Public services and the European Semester 2017-2019

Case Study: Denmark
Denmark: essential context
• EU member since 1973 but rejected adoption of the Euro following referendum
• During the study there was a centre-right coalition led by Liberal Party (replaced by centre-left minority government in June 2019)
• Generally strong commitment to welfare
  • Relatively high spending and high performing in health and education
• Economy took a sharp downturn in 2008 - ‘took a long time to recover’ – but now in ‘a boom phase’ (NRP 2019)
Denmark: context

• A distinctive labour market
  • ‘Flexicurity’ model
  • ‘The Danish labour market model is simply a prerequisite for the welfare society that we know and love’. (Confederation President)

• Robust industrial relations
  • Established social dialogue structures
  • Strong collective bargaining coverage
  • High trade union density
  • Some challenges (teachers’ lock out, 2013 – but generally secure)

• Since January 2019 – two trade union confederations, dominated by FH

• Both FH and education unions have a dedicated Brussels presence
Denmark:

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• Following the crisis Denmark was, briefly, in the Excessive Deficit Procedure
• Public services have a low profile in Denmark’s European Semester – considered well performing and well managed. Education features most frequently (link to EU2020 priorities?).
• The needs of migrants/integration into labour market is recurring theme – features in 2014-15 Education CSR.
• From 2015-16 Denmark receives only limited CSRs (one or two per year) – with private sector focus.
• In 2018-19 education (vocational) reappears in CSRs as part of the ‘investment related’ CSR.
Denmark is a high performer on the Social Scoreboard, but there is a significant difference (deterioration) between 2018 and 2019 (trajectory matters!)

- CSRs are limited (few in number, no public service focus), but public service issues feature prominently elsewhere (too much focus on CSRs?)

- The Country Report and National Reform Programme have little relationship
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Social dialogue and the 2018-19 European Semester
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- Fact finding meetings
  - Open agenda, and considered worthwhile (‘*not a charade’*)
  - Education unions meet with relevant DG
  - Followed up with exchange of documents
- Country Report
  - Commission organised launch - ‘*mainly one way communication*’
- National Reform Programme
  - Discussed in ‘EU2020 Contact Group’ and draft circulated for comment – ‘*those documents are not linked*’ (Country Report and NRP)
- Country Specific Recommendations
  - Trade union responses to CSRs
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Some observations

• Not (generally) a high priority for Danish trade unions – ‘we can get more progress through other means’
  • Limited consequences for public services reinforces this
• There are a range of attitudes and approaches within Danish trade union movement – from positive support to ‘arm’s length scepticism’
  • Constructive engagement vs ‘early warning system’
• Priority is to protect Danish labour market and social model
• The NRP was a source of frustration and seen as the key blockage
• The European Pillar of Social Rights might be decisive – emerging development (note FOA response)
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Making an impact

- People and relationships
  - Less focus on formal (low expectations) and more on on-going, informal relationship with Desk Officers (ideational impact)

- Resources
  - Brussels presence helps – but still frustration that unions struggle to provide evidence based input

- Timing (lack of . . . )

- Political commitment and alignment
  - Difficult to overcome when it doesn’t exist!

- Strategic approach
  - Focused on ‘narrative shaping’ – but difficult where views may be diverse

- Lack of sectoral social dialogue
  - Meaningful exchanges needs involvement of key partners