

# Tripartite Agreement on Labour Market Integration

---

Labour market inclusion is an absolute necessity for the integration of people into Danish society.

Reinforced initiatives to integrate refugees and relatives reunified with them should be addressed in conjunction with our insistence on high levels of ambition in the effort to assist all categories of jobless people in Denmark in gaining a foothold on the labour market.

The Government and the social partners will continue tripartite discussions to deal with important challenges of labour market integration of other groups, addressing themes such as sufficient and qualified manpower in all regions of Denmark and the availability of traineeships to young people.

---0---

Denmark is facing growing challenges of social integration, and to shoulder the task it is imperative to provide jobs for more refugees and reunified relatives, enabling them to become part of the community. It needs to be a much faster process than it is today.

Some groups will be able to step in and get their qualifications into play in the Danish job market a short time after they have obtained their residence permits, while other groups will require effective integration measures targeted at regular employment. Some will be ready to take a Danish vocational training programme on regular terms that qualifies them for jobs and provides stable attachment to the labour market. Others will become ready for education and training in step with their acquisition of Danish language skills, for example.

Entering into this Agreement, the Government and the social partners have agreed to outline the framework for future employment oriented integration programmes.

The initiatives must provide the very best foundation for giving all parties involved – local authorities, business undertakings and employees – opportunities to contribute to successful integration and ensuring that refugees and reunified relatives feel motivated for work, when they are placed in companies in either regular jobs, work training, subsidised jobs or other forms of training-oriented employment. They must moreover provide a framework that makes it easy for companies to join the programmes.

Local authorities are responsible for efficient integration programmes and seeking out whatever opportunities the business sector can provide. At the same time, local authorities can only handle the challenge if companies and their employees will be opening their doors, accepting responsibility for being part of meeting the integration challenge.

The Government's goal is to see every second refugee and reunified relative placed in a job. The initiatives defined in the tripartite agreement on labour market integration are aimed, as a whole, to ensure successful attainment of the Government's goal.

## Greater employment focus in integration programmes

---

In the overall perspective, a paradigm shift is required in relation to the integration of refugees and reunified relatives who do not find employment in Denmark immediately. The initiatives for these groups must start earlier and involve employers to a wider extent than now.

The background to this change in focus is the fact that in 2014 only 28 per cent of refugees and reunified relatives aged between 25 and 64 years had obtained a job after three years of participation in integration programmes.

### **Integration programmes with sharper job focus**

Measures offered under integration programmes must include more focus on placing the individual at a workplace in a company, as this will provide insight into how the labour market works and support command of the language, so that the individual can contribute to Danish society as soon as possible.

### ***Better utilisation of the time in asylum application and transition phases***

Faster integration will require a screening of asylum seekers for informal and formal qualifications already in the phase when they have filed their application, and job opportunities must be taken into account when asylum is granted and the local authority district in which they will be resettled has been determined.

At the same time, the transition phase while the individual refugee is waiting to be transferred from an asylum centre to a local authority district should be used better, i.e. for making an assessment of the particular refugee's formal qualifications and preparing him or her for a regular job or a programme under the auspices of the local authority.

*The Government and the social partners have therefore agreed that:*

1. The screening of refugees' formal and informal qualifications must be better and more consistent. This may contribute to improvement of the transfer of information from asylum centres to local authorities, and the screening must include, for example, more specific information about language(s), education and training background and job experience.
2. The utilisation of existing frameworks for making a formal assessment of the skills of refugees and reunified relatives with a qualification background and professional or vocational competencies must as far as possible be commenced already before they are transferred to a local authority in light of the importance of putting each refugee's skills to use quickly in the Danish labour market.

