

**MEASURES ON PREVENTION OF DISABILITY  
BENEFIT DEPENDENCY AND ACTIVATION OF  
YOUNG PERSONS**

**THE DANISH CASE**

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## Introduction to the national report

In 2016 the Swiss Law on Invalidation Insurance (IVG) is being revised, which also involves discussions on options for revision. Regarding the growth of the proportion of young persons in the inflow in the Swiss scheme (in particular young persons with mental health related problems), some experts proposed the introduction of a higher minimum age for eligibility to invalidity pensions. But also other measures can be taken to prevent disability pension dependency and improve labour market participation of the young. E.g.: specific benefits and support programme for young persons with health restrictions or disabilities.

The Federal Office of Social Insurance (FSIO/BSV) was very interested to know about reforms in other countries which focused on measures to prevent disability and disability pension dependency of young persons. In particular information was needed ("facts and figures") about the backgrounds of the measures taken, how these measures have been conceptualized, what specific programmes or arrangements have been made, how they were implemented, what the reactions of different actors concerned were, and what implications the measure had. The inquiry should be mainly descriptive and not include recommendations but rather give pros and cons in a "neutral" manner and considering the national contexts.

Specific reforms have been described in five countries, namely, Austria, Denmark, Netherlands, Sweden and the United Kingdom. The focus was on nationwide reforms, which actually have been implemented. Pilot projects and experiments fall out of the scope of the study, except when relevant as an example of "ongoing developments" after the reform described.

For each country a national expert collected literature and used – where necessary - additional sources. The project was coordinated by Rienk Prins Consultancy (Netherlands).

Depending on the national context, "evaluation culture" and implementation year of the reforms, national experts used multiple sources:

- Reports, policy papers, guidelines, etc., both official and "grey literature", .
- When available: elementary statistics on the situation before and after the reform;
- Research reports on evaluative studies carried out, position papers, etc.;
- (Telephone or face to face) interviews and email correspondence for those aspects where documentation was poor or not recent.

In its structure and terminology this national report reflects the questionnaire that has been used for each country to unify data collection. The report should be considered as a "working paper" which reflects the situation as in summer 2016. Its content has been used for the comparative (final) report.

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## SUMMARY

Denmark has been highlighted by the OECD as a particularly interesting case when it comes to reforming their disability benefit system. Moving away from the passive disability benefit system which virtually all OECD countries had until recently is a challenging task.

In 2003 Denmark made a reform with the aim of reducing the inflow into the disability benefit system and supporting people with partially reduced work ability with a flex job subsidy. The reform did not deliver the expected results and disability benefit remained an easily accessible payment with almost no benefit rejection and the flex job scheme drew regular workers into subsidized jobs.

Politicians, stakeholders and stakeholder organizations all agreed that something had to change and that a new reform was needed. The 2013 reform was a response to the failure of previous reforms. Disability benefit was restricted for claimants under 40, which means people under 40 now instead will be granted a resource process in which the claimants will receive multidisciplinary support to help preventing disability benefit claims.

The flex job scheme was changed hoping to make the scheme more attractive to employers and wanting to employ people with severe health problems in flex jobs on few hours.

The reform was implemented quickly in the municipalities and the introduction of the new rehabilitation measures and rehabilitation teams were implemented with success. The job centres and municipalities all see a large potential in the reform and the new measures but they still find it difficult to navigate in the new settings and are still learning how to best work and use the expertise in the rehabilitation teams. The evaluation reports all show that the implementation has taken longer time than expected and that the municipalities are still learning to operate in the new employment paradigm.

Statistical figures show that the number of people being granted disability benefit has been falling since 2009. In the period 2009 to 2012 the number decreased from 17,102 to 14,621 and after the reform was implemented the numbers declined even further to 5,743. After 2013 the disability inflow has further dropped substantially.

# 1. BACKGROUND AND CONTEXT

## 1.1. TARGET GROUP: YOUNG PERSONS *IN EMPLOYMENT* WITH HEALTH PROBLEMS

### 1.1.1 THE ORIGINAL PROBLEM TRIGGERING THE REFORM

In 2003 the Danish Government agreed upon a new Law on Disability and Flex Jobs. The scope of the new reform was to reduce the number of disability beneficiaries and strengthen the flex job scheme (see appendix 5 for general information about the flex job scheme), which should be done in accordance with the ideas of the inclusive labour market.<sup>1</sup>

The 2003 reform was evaluated in 2007.<sup>2</sup> The reform did not deliver sufficient results and was deemed a failure.<sup>3</sup> The inflow into the flex job scheme had risen, which was seen as a good measure but the major problem was that the inflow into the disability system had not declined as hoped. The evaluation also pointed out that too many young people and people suffering from mental illness were granted disability benefit.<sup>4</sup>

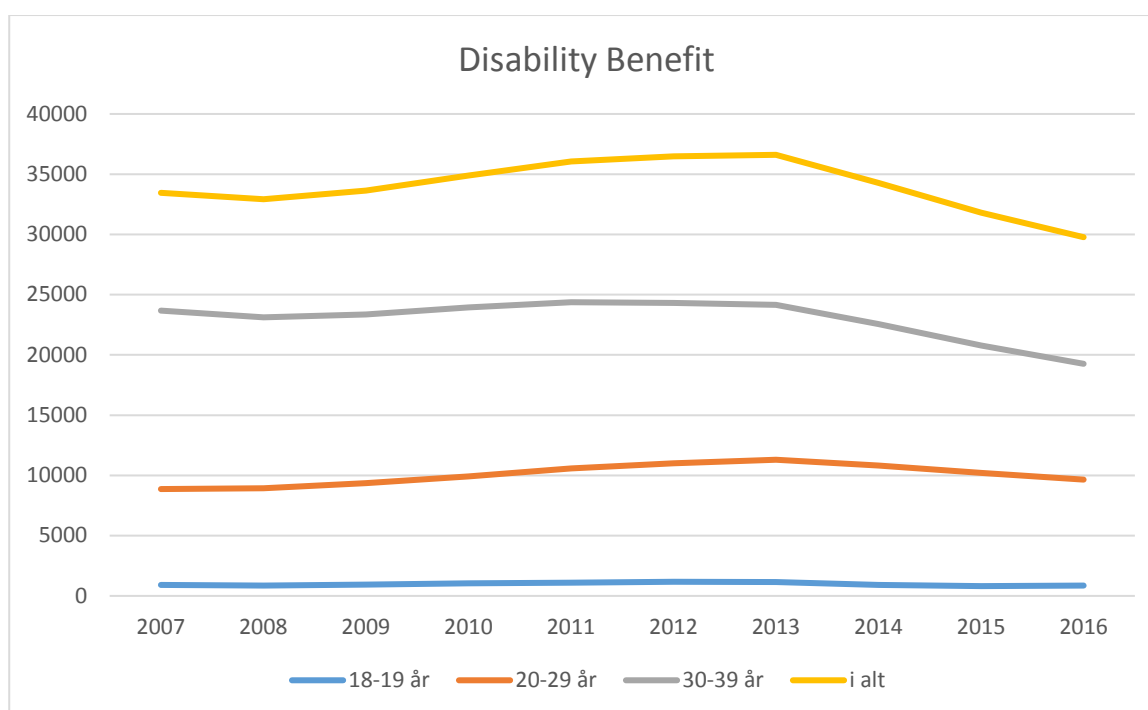


Figure 1

Source: Aggregated register data from Statistics Denmark and the Statistics Bank

In 2011 the newly elected Social Democratic led government proposed a new disability benefit reform that on the whole resembled the reform bill proposed by the former liberal government. The reform was passed by the Danish parliament in 2012 and was confirmed to begin in 2013.<sup>5</sup> The bill was supported by a broad majority in parliament (both by the government coalition and the major liberal parties). The main thing that triggered the passing of this bill was the continued discussions that too many young people and people with mental illnesses were not employed.

The Government wanted to reduce the inflow into the disability system and bring disabled persons back into the labour market or education.

<b>Disability beneficiaries</b>	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
18-19 years old	904	860	934	1,052	1,099	1,173	1,151	906	813	854
20-29 years old	8,868	8,942	9,357	9,906	10,583	11,004	11,301	10,826	10,216	9,655
30-39 years old	23,675	23,117	23,361	23,934	24,374	24,316	24,156	22,558	20,785	19,263
Number in total	33,447	32,919	33,652	34,892	36,056	36,493	36,608	34,290	31,814	29,772

Table 1

Source: Aggregated register data from Statistics Denmark and the Statistics Bank

The number of new claimants was also considered a problem that should be tackled and reduced with the new reform.

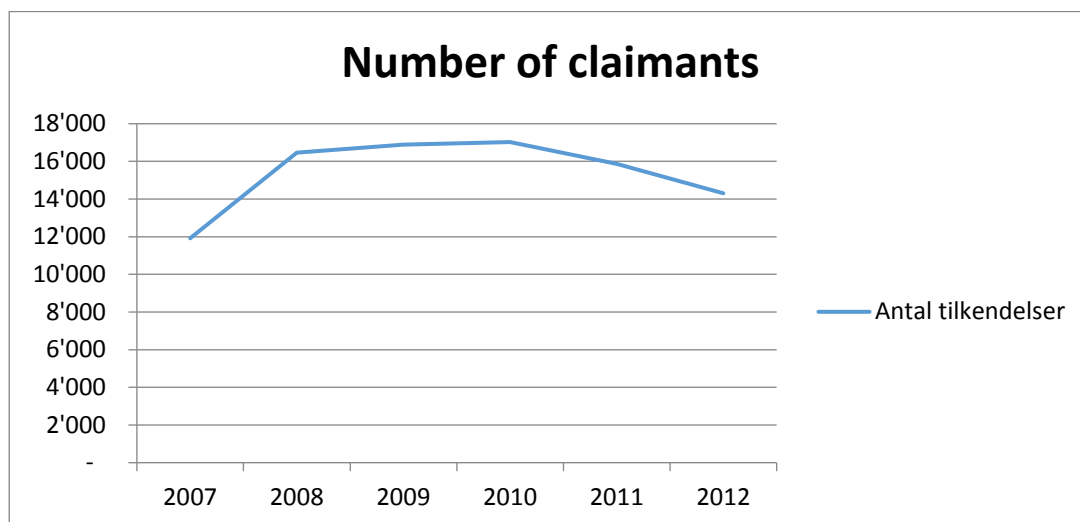


Figure 2

Source: Aggregated register data from Statistics Denmark and the Statistics Bank

The inflow into the flex job scheme was increasing with the 2003 reform but politicians wanted to strengthen the scheme even more with the new reform and make it more accessible for people with severe health problems.

