationer/taenketank_ungdom_uddannelse/pdf/Udlaendinge_paa_ungdomsuddannelserne.pdf

²² http://www.inm.dk/publikationer/aarbog_om_udlaendinge_2005.pdf

²³ http://www.inm.dk/publikationer/aarbog_om_udlaendinge_2005.pdf

²⁴ http://www.bm.dk/flygtninge_indvandrere/integrationsaftale05/Aftaletekst_17_juni_2005.pdf

²⁵ http://www.inm.dk/imagesUpload/dokument/A_new_chance_for_everyone.pdf

Education

The integration plan states that “*young people must be guaranteed relevant offers of education*”. It is part of the government’s goal that 95 % of all young people should complete a youth education. Some of the many initiatives outlined in the integration plan are various tests in relation to:

- The need for language stimulation among young bilingual children with an ethnic background.
- The need for support in Danish as second language for bilingual pupils.
- The assessment of bilingual pupils in primary schools.

The Ministry of Education expects the first two kinds of tests to be ready for use in November 2006. The development of the last test is still in a tender process.

The reintroduction of apprenticeships (“mesterlære”) in vocational training is another initiative proposed in the integration plan. This is intended to enhance the possibilities of completing vocational training for young people with practical skills. This initiative has been implemented as an amendment to the Act on Vocational Training. The amendments take effect as of August 2006²⁷.

Furthermore, the government proposes to make it compulsory for young people aged 18-25, receiving cash assistance and whose only problem is unemployment, to start a relevant education. This has been implemented in changes in legislation in March 2006.²⁸

Other initiatives mentioned in the integration plan in this area relate to an improved guidance for upper level pupils in the Danish Folkeskole, homework assistance aimed at bilingual children etc.

In the experts’ opinion, these initiatives are in general positive steps towards the financial and social inclusion of ethnic minorities in Danish society. The level of education has a positive influence on income level²⁹ and on the integration in labour market.

Employment

“A job is the key to successful integration”. This has been a prevalent view in the Danish government’s approach to the integration of refugees and immigrants in Danish society. In the integration plan it is suggested that local authorities making a special integration effort should be rewarded by the refunding of a larger amount of their expenses in regard to cash assistance and initial help than local authorities which do not perform very well. This has been implemented as amendments to The Active Employment Policy and The Active Social Policy in March 2006.³⁰

²⁶ In addition to these focus areas, the integration plan includes a paragraph on a new integration contract and more stringent requirements for residence permits, the prevention of extremism and crime and a paragraph on the prevention of the formation of ghettos. The initiatives aimed at preventing the formation of ghettos will be further described in the second semester report. For information on the integration contract see the following section.

²⁷ <http://www.retsinfo.dk/GETDOC/ACCN/A20060012030-REGL>

²⁸ <http://www.retsinfo.dk/GETDOC/ACCN/A20060023930-REGL>

²⁹

³⁰ <http://www.retsinfo.dk/GETDOC/ACCN/A20060023930-REGL>

The plan also underlines that recipients of cash assistance, who have not received an offer of activation for a long period of time (1 year+), should have their case and job plan reviewed and be offered an opportunity to participate in activation. The government has set aside 580 million for this project which is carried out in the period of 2006-2008. This particular project is (as is the integration plan) referred to as “A new chance for everyone” (“Ny chance for alle”).

Furthermore, the former “individual contract” has been replaced with an “integration contract” – the difference being that whereas the first one only applied to the three year integration period, the integration contract applies until the immigrant is granted permanent resident status, which is after 7 years. In addition to this contract, a new element has been introduced: A written agreement on integration and active citizenship in which refugees and immigrants have to “demonstrate a commitment to integration”. This is demonstrated by signing up to what is perceived as core values in Danish society, e.g. the refraining from crime.

In the experts’ opinion, this agreement is primarily the result of the influence of the Danish People’s Party demanding that refugees and immigrants commit themselves to Danish values. Integration policy is an important focus area for the Danish People’s Party and the party in general aims at imposing high demands on ethnic minorities – requiring that they conform to what is perceived as core values of Danish society.

Another of the many initiatives outlined in the integration plan concerning employment targets married couples where both receive cash assistance. It is proposed to remove cash assistance for spouses not being employed for a minimum of 300 hours during a two-year period. The purpose of this initiative is to enhance work motivation and ensure that recipients of cash assistance are available for the labour market. This proposal has been implemented as amendments to the Active Social Policy in March 2006.

Since ethnic minorities constitute a higher percentage of recipients of transfer income than ethnic Danes, it is the experts’ assessment that this initiative will entail larger financial consequences for this group than for ethnic Danes. On the other hand, the initiative might – as expected by the Government – result in an increased motivation for work among some groups of ethnic minorities.

4.1. Implementation

As mentioned a lot of the elements from the integration plan concerning education and employment have been implemented in legislative changes in The Active Employment Policy, The Active Social Policy, The Integration Act and the Aliens’ Act in March 2006.^{31 32} This suggests that the implementation of the integration plan is under way.

With the realisation of the comprehensive project “A new chance for everyone”³³ the mentioned activities concerning reviewing of cases with no activation for a longer period will be implemented.³⁴ The government expects that 50.000 recipients of initial help and cash assistance

³¹ <http://www.retsinfo.dk/GETDOC/ACCN/A20060024330-REGL>

³² <http://www.retsinfo.dk/GETDOC/ACCN/A20060024330-REGL>

³³ <http://www.retsinfo.dk/GETDOC/ACCN/A20060023930-REGL>

³⁴ The campaign is targeting all recipients of cash assistance and initial help not being offered activation within the last year – not exclusively refugees and immigrants. However, the campaign is initiated as a result of the high rate of unemployment among refugees and immigrants, and the effort is expected to benefit this group in particular: http://www.bm.dk/flygtninge_indvandrerere/integrationsudspil-05/Ny%20chance%20til%20alle%2012%2005.pdf

should have their case reviewed. In cooperation with the National Association of Local Authorities in Denmark (KL), an effort will be made to develop best practice initiatives targeting disadvantaged groups such as immigrants with limited knowledge of Danish language.³⁵ It has furthermore been decided that after a period of two years it will be obligatory for all local authorities to continuously offer all recipients of cash assistance and initial help over 30 years continuous activation.