3. When the individual refugee is due to be resettled to a local district, the occupation options must be the primary consideration of all the aspects that are taken into account.
4. Refugees who have received a genuine job offer must basically be given a residence in the district where the workplace is located.
5. The process of handing over information about the particular refugee's skills, including language(s), education and training, job experience, etc., from the asylum centre to the local authority needs improvement, as the authority must be able to provide a better service, also if an external actor is involved, already when being informed that an applicant is granted asylum.
6. The Danish language programmes in the transition period from asylum centre to local authority need to be made fully consistent in order to ensure uniform teaching quality and volume in that phase.

***Refugees must be approached as ready for work***

Many refugees have been used to supporting themselves financially in their home countries. The planning of the local authority integration programmes should take into account that refugees can and must work when they come to Denmark. This also apply if the particular refugee cannot speak Danish from arrival.

*The Government and the social partners have therefore agreed that:*

7. The basic approach to refugees and reunified relatives, when they start integration programmes in future, must be that they are ready for work. They should be met with the clear requirement that they must work and support themselves and their family financially. It is only in cases where refugees and reunified relatives are obviously not ready to meet job-oriented requirements due to social or health problems (if they are seriously traumatised, for example) that they may be screened as persons who are ready for activity programmes. In addition, in line with current rules, a local authority may give young people of less than 25 years an order to take education or training.
8. The current requirement that refugees and reunified relatives must check out job postings at the Jobnet site and update their CVs in the Jobnet register may work as a barrier to their being assessed to be ready for work. Thus, in practice, these requirements depend on the person's ability to understand Danish, or the local authority will spend a disproportionate amount of resources on providing one-to-one assistance to the individual with writing and updating CVs etc. The local authorities should therefore be allowed to exempt refugees and reunified relatives temporarily from these requirements. Local authorities must, however, continue to support the goal of making refugees able to use Jobnet as soon as possible.

***Integration programmes must be intensified and job focused***

As matters stand today, integration programmes are rather unsuccessful when it comes to enabling refugees to join the labour market and take up regular employment. Company focused initiatives such as company training and subsidised jobs have better employment effects according to experience than other welfare-to-work initiatives.

Even so, only a bit more than one in three participate in company focused programmes, and the local authorities rely on company focused initiatives to a greatly varying extent. In order to boost such programmes, it should be possible to launch initiatives based on local efforts to train job seekers for specific business sectors, for example. To some refugees, starting up their own business may be the way to self-sufficiency.

The job programmes should be viewed in conjunction with the restructured refund system that was introduced at the turn of the year, when local authorities were given significantly better incentives to find work for refugees and reunified relatives as soon as possible and thereby incentives to appeal quickly to business undertakings, which are where the jobs are.

*The Government and the social partners have therefore agreed that:*

9. Integration programmes must become more intensified and targeted, paving the shortest possible way to employment. Local authorities must still be obliged to offer relevant Danish language education free of charge for up to five years, irrespective of whether a refugee takes part in company oriented initiatives or has obtained a job. Where a refugee is ready to start qualifying vocational training on regular terms – for instance in step with acquiring command of the Danish language – this may be the way forward towards stable labour market inclusion.
10. Local authorities must be obliged to offer participants in integration programmes early and intensive company oriented measures to be commenced as soon as possible after the local authority has taken over responsibility for their integration. This is also a prior condition for gaining better benefit from language education. The ambition is to engage the particular refugee in the integration effort on a full-time basis, if this can provide a faster way to a job.
11. Refugees who are ready for work training initiatives (not ready to take jobs) will be given the possibility of starting up company oriented activity in a special pre-programme, which is designed to find, adjust and offer activity in company work training or a subsidized job that may lead to later regular employment. The pre-programme may be used for instance to uncover the particular refugee's challenges in relation to participating in a company oriented initiative and introduce him or her to a Danish workplace. Elements of the activities of a pre-programme should, in principle, be carried through in a company. The specific model will need to be developed.
12. All refugees and reunified relatives will be under an obligation – as they are today - to take part in a company oriented initiative and will be subject to financial sanctions in case they fail to take part without a valid excuse.