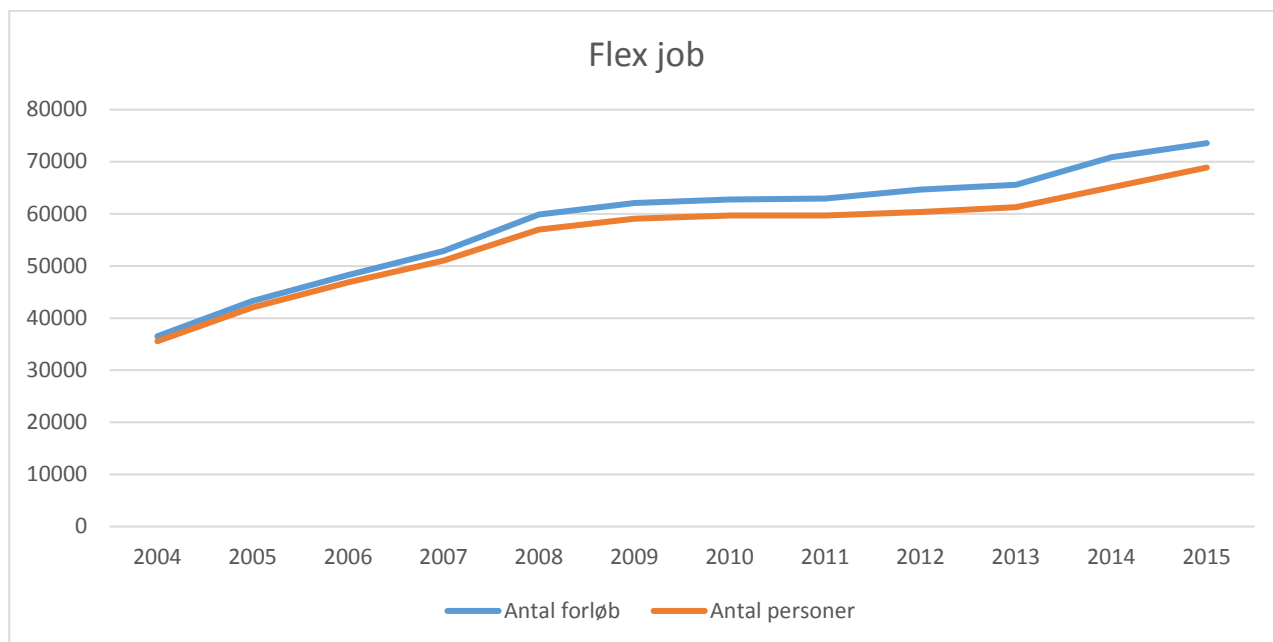


Figure 3

Source: Aggregated register data from Statistics Denmark and the Statistics Bank

### 1.1.2. COMMITMENT: STANDPOINTS AND POSITIONS BEFORE THE 2013 REFORM

Before passing the bill it was submitted to stakeholders and stakeholder organizations for consultation so they had the chance to voice their opinions. The Government received 44 statements.

The overall response in the hearing answers was that a reform was necessary and the stakeholders and stakeholder organizations all supported the overall aim of the reform which was to reduce the number of people receiving disability benefit. Also, there was a positive response to the introduction of rehabilitation measures, rehabilitation plans and rehabilitation teams. All this was made to give potential disability beneficiaries and young people multidisciplinary support.

Almost all of the stakeholders and stakeholder organizations were positive about the reform emphasizing a will to focus on people's individual abilities and opportunities instead of their disabilities. Furthermore, there was a positive response to the multidisciplinary support and the need for close cooperation between the different municipal departments in helping potential beneficiaries.

The two parties opposing the reform were The Red-Green Alliance (Enhedslisten) and The Danish People's Party (Dansk Folkeparti). They both agreed that a reform was needed but they were highly critical of the reform which both parties saw as a cost-cutting programme and a public austerity measure.

They called the reform a “dark-blue reform” which had the objective of moving sick and disabled people away from the more lucrative disability benefit system into another benefit system with lower payment (level of social assistance). They also criticized the economic structure of the reform saying that more money was needed to implement and execute the reform. One of their main critical comments was that the reform would reduce the quality of life for people eligible for disability benefit.

A large number of stakeholder organizations were also critical of the reform. They feared that the implementation process and time of beginning of the reform were too optimistic and they also feared that the reform would not be able to deliver the expected outcome. Many of the stakeholder organizations were against the introduction of the 40-year-old age limit. They argued that it should be the person’s work ability and not age that should determine if the claimant should receive disability benefit.

The Danish Employer’s Confederation (DA) was concerned that the proposed payments were too high and feared that it would be more attractive to receive disability benefit instead of finding a job. They pushed for stronger financial incentives for taking on a job than was proposed in the reform. They also wanted to have a stronger cooperation between the private and public sector and argued that the private sector could and should be an active player in the reform.

### **1.1.3. MAIN FEATURES OF THE LEGAL INSTITUTIONAL CONTEXT BEFORE THE 2013 REFORM**

When applying for disability benefit or a flex job at the municipal job centres claimants had to approach the local authority in their town. It is the municipality and the City Council that have the authority to grant disability benefit or visitation to the flex job scheme to persons between 18-65 years old. Before the City Council can make a decision solid documentation is needed to verify that the claimant’s work ability is permanently reduced and that this means the claimants will not be able to take on work and be self-supporting.

The basis for a decision on granting disability benefit must contain<sup>6</sup>:

1. A statement documenting that the work ability is permanently reduced.
2. A statement about how the claimant’s resources are best used and best evolved. The statement has to be made with the claimant in question.
3. The professional explanation why the claimant’s work ability is permanently reduced.
4. The professional explanation verifying why the claimant will not be able to take on a job and thereby become self-supporting.
5. A statement explaining why the claimant cannot work in specific job functions.

The calculation and payment of the disability benefit is done by Payment Denmark.<sup>7</sup>



## 2. CONTENTS AND ORGANIZATION OF THE REFORM MEASURES

### 2.1. TARGET GROUP: YOUNG PERSONS *IN EMPLOYMENT* WITH HEALTH PROBLEMS

#### 2.1.1. LEGAL FEATURES OF THE REFORM: SOME BASIC INFORMATION ON:

- Reform of disability system and flex job scheme
- 1 January 2013
- The Government (The Social Democratic Party, The Socialist People's Party and The Danish Social-Liberal Party) and the opposition parties (The Liberal-Democratic Party, The Liberal Alliance and The Danish Conservative Party) confirmed and negotiated the reform but it is the municipal job centres that will implement the reform
- Better integration of health, employment and social services for people with complicated problems
- Procedure for developing the work ability
- Fewer people (especially young people under 40 with mental health problems) obtaining disability benefit.

#### 2.1.2. PROGRAMMES AND INTERVENTION(S) PROVIDED UNDER THE REFORM

The reform introduced new programmes for people with disability and health problems. The new programmes were:

- Resource Process
  - o If under 40 the claimant cannot obtain disability benefit and is instead granted a resource process
- Flex Job
  - o If the claimant is in subsidized employment
- Education Benefit
  - o Given to people under 30 with no education. The claimant is imposed to start education
- Unemployment benefit
  - o If eligible to a flex job but not in one the claimant receives unemployment benefit

(See Appendix 8 p.43 for statistical data and income sources for young people receiving different types of benefit).

#### 2.1.3. WHAT WERE THE NEW ELEMENTS IN THE SOCIAL INSURANCE PROGRAMMES?

Two programmes: a reform of the disability benefit system and the flex job scheme. The development in this field is to be changed so more people enter the labour market and thus become able to provide for themselves and fewest possible receive permanent and passive social security benefits.

The number of young people under 40 and especially young people with mental health problems receiving disability benefit should decline. Young people under 40 cannot obtain disability benefit unless they suffer from severe disability. Potentially this group still has many

years left on the labour market and introducing an age limit will send a clear signal to the young adults, their families, the job centres, and the health system that disability benefit is not an option. Instead rehabilitation measures must be taken (e.g. coordinating health, employment and social services) to make them ready for work or education (a rehabilitation plan of 1-5 years and a rehabilitation grant).

Complicated cases that need a coordinated service between different sectors must have their work ability and their case assessed by new rehabilitation teams in the municipal system before the job centre can grant disability benefit, a flex job or a rehabilitation plan. The rehabilitation plan is prepared by the rehabilitation team, but the different measures in the plan are granted by the relevant division in the municipality or the job centre. The rehabilitation teams consist of case workers from all sectors in the municipality (social services, education and employment) and a "health system coordinator". The reform stipulates that job centres must begin to establish rehabilitation teams by January 1, 2013.

The reform will focus on people's individual abilities and opportunities. The new focus is on "you" (the disability benefit claimant who together with the rehabilitation team will try to find a way into employment either via education, subsidized labour or other measures). Instead of disability benefit when under 40 claimants will participate in a resource process that will last up to 5 years. Here claimants will have their work ability tested and they will be advised on how to find the right job or right education, and get the right tools so that they can succeed.

The local authorities, case workers and the regional health services have to work more closely together than they did before the reform. Prior to the reform there was not a coordinated effort between the local and regional level.

When the claimant is in a resource process his income will vary. If the claimant was receiving sickness benefit before the resource process began the claimant will continue to receive that income for as long he/she is entitled to receive sickness benefit (up to 1 year). After that the claimant will receive a monthly income that is similar to the amount of money people receive when on social assistance.

If the claimant is under 30 and with no education, he/she is not eligible to receive social assistance but will instead receive education benefit and with the help of the job centre find a suitable education to start on. A minimum rate was introduced so everyone is secured an allowance similar to the level of social assistance for adults – 60% of the highest benefit rate (rate of unemployment benefit) for non-providers and 80% of the highest rate of unemployment benefit for providers. The minimum rate does not apply to young people under the age of 25 living at home with their parents who continue to receive social assistance.

The flex job scheme was modified in three different ways. Thereby it appeared less generous, more flexible and more temporary.

### **3. IMPLEMENTATION**

#### **3.1. TARGET GROUP: YOUNG PERSONS *IN EMPLOYMENT* WITH HEALTH PROBLEMS**

##### **3.1.1. MEASURES IMPLEMENTED**

In the agreement text the Government pointed out that around 750,000 people of working age are excluded from the labour market and emphasized that the former reform was old and that changes were needed. The purpose of the former reform was to get people back into work and make sure as few as possible were granted disability benefit. In the agreement text the political parties strongly pointed out that this was not the case as 55,000 more people than expected in the period of time were granted disability benefit and that this cost the State and the Treasury DKK 9 billion alone in 2010.<sup>8</sup>

The focus is that people instead of receiving disability benefit people should be part of a resource process and the goal was to establish 14,500 resource processes in 2013. The hope was also that the flex job scheme would be more attractive to employers and employees and that more “mini flex jobs” would be established so that people receiving social assistance would look at the flex job scheme as a way back into employment. If not eligible for a resource process or flex job the claimant should receive education benefit and start on an education that will bring him/her closer to the labour market. Some of the claimants would have been entitled to unemployment insurance or sickness benefits prior to entering resource activation which is substantially higher than the social assistance. Even so, since the entitlement to unemployment insurance and sickness benefits requires having participated in ordinary employment for a certain period of time before getting ill or unemployed, most of the young adults are not entitled to these types of benefits. In practice, most young adults in question do not qualify for more than the absolute minimum of benefit.<sup>9</sup>

The 2013-reform was expected to lead to about 2,300 people in 2020 and about 7,700 people finding unsubsidized jobs compared to receiving disability benefit or taking on a flex job. Furthermore, it was also expected that the reform would increase the number of people in employment so that the supply of labour would increase by around 5,000 people in 2020 and about 12,500 people in the long run.

##### **3.1.2. IMPLEMENTATION: ROLES AND PRACTICES**

The rehabilitation team consists of case workers from all sectors in the municipality (social services, education, employment) and a “health system coordinator”. The rehabilitation plan is worked out by the rehabilitation team, but the different measures of the plan are granted by the relevant division at the municipality or the job centre. The municipalities have autonomy and work under the directives laid out by the Government. The regional level provides general practitioners working closely together with the case workers in ascertaining people’s health problems and needs that might affect their work ability.

The disability reform place a number of new demands on the municipalities’ work and efforts. All municipalities must among other things find useful jobs, recruit and organize case workers to coordinate the efforts, set up multidisciplinary rehabilitation teams. The

municipalities have, however, freedom of choice over how they will implement the reform, for example whether the case workers coordinating the efforts are to be attached to the job centre or some other place and whether the municipality will prefer to use their own mentors or outsource this activity. Thus the municipalities can choose to organize the resource processes differently and at the same time live up to the legislation in question as well as the intentions behind the reform.

"The citizen shall be involved and heard in relation to the preparation of the rehabilitation plan and the handling of the citizen's case in the team. Importance must be given to the citizen's ownership of the resource process."<sup>10</sup>

Apart from the fact that the citizen must have a say in the preparatory stage of his resource process and the target plan for the resource process, the coordination case worker must make sure through review talks that the target plan is adjusted to fit the citizen's present situation and needs. Care must be taken to ensure that the citizen's access to follow his own case is strengthened by giving him access to an overview of and an insight into his own target plan.<sup>11</sup>

### **3.1.3. COOPERATION**

The municipalities have chosen different approaches to organize the resource processes. Some municipalities have chosen to set up resource teams whereas others have chosen to be without resource teams.

