



COUNTRY REPORT

DENMARK

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Introduction

Denmark can be regarded as a typical example for a **Nordic welfare regime**, where childcare and elderly care services are provided publicly through redistribution of general taxes. In spite of rising numbers of older people, the number of persons receiving elderly care has been in decline since 2008, as the needs-assessment procedures based upon eligibility criteria set by the individual Danish municipalities became more restrictive.

In addition to care services and care grants, Danish citizens are also offered instruments that make non-care PHS accessible and affordable, such as the housing-job scheme, that supports the purchase of domestic services through tax incentives.



Factors Supporting the Growth and Development of the Field of PHS

Undeclared work is not considered a major issue in Denmark. It is estimated to comprise 1.6 per cent of total work hours in the country, as the general number of undeclared working hours performed per individual is estimated at 1.7 per cent.¹

Still, in the case of the Personal and Household Services (PHS) sector, irregular migrant workers are likely to carry out undeclared work, and their numbers have been increasing since 2008. According to data collected by Statistics Denmark (2019), in 2018, the number of irregular migrant workers was estimated to 22,000, which corresponds to 0.8 per cent of the number of employees in the Danish labour market.²

Furthermore, much of the cleaning services delivered in private households are known to be undeclared work or in some instances unpaid and paid work that takes place outside the framework of the Danish collective bargaining model.³ Recent studies estimate that 4 to 10 per cent of Danes had purchased cleaning services that can be characterized as undeclared work, typically being performed by female relatives or friends rather than private companies.⁴ Atypical work and undeclared work are widespread within the cleaning sector in general, but especially so within the PHS sector.⁵ The Danish government has addressed the issue by different measures such as various tax exemptions.⁶

The **labour force participation rate for women** in Denmark was 59.4 per cent in 2016, well above the OECD average of 51.9 per cent, while the participation rate for men (68 per cent)

¹ Madsen (2018).

² Mailand/Larsen (2020); Statistics Denmark (2019).

³ Mailand and Larsen (2020).

⁴ Mailand/Larsen (2020); Bentsen et al. (2018).

⁵ Mailand/Larsen (2020); Bentsen et al. (2018); Larsen et al. (2019).

⁶ Mailand/Larsen (2020).

was close to the OECD average (69 per cent). The participation rate for women has remained fairly stable over the past 20 years.⁷

Denmark has a low **unemployment rate**, however, over the last twenty years, the labour market has specialised at the expense of **low-skilled positions**. As a result, there are low-skilled workers who struggle to find positions, despite a large number of unfilled skilled jobs.⁸



Definition and Development of PHS Instruments

There does not exist a unitary definition of PHS in Denmark. The concept of **home help** (*hjemmehjælp*) is widespread but too narrow, as it only covers some of the PHS, such as assistance provided for older people and other dependent adults in their own homes.⁹ The sectors associated with PHS in Denmark include **childcare, eldercare, care for persons with disabilities, household services** (including **cleaning**), and **home repair**.¹⁰

Childcare: Childcare in Denmark is publicly funded childcare and heavily subsidized, thus making it available for all age groups and affordable for most parents. It covers childcare in public kindergartens, nurseries, after school care, and registered and publicly funded childminders. Most childcare in Denmark takes place outside the PHS sector, but a sizeable part of the formal and the informal childcare also takes place in private homes.¹¹

Mailand and Larsen (2020) point out different models of childcare with relation to PHS in Denmark. Among them, there is the model of childcare by **childminders**, who are mediated by public authorities and provide childcare for children under the age of three in their own private households.

Another childcare instrument, the **Free User Choice Scheme**, was introduced by the Danish government in 2004. It allows parents to act as employers and to arrange their own childcare within their private household.¹²

Furthermore, **au pairs** de facto take part in childcare. This cultural exchange programme allows au pairs from non-EU countries to provide cheap childcare (and additional household services) for up to 30 hours per week in exchange for lodging with their host family and a monthly allowance. As the work by au pairs has increasingly been criticised as cheap labour, the number of approved au pairs has been significantly reduced and therefore can be considered to be a type of PHS-related childcare less widespread than the others.¹³

Elderly care:¹⁴ Following the categorisation of Mailand and Larsen (2020), elderly care in Denmark can be divided into three types, namely: public nursing homes and public

⁷ OECD (2017).

⁸ CPHPostONLINE (2017).