In the experts' view, this initiative could potentially have a positive effect on the social inclusion of ethnic minorities in Danish society. Thus, a clear message emphasising that everyone should have the offer of activation and that the municipalities should not give up on anyone, is sent. For the ethnic minorities this is a positive signal underlining that they are "of value" to society and that their cases are not left unattended.

In general, there is a positive attitude towards the government's initiatives to ensure immigrants closer ties to the labour market and education system. This is true of both the National Association of Local Authorities in Denmark (KL) and the Danish Confederation of Trade Unions (LO). However, local government emphasises the need for institutions of education to be prepared to include these groups.³⁶ One of the initiatives which has been carried out to ensure this is mentoring.³⁷

4.2. Indicators

Two of the indicators for social exclusion and social integration proposed in the NAPincl 2003/2005 are the degree of employment and unemployment.³⁸ The same indicators are used in "Statistical Yearbook of Foreigners in Denmark", published by the Ministry of Integration. It is our assessment that such indicators are of high quality in the area of integration of ethnic minorities in Danish society. Therefore we suggest the following indicators:

- Labour market participation
- Unemployment rate.

Thus, as mentioned in chapter 3, the labour market participation and the unemployment rate of ethnic minorities are critical factors for the inclusion of ethnic minorities in Danish society.

4.3. Statistics

Labour market participation

According to a recent analysis, the employment rate of immigrants and descendants has increased from 46 % in 2004 to 48 % in 2005. The following table shows that 101.661 immigrants and descendants were employed in 2005 compared to 81.784 in 2001. However, compared to the employment rate of ethnic Danes, which in January 2004 was 76 %, this is still a significant difference.

³⁵ Cf. letter to local authorities and labour market agencies:
<http://www.adir.dk/extern/obreve/2006/obe06003.pdf>

³⁶ <http://www.kl.dk/data/1436771/høring~1.doc>

³⁷ Cf. Chapter 3.

³⁸ Other suggested indicators in the NAP 2003/2005 are income distribution and the number of recipients of welfare payments (cf. pp 81-90 in the NAPincl 2003/2005).

Table 1. Arbejdsmarkedstilknytning blandt 16-64-årige indvandrere og efterkommere fra ikke-vestlige lande, 2001 - 2005

	2001	2002	2003	2004	2005
Beskæftigede	81.284	89.145	92.917	95.994	101.661
Arbejdsløse	12.753	11.298	12.251	16.616	17.122
Uden for arbejdsstyrken	83.990	89.388	94.400	94.554	95.061
Personer i alt	178.027	189.831	199.568	207.164	213.844
Beskæftigelsesfrekvens	46 %	47 %	47 %	46 %	48 %
Erhvervsfrekvens	53 %	53 %	53 %	54 %	56 %
Arbejdsløshed	14 %	11 %	12 %	15 %	14 %

Kilde: Integrationsministeriets Udlændingedatabase i Danmarks Statistik, Udd6

Unemployment rate

Though the employment rate has risen, the unemployment rate remains at approx. the same level (17.177 in 2005 compared to 17.753 in 2001). The government explains this as the result of more immigrants and descendants being available for the labour market.³⁹

4.4. Monitoring and evaluation

In general there is much focus on the integration of ethnic minorities in both the labour market and the youth education system - and a successful integration process is a focus area to the government. This results in a range of different initiatives of monitoring and evaluation.

Every year the development in employment and unemployment rates, participation in education etc. is described in "Statistical Yearbook of Foreigners in Denmark", published by the Ministry of Integration.

Twice a year the government publishes a performance measurement of the integration effort of local authorities. The measurement is carried out by Akf – Institute of Local Government Studies – Denmark.⁴⁰

Evaluations of the Integration Act in 2000 and 2004 are other examples of the monitoring of the integration effort in Denmark.

Furthermore, the specific project "A new chance for everyone" will be evaluated in the period 2006-2008.

The portal *jobindsats.dk* is another monitoring system making it possible to compare the employment efforts of local authorities. This portal will be developed further in 2006 making it possible to compare the efficiency of integration initiatives crosswise of local authorities. The purpose of the portal is to provide decision-makers and local authorities with knowledge of best practice in the light of the local government reform.

³⁹ <http://www.inm.dk/Index/dokumenter.asp?o=78&n=1&d=3415&s=4>

⁴⁰ http://www.inm.dk/publikationer/Effektmaaling_af_kommunernes_integrationsindsats_1999-2003.pdf

5. “The joint responsibility” – The most disadvantaged groups

5.1 Implementation

The main policy initiative reported in the NAP in relation to the most disadvantaged is the action plan aimed at the most disadvantaged groups: “The joint responsibility”, which was presented in March 2002. It is expected that a new action plan, “The joint responsibility II” will be launched in the summer of 2006.

To reiterate the previous description of the action plan⁴¹:

The current action plan consists of six transversal initiatives as well as a number of initiatives applying specifically to the respective groups, i.e. substance abusers, alcohol abusers, the mentally ill, the homeless and the prostitutes.

In the table below the various initiatives of the action plan are reported against their current state of implementation.

Policy formulation	Decision	Planning	Implementation	Results/ Evaluation
<i>TRANSVERSAL INITIATIVES</i>				
Establishing 300 temporary housing offers and 75 alternative accommodations for residential homes	√	√	√	√
Financial backing for the maintenance of housing	√	√	√	√
Increasing the number of easily accessible offers of emergency aid	√	√	√	√
Strengthening the voluntary effort	√	√	√	(√)
Strengthening the education of staff				
Financial backing for studies by the Council for the Socially Vulnerable	√	√	√	√
<i>INITIATIVES AIMED AT SUBSTANCE ABUSERS</i>				
Treatment guarantee	√	√	√	√
Establishing 100 accommodations in 24 hour treatment centres and 300 accommodations in day-treatment centres	√	√	√	√
Establishing 10 shelters	√	√	√	√
Strengthening the work at the shelters	√	√	√	(√)
Developing a joint instruction for complaints	-			
Developing a data base registering treatment developments (DANRIS)	√	√	√	√
Strengthening the effort of counties and municipalities in qualifying work plans	√	√	√	√
<i>INITIATIVES AIMED AT ALCOHOL ABUSERS</i>				
Establishing 20 accommodations in 24 hour treatment centres or 12 accommodations in 24 hour treatment centres and 60 accommodations in day-treatment centres	√	√		
Conducting experiments making municipalities able to refer alcohol abusers to treatment offers	₄₂			
<i>INITIATIVES AIMED AT THE MENTALLY ILL</i>				
Evaluation of current projects for mentally ill people	√	√	√	√

⁴¹ 2nd non-government expert report, 2004.