The organization of the resource processes in the municipalities with no resource teams take place within the framework of the other employment efforts and the coordinating case workers are physically placed at the job centre. In these municipalities it is primarily the municipality's ordinary employment offers which people are introduced to in the resource process, among these in-service training at a company and activities at a local welfare-to-work place. In the other municipalities many people in a resource process are referred to a local resource centre where the municipality's welfare-to-work efforts are placed. The case workers explain that the claimant has the possibility of specifying what kind of offer they believe the claimant should be given at the resource centre but the coordinating case workers' primary task is to describe the assignment and then the resource centre initiates the effort considered relevant. The offers in the resource centre range from in-house workshops, physiotherapy, and meetings with psychologists and business consultants.<sup>12</sup>

The municipalities choosing resource teams have case workers sitting next to relevant specialists: mentors, physiotherapists, trainers, and psychologists. The case workers can draw on their expertise when they formulate the multidisciplinary target plan to the claimants and in relation to actual efforts. The coordinating case workers mention that it is advantageous to have the other specialists on the resource team because it makes it easier to coordinate and initiate different efforts and the claimant does not have to wait for e.g. an opening at one of the municipality's offers or external offers. The coordinating case workers also experience that there is interdisciplinary sparring with their other colleagues in the resource team.<sup>13</sup>

## 4. IMPACT AND LESSONS<sup>14</sup>

### 4.1. TARGET GROUP: YOUNG PERSONS *IN EMPLOYMENT* WITH HEALTH PROBLEMS

#### 4.1.1. IMPACT ON THE TARGET GROUP

The Danish National Centre for Social Research (SFI) has evaluated the flex job reform and its evaluation finds that a new group of people have used the flex job scheme to find a new job, i.e. persons employed in flex jobs up to 10 hours per week. This group constitutes 38% of people having a flex job after the reform compared to 9% before the reform. The people in this group assess their own health and work ability to be worse than other employees having a flex job. More than every fourth in this group would prefer to be granted a disability benefit when they were referred to take on a flex job compared to every eight among the other employees having a flex job.<sup>15</sup>

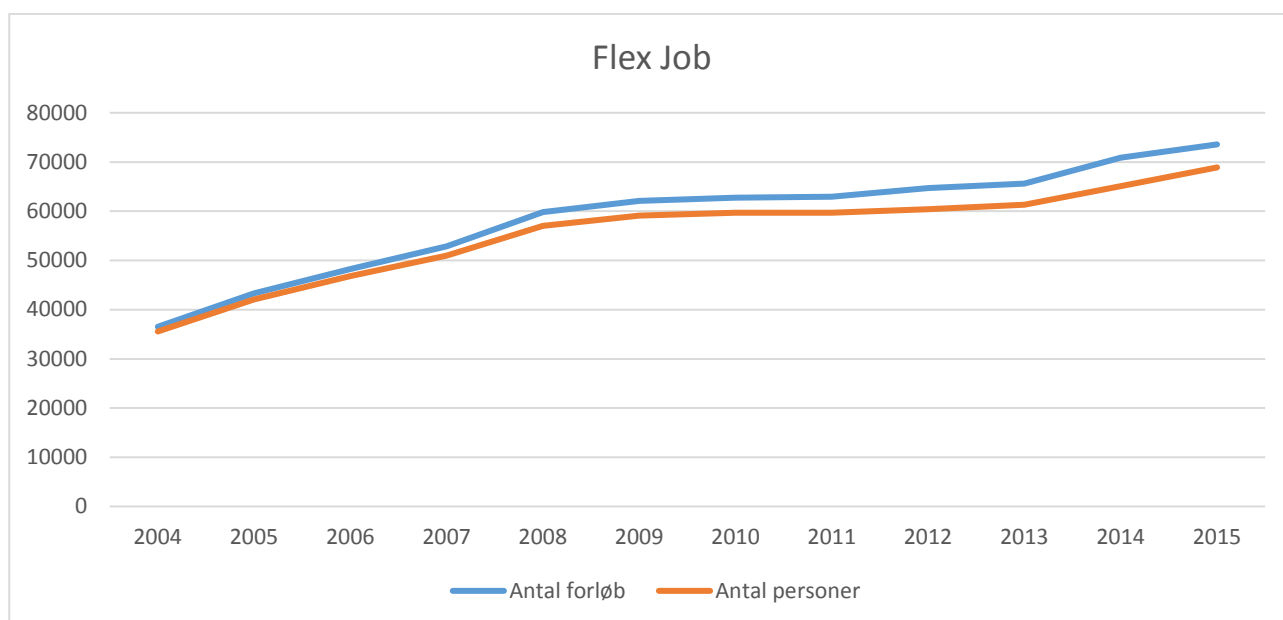


Figure 4

Source: Jobinsats.dk

This graph shows the overall growth in flex jobs and persons in flex jobs from 2004-2015. The blue line shows the number of processes and the orange line shows the number of people in the flex job scheme. Below is a table that shows hours worked in the flexjob scheme for our target group.

Persons having a flex job after the reform have (irrespective of the number of hours) a lower level of education than persons employed before the reform. Every third of those who are employed after the reform do not have an education that provides them with vocational skills compared to every fifth of those people employed before the reform.

A new group of companies employs persons in flex jobs after the reform, i.e. fairly small private companies which employ persons in flex jobs for a few hours. The majority of people in flex jobs work for private companies. 59% of the private-sector employees worked at

companies with less than 10 employees in 2013. The corresponding percentage among flex job employees working for a few hours is 64%.<sup>16</sup>

The SFI report shows that the majority of the employees in a flex job feel comfortable at their workplace and they have good relations to colleagues and management. Furthermore, the majority of the employees in a flex job experience that their work ability harmonizes very well with the work load.

People in flex jobs mention in particular that they expect their work ability to improve in the near future if their work ability is good compared to the physical job conditions and if it is possible for claimants to use their skills at work. People under 40, people who have recently been referred to a flex job and people who are referred to a flex job due to mental problems expect to a higher degree than others to improve their work ability.

Number of flex jobs for people under 40	Jan 2013	Jan 2014	Jan 2015	Jan 2016	Feb 2016	Mar 2016
1-5 hours	11	502	937	1,347	1,361	1,386
6-10 hours	15	737	1,351	1,948	1,936	1,979
11-15 hours	7	471	774	1,025	1,037	1,041
16-20 hours	6	448	750	881	909	900
21-25 hours	2	94	116	131	147	155
26-30 hours	2	14	33	31	32	31
Over 30 hours	17	135	166	155	161	161
In total	60	2,401	4,127	5,518	5,583	5,653
Share of flex jobs for people under 40	Jan 2013	Jan 2014	Jan 2015	Jan 2016	Feb 2016	Mar 2016
1-5 hours	18%	21%	23%	24%	24%	25%
6-10 hours	25%	31%	33%	35%	35%	35%
11-15 hours	12%	20%	19%	19%	19%	18%
16-20 hours	10%	19%	18%	16%	16%	16%
21-25 hours	3%	4%	3%	2%	3%	3%
26-30 hours	3%	1%	1%	1%	1%	1%
Over 30 hours	28%	6%	4%	3%	3%	3%
In total	60	2,401	4,127	5,518	5,583	5,653

Table 2

Source: Jobinsats.dk

Since the implementation of the reform the number of people in flex jobs has increased by approx. 54,000 persons in the fourth quarter of 2012 to 58,000 persons in the third quarter of 2014. It should also be noticed that there is a significant fall in the number of people who have been granted disability benefit. After the reform this number has on average amounted to approx. 1,400 per quarter compared to approx. 4,000 before the reform. The fall in the number of people being granted disability benefit corresponds very well with the aim of the reform that fewest possible are to receive permanent passive support from the State. The number of people receiving unemployment benefit, i.e. persons who are referred to a flex job, who have not yet got a flex job and are still receiving unemployment benefit

has on the contrary only decreased a little since the implementation of the reform. In the third quarter of 2014 approx. 17,800 persons received unemployment benefits compared to approx. 18,700 in the first quarter of 2013.

The number of newly created flex jobs with few hours defined as flex jobs of ten hours or less per week has risen significantly after the reform.

Flex job employees working few hours have apparently found it more difficult than the other flex job employees to find a flex job before the reform which corresponds to their work ability and skills. Prior to being employed flex job employees working only few hours received unemployment benefits to a much larger extent.

There has been a rise in young persons under 40 receiving unemployment benefits. It is difficult to find flex jobs to everybody eligible for a flex job.

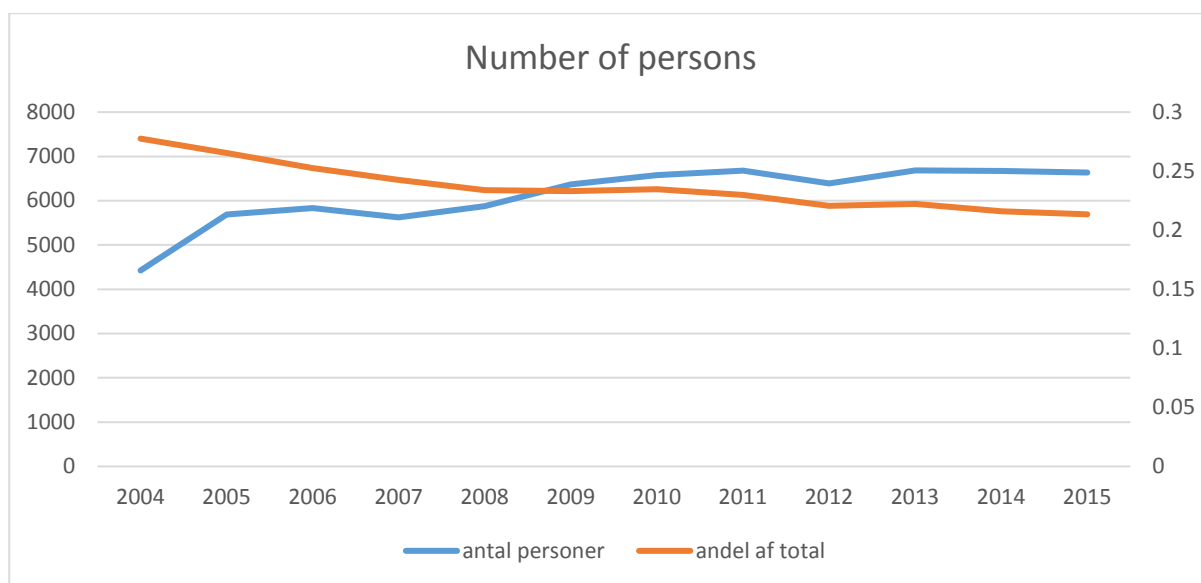


Figure 5

Source: Jobinsats.dk

There are also a large number of young people receiving education benefit after it was implemented together with the reform in 2013:

Education Benefit			2014		2015	
			Number of processes	Number of persons	Number of processes	Number of persons
The whole country	Gender in total	16-19 years old	16,399	13,444	15,166	12,445
		20-24 years old	47,597	37,630	45,918	36,464
		25-29 years old	32,091	25,627	30,036	24,310
	Female	16-19 years old	7,504	6,179	6,936	5,670
		20-24 years old	21,771	17,592	20,878	16,899
		25-29 years old	14,872	12,056	13,614	11,181
	Male	16-19 years old	8,895	7,265	8,230	6,775
		20-24 years old	25,826	20,038	25,040	19,565
		25-29 years old	17,219	13,571	16,422	13,129

Table 3

Source: Jobindsats.dk

#### 4.1.2. IMPACT ON ORGANIZATION AND COOPERATION

Irrespective of which municipality the coordinating case workers come from they all mention a number of challenges when working with a multidisciplinary approach like the resource process.

The multidisciplinary approach ideally connects the claimants' efforts together across the various administrations and the first step is taken by the rehabilitation team. In practice the coordinating case workers experience this cooperation as a challenge especially because resource processes reside in the employment administration. Some case workers from the rehabilitation teams and representatives from the employment sector indicate that they experience that the representatives from the other administrations do not show the same degree of commitment. The representatives from the employment administration do, however, perceive the rehabilitation team to be a positive measure which makes it possible to present more professional opinions of the same case.<sup>17</sup>

Waiting lists and the lack of experience with cooperation across administrations and disciplines mean that it is a challenge to offer the claimants a truly multidisciplinary process where efforts can be initiated concurrently or in a special order.