### **More occupation-oriented language training**

To many refugees and reunified relatives, the road to the job market is via company oriented initiatives as well as language education. The particular refugee is therefore not necessarily required to have command of the language before being placed in the labour market. It is important that language education and company oriented initiatives are coordinated, ensuring that Danish language skills are used to a higher degree in practice in the company and also contribute to securing jobs for refugees and reunified relatives faster.

At the same time, it must be a requirement that the planning of language training can take account of the variations in the language proficiency demanded in different areas of occupation.

*The Government and the social partners* therefore agree that:

13. Danish language education must underpin company oriented initiatives and make refugees and reunified relatives able to work and support themselves financially to the widest possible extent. Local authorities are responsible for Danish language education and must ensure that courses are planned in a flexible structure and can take place outside normal working hours, for example and, generally, be adjusted to the particular refugee's employment or participation in company oriented initiatives, etc. An analysis process must be carried through, designed to determine if, in practice, barriers may prevent a refugee's participation in company oriented initiatives etc. due to the way language classes are currently organised.
14. The content and organisation of Danish language education must be updated and made more labour market oriented, helping refugees and reunified relatives to acquire the necessary general and specific Danish language skills to meet the basic linguistic requirements for having a job, and as far as possible take account of the fact that refugees will be expected to handle many different job functions. At the same time, it is important for inclusion that refugees also gain language skills that give them a basis for participation in Danish society in a broader sense.
15. Large companies that take in refugees and reunified relatives, either in regular jobs, in company work training, subsidized jobs or other skills enhancing initiatives, must be given the possibility of organising and establishing their own language education at the workplace. The funds granted towards language education must follow the particular refugee.
16. Language education provided by companies must live up to a set of standards in respect of quality, follow-up, organisation in relation to the particular refugee's background and needs, etc. More specific rules for such education must be laid down in the Danish Language Education Act. The social partners will be heard in connection with amendments to the Act, if any. The goal of the education must consistently be the passing of language tests and the concluding exams in Danish.
17. At the same time, there must be greater progression and higher attendance rates for the Danish language courses and a larger number of course participants must complete each of the modules and pass the final Danish language exams.

### **Strengthening service to companies**

A requirement for providing fast and focused company oriented assistance to refugees and reunified relatives aimed to give them the skills they need to join the Danish labour market is that companies will meet a professional, effective and well-coordinated employment promotion system.

In recent years, local authorities have upgraded their platforms for cooperation with the business sector. Still, an extraordinary effort must be delivered to respond to the ambition of securing jobs for more refugees and reunified relatives. Local job centres must be proactive, cooperate across local authority district boundaries to find placement opportunities, contact relevant companies and help with matching people in their integration programmes to regular jobs or work training initiatives in particular companies.

*The Government and the social partners* therefore agree that:

18. Local authorities must upgrade their delivery of service to companies and, as an integral element, as provided by the Employment Reform, carry through initiatives that appeal to companies, having the potential to secure a larger number of regular jobs and company oriented initiatives, also for refugees and reunified relatives. Job centres must find candidates in their integration programmes for regular jobs or company oriented initiatives, for example based on a company's specific requirements, provide guidance on the subsidised employment options, offer support towards peer training programmes etc. and establish procedures for fast and effective case processing, also in case problems arise in relation to an employment or practical training situation.
19. The goal is to assist more refugees and reunified relatives with being placed in jobs or education quickly, which will, in particular, require distinctly stronger company oriented initiatives. To meet the objective, local authorities must already now tune their organisation and programmes accordingly. Indicators must be defined for this work, allowing it to be monitored closely. The parties to this Agreement agree that all company oriented initiatives must be on a par with the performance of the most efficient local authorities today.
20. As part of their cross-local authority service to employers, local authorities must ensure – either through lateral cooperation or through JobService Denmark – that companies interested in recruiting people, either for regular or for subsidized employment, will be able to receive coordinated service and information about it across district boundaries.
21. Companies and workers' organisations may take an active part in the recruitment of volunteer mentors for the Company Partnership "Teaming up for Integration" offering support to refugees placed in company oriented initiatives, thereby helping them to get closer to the labour market. It will also be possible to set up pilot projects for volunteers with managerial skills, for example, who may assist the action to obtain contact with companies.