⁴² No financial means were allocated as part of the agreement of the rate adjustment pool.

Policy formulation	Decision	Planning	Implementation	Results/ Evaluation
with an abuse (double diagnosis)				
Clarifying the social authorities' responsibility pertaining to the effort related to people with double diagnosis	√	√	√	
Initiating an experiment in 2002 focusing on the recovery perspective	√	√	√	
Investigating how many counties have a policy for relatives of the mentally ill	√	√	√	
Considering the possibility of introducing obligatory treatment contracts	-			
<i>INITIATIVES AIMED AT THE HOMELESS</i>				
Helping residents at reception centres to a permanent residence	√	√	√	
Establishing flexible 24 hour residence offers	√	√	√	
Establishing offers on alternative nursing care	√	√	√	
Developing alternative rest homes	√	√	√	
Making a special effort for homeless youngsters	√	√	√	
Making a special effort for homeless drug-addicted prostitutes	√	√	√	
<i>INITIATIVES AIMED AT PROSTITUTES</i>				
Supporting the voluntary effort aimed at drug-addicted prostitutes	√	√	√	
Supporting the counties' projects aimed at developing the effort of the local authorities in relation to prostitution	√	√	√	
Continuation of the Pro-Centre after 2004	√	√	√	(√)
Supporting the development of methods in counselling foreign prostitutes	√	√	√	

As evidenced by the table, the vast majority of the initiatives included in the action plan has been implemented or are in the process of being implemented and for some results have been attained. However, a number of the initiatives focus on outputs only, e.g. establishment of shelters, and little effort has been taken to determine the effects on the beneficiaries of such actions.

In the process of developing the new action plan, "The Joint Responsibility II", there will be an overall assessment of the progression concerning measures in "The Joint Responsibility". We will present this information in the second report for 2006. Below, we summarize central aspects concerning the action plan "The Joint Responsibility".

5.1.1 Budget allocation

Since the establishment of the action plan aimed at the most disadvantaged groups, the rate adjustment pool has been an important mean for financing initiatives.

During the period 2002-2005, approx. DKK 515 million was allocated to a pool for the most disadvantaged (Puljen for Socialt Udsatte) to support projects and initiatives, including various types of accommodation offers for the socially marginalised, special care residences and the initiation of several experimental projects.

A large share of the pool is allocated projects at local and regional level with the six largest urban areas receiving a majority of the funds.

Calls for proposals were allocated in the following way:

- DKK 120 million to a general pool supporting projects that may create various types of housing offers and shelters for the homeless, substance abusers, the mentally ill, alcohol abusers and prostitutes.
- DKK 317 million to strengthen the efforts in relation to drug abuse, homelessness and prostitution in Copenhagen, Frederiksberg, Odense, Aarhus, Aalborg and Esbjerg.
- DKK 20 million to projects aimed at children of socially marginalised people.

The remaining DKK 59 million was allocated to central initiatives to be implemented between 2002 and 2005. Another DKK 17 million was added for the years 2003-2006 bringing up the total to approx. DKK 76 million. These funds have until now been translated into experimental projects with contact and support people schemes for substance abusers and alcohol abusers, research projects and information gathering related to the homeless, treatment of female substance abusers and support for NGOs for substance abusers.

In December 2003, another DKK 40 million was distributed among more than 400 voluntary social projects. The money was allocated to projects providing e.g. activities for not only the homeless, the mentally ill, substance abusers and alcohol abusers, but also to children and families at risk of social exclusion.

More specifically, the 2004 rate adjustment pool comprised DKK 20 million earmarked in 2004 and DKK 40 million per year in 2005-2007 to alcohol treatment.

Also, as part of the agreement concerning the 2004 rate adjustment pool, the pilot scheme "Skæve huse til skæve eksistenser", establishing housing for homeless people, was prolonged. The 2005 budget further prolonged the scheme by allocation additional DKK 10 million a year for this purpose.

As detailed in the Danish NAP, DKK 1 billion was set aside for psychiatric treatment following a three-year agreement between the government and local authorities. Of these DKK 400 million was allocated to the social area including children and young people, people with double diagnosis and the strengthening of information dissemination, generation and personal competence development.

5.1.2. Organisational setup

The majority of the programmes are being implemented by the Board of Social Services – the responsible authority for implementing national social policy initiatives.

5.1.3 Innovative measures?

The pilot scheme "Skæve huse til skæve eksistenser", establishing housing for homeless people, was prolonged in 2004. During the test period 49 projects establishing approx. 360 means of housing were supported.

Furthermore, following an evaluation of the scheme, the government further prolonged the scheme in its proposal for the 2005 budget by allocation additional DKK 10 million a year for this purpose.

The evaluation, which concerned 217 homes in 25 cooperative housing associations, generally concluded that there was a need for the type of housing offered through the scheme for homeless and others among the most disadvantaged groups, and that the scheme had, all in all, been a success.⁴³ While the means of housing differed from prior workmen's huts to new brick buildings, the evaluation concluded that they, regardless of the type of housing led to an improvement of the living conditions for homeless and disadvantaged.

The innovative character of the scheme is that it provides housing and better living conditions for a group of citizens that are not easily integrated in other social housing programmes.

5.2. Monitoring and evaluation

The Danish National Institute for Social Research is currently evaluating the mainstay of the action plan (Storbypuljen). The evaluation results will be published in September 2006.

However, the National Auditors' Office published a report in the autumn of 2005 on the administration of the rate adjustment pool focusing on the most disadvantaged groups where the Ministry of Social Affairs was criticised for not having established sufficiently specific objectives and an effective monitoring and evaluation system.⁴⁴

Meanwhile, the majority of the initiatives in the joint responsibility action plan have been subject to evaluation. However, it does appear that the initiatives have been systematically commissioned according to secure documentation on key indicators, according to the same evaluation criteria such as effectiveness, efficiency etc. In short, the action plan does not appear to be strategic repository of localized evaluation knowledge. In effect, this implies that the success of the action plan is difficult to assess.

