



Faculty of Social Sciences

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# Break Back – The Danish country report part 1 – the first preliminary findings

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## Danish IR-traditions generally speaking

- Wage and conditions primarily regulated through collective agreements – but Danish labour law also important
- High union density (63%)
- High collective agreement coverage (84%)
- Shop steward coverage (52%)
- Relations btw. social partners: high trust, consensus and respect for divergent interests
- Multi-employer bargaining widespread
- Trade unions and collective agreements organised according to occupations and not sectors, with a few exceptions



## The Danish IR-model in selected sectors

Key figures in the Danish IR-model in selected sectors in per cent				
	Union density	Collective agreement coverage (companies)	Shop steward coverage	Company based bargaining – only companies covered by CA
<b>Manufacturing</b>	75	73	48	86
<b>Construction</b>	70	84	40	68
<b>Industrial cleaning</b>	54	Estimate 40-50	:	37
<b>Retail</b>	32	57	23	24
<b>Hotel &amp; restaurants</b>	33	40-50	:	73
<b>Creative industry</b>	36% -70% (architects)	Low if not non-existent	:	:
<b>Graphic design industry</b>	46	33	:	:
<b>Gaming</b>	50	Nearly non existent	:	:



## The main Danish trade union confederations

### **FH (The Danish Trade Union Confederation), establ. 2019:**

- Organises unskilled, skilled and white-collar workers – occupational specific unions
- 79 affiliated unions representing 1,350,000 blue- and white-collar workers in the private and public sector
- Three largest member organisations: 3F, HK and FOA
- Union merger btw. LO (The Danish Confederation of Trade Unions) and FTF (The Confederation of Professionals).

### **AC (The Danish Confederation of Professional Associations), establ. 1972**

- Organises academics and highly skilled workers
- 25 affiliated trade unions, representing 392,000 highly skilled workers in the public and private sector
- The three largest affiliated unions IDA, DJØF and DM

### **LH (The Association of Managers and Executives) establ. 1991**

- Organises managerial staff in the public and private sector
- 3 affiliated organisations, representing 105,000 members
- Not engaged in collective bargaining, but sign collaboration agreements



## Membership trends

### Declining union density:

**General:** 1995: 73% 2018: 63%

**Men:** 1995: 77% 2018: 60%

**Women:** 1995: 78% 2018: 69%

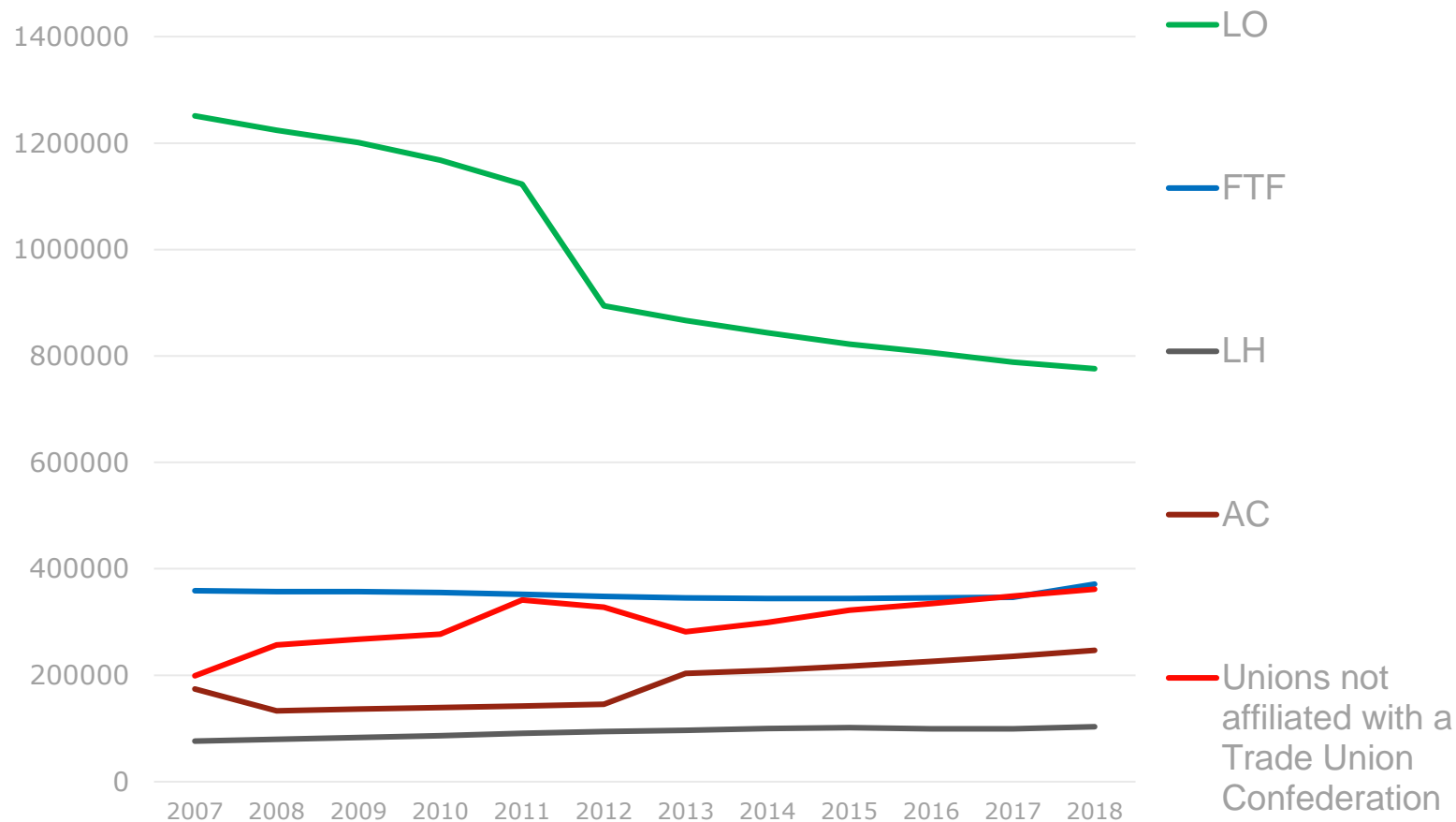
### Groups with particularly low union density:

- Young people (<25 years)
- Migrant workers
- Atypical workers

**Different membership trends** across distinct trade unions confederations and their member organisations



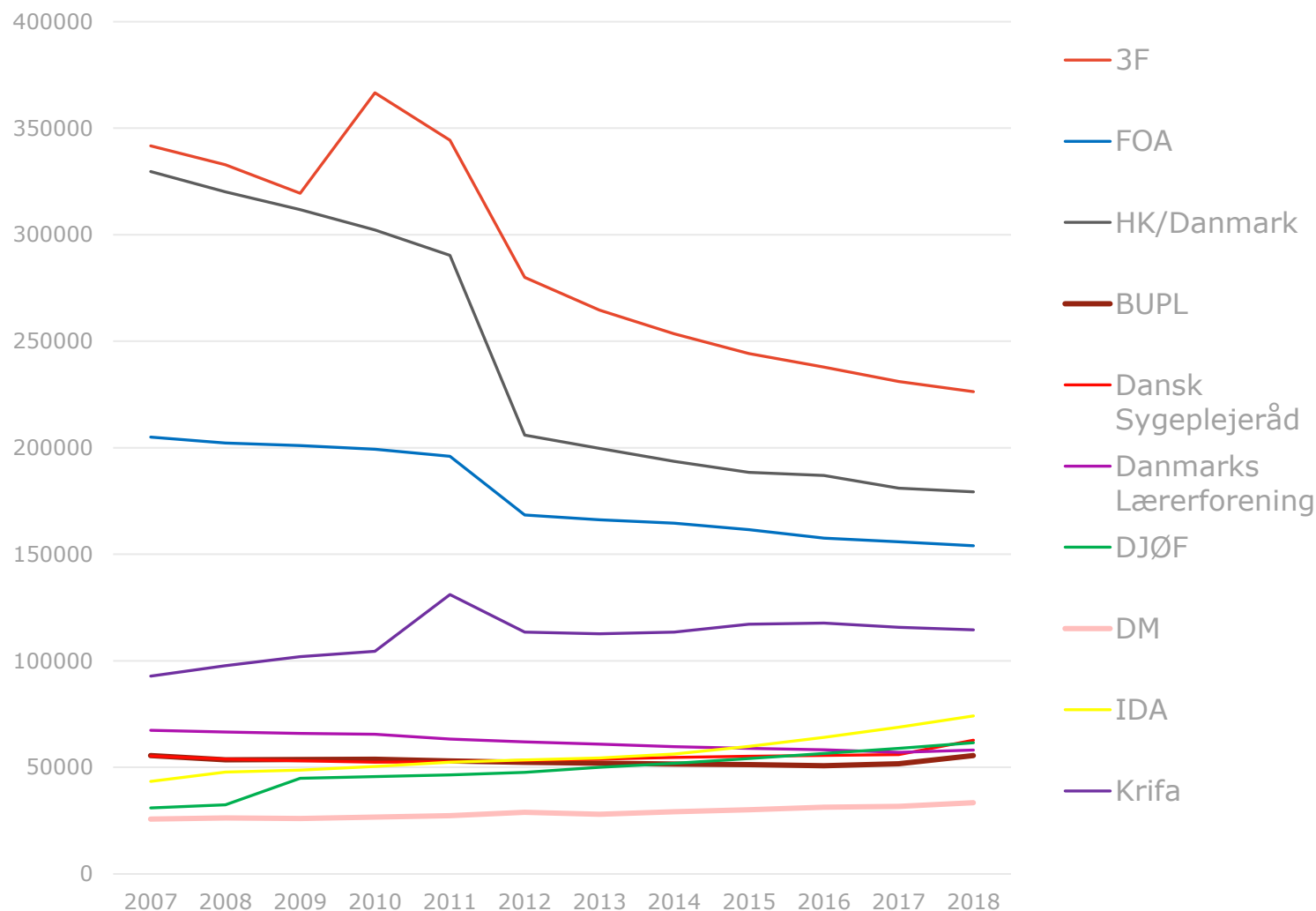
## Recent membership trends among Danish trade union confederations in actual numbers (2007-2018)