## Offering companies better conditions for hiring refugees

---

It should be possible for refugees and reunified relatives when arriving in the country to offer their manpower and become self-sufficient. This will require that it is easy to gain access to the Danish labour market.

Therefore, guided access routes into the labour market should be available, taking account of the skills of the individual and the need for manpower – for refugees and reunified relatives as well as for other categories of jobless people.

At the same time, good conditions must be ensured for the companies that are ready to contribute to integration by hiring refugees even if, at the time when they are hired, their skills and productivity do not live up to the current requirements of the Danish labour market.

### **Effective routes into the regular labour market – new basic training for integration**

The Danish labour market is characterised by high levels of qualification among both unskilled workers and workers who have taken formal, qualifying education and training. This is also reflected in the pay and working conditions agreed by the collective agreements that cover the greater part of the labour market.

Refugees and reunified relatives whose qualifications and productivity cannot meet the requirements of the labour market instantly may, however, be facing difficulties in gaining a foothold in regular employment, because they are unable to earn a Danish wage at the level of the collective agreement.

It is therefore necessary to create effective routes into the regular labour market that will improve the employment chances of refugees and reunified relatives, and it must be ensured that the individual will obtain the skills required to have a job on the general terms of the Danish labour market.

In light of this imperative, the Danish Employers' Confederation and the Federation of Trade Unions have drafted a joint, ambitious proposal for a new two-year integrative basic training programme (IGU) as referred to in *the Appendix on a memorandum of agreement and understanding*.

The integrative training programme will be launched as a three-year pilot project and provide possibilities of getting jobs and skills enhancement for refugees and reunified relatives whose qualifications and productivity cannot yet meet the requirements of the Danish labour market. The proposal is based on existing collective agreements and the pay rates for the two-year individualised vocational training programme.

22. *The Government and the social partners therefore agree* that they will accept in its entirety the proposal of the Employers' Confederation and the Federation of Trade Unions to establish a new integrative training programme as a weighty contribution to solving the integration challenge.

The programme will be incorporated into current legislation and not require further implementation into collective agreements, as the pay rates have been agreed at the current rates for trainees on existing vocational training programmes in the relevant collective agreement areas, while other employment conditions are subject to the respective collective agreements that are in force already. In the practical implementation, where, in relation to existing non-discrimination rules, specific authority will be provided whereby companies that are ready to offer employment may enter into Integrative Basic Training contracts, the following further specifications must be applied:

- a. The target group for entitlement to integrative basic training (IGU) is refugees and reunified relatives of refugees between 18 and 40 years who are subject to the Integration Act.
- b. An IGU training benefit will be introduced, which the IGU trainee will receive during the skills enhancement programme taking place during his/her working hours. The IGU benefit will match the integration benefit, while taking account of whether the trainee has dependents.
- c. The Government will initiate a process with the social partners in order to define the range of skills enhancement possibilities to be offered under an IGU contract. The basic assumption for this process is that the average cost of training should not exceed the current cost of training for a 20-week course under the integration programme and that the scope of Danish language education will be at an unchanged level. This process must be completed before the summer vacation 2016 to make it possible to start up the IGU delivery as from July 2016.
- d. The social partners must undertake an obligation and support concrete initiatives to obtain a substantial volume for the IGU programme, for instance through ongoing communication to workplaces.
- e. A follow-up review must take place annually, registering the number of IGU contracts and the funding of the programme to assess if changes will be required, for example to boost the volume. The parties will consider whether to extend the programme no later than six months before the Agreement expires. Indicators must be set up for this work, allowing continuous monitoring in accordance with item 19 of the Agreement as well as assessment of whether the IGU programme will lead to either regular employment or regular education.
- f. It is a key requirement that the launch of an IGU programme for refugees and reunified relatives will not result in fewer opportunities for permanent labour market inclusion for other groups via other tailored programmes, such as the individualised vocational training programme (EGU).