6. "A good beginning for all children" - At risk children and youth

6.1. Implementation

In relation to negative intergenerational transmission, the major initiative in the NAPincl was the action plan "A good beginning for all children", launched in June 2003. The action plan comprises three different strategies:

- A clear division of areas of responsibility: Parenting responsibilities of the families should be made clear, and the (extended) family should be considered a resource.
- Strengthening of the child's social and academic competence development.
- Early intervention, including case work prior to placements.

⁴³ Bascon and Casa (2004): *Boliger og hjem for særligt udsatte*, <http://www.social.dk/netpublikationer/2004/p9boliger0410/>

⁴⁴ General Auditors Office's report <http://www.folketinget.dk/Samling/20051/MENU/01067433.htm>

These three strategies each comprise a number of concrete initiatives. In the table below the various initiatives of the action plan are reported against their current state of implementation.

Policy formulation	Decision making	Planning	Implementation	Results/evaluation
<i>A CLEAR DIVISION OF AREAS OF RESPONSIBILITY</i>				
Cooperation contracts in daycare centres	-	?	?	
Measures to combat absenteeism in the school system	√	√	√	
Contracts with parents in disadvantaged families	√	√	√	√
Improving social understanding as part of activation	√	?		
<i>STRENGTHENING THE CHILD'S SOCIAL AND ACADEMIC COMPETENCE DEVELOPMENT</i>				
Obligatory education plans in daycare institutions	√	√	(√)	(√)
Setting up quality standards for the educational work	-			
Reforming teachers' education	-			
Follow up on the PISA investigation	√	√	(√)	
Evaluating the teaching	√	√	(√)	
Developing a municipal children's policy	√	√		
Improving the cooperation between schools and after-school centres	-			
Strengthening placed children's schooling	√			
Strengthening the measures to combat drop-out	?			
<i>EARLY INTERVENTION</i>				
Information campaign and initiatives on the exchange of knowledge on disadvantaged children	√	√	√	
Family outpatient departments as a pivotal point for the 0-2 years children	√	√	√	
Fewer placements of older children	√	√	?	?
Further focus on the effort concerning placements	√	?		
Increasing the use of the normal system instead of the specialised system	√	?		
Municipal access to establish shelters	√	√	√	
Network placements	√	√	√	
Network advancing activities in sports and leisure activities	√	?		
Research in the field of placements	√	√	√	√

Arguably, the main initiative in the area is the placement reform, which has a number of central themes:

- Earlier intervention
- Improving the quality in placement and transition to life after placement
- Improving the involvement of the family
- Systematizing the case work
- Strengthening the children's legal rights
- Further focus on placed children's schooling
- Strengthening the control with municipalities.

The reform is currently being implemented with a range of initiatives, including supplementary training of case workers as described above, guidance and information material, departmental orders concerning quality standards and strengthened research in the area.

Other regulatory initiatives in respect to negative intergenerational transmission have been taken in the fields of e.g. daycare and teaching.

As mentioned in our previous report (2004, no. 1), pedagogical learning standards for child daycare were introduced to increase the focus on learning and to strengthen the intellectual, emotional and social competencies among children in risk of exclusion. Hence, as of August 2004, all daycare centres were obliged to prepare an education plan.

Also, the learning standards must contain objectives for the competencies and experience, which children must be able to obtain through the learning process. As part of the implementation of the learning standards, DKK 70 million has been appropriated for supplementary training, information and evaluation.

The intervention is currently being implemented, and the evaluation report will be published in 2008.

The action plan does neither operate with a clear identification of the target population served nor with a baseline assessment of their situation on identified at risk factors (see section 3.2.2.). This lack of baseline data equally implies that the action plan does not operate with targets for the government to monitor its accomplishments.

From the expert's perspective the programme failed to target exactly what outcomes were desired (e.g. increased academic performance, reduced criminality, etc.) let alone the baseline situation on these key performance indicators. This in turn implies that the intervention will be difficult to monitor and communicate progress to the public.

6.1.1 Budget allocation

The 2004 agreement on the rate adjustment pool (Satspuljen) included a strengthening of the effort to combat negative intergenerational transmission. The funds are allocated in three different areas.

Firstly, DKK 20 million per year in the period 2004-2007 is allocated for the strengthening of the interdisciplinary efforts in relation to children of abusers and the mentally ill. Secondly, DKK 10 millions is allocated for strengthening the effort concerning young abusers. Thirdly, DKK 90 million was allocated over a period of four years for supporting initiatives in the field of disadvantaged children and young people.

As part of a placement reform concluded in the spring of 2004, a total of DKK 237 million was appropriated for the area, which will be financed as part of the agreement of the rate adjustment pool for 2005.

These resources are divided in the following way:

- DKK 118 million a year for the strengthening of measures directed at people between the age of 18 and 22, being placed outside of their homes until the age of 18.
- DKK 10 million is allocated for better control of the municipalities to ensure better case work and increased quality in the measures.
- DKK 3 million in 2006 and 8.2 million for the following years is allocated for introductory training of case workers.

- In addition, DKK 10 million for 2006, 20 million for 2007-2009 and 15 million for the following years are reserved for a pool for supplementary training of case workers.
- Finally, DKK 2 million a year is reserved for research and evaluation of the effects of the placement reform.

In the field of education, the Ministry of Education has allocated DKK 23.8 million to a development programme aimed at increasing the quality of the education of socially disadvantaged children. The key action areas will be early intervention, the education of disadvantaged children and homework help.

In the experts view, the government has learned from earlier social policy reform that the implementation at local government level will be aided by training and pilot measures. This time around significant resources have been allocated to implement what is essentially procedural adjustments and not a major reform.

6.1.2 Organisational set-up

According to Rambøll Management's information there has not been established a coordination unit crosswise of the three ministries involved in the implementation of the action plan.

This underpins the impression that the actions undertaken within each sector are largely the concern of the line ministry. This is further supported by the fact that no centralized M&E system has been established (see below).