⁹ Mailand/Larsen (2020).

¹⁰ Mailand/Larsen (2020).

¹¹ Mailand/Larsen (2020).

¹² Mailand/Larsen (2020).

¹³ Mailand/Larsen (2020).

¹⁴ For their article, Mailand and Larsen (2020) conducted a case study of the eldercare sector.

sheltered accommodations; residential care homes; and **home help** (*hjemmehjælp*) and **personal care** provided to older people living in their own homes.¹⁵ The latter represents the largest PHS subsector of all in Denmark. Since the Social Service Act in 2015, it is aimed at the rehabilitation (“helping to helping yourselves”) of dependent older people, which implies helping and training such persons with the aim that they can perform functions that home-helpers or relatives and friends previously provided. Access is subject to needs testing by the individual municipalities who set the eligibility criteria.¹⁶

Care for persons with disabilities/Citizen Administered Disability Assistance (*Borgerstyret personlig assistance, BPA*): This care-based instrument introduced in 2009 is available to individuals with physical or cognitive disabilities. It is provided through the municipalities, and individuals can hire personal assistants. The user determines how the grant for services will be used and hires their PHS employee. The goal of the instrument is to support persons with disabilities to live at home instead of in institutions or group facilities.¹⁷ In this PHS subsector, cleaning services and eldercare can often overlap. Besides that, little information is available about the extent and conditions of the privately organised forms of this type of PHS.¹⁸

Domestic Care Scheme: This instrument has existed since 1948 and forms a central part of municipal social policy. Municipalities provide care and other non-care assistance to individuals assessed to have a temporary or permanent need that prevents them from managing certain tasks independently. Each municipality individually decides on the specific types of tasks that are considered.¹⁹

Housing-Job Scheme: This instrument provides a tax deduction for private households when they purchase certain PHS, such as cleaning, childcare, and home renovations/home repair. The services are therefore mostly non-care (with the exception of childcare) and can also include services not typically included under PHS, such as artisan and craftwork. Eligible users include homeowners (including vacation homes) and tenants. As of 2016, households may deduct DKK 6,000 (EUR 800) from wages paid for PHS and DKK 12,000 (EUR 1,600) from wages paid for craftwork per adult living in the household.²⁰ The initial goal of this instrument was to stimulate the economy and particularly the construction sector in the wake of the financial crisis in 2008. After the economy recovered, the Danish government considered other purposes for the instrument, such as reducing undeclared work and supporting more paid work hours among PHS users.²¹

Cleaning:²² Cleaning in private households is relatively widespread in Denmark, as recent data shows that 11 per cent of Danish households rely on private cleaning services.²³ Cleaning services can overlap with other PHS subsectors.²⁴

¹⁵ Mailand/Larsen (2020); <https://www.aeldresagen.dk/>.

¹⁶ Mailand/Larsen (2020).

¹⁷ Madsen (2018b).

¹⁸ Mailand/Larsen (2020).

¹⁹ Madsen (2018b).

²⁰ Madsen (2018b).

²¹ Madsen (2018b).

²² For their article, Mailand and Larsen (2020) conducted a case study of the cleaning sector.

²³ Mailand/Larsen (2020); Bentsen et al. (2018).

²⁴ Mailand/Larsen (2020).



Landscape of Users

Mailand and Larsen (2020) state that “[w]ith regard to **childcare**, the rights are more or less universalistic, meaning that all children within certain age groups have the right to subsidized childcare. With regard to [**eldercare**] and **care for disabled** (...), the services are subject to needs testing.”²⁵

Within the sphere of **elderly care**, 122,000 persons above age 65 received practical assistance and personal care in private homes in 2015, which represents a 22 per cent decline since 2008. Considering that the number of elderly persons has increased in the same period, the share of dependent older people aged 65 and older that are entitled to home help in private homes has declined from 19 to 12 per cent.²⁶ Mailand and Larsen (2020) point out that other research reports show a similar or even more drastic decline. The practical assistance older people receive from other sources (such as relatives and friends) has not increased in the same period. It furthermore seems that practical assistance from the municipalities and help from relatives and friends substitute rather than supplement each other. The reason for the decline in elderly care at home cannot be explained by the improvement in the elderly population’s general health conditions, but it can be assumed that older people apply less for help, or that the decline is due to a change of criteria for need testing among Danish municipalities.²⁷ According to Danish legislation, **elderly care** is provided based on needs testing with regard to a permanent or temporary impaired mental or physical functioning or special social problems that cause problems for the citizens.²⁸