The coordinating case workers in the municipalities who have physically gathered the various professional aspects in a resource team are more contented with the multidisciplinary approach in the resource process than the coordinating case workers in the municipalities with no resource teams. The coordinating case workers in the municipalities which have set up resource teams say that by using multidisciplinary resource teams they can more easily deal with the challenges and bottlenecks that may occur when cooperating.

#### **4.1.3. EVALUATIONS AND LESSONS LEARNED**

The politicians have been criticized for not being able to transform the 19,000 established resource processes at a cost of DKK 630m into more ordinary jobs. Of the 19,000 established resource processes only 130 ordinary jobs were created.

In 2015 609 resource processes had finished and 14 had found a way back into the labour market. 314 were granted a disability benefit and 84 were transferred to the flex job scheme. Non started an education.

The job centres and municipalities all see a big potential in the reform and the new measures but they still find it difficult to navigate in the new settings and are still learning how to best work and use the expertise in the rehabilitation teams. The evaluation reports all show that the implementation has taken longer time than expected and that the municipalities are still learning to operate in the new employment paradigm.

#### **4.2. TARGET GROUP: YOUNG PERSONS WITH HEALTH PROBLEMS NOT EMPLOYED**

People under 40 are no longer eligible, unless severely disabled, to receive disability benefit. Instead people under 40 are either referred to a resource process or a flex job.

A resource process can last up to five years. This makes room for the individually adapted needs which can move the unemployed closer to the labour market. This is one of the findings in a new report from SFI, who has investigated the experiences made by the municipalities and citizens in relation to the resource process system in the two first years it has been in force.

In the report from SFI case workers as well as claimants' underline specifically the importance of and the high value of the time and peace which the processes give. The case workers emphasize that the system makes room for the individually adapted needs. The unemployed mention themselves that it is a relief that the process is taken care of by the same coordinating case worker in the entire process and who is supported by a rehabilitation team where several different experts together with the citizen plan the process.<sup>18</sup>

Resource Process			Jan 2013	Jan 2014	Jan 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016
The whole country	Age in total	Number of processes	9	2,466	9,278	15,413	15,809	16,096	16,258
		Persons	9	2,466	9,278	15,412	15,808	16,095	16,258
	Under 40 years old	Number of processes	2	843	3,810	6,594	6,798	6,961	7,045
		Persons	.	843	3,810	6,593	6,797	6,961	7,045

Table 4

Source: Jobindsats.dk

Local Government Denmark (KL) has earlier pointed out in connection with the criticism voiced against the resource processes that too quick conclusions of the effects should not be made because a resource process is a long process lasting between one to five years.<sup>19</sup> However, SFI's research also shows a number of challenges. Among other things there is a need for informing the claimants better about agenda items for the meetings with the rehabilitation team. Often claimants come unprepared to the meeting and are overwhelmed by having to meet a large group of professional people who are there to take part in the further process. The case workers also point out that it is difficult to get the claimants to take advantage of the possibilities in the resource processes. Very often the case workers deal with people experiencing massive problems and not only their unemployment situation and consequently they are not always able to and do not want to take responsibility for what the process entails.

A KL research report from spring 2015 on the resource processes showed a somewhat similar result as it pointed out that the intentions of the rehabilitation team are fulfilled whereas the intentions of the resource process are a bit more difficult to fulfil in particular because the claimant often expects to be granted disability benefit. Therefore the case workers have to start by motivating the claimant to make him/her enter the labour market again.<sup>20</sup>

Statistical figures show that the inflow into the disability benefit system has been falling since 2009. In the period 2009 to 2012 the number decreased from 17,102 to 14,621 and after the reform was implemented the figure declined further to 5,743 persons that year being granted disability benefit.<sup>21</sup>

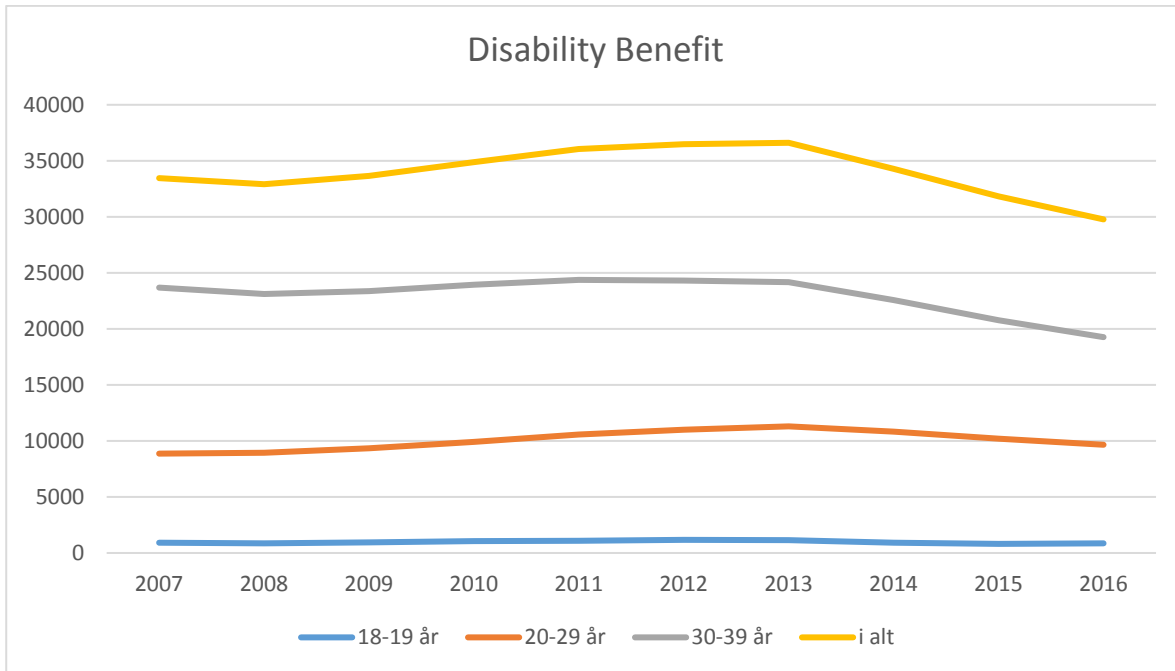


Figure 6

Source: Aggregated register data from Statistics Denmark and the Statistics Bank

This graph shows the development from 2007 to 2016 in the number of young people from 18 to 40 years old receiving disability benefit. As you can see the overall population of young people receiving disability benefit has dropped.

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
18-19 years old	904	860	934	1,052	1,099	1,173	1,151	906	813	854
20-29 years old	8,868	8,942	9,357	9,906	10,583	11,004	11,301	10,826	10,216	9,655
30-39 years old	23,675	23,117	23,361	23,934	24,374	24,316	24,156	22,558	20,785	19,263
In total	33,447	32,919	33,652	34,892	36,056	36,493	36,608	34,290	31,814	29,772

Table 5

Source: Aggregated register data from Statistics Denmark and the Statistics Bank

Above are the exact numbers of young people receiving disability benefit. These numbers show that the inflow into disability benefit for young people has decreased over time.

This table shows the inflow into the Danish disability system for young people. As can be seen the inflow has dropped significantly since 2007 for young people that is instead placed in a resource process or a flex job.

	2007	2008	2009	2010	2011	2012	2013	2014	2015
	Inflow	Inflow	Inflow	Inflow	Inflow	Inflow	Inflow	Inflow	Inflow
Total	14.671	18.371	18.721	18.145	16.909	14.747	7.921	6.341	7.382
16-19 years	491	646	645	701	694	656	502	494	523
20-24 years	459	637	744	701	667	598	301	111	247
25-29 years	523	651	705	711	682	541	242	126	148
30-34 years	859	1.018	1.140	1.080	984	829	370	128	171
35-39 years	1.291	1.654	1.623	1.640	1.483	1.254	565	228	306

Table 6

Source: Jobindsats.dk

## 5. OUTLOOK

### 5.1. TARGET GROUP: YOUNG PERSONS *IN EMPLOYMENT* WITH HEALTH PROBLEMS

#### 5.1.1. NATIONAL POLITICAL DISCUSSIONS SINCE IMPLEMENTATION?

Discussions about how best to help young people not in employment and with no education have continued both politically as well in the media.

The Government appointed in 2013 an expert group to prepare a fact-finding analysis of the active employment performance. Against this background the expert group presented 28 recommendations explaining how the efforts for people on the fringe of the labour market can be reinforced.<sup>22</sup> With the report and the 28 recommendations the expert group ended its work by explaining the active employment performance.

The 28 recommendations fall within these headings:

- New company directed efforts
- Reinforced multidisciplinary efforts
- More education and skills enhancement
- Supporting initiatives

The background to the expert group's recommendations is that people on the fringe of the labour market must have ties with the labour market even though they have limited work ability. The company directed efforts must be reinforced through targeted company offers, strong incentives to choose company offers, a strengthened mentor scheme and more focus on servicing and cooperating with companies.

The Danish Employers' Association (DA) was critical of the reform and in 2015 they proposed to enhance the disability and pension system.<sup>23</sup> According to DA the public relief system must be turned around so that it becomes attractive for the most part to undertake the responsibilities by being available for work. For DA the solution is not to increase the payment level of the unemployment benefits and reduce the demands for being available for work. On the contrary DA thinks it is necessary to introduce considerable reforms of the disability pension system, flex jobs, sickness benefits and cash benefits.

The approach to lower the number of people receiving public benefits is through far-reaching reforms of all benefit schemes so that it is worthwhile to work and be available for work.

Local Government Denmark (KL) also recommends that cases about disability benefit granted before 2003 where the person today is below the age of 50 are to be re-evaluated to find out whether the person's work ability is still intact and should be applied. Disability benefit cases where this is apparently not the case are not to be re-evaluated. It is important not to create uncertainty among disability beneficiaries in relation to their disability benefit. Consequently, it is the opinion of the Local Government Denmark that more work is to be done to create a model where "old" disability pensioners with remnant work ability keep their benefits until they have found a job. At the same time, they must be available for

ordinary work or for a flex job as long as it can be assessed that they can take on a job. If they cannot manage to have a job it must be possible for them to fall back on disability benefit.

Local Government Denmark estimates that the initiative will increase the labour offer by up to 5,000 persons. Out of the present 230,000 disability benefit pensioners approx. 27,000 persons under 50 years of age have been granted disability benefit before 2013. According to Local Government Denmark up to 20% of this target group can enter the labour market and work part-time.