6.1.3 Innovative measures

An evaluation of measures under the quality development programme KABU (a prequel implemented simultaneously to the action plan) has been compiled. The evaluator assessed 56 projects concerned with method development in the field. While generally positive, the evaluation did not substantiate any one measure that can be said to be innovative in nature. It rather reiterated what is known as good practice, and, for some legally required processes, would be a benefit to the outcome.⁴⁵

6.2. Indicators

One indicator – the percentage of persons (18-24 years old) being under education is relevant for the intervention as educational attainment has been documented as one of the key instruments in propelling at risk children and youth out of negative intergenerational transmission.

6.2.1 Statistics

No recent statistics corresponds to the definitions in the Laeken indicators.

⁴⁵ Styrelsen for Social Service, 2005: Evaluering af Kabu-delprojekter, <http://www.servicestyrelsen.dk/default.asp?id=139641,140052&searchWord=kabu>

However, the table below feeds into this as it shows the number of pupils *not* progressing into secondary education after completing primary education. The figures show that only slight changes have taken place from 2000 to 2006.

Table 0-1 - Percentage of pupils not progressing directly to secondary education⁴⁶

	2000	2001	2002	2003	2004	2005	2006
9th grade	1,6	1,7	1,6	1,5	1,6	1,8	1,8
10th grade	5,2	5,1	5,2	4,8	4,8	4,6	4,9

These figures alone do not indicate that changes for the better will take place. However, the figure does not account for school leavers that re-enter the educational system.

6.3. Monitoring and evaluation

As also shown by the table above, we assess that most of the initiatives contained in the NAPincl in relation to negative intergenerational transmission are being implemented. It is notably, however, that no central M&E function has been instituted to monitor the overall progress of the action plan.

This also implies that evaluation results are scattered and not subject to common standards and situated within the AP framework.

Local government agencies are by law required to enter data to Statistics Denmark that annually publishes data on number of children and youth receiving preventive social work, placements and corresponding levels of expenditure. These figures may provide some information on the performance of the action plan. However, most recent figures published are from 2004 when the action plan was initiated. At best, these figures form a rough, and not very targeted baseline description.

⁴⁶ Source: Ministry of Education statistics:
http://www.uddannelsesstatistik.dk/pls/www_ndb/ndb?z_action=tabel&z_rapportid=626464
 Z

Figure 0-1 – No. of recipients of preventive social work program, 0-23 years old, 2001-2004

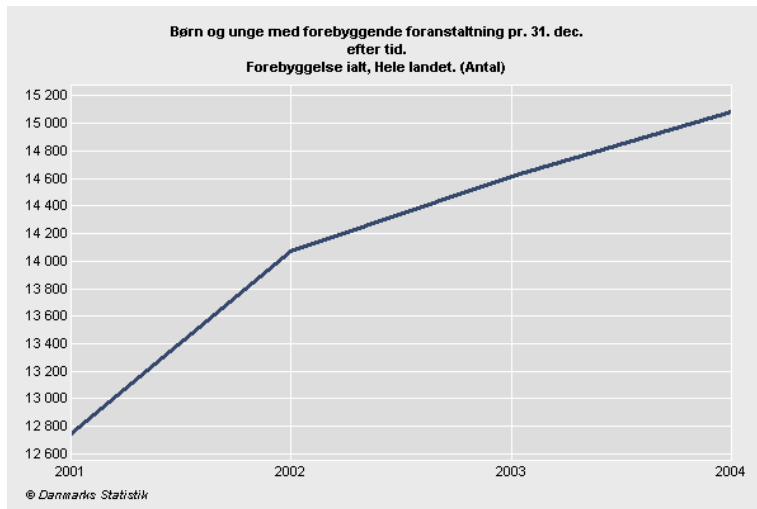
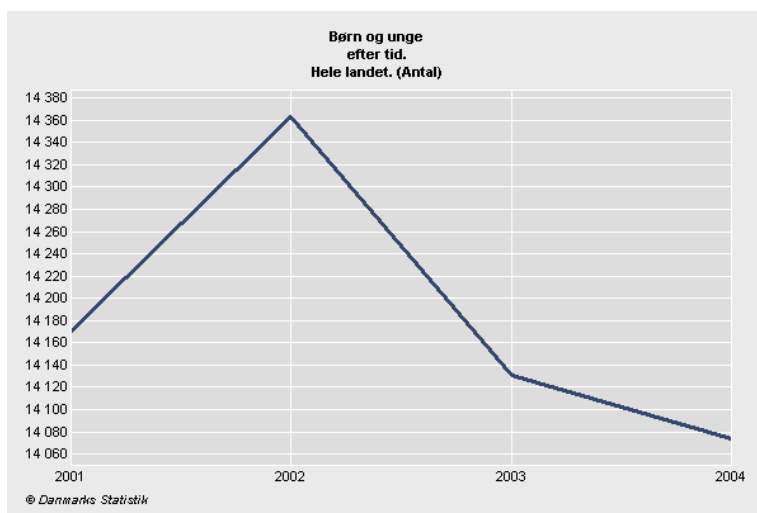


Figure 0-2 – No. of children in out of home placements, 0-18 years old, 2001-2004



7. Thematic chapter on active inclusion and minimum resources

7.1. Trends on minimum income

Denmark does not have an official minimum income level. It is furthermore our assessment that there is only limited will to establish such.

The basic principle of the Danish welfare system, often referred to as the Scandinavian welfare model, is that all citizens have equal rights to social security. Thus, the right is not something that one has to earn through active participation on the labour market. Within the Danish welfare system a number of services are available to citizens free of charge. This means that for instance the Danish health and educational systems are free. The Danish welfare model is subsidised by the state and as a result Denmark has one of the highest taxation levels in the world.

The Danish system can be described as a system providing a universally covering safety net, thereby focusing more upon covering the needs for all people than upon providing incentives pushing people back on the labour market. The system has been focusing more on eradicating poverty than upon ensuring financial incentives to work.

Danish citizens are universally insured financially against, for instance, illness, unemployment and the needs of old age support independent of their previous work history. To these general support schemes one can add supplementary aid schemes, e.g. support towards the cost of housing and expenditure in connection with children. Furthermore, there are possibilities for receiving support towards meeting unforeseen expenditures based on the concrete assessment of social workers. In addition there are a great number of highly developed services in the form of day care institutions, health service, in-home help, etc.