Care for persons with disabilities or the **Citizen Administered Disability Assistance** is mostly used by persons with a physical disability.²⁹ In 2018, 2,000 persons have been granted this kind of service.³⁰

Users of the **Domestic Care Scheme** must have their needs assessed by their municipality. There are more elderly women using the instrument than men, mostly because there are more women over 80 years old living in Denmark than men being in need of services as provided by the Scheme.³¹

Use of the **Housing-Job Scheme** tends to increase based on a household’s income level, indicating that the instrument is most used by wealthier households. As of 2016, over 416,000 users have benefited from the Housing-Job Scheme, receiving a total of EUR 377 million in tax deductions. The average user receives EUR 1,330 per year in deductions.³²

²⁵ Mailand/Larsen (2020).

²⁶ Mailand/Larsen (2020); Ældre Sagen (2018).

²⁷ Mailand/Larsen (2020); Rostgaard/Matthiessen (2019).

²⁸ Mailand/Larsen (2020).

²⁹ Madsen (2018b).

³⁰ Mailand/Larsen (2020); Madsen (2018a).

³¹ Madsen (2018b).

³² Madsen (2018b).



Financing of the Main Instruments and Associated Prices

In Denmark, **elderly care** is publicly funded, administrated by municipalities and for a large part free. Access is subject to needs testing by the individual municipalities who set the eligibility criteria.³³ Eldercare accounts for a significant share of the municipalities' budgets and amounted to 2.5 per cent of the Danish GDP in 2015.³⁴

Care for persons with disabilities or the **Citizen Administered Disability Assistance** is administered and financed by the municipalities. It covers the costs of employing persons as disability assistants.³⁵ The **Domestic Care Scheme** is fully funded by municipalities, too.

The **Housing-Job Scheme** is financed by the central government. Initially, users were eligible for a tax deduction of 33.7 per cent of invoiced wages paid to PHS employees. This was reduced to 27.6 per cent in 2017.³⁶ The hourly wages for craftsmen, which are mostly relevant for the PHS service of home repair, are estimated to be around 80 to 90 per cent of comparable wages in the formal sector; and the hourly wages for other household services are estimated to be around 50 to 70 per cent of those in the formal sector.³⁷



Work Arrangements

Direct employment is more commonly used for the **Housing-Job Scheme** and the **Citizen Administered Disability Assistance** instruments, whereas intermediary service providers are more common for the **Domestic Care Scheme**.³⁸

Care for persons with disabilities/Citizen Administered Disability Assistance: The person with disability has the choice to act both as an employer as well as a manager organizing the work of the disability assistant. According to Mailand and Larsen (2020), 40 per cent of the persons with disabilities choose to have both roles, whilst the remaining 60 per cent limit their personal role to the managing function and pass the employer responsibility on to a private provider.³⁹ Considering the working conditions from the perspective of the disability assistants, a study from 2010 found their work environment to be highly volatile, individualized and dependent on the personal relationship between the persons with disabilities and assistants.⁴⁰

³³ Mailand/Larsen (2020).

³⁴ Mailand/Larsen (2020).

³⁵ Mailand/Larsen (2020).

³⁶ Madsen (2018b).

³⁷ Mailand/Larsen (2020); Bendtsen (2016); Madsen (2018a).

³⁸ Madsen (2018b).

³⁹ Mailand/Larsen (2020).

⁴⁰ Mailand/Larsen (2020); Madsen (2018a); Nielsen et al. (2010).

Cleaning: With reference to other statistical data from 2015, Mailand and Larsen (2020) provide a lot of detailed information on work arrangements in the cleaning sector. According to the authors, this sector is dominated by small- and micro companies with less than 10 employees (71 per cent of all cleaning companies), notably self-employed without employees (61 per cent).⁴¹ The same can roughly be applied to nearly all digital platforms that facilitate cleaning services, since cleaners registered with cleaning platforms usually are self-employed without employees or freelancers rather than employees in the traditional sense.⁴² For cleaning within the PHS sector, 17 per cent in the sector work as self-employed, and no less than 42 per cent on marginal part-time.⁴³

