

# 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:

## Public services and the European Semester



#### Denmark: Public services and the European Semester

- 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: Public services and the European Semester

- 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



### Denmark:

## Social dialogue and the 2018-19 European Semester



#### Denmark: Public services and the European Semester

- 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

### Denmark: Public services and the European Semester 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)



## Denmark: Public services and the European Semester 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