In 2015 The National Board of Health released a report revealing that mental illnesses such as depression, neurosis, schizophrenia and substance abuse are all among the six illnesses that most often cause Danish workers to leave their jobs. This means that approx. 2,000 persons a year are granted disability benefit against the background of cases of neurosis. In addition, neurosis is the second most frequent reason why Danes contact the mental casualty wards and the third most frequent diagnosis arrived at when Danes see their doctor.<sup>24</sup>

### 5.1.2. CURRENT RELEVANT DEVELOPMENTS

A legislative proposal concerning the reimbursement mechanism was passed by the Danish Parliament in 2015.<sup>25</sup> The goal of the reform is to simplify the rules of reimbursement. Before the reform municipalities got different reimbursement rates depending on the benefit in question. See below:

#### The former reimbursement rates:

Disability benefit	35% (Indenrigsministeriet, 2014) <sup>26</sup>
Unemployment benefit	30% (Beskæftigelsesministeriet, 2014) <sup>27</sup>
Unemployment benefit, active measures	50% (Beskæftigelsesministeriet, 2014)
Unemployment benefit, after week 8, undue delay in active measure	30% (Beskæftigelsesministeriet, 2014)
Social assistance benefit	30% (Beskæftigelsesministeriet, 2014)
Social assistance benefit, active measure	50% (Beskæftigelsesministeriet, 2014)
Social assistance benefit, undue delay in active measure	0% (Beskæftigelsesministeriet, 2014)
Early retirement	0% (Beskæftigelseministeriet, 2010)
Sickness benefit, week 0-9	30% (Beskæftigelsesministeriet, 2014)
Sickness benefit, week 9-52	50% (Beskæftigelsesministeriet, 2014)
Sickness benefit, week 0-52, active measure	50% (Beskæftigelsesministeriet, 2014)
Flex job subsidy, sufficient documentation	65% (FOA, 2013) <sup>28</sup>
Flex job subsidy, insufficient documentation	0%
Waiting allowance	30% (Beskæftigelsesministeriet, 2014)
Waiting allowance, active measures	50% (Beskæftigelsesministeriet, 2014)
Pre-rehabilitation	30% - 50% (Beskæftigelsesministeriet, 2014)
Rehabilitation	30% - 65% (Beskæftigelsesministeriet, 2014)

Table 7

The new rules for state reimbursement rate to the municipalities were simplified when the new legislation was passed in 2015, which means there is the same reimbursement rate irrespective of the benefit. The new reimbursement rate is going to gradually decrease over time from 80 percent for the first four weeks, 40 percent for week 5-26, 30 percent for week 27-52 and 20 percent after week 52.<sup>29</sup>

The political parties participating in the negotiations for reconciliation of the disability system and flex job scheme chose in 2015 to simplify the case procedure in relation to granting disability benefit. This means that the municipal rehabilitation teams no longer have to deal with cases where it is obvious that the claimant from the outset is eligible for disability benefit.

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## End Notes

<sup>1</sup> <http://bm.dk/da/Aktuelt/Pressemeddelelser/Arkiv/2002/1007.aspx>

<sup>2</sup> Redegørelse om udviklingen på førtidspensionsområdet og det rummelige arbejdsmarked, Socialministeriet Beskæftigelsesministeriet Finansministeriet, Maj 2007

<sup>3</sup> In 2008 Denmark used 1.8 pct. of its GNP on the disability benefit scheme.

<sup>4</sup> Christopher Prinz and the OECD criticized the 2003 reform and called it a total failure because disability benefit remained an easily accessible payment (with almost no benefit rejections) and the flex job scheme drew regular workers into subsidized work. Jan Høgelund, senior researcher at SFI, also mentioned this last problem with the flex job scheme.

<sup>5</sup> The government et al, 2012

<sup>6</sup> There are exceptions to this but the above is how the majority of cases were solved before the 2013 reform.

<sup>7</sup> Payment Denmark is the authority responsible for the collection, disbursement and control of a number of public benefits.

<sup>8</sup> The government et al, 2012

<sup>9</sup> Consequences of activation to work targeting young people with health related problems - a comparison of activation policies in Sweden and Denmark, Sara Hultqvist, dep. of social work, Linnaeus University, Växjö, Sweden Iben Nørup, dep. of political science, Aalborg University, Aalborg, Denmark, Paper for Journal of Youth Studies Conference, Copenhagen, March 2015

<sup>10</sup> The government et al, 2012, p. 15

<sup>11</sup> Ibid. pp. 12-13

<sup>12</sup> Holt, H., mfl.: *RESSOURCEFORLØB KOORDINERENDE SAGSBEHANDLERES OG BORGERES ERFARINGER*. København: SFI – The Danish National Centre for Social Research

<sup>13</sup> Ibid.

<sup>14</sup> The reform was evaluated by the consultancy firm M-PLOY in 2013 and they concluded that the disability reform and the new institutional measures were implemented and they detected a drop in inflow into the disability scheme. M-PLOY also concluded that the flex job scheme was producing positive results and that the reform initially showed promising results. Other evaluations are made by KL and SFI.



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<sup>15</sup> Holt, H., mfl.: *BORGERE I FLEKSJOB EFTER REFORMEN*, København: SFI – The Danish National Centre for Social Research

<sup>16</sup> Holt, H., mfl.: *BORGERE I FLEKSJOB EFTER REFORMEN*, København: SFI – The Danish National Centre for Social Research

<sup>17</sup> Holt, H., mfl.: *RESSOURCEFORLØB KOORDINERENDE SAGSBEHANDLERES OG BORGERS ERFARINGER*. København: SFI – The Danish National Centre for Social Research

<sup>18</sup> Ibid.

<sup>19</sup> KL is the national advocacy organisation of Danish municipalities: in English also referred to as 'Local Government Denmark'.

<sup>20</sup> Kommunernes Landsforening, *Mere Arbejdskraft – kvalificeret arbejdskraft skal sikre vækst og velfærd*, 2015

<sup>21</sup> Ankestyrelsen, *Førtidspension – Årsstatistik 2013, 2014* s. 3

<sup>22</sup> Ekspertgruppen om udredningen af den aktive beskæftigelsesindsats, *Nye veje mod job – for borgere i udkanten af arbejdsmarkedet*, København 2015

<sup>23</sup> Dansk Arbejdsgiverforening, *Udfordringer på Arbejdsmarkedet i 2015*, København 2015

<sup>24</sup> Flachs EM, Eriksen L, Koch MB, Ryd JT, Dibba E, Skov-Ettrup L, Juel K. Statens Institut for Folkesundhed, Syddansk Universitet. *Sygdomsbyrden i Danmark – sygdomme*. København: Sundhedsstyrelsen 2015

<sup>25</sup> Wanting to created strong activation-oriented financial incentives for municipalities.

<sup>26</sup> The Ministry of Interior

<sup>27</sup> The Ministry of Employment

<sup>28</sup> FOA is a trade union with 186,000 members and 39 branches around the country.

<sup>29</sup> The OECD recommended in their "Mental Health and Work Report – Denmark" a change and reform of the reimbursement mechanism. The 2015 reimbursement reform follows the OECD recommendations.

<http://bm.dk/da/Aktuelt/Pressemeddelelser/Arkiv/2015/02/Ny%20aftale%20om%20refusion%20hjalper%20ledige%20i%20job.aspx>

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<http://bm.dk/da/Aktuelt/Pressemeddelelser/Arkiv/2002/1007.aspx>

[www.Statistikbanken.dk](http://www.Statistikbanken.dk)

[www.Jobindsats.dk](http://www.Jobindsats.dk)

## Appendix 1 Public Spending on Benefits

Målgruppe/indsats	Aktiv indsats	Forsørgelse*
Dagpengemodtagere m.v. **	1.970	25.180
Uddannelsesydelelsesmodtagere (midlertidig ordning)	270	1.330
Kontanthjælpsmodtagere	3.530	19.800
- heraf arbejdsmarkedsparete	1.020	
- heraf ikke-arbejdsmarkedsparete	2.510	
Revalidender (inkl. forrevalidering)	680	1.770
Sygedagpengemodtagere	620	13.000
Ledighedsydelsesmodtagere	210	3.110
Ressourceforløbsydelsesmodtagere	10	120
Fleksjob og skånejob ***	50	10.050
Førtidspensionister (Socialministeriet)	0	42.070
Delsum ****	7.340	116.430
- heraf ikke-arbejdsmarkedsparete *****	4.080	81.850
Andre beskæftigelsesordninger *****	2.310	
Drift (administration) af jobcentre	3.580	
Puljebevillinger *****	320	
I alt	13.550	116.430

\* Omfatter forsørgelsesudgifter til passive og aktive ydelelsesmodtagere og den alternative forsørgelsesudgift, som personer i løntilskud, voksenlærlinge fra ledighed og i jobrotation ville have fået, hvis de ikke havde været i løntilskud m.v. (under den aktive indsats medtages kun merudgifter ved løntilskud i forhold til alternativ forsørgelse).

\*\* Udgifterne til dagpengemodtagere m.v. omfatter også følgeudgifter til beskæftigede m.fl.

\*\*\* Den aktive indsats for personer i fleksjob og skånejob omfatter alene følgeudgifter (mentor og hjælpemidler).

\*\*\*\* Omfatter foruden 5,9 mia. kr. driftsudgifter ved aktivering i vejledning og opkvalificering og 0,9 mia. kr. følgeudgifter (mentor, hjælpemidler og befordring) også 0,6 mia. kr. merudgifter ved løntilskud i forhold til alternativ forsørgelse. Der er foretaget afrunding af tallene.

\*\*\*\*\* Omfatter ikke-arbejdsmarkedsparete kontanthjælpsmodtagere, revalidender, forrevalidender og modtagere af sygedagpenge, ledighedsydelse, ressourceforløbsydelse samt fleks- og skånejobbere og førtidspensionister.

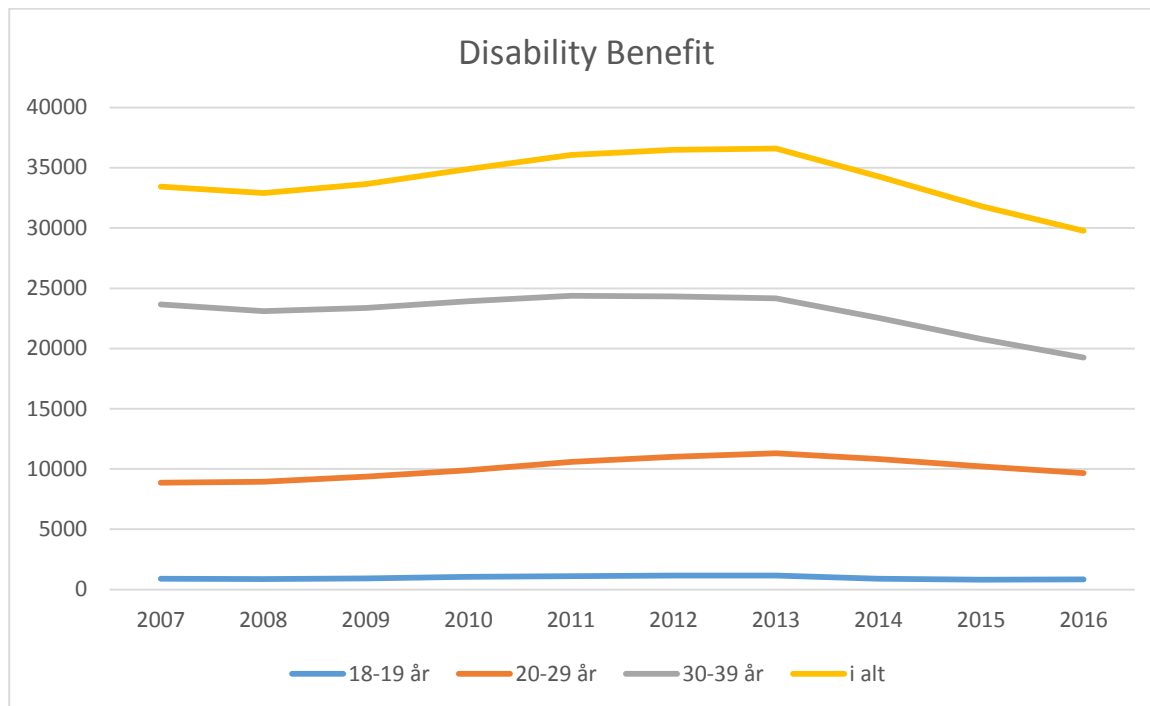
\*\*\*\*\* Omfatter udgifter til jobrotation, voksenlærlinge, senior- og servicejob, jobpræmieordninger samt udgifter til personlige assistance til handicappede.

\*\*\*\*\* Omfatter blandt andet pulje til implementering af rehabiliteringsteams samt bevillingen til fleksjobambassadører m.v.

Kilde: Egne beregninger på baggrund af kommunale regnskabstal fra Danmarks Statistik og statsregnskabstal.