There is a wide range of transfer benefits that one might qualify for, but whether one qualifies is not a question of the income in a specific household or the individual. The most frequently used transfer incomes for the most excluded people are social welfare for people seeking jobs but currently unemployed and early retirement pension for people considered unable to find an ordinary occupation. In the table below we summarise the most used transfer benefits:

Type of benefit	Maximum monthly amount in Euro ⁴⁷	Brief description	Number of recipients (2004) ⁴⁸
<i>Anticipatory pension</i>	Single Others	1940 € 1649 €	Anticipatory pension is a social security benefit available to persons aged 18 to 65 whose capacity for work is materially reduced for physical, mental or social reasons
Sickness benefit	1938 € ⁵⁰	Economic compensation for salary lost because of sickness	Persons in total: 259.000 Full time recipients ⁴⁹ : 258.000
			In total: 293.000 Full time recipients ⁵¹ : 67.000

⁴⁷ The actual amount depends on various factors – including former earnings. One Euro is set to 7.45 DKR.

⁴⁸ Source: Danmarks Statistik: <http://www.statistikbanken.dk> - sammenhængende socialstatistik.

⁴⁹ Full time recipients are calculated on the basis of the number of recipients and the number of days and week the benefit has been granted. For example: 52 persons is granted sickness benefit for one week in 2004 = 1 full time recipients

Cash assistance ⁵²	25 years and older	1174 €	Guarantees an income for persons who cannot support themselves	In total ⁵³ : 142.000 Full time recipients ⁵⁴ : 102.000
	Younger than 25 years	757 €		
'Starthjælp' (initial help) ⁵⁵	25 years and older, single	757 €	'Starthjælp' (initial help) applies for persons who arrived in Denmark after the 1. of July 2002, and comes from countries outside EU, the Nordic countries and Liechtenstein.	
	Younger than 25 years	628 €		

In comparison with most other EU countries, it is characteristic of Denmark that social benefits only to a small extent are based on employers' contributions and direct contributions from the insured and that the right to financial assistance is only partly dependent on earlier employment.

Sometimes the Danish welfare model is described through the term 'flexicurity'. This notion combines the two terms flexibility and security. The idea behind the term is that the Danish welfare model is based on:

- a principle of easy hiring and easy firing of employed people – thereby providing important flexibility for employers and minimising the risk they are taking by hiring people.
- a principle of high level of public support when a person is out of job – thereby minimising the risk associated with becoming unemployed.

Furthermore, the model is based on an active policy for pushing and pulling unemployed and marginally qualified back into the labour force and labour market, e.g. rights and duties for activation and wage support schemes.

It is our assessment that the Danish welfare model does ensure a relatively wide coverage for all people compared to other models in Europe. Decoupling the recipient's work history from the right to social assistance does increase the model's ability for including, and providing a financial security for, the people most marginalised. But it is also our assessment that an increasingly larger attention has been given to ensuring incentives for recipients to be actively seeking work – an issue we return to below. This attention has led to an increased focusing on possible sanctioning of people passively receiving transfer income. It is not possible to provide quantitative information on the use of such sanctioning within the frame of this report.

7.1.1 A poverty threshold debate

⁵⁰ The amount per week is 447 €. The amount is calculated (447*52/12)

⁵¹ See note 49.

⁵² Special rules and amounts applies to persons under 25 years, people with children, people receiving cash assistance for more than 6 months and people living together with their parents.

⁵³ Including 'Starthjælp'

⁵⁴ See note 49.

⁵⁵ Special rules and amounts apply to persons with children and people living together with their parents.

There has been an ongoing debate on whether Denmark should formally adopt a poverty threshold. Politically there is no general support for enacting such threshold, the argument being, e.g.:

- that there already exist the general obligation to support citizens independent of their former performance on the labour market and based on concrete assessments in the municipalities
- that a poverty threshold contrasts with a complex system of transfer income and support schemes that target different concrete needs. A poverty threshold necessitates that individual's and household's income are easily assessable
- that the current system allows for concrete and situational assessments in the municipalities and is based on partly independent local governance
- that a politically adopted poverty threshold will be based on an amount close to the lowest common denominator.

One of the actors arguing for a poverty threshold is the Council for Socially Marginalised People. The council argues;

- that a poverty threshold will lead to fewer differences in the benefits received by people experiencing equal hardship but living in different municipalities.
- that an adopted threshold will provide a degree of minimal security for all citizens.
- that a poverty threshold will raise the financial living conditions for those people being worst off.
- that a poverty threshold will enable the providing of valid statistical information on the number of people experiencing poverty, which is less possible – if not close to impossible – when there are no agreement as to what constitute poverty.

Lately, the Council for Socially Marginalised People have asked for an investigation into their arguments concerning the degree of differences between levels of living standards across different municipalities. Some of the findings are;

- that there are significant differences first between municipalities when it comes to the size of disposable income a citizen can have before being disqualified for financial support towards unforeseen economical burdens.
- that there are significant differences first between municipalities when it comes to the size of disposable income different groups of people receiving transfer income – e.g. welfare checks or old age pension – can have before being disqualified for financial support towards unforeseen economical burdens.⁵⁶

It is a currently ongoing debate in Denmark. Both in regard to how many people are experiencing poverty⁵⁷ and how to define poverty and the implications of such definitions.⁵⁸

⁵⁶ Rambøll Management, 2006: Vejledende rådighedsbeløb – en kommunal praksis?

⁵⁷ Høring om forholdene for udsatte grupper, SFI, 2005.

⁵⁸ Elm Larsen, J, 2005: Fattigdom og social eksklusion. Tendenser i Danmark over et kvart århundrede, SFI, 04:27.

7.2. Social assistance and active labour market policies aimed at the most excluded

The Danish labour market model is characterised by some of the shortest periods of notice in the EU. According to the Danish Confederation of Trade Unions, the Danish model creates a flexible labour market in which companies are more willing to hire new employees in times of economic revival than their European competitors. At the same time employees are secured by some of the highest unemployment benefits in the EU.⁵⁹

7.2.1 The active social policy

The active social policy provides the economic safety net for anyone who is not capable of providing for themselves and their families. For disadvantaged groups this means that people who have difficulties finding and maintaining employment are secured a minimum income.⁶⁰

The active social policy regulates the various benefits (cash assistance, initial help etc.) and describes conditions for receiving these benefits. With the changes in the active social policy in 2003 an upper limit was set for the benefits ensuring that the value of the benefits never exceeds wages. The purpose of this was to increase the incentive for unemployed to find a job.⁶¹

7.2.2 The active labour market policy

In 2003 the labour market reform “More people into employment” took effect resulting in a reduction in the measures of employment into three different measures:

- guidance and skill enhancement
- practice
- jobs on special terms/with wage subsidy⁶²

These measures are applied to all groups of unemployed – recipients of unemployment insurance, recipients of social assistance and initial help etc.