Eldercare: Mailand and Larsen (2020) also provide data about employment types in the eldercare sector. They point at two studies from 2009 and 2018 showing that eldercare is one of the areas within the local government sector that most heavily relies on fixed-term contracts, with as many as 21 per cent of all employees being fixed-term workers.⁴⁴ They further describe that a growing number of employees work part-time: For example, in 2015, only 47 per cent of the employees providing home help worked 30 hours or more per week, whereas 58 per cent worked 30 to 35 hours per week, and 28 per cent worked less than 15 hours per week.⁴⁵



Landscape of Intermediaries and Quality Management

The number of self-employed individuals has been rising in recent years across the PHS sector. This growth is not specifically related to any specific instrument.⁴⁶

Domestic Care Scheme: There are a small number of intermediary firms providing employees for the Domestic Care Scheme, as users can now pick their providers. These firms mostly offer non-care services. In order to offer services under this instrument, the firms must have a contract with the municipality.⁴⁷ Under the Scheme, intermediary firms must be licensed and submit to quality monitoring in order to receive contracts from municipalities.⁴⁸

Eldercare: In Denmark, eldercare within PHS has largely been outsourced to private providers. According to a recent study, no clear indications with regard to increased or decreased quality of the privatised services were found.⁴⁹ Still, a number of Danish local governments have retracted former outsourced elders care services due to poor service

⁴¹ Mailand/Larsen (2020); Statistics Denmark (2015).

⁴² Mailand/Larsen (2020); Ilsøe/Madsen (2018).

⁴³ Mailand/Larsen (2020).

⁴⁴ Mailand/Larsen (2020); Holt et al. (2018); Larsen (2008).

⁴⁵ Mailand/Larsen (2020).

⁴⁶ Madsen (2018b).

⁴⁷ Madsen (2018b).

⁴⁸ Manoudi (2018).

⁴⁹ Mailand/Larsen (2020); Mailand/Larsen, Thor (2017).

quality by the private care provider, indicating that the service quality varies among private care providers.⁵⁰ All in all, most stakeholders seemed to agree that quality problems exist.⁵¹

Mailand and Larsen (2020) point out that “[d]igital platforms such as care.com⁵² and happy helper⁵³ have started to gain foothold in the private [eldercare] sector but remain marginal.” Such platforms offer a variety of eldercare and cleaning services targeted at private households, including older people. Social partner representatives interviewed by the authors seem to expect such digital platforms to become more prominent actors in the eldercare sector in the future.⁵⁴

Cleaning: Similarly, the authors describe how new emerging digital cleaning platforms facilitate cleaning services between private household clients and cleaners. Most digital cleaning platforms can be considered intermediaries only, but some (such as the Danish platform Hilfr)⁵⁵ become employers, as registered cleaners can change their status from self-employed to employees when meeting certain criteria.⁵⁶

Other authors such as Manoudi et al. (2018) only agree in so far as they consider platforms to be growing rapidly across Denmark but find it rather difficult to assess the extent of specific PHS-related platforms or transactions.⁵⁷



Landscape of Employees and Degree of Professionalisation

About 66 per cent of the **Domestic Care Scheme employees** are skilled part-time health and care assistants.⁵⁸

According to an estimate, the number is **disability assistants** working in **care for persons with disabilities** is approximately 10,000.⁵⁹ As Mailand and Larsen (2020) illustrate, “[t]he disability assistants are a mix of employees having the job as their main activity and those where it is a secondary temporary activity. (...) There exists no formal educational requirement to work as a disability assistan[t], but some organisations such as LOBPA offe[r] an introductory course to new disability assistants (...). In addition, some disability organisations such as LOBPA offer management courses for persons with disabilities who are entitled to employ a disability assistant.”⁶⁰

In 2015, 105,000 employees worked in the **eldercare** sector in 2015, which is 2 per cent less than in 2010.⁶¹ While the overall development in the number of employees within eldercare

⁵⁰ Mailand/Larsen (2020); Danish Chamber of Commerce (2019).

⁵¹ Mailand/Larsen (2020).

⁵² <https://www.care.com/local/sc/denmark>.

⁵³ <https://happyhelper.dk/>.

⁵⁴ Mailand/Larsen (2020).

⁵⁵ <https://hilfr.dk/>.

⁵⁶ Mailand/Larsen (2020); Ilsøe/Larsen (2020).

⁵⁷ Manoudi et al. (2018).

⁵⁸ Madsen (2018b).