Source: Ekspertgruppen om udredningen af den aktive beskæftigelsesindsats, *Nye veje mod job – for borgere i udkanten af arbejdsmarkedet*, København 2015

## APPENDIX 2 DISABILITY BENEFIT

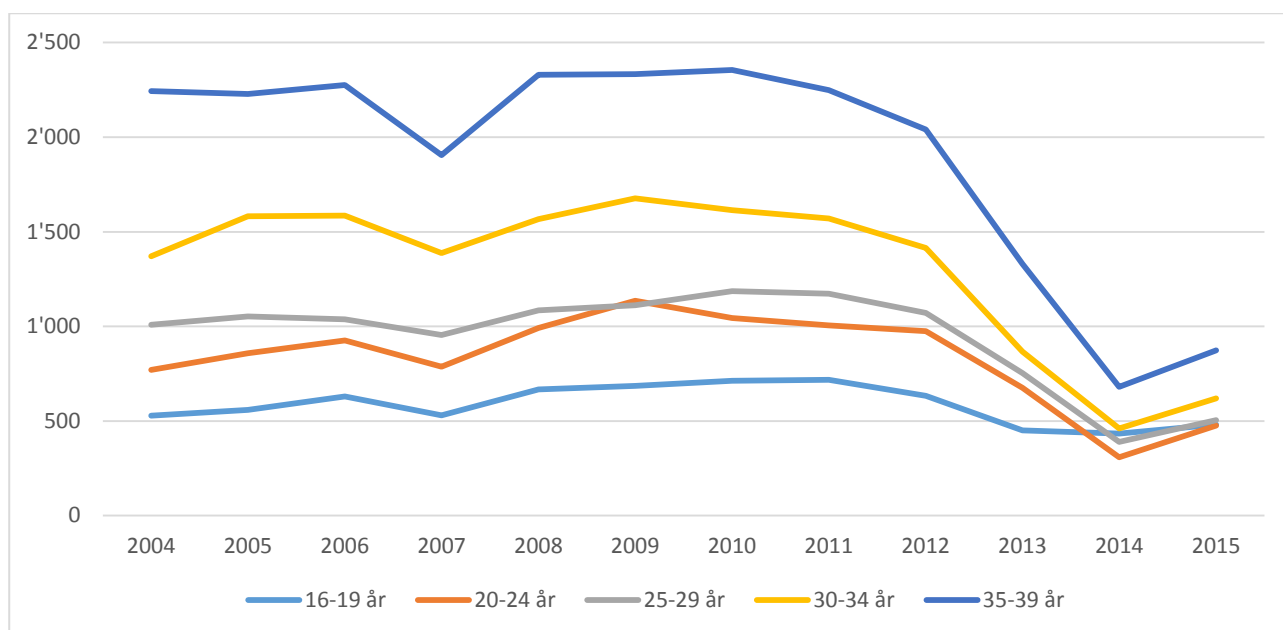


Source: Aggregated register data from Statistics Denmark and the Statistics Bank

Disability beneficiaries	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
18-19 years old	904	860	934	1052	1099	1173	1151	906	813	854
20-29 years old	8,868	8942	9357	9906	10583	11004	11301	10826	10216	9655
30-39 years old	23675	23117	23361	23934	24374	24316	24156	22558	20785	19263
Number in total	33447	32919	33652	34892	36056	36493	36608	34290	31814	29772

Source: Aggregated register data from Statistics Denmark and the Statistics Bank

## Granted Disability Benefit



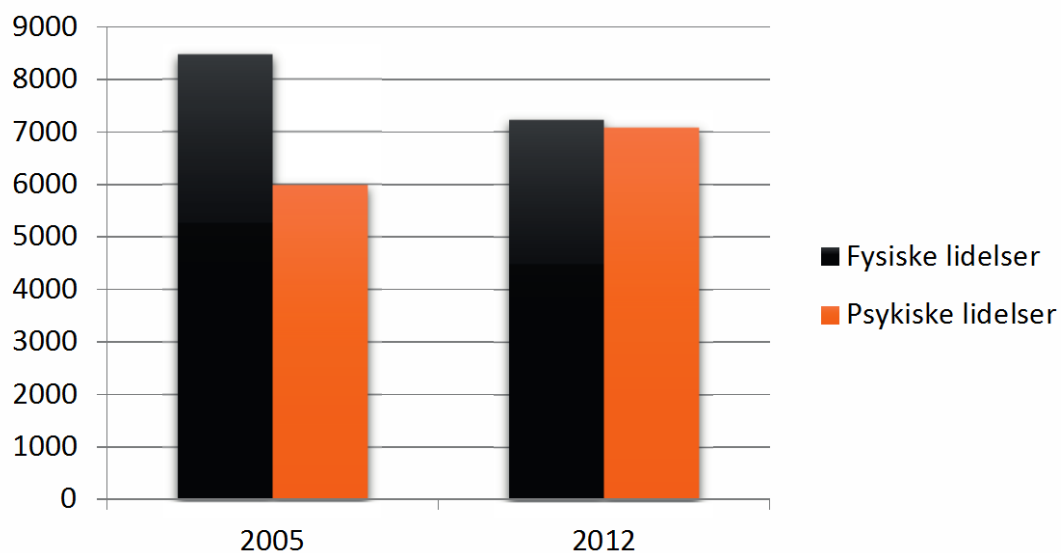
Source: Aggregated register data from Statistics Denmark and the Statistics Bank

## Granted Disability Benefit

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
16-19 år	528	559	629	530	667	685	713	718	633	451	433	481
20-24 år	770	858	926	787	991	1,135	1,044	1,005	975	675	308	476
25-29 år	1,009	1,052	1,038	955	1,085	1,112	1,186	1,172	1,071	753	390	504
30-34 år	1,371	1,582	1,585	1,388	1,567	1,676	1,614	1,571	1,415	866	460	620
35-39 år	2,243	2,228	2,275	1,905	2,330	2,334	2,355	2,249	2,041	1,330	680	874

Source: Aggregated register data from Statistics Denmark and the Statistics Bank

**Figur 3.6: Antal nytilkendelser på baggrund af fysiske og psykiske diagnoser, 2005 / 2012**

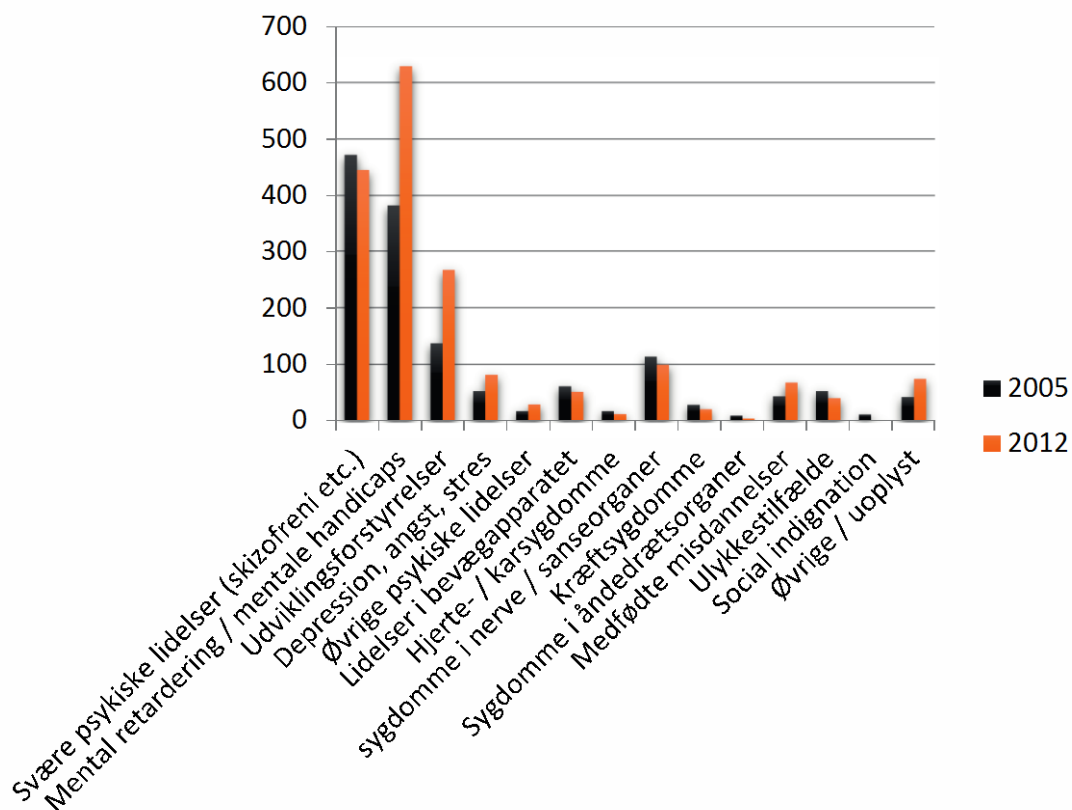


**Kilde: Ankestyrelsen**

Source: Iben Nørup 2014

Number of new assignments due to physical health (black line) and mental health (orange line)

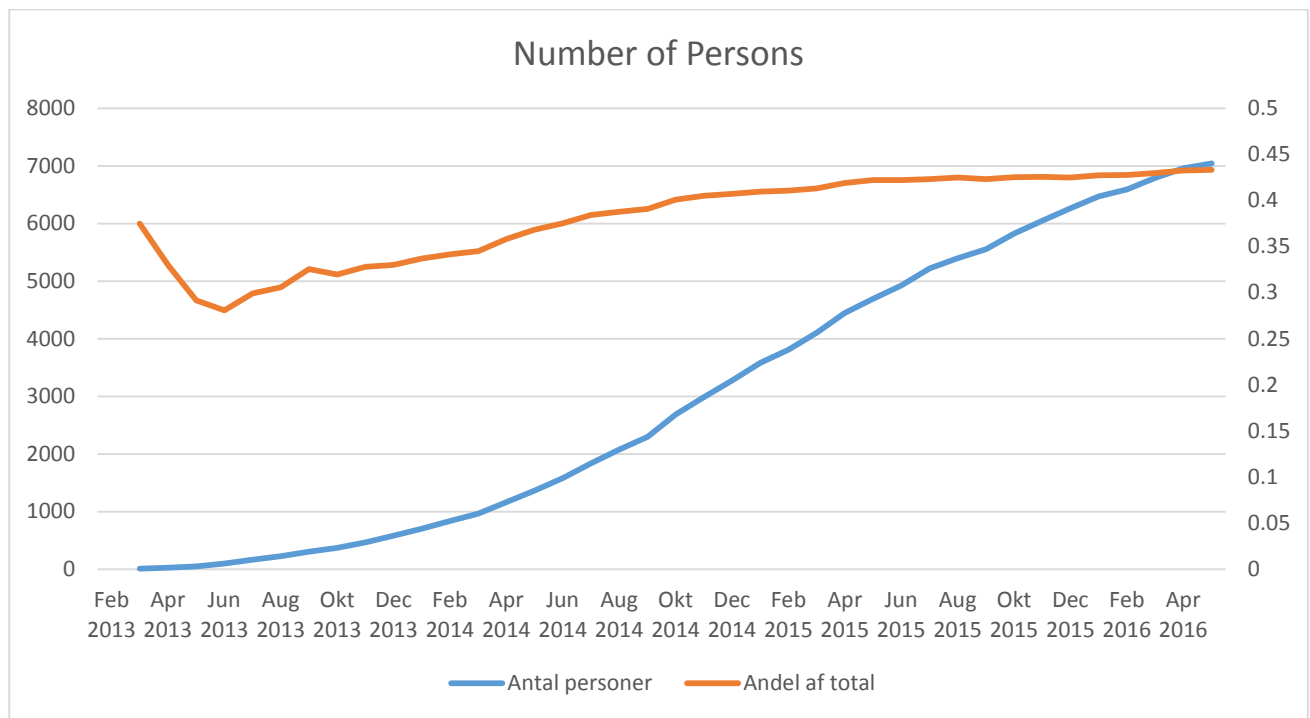
Figur 3.8: Unge under 30 år - Fordeling af forskellige diagnoser blandt nytildkendelser, 2005 / 2012