In addition to these measures, additional measures are available. One of these is a mentor system with the purpose of facilitating the introduction in the work place for people who attend one of the three mentioned activities.

The overall purpose of the active labour market policy is to make sure that unemployed obtain a job as quickly as possible. The disadvantaged groups under the active labour market policy are typically people who receive cash assistance or initial help and at the same time have a low match to the labour market. Persons on disability retirement are also encompassed by the act. These disadvantaged groups are typically offered guidance and skill enhancement – often in the context of specific projects or training targeting these groups.

⁵⁹ www.lo.dk

⁶⁰ <http://www.retsinfo.dk/DELFIN/HTML/A2005/0100929.htm>

⁶¹ <http://www.dk-arbejdsmarked.dk/arbejdsmarkedspolitik/baggrundsartikler/artikel.html?id=18102>

⁶² Cf. the following paragraph for an elaboration.

The recipients of cash assistance are committed to a job plan. This plan describes goals and means of employment. In the case of disadvantaged groups it can furthermore include activities aimed at improving the physical, mental and social conditions of the cash recipient.

7.2.3 A focus on ethnic minorities

As mentioned earlier, ethnic minorities are considered to be a specific target group. This is partly due to the fact that this group is characterized by a high rate of unemployment⁶³ and a relatively lower income than ethnic Danes. In chapter 3 we described the differences in the income of ethnic Danes and ethnic minorities. In regard to wage levels, ethnic minorities from non-western countries receive an even lower hourly wage than ethnic Danes. According to “Statistical Yearbook of Foreigners in Denmark” the largest groups of ethnic Danes receive an hourly wage of DKK 120-150 an hour whereas the largest group of immigrants from non-western countries receive an hourly wage of DKK 100-110.

Other significant differences are the level of education which is in general lower among ethnic minorities, the relatively high drop-out rates of ethnic minorities in youth educations, etc. It has also been documented that ethnic minorities constitute the majority of the population in some of the most burdened neighbourhoods in Denmark.⁶⁴

Thus, it is the experts’ assessment that ethnic minorities are faced with several challenges for the social and financial inclusion in the Danish society.

The Integration Act

In 1999 the Danish Integration Act for refugees and immigrants came into force. The act was in itself a new creation as the area had hitherto not been regulated by a separate legal act. The contents of the act also documented a clear new orientation in Danish integration and immigration policies.

Previously, the responsibility for the integration of refugees and immigrants had been given to the Danish Refugee Council (Dansk Flygtningehjælp), a NGO responsible for an 18-month introduction program. With the Integration Act the responsibility was decentralised to the municipal authorities from the outset and the introduction program which is composed of language training, courses in Danish society and different activation initiatives, was extended to a three year period.

The target groups of the Integration Act are:

- Refugees
- Families reunited of refugees
- Other families reunited

In general the Integration Act applies to all foreigners who are expected to stay in Denmark for a period of years⁶⁵⁶⁶⁶⁷

⁶³ Cf. chapter 3 and 4.

⁶⁴ http://www.inm.dk/publikationer/aarboeg_om_udlaendinge_2005.pdf

⁶⁵ With the exception of foreigners from the Nordic countries, the EU and the EEA.

⁶⁶ http://www.inm.dk/publikationer/Introduktionsprogrammet_mv_efter_integrationsloven/pdf/Introduktionsprogrammet_mv_efter_integra.pdf

The means of activation in the Integration Act reflect the means of activation in the active labour market policy, that is:

- guidance and skill enhancement
- practice
- jobs on special terms/with wage subsidy

In addition to this the mentor system – which has gained increasing attention the past years when it comes to the integration of ethnic minorities - is also part of the Integration Act.

The purpose of *guidance and skill enhancement* is to identify and develop vocational and social competences and language skills or to improve the understanding of Danish Society. The National Association of Local Authorities in Denmark considers this to be the first step in the model for labour market integration which is part of the agreement between the Confederation of Trade Unions (LO), the Confederation of Danish Employers (DA), the National Association of Local Authorities in Denmark (KL) and the government.⁶⁸

The purpose of *practice* is partly to clarify the immigrant's objectives in regard to employment and partly to train and develop vocational and social competences and language skills. Similar to guidance and skill enhancement this kind of offer can also be given in order to improve the understanding of Danish Society.

The purpose of the third initiative, *jobs on special terms*, is to train vocational, social and language skills.

The local authority receives a programme subsidy from the state for each participant in most of the activities that can be initiated according to these three measures in the Integration Act. The amount varies, however, the norm being DKK 6823 per participant a month for most of the activities.

Mentoring can be combined with one of the three other measures. The purpose of this is to strengthen the introduction to a workplace or an education. There is no separate funding for these kinds of arrangements. The local authority funds the mentoring through the programme subsidies.

Immigrants who have arrived in Denmark after the summer of 2002 and who participate in the introduction programme outlined in the Integration Act receive an "introduction benefit" (introduktionsydelse)⁶⁹ equivalent to the level of initial help. The level of initial help is very low compared to cash assistance – the purpose of this being (from the government's perspective) to increase the incentives for immigrants to find a job and become self-supporting. In 2004 2.800 immigrants received introduction benefits equivalent to initial help where as 500 received introduction benefits equivalent to cash assistance.

The government has established a task force with the purpose of analyzing the effects of the introduction of initial help. This analysis reaches the conclusion that initial help does in fact result

⁶⁷ *The Active Labour Market Policy*. As mentioned the measures in the Active Labour Market Policy are the same as the measures in the Integration Act.