It is agreed that the objective is to assist as many refugees and reunified relatives as possible in obtaining regular jobs and that the IGU programme must serve as a key instrument in that connection, either to ensure direct regular employment or regular vocational training. The parties intend to make an active effort to secure and follow up on the necessary volume for the IGU programme.

The Government and the social partners agree that all parties must carry through an ambitious information effort, promoting all programmes that may contribute to integrating refugees and reunified relatives into the labour market.

### **Clarifying competencies for employment**

The individual refugee's competencies in the areas of education, training and job experience must be mapped out sooner than today, ensuring that qualifications and competencies are visible to employers.

When receiving refugees and reunified relatives, local authorities must quickly start the process of gaining a full picture of the individual's formal and informal skills based on the information that has been gathered before the person's resettlement to the local authority district (in the asylum and transition phases). The goal is to assist refugees and allow them to use their competencies as soon as possible and in the best possible way in the interest of the individual and Danish society.

A facility has already been established for clarifying facts in relation to education and training, where a refugee may be given an assessment of his or her formal education qualifications, for instance through the individualised competence clarification scheme, which is an element of the Labour Market Training System. However, in relation to employment, a tool has not yet been developed that may help clarify the individual refugee's situation relative to job skills, which should help target the integration process at employment from day one.

*The Government and the social partners* therefore agree that:

23. A new nationwide job-targeted competence clarification tool must be designed and made available to local authorities all over the country. The tool may be used for all, irrespective of their education background and must be intended to streamline all employment focused measures towards getting regular jobs in place as soon as possible.
24. The tool must contribute to providing more systematic and consistent methods of job oriented competence clarification in the integration process across local authorities. It must also be ensured that the clarification tool will take account of the early screening of refugees and reunified relatives that must take place in the asylum and transition phases according to the Agreement, providing a coherent and more effective competence clarification process.
25. The social partners must be involved in the design of the competence clarification tool and contribute to making it useful in the matching of a person's competencies with the labour market and specific job openings.

The tool should enable local authorities to map out the types of regular job the particular refugee will be able to perform – on the basis of the refugee’s formal and informal qualifications and skills – or alternatively, the types of company work training or subsidised job initiatives that should be offered, possibly in combination with a supplementary brief job oriented skills enhancement programme.

### **Service overhaul of job promotion schemes**

In connection with the four-party agreement in 2006 between the then Government, the social partners and Local Government Denmark, a total of 12 job promotion schemes were introduced, all consisting of targeted in-company training combined with education. The objective of the job promotion schemes was definitely regular employment.

The contents of the particular industry oriented schemes were agreed between the parties to the collective agreements for the sectors involved and implemented in collaboration between Labour Market Training Centres and local authorities.

Industry oriented job promotion schemes are seen by many local authorities and the social partners as a good instrument for labour market inclusion of refugees and reunified relatives, as they have the advantage that they clearly specify what will happen, when it will happen and the reason why it will happen. This will also benefit the particular refugee who will get a clear, guided route into the labour market.

*The Government and the social partners* therefore agree that:

26. The employers and workers who have entered into collective agreements for their own particular sectors must carry through a service overhaul of existing job promotion schemes by the summer of 2016 in order to clarify if there is a need to adjust some schemes or possibly design new targeted ones in light of the new situation. Job promotion schemes may be aimed at both the private and the public sector.

### **Targeted access to the Danish job market**

Refugees and reunified relatives must to a higher degree receive concrete recommendations of ways to get into the Danish labour market, making it possible for them, with the right skills enhancement measures, to fill a job and become self-sufficient.