Source: Iben Nørup 2014

Young people under 30 – diagnosis on why disability benefit is granted

## APPENDIX 3 RESOURCE PROCES



Source: Jobindsats.dk

Resource Process			Jan 2013	Jan 2014	Jan 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016
The whole country	Age in total	Number of processes	9	2,466	9,278	15,413	15,809	16,096	16,258
		Persons	9	2,466	9,278	15,412	15,808	16,095	16,258
	Under 40 years old	Number of processes	2	843	3,810	6,594	6,798	6,961	7,045
		Persons	.	843	3,810	6,593	6,797	6,961	7,045

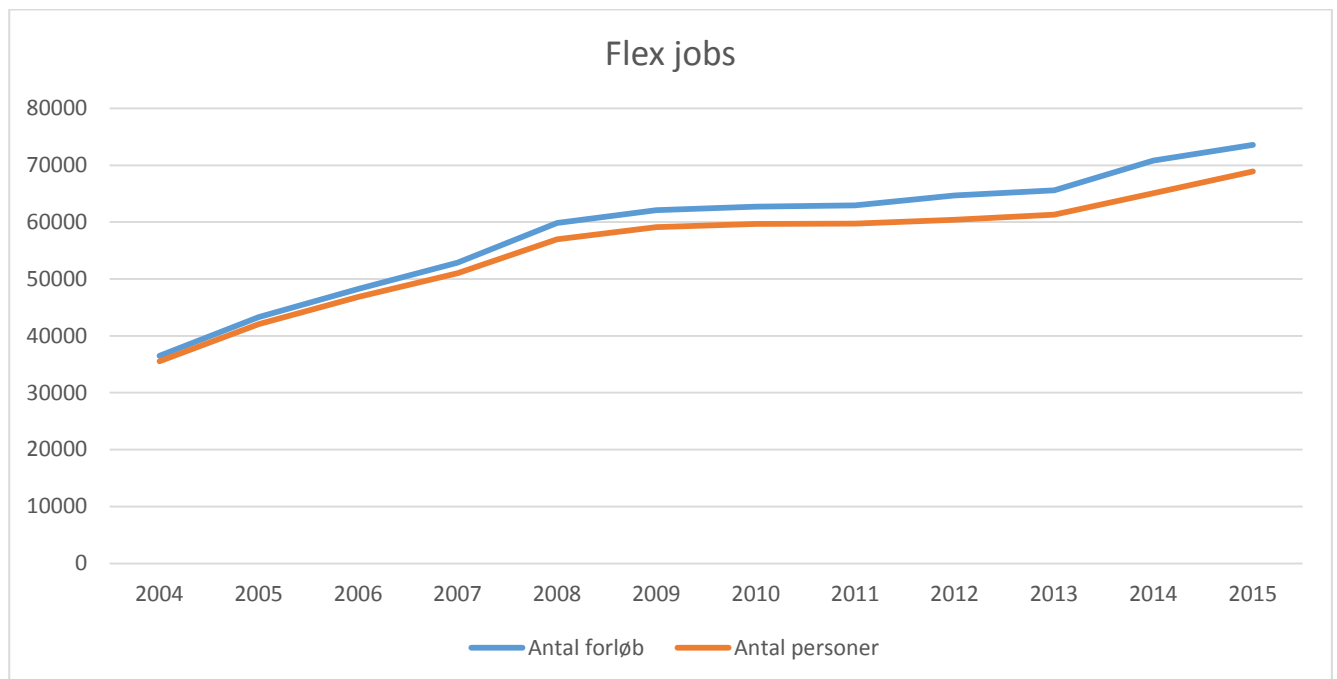
Source: Jobindsats.dk



Resource Proces		2013			2014			2015		
Public spending per person		Municipal spending per person (kr./person)	State spending per person (kr./person)	Public spending per person (kr./person)	Municipal spending per person (kr./person)	State spending per person (kr./person)	Public spending per person (kr./person)	Municipal spending per person (kr./person)	State spending per person (kr./person)	Public spending per person (kr./person)
The whole country	Age in total	37,613.03	17,093.4	54,706.43	57,958.75	26,563.97	84,522.72	75,385.73	34,801.32	110,187.05
	16-19 years	10,262.81	4,985.67	15,248.49	26,948.7	12,200.23	39,148.92	32,194.07	14,843.41	47,037.48
	20-24 years	23,462.14	11,041.39	34,503.53	37,287.02	18,214.72	55,501.74	55,016.76	26,696.58	81,713.33
	25-29 years	35,401.72	16,207.9	51,609.62	49,666.5	23,555.92	73,222.43	70,503.48	33,071.95	103,575.42
	30-34 years	37,708.2	16,994.4	54,702.6	57,374.13	26,629.92	84,004.05	78,082.1	36,805.99	114,888.1
	35-39 years	38,454.95	18,131.37	56,586.32	62,868.84	29,176.87	92,045.72	83,306.39	38,594.15	121,900.54
	40-44 years	38,628.07	17,315.93	55,944.0	63,476.65	28,533.45	92,010.1	83,401.67	37,995.61	121,397.28

Source: Jobindsats.dk

## APPENDIX 5 FLEX JOBS



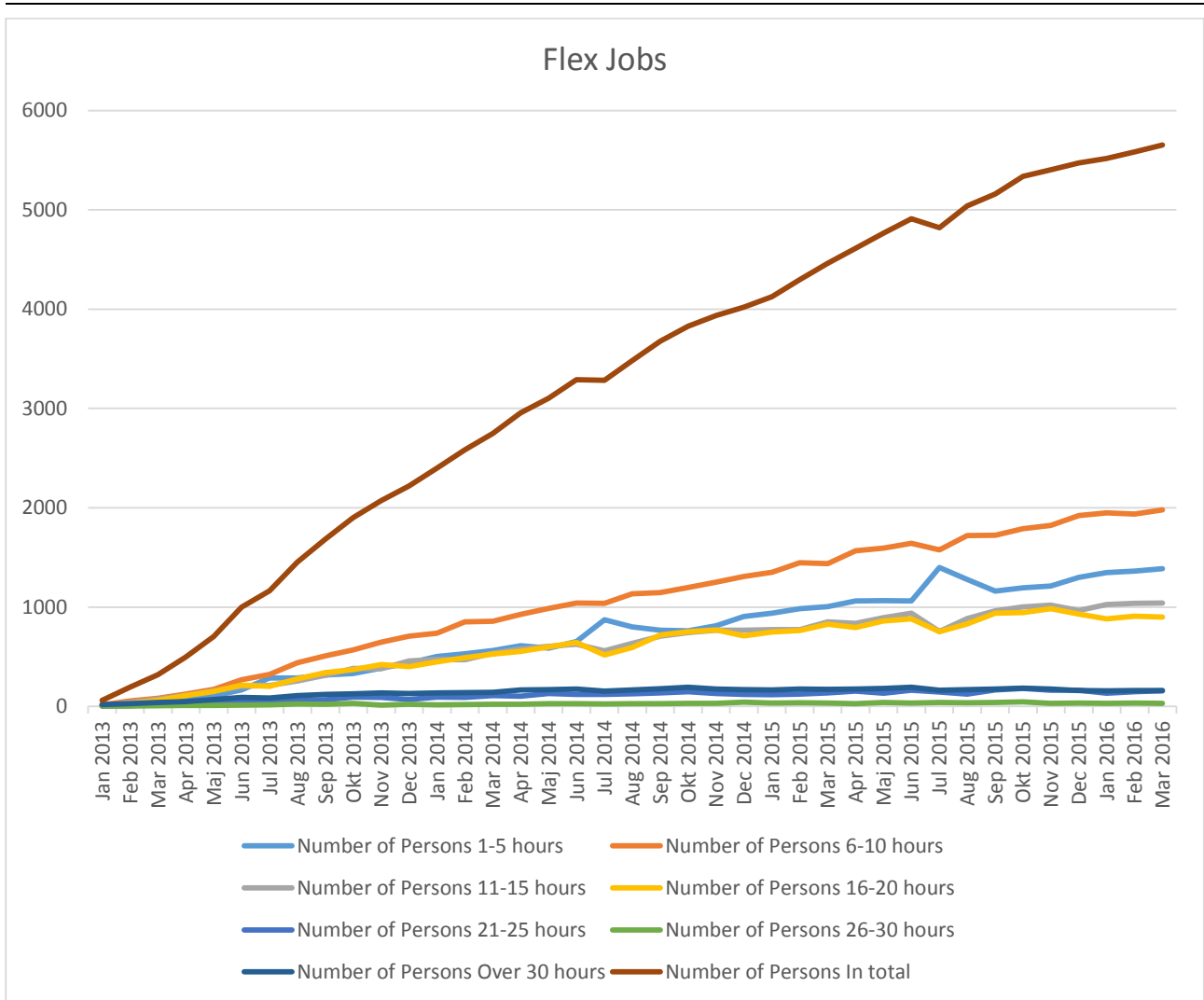
Source: Jobindsats.dk

The flex job scheme is subsidized labour where you work x hours per week. There have been cases with people working 13 minutes twice a week in a so called "mini flex jobs". This has been highly criticised by various stakeholders, politicians etc. The person is granted a flex job by the jobcentre and municipality up to 5 years. After that the municipality will have to check if the person is still eligible to receive a new flex job grant. If over 40 you can receive a permanent flex job grant after the first 5 years. If a flex job recipient by the municipality is deemed to have a working intensity on 50 percent and works 20 hours per week the employer must pay for ten hours.

The employer pays the salary for the actual work done and the flex job employee receives subsidy from the municipality depending on the salary but the recipient can only receive a total income of approx. 17,000 kr. per month.

Number of flex jobs for people under 40	Jan 2013	Jan 2014	Jan 2015	Jan 2016	Feb 2016	Mar 2016
1-5 hours	11	502	937	1,347	1,361	1,386
6-10 hours	15	737	1,351	1,948	1,936	1,979
11-15 hours	7	471	774	1,025	1,037	1,041
16-20 hours	6	448	750	881	909	900
21-25 hours	2	94	116	131	147	155
26-30 hours	2	14	33	31	32	31
Over 30 hours	17	135	166	155	161	161
In total	60	2,401	4,127	5,518	5,583	5,653
Share of flex jobs for people under 40	Jan 2013	Jan 2014	Jan 2015	Jan 2016	Feb 2016	Mar 2016
1-5 hours	18%	21%	23%	24%	24%	25%
6-10 hours	25%	31%	33%	35%	35%	35%
11-15 hours	12%	20%	19%	19%	19%	18%
16-20 hours	10%	19%	18%	16%	16%	16%
21-25 hours	3%	4%	3%	2%	3%	3%
26-30 hours	3%	1%	1%	1%	1%	1%
Over 30 hours	28%	6%	4%	3%	3%	3%
In total	60	2,401	4,127	5,518	5,583	5,653