⁵⁹ Mailand/Larsen (2020); Madsen (2018a).

⁶⁰ Mailand/Larsen (2020).

⁶¹ Mailand/Larsen (2020); FOA (2016).

has decreased, the same period showed an increase of **home helpers** from 38,000 to 43,000.⁶² There is a requirement of formal qualification when providing personal care in the publicly provided and publicly procured types of eldercare. Employees without such formal qualifications can provide home help, but they need at least the lowest qualification level of a social and health care helper, which takes 2,5 years to acquire. Such education is only offered in Danish, which makes it an indirect language requirement.⁶³

For **home helpers**, there are two types, both of them working in nursing homes as well as providing home help and personal care in private homes. “The social and health care assistants’ formal education ranges from three years and ten months to four years and seven months, whereas the **social and health care helpers** have completed a two years and two months course [...] and perform fewer tasks than the **social and health care assistants**.”⁶⁴

For the **cleaning sector**, Mailand and Larsen (2020) point out that “(...) the Danish cleaning sector employs 1.2 [per cent] of all employed on the Danish labour market, but the exact size of the subsector involving cleaning in private households is unknown. No figures are available as to the number of cleaners working in private households and the number of companies offering such services.”⁶⁵ More interestingly, statistics indicate that the cleaning sector has a slight overrepresentation of women (59 per cent in 2015), migrant workers (52 per cent in 2015) and low-skilled workers without any educational credentials (52 per cent in 2014).⁶⁶

Childminders, who are mediated by public authorities, are self-employed, but they also receive some social benefits. The municipalities overseeing this type of childcare request a Danish language standard and a certification process, but no specific formal qualifications from the childminders, and they make regular inspections.⁶⁷ According to Statistics Denmark (2019), in 2017, there were 9,800 childminders caring for 33,200 children under the age of three in Denmark.⁶⁸



Wages

In general, “[t]he **Salaried Employees Act** regulates employment and working conditions for white-collar workers and some manual workers depending on their employment status. The Act secures such workers’ rights to pensions, sick pay, maternity, paternity, and parental leave as well as holiday entitlements and notice periods. However, the Act leaves wage setting to individual wage bargaining at company level and only covers employees with more than eight weekly working hours within one month. [It] covers most PHS workers that work within the local government sector insofar this is stated in their collective agreement, whilst their peers in the private sector are without coverage from the Act. In the private

⁶² Mailand/Larsen (2020).

⁶³ Mailand/Larsen (2020).

⁶⁴ Mailand/Larsen (2020).

⁶⁵ Mailand/Larsen (2020); Statistics Denmark (2019).

⁶⁶ Mailand/Larsen (2020); DI (2016, 2018).

⁶⁷ Mailand/Larsen (2020).

⁶⁸ Mailand/Larsen (2020); Statistics Denmark (2019).

sector, PHS workers' wage and working conditions are thus regulated by the relevant collective agreement or in areas of the labour market without Danish labour law or collective agreement coverage, their wage and working conditions are regulated by market means."⁶⁹

The average undeclared hourly wage in 2014 was EUR 18.⁷⁰ The declared minimum wage was set to EUR 16 per hour in 2017 for **personal assistants**, which can include PHS workers.⁷¹

Childcare: For **au pairs**, the monthly minimum allowance for the maximum of 30 weekly working hours was EUR 550 in 2019. If the value of lodging costs (such as free meals and accommodation) is included and the allowance is calculated as an hourly wage, this amounts to about 50 per cent of the minimum monthly salary for a full-time CA-covered⁷² employee with similar care responsibilities.⁷³ As Mailand and Larsen (2020) point out, the monthly allowance of au pairs as well as their working conditions improved in 2014, with the inclusion of extra holiday entitlements, better possibilities to change the host family, and new obligations on the host family to cover the au pair's travelling expenses to and from Denmark, among others. Furthermore, host families are obliged to pay approximately EUR 2,300 for the au pair's Danish language courses, which the authors interpret as a "substantial increase" from the approximately EUR 700 that host families had to pay before.⁷⁴

Care for persons with disabilities: The CA-covered⁷⁵ **disability assistants'** minimum hourly wage stands at EUR 16.50, which, according to Mailand and Larsen (2020), is among the lower collectively agreed minimum hourly wages in Denmark; still, wage supplements for unsocial hours (such as night and weekend-shifts) typically mean that the de facto hourly wage is somewhat higher. Furthermore, disability assistants often have long days with shifts up to 24 hours due to an exception from law regarding the eleven-hour rule for daily breaks.⁷⁶