The Labour Market Training (AMU) system offers many opportunities for skills upgrading already today. Labour market training options can be combined or are already combined into a variety of industry-focused course packages. Industry focused courses in the AMU system can provide the necessary competencies for a specific job task, being either introductory or specialised. They can be used for the upgrading of jobless people as part of active employment promotion, and a range of special labour market training courses are aimed to support labour market inclusion for bilingual people.

Many local authorities have gained good experience from setting up targeted initiatives for refugees based on the AMU system's industry-focused training packages.

*The Government and the social partners* therefore agree that:

27. A project to communicate information to local authorities must be launched, pointing out the possibility of choosing industry-focused course packages for their programmes to create employment for refugees and reunified relatives, for instance by referring to successful examples. The information approach should also underscore the availability of labour market training courses in other languages than Danish, if required, and highlight the fact that AMU industry-focused course packages may be combined with Danish language education in a flexible schedule.
28. If required, new supplementary AMU industry-focused course packages may be created to match the local target group's employment needs.

AMU industry-focused course packages can be used as part of a local authority's general employment initiatives or in combination with other measures. They may also be a useful offer which a local authority may provide to other groups of jobless people. In addition, AMU course packages may to a relevant extent be used to shorten the duration of a formal vocational training programme.

The Government and the social partners attach weight to ensuring that refugees and reunified relatives who should be able to obtain Danish vocational qualifications or other relevant qualifying education quickly by virtue of prior education and job experience will indeed be given the chance to achieve such qualifications.

Local authorities may commission tailored skills upgrading courses from education institutions to be added to their integration programmes, for instance courses that can provide a fast track to an established vocational training programme or other formal, qualifying education.

*The Government and the social partners* therefore agree that:

29. The expert committee appointed by the Government for better access to youth education and training will present its recommendations on how preparatory training initiatives (to be provided between completion of secondary education and youth education programmes) may be tuned and targeted to match refugees and immigrants with poor Danish language command to a higher degree.

### **Better conditions for companies that contribute to integrating refugees**

Refugees and reunified relatives must be placed for work in Danish companies and other workplaces sooner than today. Most refugees who come to this country are not familiar with Danish language and without the qualifications typically required in all sectors of the Danish labour market.

It is therefore reasonable to lend a hand to the companies that are ready to open their doors and contribute to workplace integration.

The Government will introduce a bonus scheme for private sector companies that hire refugees and reunified relatives in regular, non-subsidised jobs in the first two years after they have obtained their residence permit in Denmark. The bonus scheme will include the following elements:

- a. The scheme will be provided as a pilot programme for people who are hired in the period 1 July 2016 to 30 June 2019.
- b. The bonus will be disbursed after 6 or 12 months of consecutive employment for more than 19 hours a week for both fixed-term and permanent employment.
- c. For companies that take on refugees who have been granted their residence permit less than one year prior to their employment, the bonus payment is DKK 20,000 after six months and DKK 20,000 after 12 months of employment. For companies that take on refugees who have been granted their residence permit between one and two years prior to their employment, the bonus payment is DKK 15,000 after six months and DKK 15,000 after 12 months of employment.
- d. In respect of refugees and reunified relatives who were granted a residence permit in the period from 1 July 2014 to 1 July 2016, and thus before the bonus scheme enters into force, the employment will qualify for the same bonus as for those who are granted residence as from 1 July 2016 (DKK 20,000 after 6 and 12 months, provided they are taken on in the period 1 July 2016 – 30 June 2017). However, the hiring must still be within the first two years after the residence permit was granted.
- e. The bonus scheme will also support the basic integrative vocational training programme (IGU), with bonus payments of DKK 20,000 after six months of employment and DKK 20,000 at the completion of the programme to companies that enter into IGU contracts.

#### **Greater transparency of the rules**

It is important to ensure that the regulations are sufficiently clear when companies are committed to active employment programmes, including programmes to promote labour market inclusion of refugees and reunified relatives. Some companies call for more information about the rules of the Non-Discrimination Act, while others request initiatives that will help prevent them from contravening the Aliens Act (“Udlændingeloven”) unknowingly.