Source: Jobindsats.dk



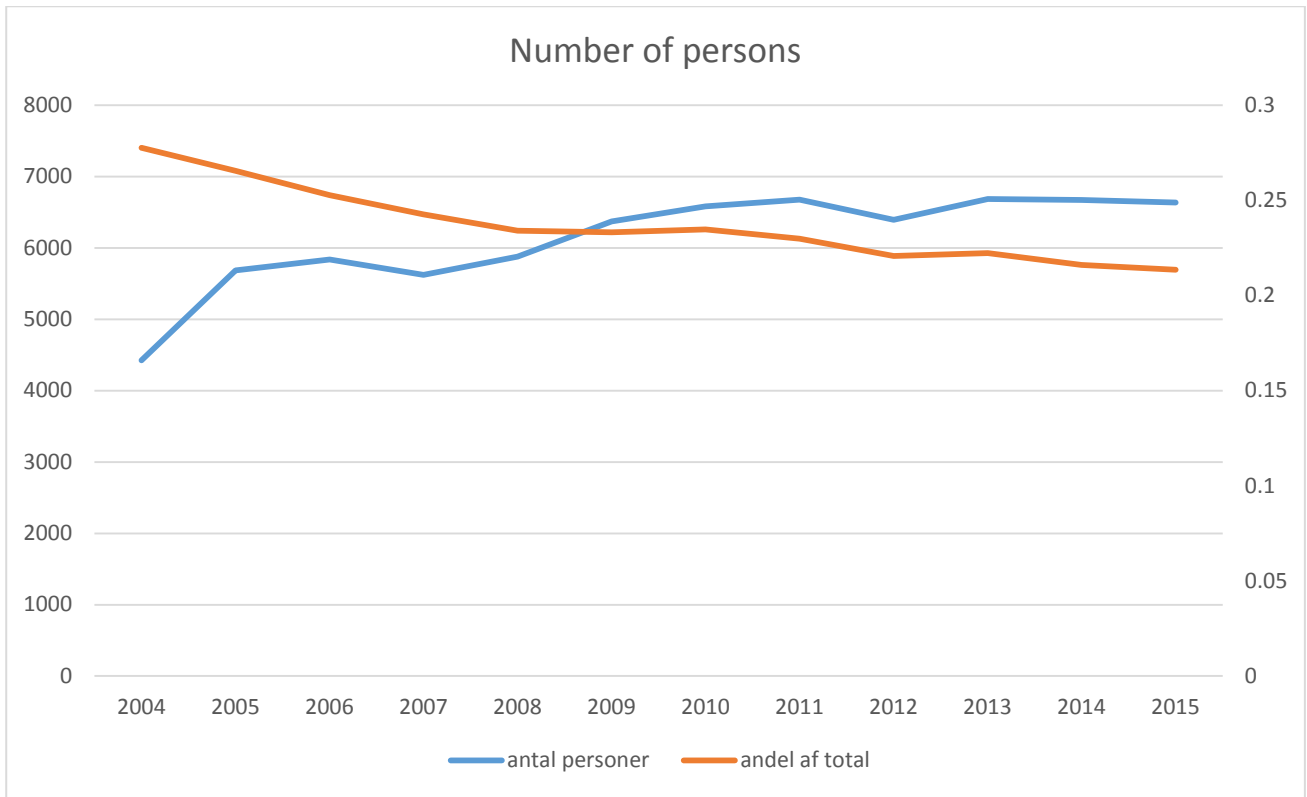
Source: Jobindsats.dk

## APPENDIX 5 UNEMPLOYMENT BENEFIT

Unemployment benefit			2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
The whole Country	16-19 years old	Number of processes	3	10	8	14	12	9	6	0	1	2	3	5
		Number of persons	3	10	8	14	12	9	6	0	0	0	3	5
	20-24 years old	Number of processes	288	331	324	306	344	377	365	319	270	363	385	453
		Number of persons	280	323	313	295	336	354	342	311	266	346	371	448
	25-29 years old	Number of processes	742	895	934	884	913	987	1,002	1,037	959	1,107	1,182	1,210
		Number of persons	718	857	897	853	881	951	956	984	928	1,067	1,143	1,182
	30-34 years old	Number of processes	1,345	1,850	1,866	1,773	1,908	1,985	2,032	2,040	1,947	1,991	1,980	1,940
		Number of persons	1,317	1,796	1,813	1,732	1,855	1,937	1,984	1,979	1,878	1,934	1,919	1,891
	35-39 years old	Number of processes	2,144	2,755	2,856	2,787	2,842	3,182	3,356	3,479	3,398	3,413	3,300	3,180
		Number of persons	2,106	2,700	2,805	2,729	2,795	3,121	3,293	3,402	3,320	3,337	3,235	3,110

Source: Jobindsats.dk

## Unemployment Benefit



Source: Jobindsats.dk

Unemployment Benefit Public Spending		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
		Public spending pr. person (kr./person)	Public spending pr. person (kr./person)	Public spending pr. person (kr./person)	Public spending pr. person (kr./person)	Public spending pr. person (kr./person)	Public spending pr. person (kr./person)	Public spending pr. person (kr./person)	Public spending pr. person (kr./person)	Public spending pr. person (kr./person)	Public spending pr. person (kr./person)	Public spending pr. person (kr./person)	Public spending pr. person (kr./person)
The whole Country	16-19 years	14,457.82	23,887.21	17,898.6	24,033.25	35,652.64	13,665.03	27,771.7	.	23,151.44	7.703,73	21,416.88	21,719.65
	20-24 years	53,008.27	54,810.45	51,684.44	52,678.34	57,102.81	74,626.34	82,336.57	84,287.1	84,319.79	68.172,21	55,033.61	45,907.72
	25-29 years	79,771.33	84,593.62	84,991.11	80,047.08	78,029.71	87,748.91	96,168.27	104,354.16	105,840.36	101.053,4	83,109.69	75,828.31
	30-34 years	87,063.03	86,612.53	87,483.8	82,093.14	76,089.9	89,404.85	97,356.95	105,719.15	110,097.25	101.459,92	88,664.94	81,461.27
	35-39 years	86,651.04	88,879.06	88,703.91	85,922.63	78,549.48	87,293.68	96,982.07	104,264.43	107,173.17	103.509,75	88,039.33	80,231.32

Source: Jobindsats.dk

## APPENDIX 6 EDUCATION BENEFIT

Education Benefit			2014		2015	
			Number of processes	Number of persons	Number of processes	Number of persons
The whole country	Gender in total	16-19 years old	16,399	13,444	15,166	12,445
		20-24 years old	47,597	37,630	45,918	36,464
		25-29 years old	32,091	25,627	30,036	24,310
	Female	16-19 years old	7,504	6,179	6,936	5,670
		20-24 years old	21,771	17,592	20,878	16,899
		25-29 years old	14,872	12,056	13,614	11,181
	Male	16-19 years old	8,895	7,265	8,230	6,775
		20-24 years old	25,826	20,038	25,040	19,565
		25-29 years old	17,219	13,571	16,422	13,129

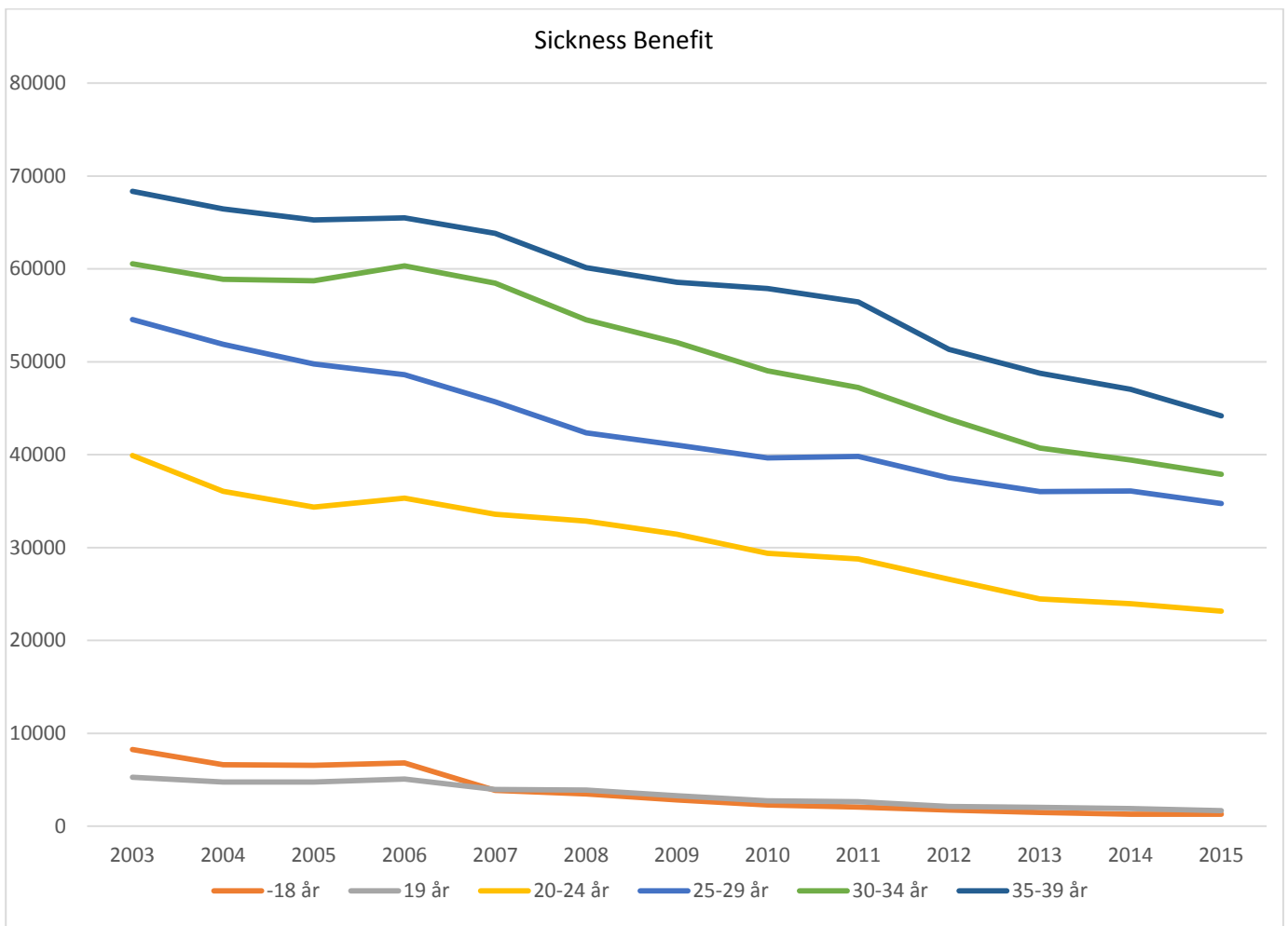
Source: Jobindsats.dk



Education Benefit		2014			2015		
		Municipal spending per person (kr./person)	State spending per person (kr./person)	Public spending per person (kr./person)	Municipal spending per person (kr./person)	State spending per person (kr./person)	Public spending per person (kr./person)
The whole Country	16-19 years	19,078.71	8,950.26	28,028.96	19,959.42	9,189.14	29,148.56
	20-24 years	32,173.42	15,275.36	47,448.79	33,091.27	15,330.71	48,421.98
	25-29 years	49,546.35	23,528.18	73,074.54	51,419.14	23,851.21	75,270.35

Source: Jobindsats.dk

## APPENDIX 7 SICKNESS BENEFIT



Source: Aggregated register data from Statistics Denmark and the Statistics Bank

## APPENDIX 8 INCOME SOURCES WHEN ON BENEFIT

Income sources for unemployed young person	Reference to legislation	Rate
<b>Sickness Benefit</b>		
Highest sickness benefit		4,180 kr. pr. week
<b>Unemployment Benefits</b>		
Unemployment benefits (89 pct.)		3,720 kr. pr. week
Unemployment benefits (cash benefits, parent)		3,363 kr. pr. week
Unemployment benefits (cash benefits, non-parent)		2,531 kr. pr. week
<b>Disability Benefits</b>		
Disability benefit, single	§ 49, stk. 1, nr. 8	18,122 kr. pr. month
Disability benefit, others	§ 49, stk. 1, nr. 8	15,404 kr. pr. month
<b>Resoruce Process Benefits</b>		
Parent	§§ 68, stk. 2, nr. 1 og 69 j, stk. 2, nr. 1	14,575 kr. pr. month
Non-parent	§§ 68, stk. 2, nr. 2 og 69 j, stk. 2, nr. 2	10,968 kr. pr. month
<b>Cash benefits</b>		
Turned 30 years, parent	§ 25, stk. 2, nr. 1	14,575 kr. pr. month
Turned 30 years, others	§ 25, stk. 2, nr. 2	10,968 kr. pr. month
<b>Education Benefits</b>		
Single parent - under 30 years	§ 23, stk. 2, nr. 1	12,019 kr. pr. month
Under 30 years, mentally ill, living by oneself	§ 23, stk. 2, nr. 5	10,968 kr. pr. month
25-29 years, living by oneself	§ 23, stk. 2, nr. 6	6,010 kr. pr. month
25-29 years, living at home	§ 23, stk. 2, nr. 7	2,590 kr. pr. month
Under 25 years, living by oneself	§ 23, stk. 2, nr. 8	6,010 kr. pr. month
Under 25 years, living at home	§ 23, stk. 2, nr. 9	2,590 kr. pr. month