⁶⁸ <http://www.kl.dk/351614/>

⁶⁹ The consultancy CASA published a report arguing that initial help in general does not provide for an acceptable standard of living: http://www.casa-analyse.dk/files/pdf/At_eksistere_eller_at_leve.pdf

in a higher rate of self-support⁷⁰. However, there has been some debate on the reasons *why* more immigrants have become self-supporting – critics arguing that this does not reflect a situation where more immigrants have in fact found employment but rather that they no longer receive benefits because their spouse has found employment.⁷¹

Moreover, another analysis carried out by CASA reaches the opposite conclusions.⁷²

The integration of ethnic minorities in the labour market - examples

As mentioned earlier much of the political debate on ethnic minorities in Denmark focuses on the low unemployment rate of ethnic minorities. In particular the government has focused their attention on this topic. It is the goal of the government that ethnic minorities should participate in the labour market to the same extent as ethnic Danes.

Below we describe a few examples of initiatives aimed at increasing the employment rate of ethnic minorities:

In 2002 the government entered into an agreement concerning an improved integration effort with the Confederation of Trade Unions (LO), the Confederation of Danish Employers (DA) and the National Association of Local Authorities in Denmark (KL). As part of this agreement, the Confederation of Trade Unions (LO), the Confederation of Danish Employers (DA) and the National Association of Local Authorities in Denmark (KL) have carried out the project “Virksomhedsrettet integration” in the period 2003-2006. The project aimed at implementing a new model for the integration in the labour market (“trappemodellen”)⁷³. The project will be evaluated by Oxford Research in the summer of 2006.⁷⁴

Moreover, in 2004 the government committed 80 million DKK to the establishment of five regional centres for the clarification of the competences of ethnic minorities.⁷⁵ The centres function as knowledge banks for local authorities and employment agencies which can obtain information about available offers of clarification of formal and informal competencies. The centres have, moreover, developed competence cards for refugees and immigrants and a database of offers of competence clarification.⁷⁶ The centres operate until 2008.

In 2005 the government committed resources to the establishing of a consultancy with the purpose of enhancing the efficiency and quality of the integration effort in local authorities. The team which is situated in the Ministry of Integration communicates knowledge about best practice across local authorities, companies and educational institutions in the fields of education and employment. Some of the activities of the consultancy are conferences,

⁷⁰ <http://www.bm.dk/publikationer/2005/Starthjaelp/Rapport.pdf>.

⁷¹ <http://www.ugebreveta4.dk/view.asp?ID=8069>

⁷² <http://www.casa-analyse.dk/2030>

⁷³ <http://www.projektvirksomhedsrettetintegration.dk/arbejdsmarkedintegration.aspx>

⁷⁴ <http://www.projektvirksomhedsrettetintegration.dk/forside.aspx>

⁷⁵ <http://www.kompetenceafklaring.dk/videnscentre/>

⁷⁶ <http://www.kompetenceafklaring.dk/forside/>

networking and assistance to local authorities in developing new methods in the integration effort.⁷⁷

In addition to these – and many other projects within the field of integration – in 2006 the Ministry of Integration has reserved approx. 210 million DKK to a pool targeting the integration of ethnic minorities. Of these funds 91.8 million DKK have been reserved at the prevention of the formation of ghettos, and 53.3 million DKK to employment and education initiatives.⁷⁸

The debate on the drop-out rates of ethnic minorities in youth educations - examples

Likewise, there has been a lot of debate on the high rate of drop-outs of ethnic minorities in youth educations - both from a political stance where the Danish Minister of Refugee, Immigration and Integration Affairs has stated that this is one of the primary challenges to the integration process, and among social workers and vocational counsellors⁷⁹

Below we describe a few examples of initiatives aimed at reducing the drop-out rates of ethnic minorities:

In order to reduce drop-out rates and enhance the integration in the youth education system for students with special needs, The Ministry of Education has set aside 5 million DKK to a mentor programme. The purpose of the project is to ensure young people with special needs of guidance the possibility of completing an education and to facilitate the transition from the Danish Folkeskole to vocational youth education. The project furthermore aims at reducing the negative intergenerational transmission. 7 projects in the framework of UU-centre⁸⁰ have received funding for projects in the period 2005-2007. The programme is being evaluated by Rambøll Management. The evaluation will form the basis of decisions about whether there should be a mentor programme on a permanent basis in the UU-centres⁸¹

Aarhus Business College and Aarhus Technical College are frequently mentioned when it comes to mentoring in the youth education. Both the Minister of Education and the Minister of Refugee, Immigration and Integration Affairs have on several occasions highlighted the results from these two schools where there has been established a mentor system for 38 students. None of the students dropped out.⁸²

Another initiative aimed at the high drop-out rates is the campaign “All Young

⁷⁷ <http://www.inm.dk/Index/mainstart.asp?o=145&n=1&s=4>

⁷⁸ <http://www.inm.dk/Index/mainstart.asp?o=51&n=1&h=19&s=4>

⁷⁹ The conference *Integration and guidance: Is Danish guidance colourblind?* Oct. 2005, Nyborg concerned the guidance of young ethnic minorities in the education system.

⁸⁰ In 2004 46 UU-centre (Ungdommens Uddannelsesvejledning) were established in Denmark. The purpose of the UU-centres is to guide students about education and career in the transition from the Danish Folkeskole to youth education and in between different youth educations. The target groups are students between the 6th grade and 25 years. (kilde:<http://presse.uvm.dk/nb/nb0403/03.htm?menuid=0520>)

⁸¹ <http://www.kl.dk/334275/> and <http://www.uvm.dk/05/7uu.htm?menuid=6410>

⁸² <http://www.ats.dk/?side=300&tmpl=3,21217>

People Needed". The campaign was initiated in 2002 and is expected to continue until 2009. It is intended to motivate ethnic youth to engage in and complete a relevant education, partly by using ethnic role models among young people and their parents. The purpose of this approach is to inspire young people among ethnic minorities in their choice of education and career opportunities. Other initiatives in the project are home work assistance and campaigns such as for instance "100 trainee agreements in 100 days" which aimed at providing a more positive attitude towards ethnic minorities among employers.⁸³

Projects under the ESF also contribute to the integration effort in the areas of education and employment. At the moment there are 500 ongoing projects. Notably, no mention is made of the use of the ESF funding in the NAP, thus the use of ESF funding is not strategically linked to the NAP. However, some of the projects support the NAP concerning the integration of refugees and immigrants. This is e.g. true for the continuation of the campaign "All young people needed". This project receives 7.9 million DKK. In the period 2006-2007 to further develop the initiatives developed during the campaign.

⁸³ <http://www.brugforalleunge.dk/>