*The Government and the social partners* therefore agree that:

30. The Government and the social partners plan to discuss how, in a joint effort, it may be possible to provide more effective guidance on the provisions of the Non-Discrimination Act before the summer of 2016.

An inter-ministerial working group has been in operation since the autumn of 2014 to clarify how employers may be given the assistance they require to prevent that they contravene the Aliens Act unknowingly. The working group expects to conclude its work in the second quarter of 2016, and the Government expects to present new initiatives before the summer vacation.

*The Government and the social partners* therefore agree that:

31. The social partners must be consulted about the planned initiatives to be introduced on the basis of the findings of the working group.

**Improvement of the access for refugees and reunified relatives to set up their own business**

Some refugees and reunified relatives set up their own business when they come to Denmark. The effort to make more refugees self-sufficient must include support to all options on the labour market.

*The Government and the social partners* therefore agree that:

32. The Government and the social partners plan to discuss how programmes aimed at self-employment may be strengthened, making it easier for refugees and reunified relatives who have the skills background required for self-employment to meet the requirements from authorities etc. without placing other groups in the Danish labour market at a disadvantage.

## Other elements of the Agreement

---

The Government will as soon as possible seek endorsement from the parties of the Parliament (Folketinget) for implementing the initiatives outlined above.

The present Tripartite Agreement will be kept within existing funding allocations in accordance with the framework outlined in the terms of reference for this work.

The Government and the social partners agree that the Danish labour market must be characterised by good pay and employment conditions and plan to continue the tripartite discussions on the topics referred to in the coalition agreement on labour market policy challenges. Topical concerns are sufficient and sufficiently qualified manpower in all regions of Denmark, more traineeships for young people and maintaining high levels of ambition in the initiatives to assist all groups of jobless people in Denmark in gaining a foothold on the labour market.

A start-up meeting will be held on 15 April.

## The working group for tripartite discussions 2016

### Appendix J. New opportunities for employment in integration jobs

March 2016

---

The Danish labour market is characterised by high standards of qualification in the case of both unskilled workers and people with qualifying training and education. This is reflected by the pay and working conditions agreed by collective agreements that cover the greater part of the labour market.

To refugees and reunified relatives whose qualifications and productivity are not yet on a par with the requirements on the Danish labour market, it may however be difficult to gain a footing in regular employment because, in the initial period in Denmark, they cannot earn a Danish wage at the level determined by a collective agreement.

Therefore, effective access ways into the regular labour market must be put into place, boosting employment rates and contributing to a significant rise in the number of job openings for refugees and reunified relatives. In addition, it must be ensured that the individual refugee has access to skills enhancement to be able to handle a job on regular Danish labour market terms.

*The Government and the social partners* therefore agree that:

Within the framework of the Danish labour market model, a new basic integrative training programme (IGU) must be introduced for refugees and reunified relatives based on the following principles:

- a. *The employment must be for a fixed term and serve as a stepping stone to the regular labour market*  
The new IGU must be for a fixed term up to 24 months and aimed at promoting access to regular employment or creating a basis for continuation in a vocational training programme. IGU must serve as a supplement to programmes such as in-company training contracts, subsidised jobs and skills enhancement initiatives. IGU will also be a supplement to separate collective agreements on integration trainee plans etc. The IGU contract should be agreed directly between the employer and the individual. An electronic contract form will be introduced to form the basis of the employment, the registration of the IGU contract and the payment of bonus to the employer.
- b. *The employer must inform and hear the joint consultation committee*  
Companies that want to use the IGU initiative must inform and consult their employees about it according to the rules that apply under their joint consultation agreements, other collective agreements or the Act on Information and Consultation.
- c. *Registration and monitoring of contracts*  
IGU contracts must be registered electronically. The Council for Basic Vocational Training will prepare a monitoring report every year, based mainly on the recorded registrations, to be discussed by the three parties behind the initiative with a view to evaluation of its results.