Source: Statistics Denmark (2019)



## Recent membership trends among selected Danish trade unions in actual numbers (2007-2018)



Source: Statistics Denmark (2019)



## Reasons for recent membership trends - examples

- Shift in the occupational structure on the Danish labour market – expansion of less densely regulated sectors
- Liberalisation of the Danish Ghent System in 2002 – workers no longer obliged to join a specific union be covered by an unemployment benefit scheme
- Introducing a lower threshold for tax exemptions of union fees in 2010 – favouring unions with lower fees
- The European Court of Human Rights ruling from 2006 – deeming it unlawful to force employees to be a member of a specific union
- High union fees, political reasons and unawareness of trade unions activities also contributing factors





## Examples of innovative trade union services - A few examples from the union confederations

Interviews with union representatives

### **FH:**

- 3-fold structure: main confederation, sectoral unions and local union branches.
- Main confederation assists in collective bargaining and represents member interests vis a vis at national and EU level.

**Innovative policy responses:** Primarily developed within member organisations.

- Exchange of best practices though network, i.e. on atypical work and union recruitment
- Lobbying government on increasing unemployment benefits rates.
- Discussed solutions for private unemployment insurance



## Examples of innovative trade union services - A few examples from the union confederations

### **AC:**

- 3-fold structure: main confederation, sectoral unions and local union branches.
- Main confederation assists in collective bargaining mainly in public sector (collective agreement coverage 10 pct. in private sector)
- Represents member interests vis a vis at national and EU level.

**Innovative policy responses:** Primarily developed within member organisations (internal divisions)

- Campaigning for SMEs to hire academic graduate
- Lobbying government to increase unemployment benefits rates, especially regarding new graduates
- Discussed solutions for private unemployment insurance



## Introducing the proposed sector organisations

### **Three unions:**

- 3F, HK, DM – represent distinct groups
- Highly innovative unions – but in different ways

### **Proposed types of interviewees:**

- Representatives from sectoral unions and local union branches
- Workplace representatives
- Union members such as atypical workers

**Examples** – preliminary findings



## Introducing the proposed sector organisations

### **DM: One of the largest academic unions**

- Organise masters and phd's
- Consists of 5 divisions – Public, private and self employed, science, students and managers.
- Organise freelancers, traditional employees and managerial staff.

### **Examples of innovative union services:**

- Flexwerker network and events for freelancers and atypical employees
- Expanded its scope of services, i.e. various insurances but only for distinct groups
- Differentiated membership fees – long term unemployed, self-employed (<18 h./week), graduates, on maternity leave, etc.



## Introducing the proposed sector organisations

### **HK: One of the largest Danish trade unions**

- Organise commercial and clerical workers
- Consists of 4 divisions –private, retail, state and local government sectors
- Organise freelancers and traditional employees

### **Examples of innovative union services:**

- Expanded its scope of services ranging from various insurances, lower membership fees for selected groups to business services targeting self-employed
- Collective agreement for freelancers
- Regulating platform work through collective agreements (2018)
- Set- up of service bureau for freelancers (2018) (fee 8%)
- Pension scheme for freelancers, solo-self-employed and employees without CA-coverage (2017)
- Insurance for platform workers (2017)



## Introducing the proposed sector organisations

### **3F: The largest Danish trade union**

- Organise skilled and unskilled blue collar worker
- Consists of 6 divisions ranging from private services, manufacturing, agriculture, construction, public sector and transport
- Only workers with employee status can be members

### **Examples of innovative union services**

- Expanded its scope of services ranging from various insurances, renting of summer houses, lower membership fees for selected member groups
- Regulating subcontractors and strengthening such regulation through collective bargaining in the cleaning sector
- New and strengthened collective agreed social rights for atypical workers like temps, part-time workers etc.
- Regulating platform work through collective agreement (2018)



## Summing up

- **Danish IR-model** – comparatively strong - but important cross-sectoral variations
  - Union density range from 75% in manufacturing to 33% in retail
  - Coll. agreement coverage: 84% to 30% - and even lower in some sectors
  - Marked variations in workplace representation
- **Examples of innovative service provision:** - HK, 3F and DM
  - Expanding membership package to cover various services
  - Regulating digital platforms, freelancers and subcontracted workers
  - Strengthening rights for non-standard workers like temps etc.
  - Organising network for freelancers and other atypical workers
- **Key questions remain:** What is the take-up of such services among union members and have such services affected the recent development in selected trade union's membership base



Thank you for your  
attention!