Cleaning: In general, minimum wages in Denmark are determined by collective bargaining at the sector level. As for the cleaning sector, wages are mostly regulated by individual contracts or practices by the company, platform, or individual. According to the findings by Mailand and Larsen (2020), only less than 20 per cent of the employees in the cleaning sector in PHS are covered by collective agreements, which is substantially lower than for the cleaning sector in general. Those covered by collective agreements fall under a centralized wage system and are eligible to a large number of social benefits additional to those provided by legislation. Nevertheless, it is estimated that 30 per cent of the companies pay below the collectively agreed minimum wages.⁷⁷

The authors further emphasise that the Danish cleaning sector is a highly labour intensive, but low wage sector.⁷⁸ The average hourly wage was EUR 22 in 2014, which is lower than

⁶⁹ Mailand/Larsen (2020); Mailand/Larsen (2018).

⁷⁰ Manoudi et al. (2018).

⁷¹ Madsen (2018b).

⁷² Career Development and Unemployment Insurance for Business Professionals (CA), <https://www.ca.dk>

⁷³ Mailand/Larsen (2020); FOA (2019); <https://www.jobpatruljen.dk/>

⁷⁴ Mailand/Larsen (2020).

⁷⁵ Career Development and Unemployment Insurance for Business Professionals (CA), <https://www.ca.dk>

⁷⁶ Mailand/Larsen (2020).

⁷⁷ Mailand/Larsen (2020).

⁷⁸ Mailand/Larsen (2020); Trygstad et al. (2018).

the average hourly wage for the Danish private sector (EUR 28), but slightly higher than the collective agreed minimum wage (EUR 16) in accordance with the dominant collective agreement in the sector.⁷⁹ The huge differences between wages within the sector are another problem: For example, some digital cleaning platforms offer a minimum hourly wage of EUR 16, whereas some private cleaning companies offer hourly wages about EUR 7 for the same service of providing cleaning services in private households.⁸⁰ Hourly prices for undeclared, ordinary cleaning jobs can vary between EUR 13 and 17,⁸¹ with cleaning companies engaging in a race to the bottom.⁸²

Eldercare: Compared to the cleaning sector, wages and working conditions in eldercare are in general better. Mailand and Larsen (2020) state that: “Wage-levels are in general higher, reflecting a larger share of skilled employees, there are fewer self-employed and although part-time is widespread, marginal part-time stands at ‘only’ 28 [per cent]. Collective agreement coverage is close to 100 [per cent] for the public PHS type, whereas it is unknown for the public procured and the private-formal types. However, [...] [home helpers] have experienced work-intensification in recent years.”⁸³



Social Dialogue in the Field of PHS

Due to the use of public procurement of public home help services, private employers’ associations are relevant stakeholders, since they organize some of the private care providers. The largest and the second largest private employers’ associations in Denmark are the Confederation of Danish Industry (DI)⁸⁴ and the Danish Chamber of Commerce.⁸⁵

Childcare: The group Babaylan Denmark/Philippine Women’s Network⁸⁶ in Denmark is very involved in the rights of au pairs in Denmark.

Eldercare: According to Mailand and Larsen (2020), the FOA (*Forbundet af Offentligt Ansatte*)⁸⁷ is the third largest union in Denmark (with approximately 182,000 members) and by far the largest union representing employees in the eldercare sector, including home help and personal services provided in private homes. The trade union is a member of the Danish Confederation of Trade Unions (FH)⁸⁸ and mostly organises public employees with lower qualification levels within cleaning, cooking, childcare and social and health services.⁸⁹ To provide some examples, the union density in the sector was 71 per cent in 2010 and 74 per cent in 2015; to further differentiate, the union density has recently been 75 per cent in the public sector and 68 per cent in the private sector, with the density being higher among

⁷⁹ Mailand/Larsen (2020).

⁸⁰ Mailand/Larsen (2020); Larsen/Mailand (2014).

⁸¹ Mailand/Larsen (2020); Arnholtz/Hansen (2009); Bendtsen (2016); Ilsøe et al. (2017).

⁸² Mailand/Larsen (2020); Walsh (1990).