*d. Pay and employment conditions must reflect the qualifications of the target group*

The company must pay the wage rates for individualised vocational training (EGU) stipulated by the collective agreement. Companies that have not entered into any agreements on EGU pay rates or companies without a collective agreement must use the pay rates for first- and second-year trainees and the notice periods from the collective agreement for the area of the training in accordance with the principles of the Vocational Training Act. The pay rates for skills enhancement measures such as labour market training (AMU) courses and language courses etc. that are taken during working hours, will be the hourly rates of integration benefits. Otherwise, the IGU programme will be covered by the relevant collective agreement covering the company in respect of working hours, allowances for inconvenient work, notice periods, etc.

*e. A good framework for skills upgrading must be provided*

The company and the IGU trainee must plan a training programme that will upgrade the trainee's language and vocational skills in order to ensure progression towards regular employment or formal vocational training. The programme may for instance consist of classroom education, labour market training and language courses, etc. to an extent of 20 weeks, for which the local authority will cover the cost. To support qualifying elements in the programmes, the Council for Basic Vocational Training and the Council for Adult and Continuing Education may provide an overview of relevant Labour Market Training courses and the parties to the collective agreement may contribute as well.

*f. Unemployment fund regulations*

Completion of an IGU programme qualifies for admission to an unemployment fund on graduation terms on the same conditions as the EGU programme.

*g. IGU target group*

The target group for the IGU programme includes persons between 18 and 40 years under the Integration Act.

*h. Bonus provided to employers*

A bonus scheme will be introduced in relation to the IGU programme, with bonus payments after six months and at the issue of the certificate of qualification. The bonus rates are shown in Appendix G (Proposed integration bonus to be paid to employers).

*i. Pilot programme*

The IGU will be launched as a pilot programme to be discontinued three years after it is started up. IGU contracts agreed within the three-year pilot period will be continued until the agreed date of conclusion.

*j. Implementation*

The IGU programme will be written into the relevant legislation and will not require any further implementation in collective agreements because the pay rates have been agreed at the existing rates for EGU trainees, and other employment conditions are covered by the collective agreements in force already. The Act to be introduced must also provide a clear-cut authority under which, in relation to the non-discrimination rules, companies may enter into IGU contracts for the sake of assisting employment.



There is an agreement that one of the greatest challenges to the Danish labour market in the years ahead is to secure sufficient and qualified, skilled workers in all parts of Denmark as well as traineeships for young people. The new IGU programme will contribute to addressing this challenge because the contracts will for instance provide a basis for commencement of regular vocational training.

To ensure equilibrium for trainees under other vocational training programmes, the three parties recommend introduction of a similar bonus scheme for companies that offer trainees a place under the EGU programme.

Labour market inclusion is a central part of integration into Danish society. Reinforced efforts to include refugees and reunified relatives should be seen in light of our insistence on maintaining high levels of ambition for programmes that assist all categories of jobless people in Denmark in gaining a foothold on the labour market. To counter the prospect of future shortages of skilled manpower it is important to provide more training places and ongoing skills development of the labour force. The Government and the social partners plan to continue the tripartite discussions on subjects including these issues.

## Addendum to the Tripartite Agreement on Labour Market Integration

---

As agreed in the Tripartite Agreement on Labour Market Integration, a bonus scheme is introduced for private sector companies that hire refugees and reunified relatives in regular, non-subsidised jobs in the first two years after they have obtained their residence permit in Denmark.

The bonus scheme also includes the integrative basic training programme (IGU).

The Government and the social partners agree that in addition a parallel bonus scheme will be introduced for private sector companies for individualised vocational training programmes (EGU). The bonus scheme will be implemented as follows:

- I. The bonus scheme for EGU will be launched as a pilot project in the period 1 July 2016 to 30 June 2019.
- II. The EGU bonus payment is DKK 20,000 after six months and DKK 20,000 at the completion of the individual programme.
- III. The EGU bonus will be paid proportionately to the employers involved.