⁸³ Mailand/Larsen (2020); in their article, the authors use five types of services according to who pays for and who delivers the service: private informal, private formal, public formal, public procured service work, and voluntary organizations.

⁸⁴ <https://www.danskindustri.dk/english/>

⁸⁵ <https://www.danskerhverv.dk/engelsk/>

⁸⁶ <http://www.babaylan.dk/>

⁸⁷ <https://www.foa.dk/>

⁸⁸ <https://fho.dk/om-fagbevaegelsens-hovedorganisation/english-about-fh/>

⁸⁹ Mailand/Larsen (2020).

full-time employees in public sector (83 per cent) and lower among marginal part-time workers (59 per cent).⁹⁰

The interest organization Local Government Denmark (LGDK)⁹¹ represents the Danish municipalities as public authorities and as public employers in the eldercare sector. It therefore has the employer role in sector-level collective bargaining and takes part in the various tripartite and multipartite negotiations, consultation, and lobbying.⁹² However, Danish municipalities are stakeholders in the social dialogue themselves. Due to “municipal self-governance”, they are relatively autonomous and can be regarded as very important actors. Besides providing eldercare, the municipalities are also responsible for the budget and allocation of resources and for organising the public procurement of services along with the needs testing.⁹³

Also, the eldercare sector has Denmark’s possibly largest and strongest (non-profit) NGO, the DaneAge Association (*Ældre Sagen*),⁹⁴ among its main actors in the social dialogue.⁹⁵ The Association DaneAge is a membership organisation founded in 1986, with 500,000 members and with almost 9,000 volunteers working in more than 220 local groups all over Denmark (doing voluntary social work and local lobbying, providing local membership activities among others).⁹⁶

Cleaning: For Mailand and Larsen (2020), the social partners (in the form of employer associations and trade unions) are the main actors within the Danish industrial cleaning sector, negotiating and signing collective agreements at the sectoral and company levels as well as representing their members interests in the political system at national, regional, and local levels. Similar to the eldercare sector, the FOA is the main trade union involved in the social dialogue and the Local Government Denmark (LGDK) represents the employers in the public sector.⁹⁷

According to the research by Mailand and Larsen (2020), 58 per cent of Danish cleaners were union members in 2015. In the same year, union density in the cleaning sector in general was at 77 per cent in the public sector and at 50 per cent in the private sector, whereas it was estimated to be much lower in the PHS sector. Again, the density was higher among full-time workers (76 per cent) and lower among part-time workers working less than 15 hours per week (40 per cent).⁹⁸ The main trade unions organizing cleaners and negotiating collective agreements are 3F⁹⁹ and FOA. FOA only represents cleaning staff in the public sector performing cleaning tasks within private households. The trade union 3F, on the other hand, represents cleaners both in the public and private sectors. Cleaners have also joined “alternative unions” such as Det faglige hus,¹⁰⁰ KRIFA,¹⁰¹ and Bedst og Billigst;¹⁰² with the exception of KRIFA1, these unions have no collective agreements, and they all

⁹⁰ Mailand/Larsen (2020) (authors’ own calculations based on register data provided by Statistics Denmark).

⁹¹ <https://www.kl.dk/english/kl-local-government-denmark/>

⁹² Mailand/Larsen (2020).

⁹³ Mailand/Larsen (2020).

⁹⁴ <https://www.aeldresagen.dk/om-aeldresagen/aeldresagen/in-english>

⁹⁵ Mailand/Larsen (2020).

⁹⁶ http://www.monitoringris.org/content/ngos_nat_daneage_001.php

⁹⁷ Mailand/Larsen (2020).

⁹⁸ Mailand/Larsen (2020) (authors’ own calculations based on register data provided by Statistics Denmark).

⁹⁹ <https://www.3f.dk/>

¹⁰⁰ <https://www.detfagligehus.dk/>

¹⁰¹ <https://krifa.dk/om-krifa/translations/english>

¹⁰² <https://www.bedst-billigst.dk/>

represent mainly employees covered by collective agreements that have been signed by other trade unions.¹⁰³

As further findings of the two authors show, the main employers' associations representing private companies in the cleaning sector are SBA and Danske Services.¹⁰⁴ "Danske Services mainly organises small and medium-sized companies [...] but has relatively few members that are active suppliers of cleaning services to private households (...)." SBA, on the other hand, mainly organises large and medium-sized cleaning companies that primarily operate in the parts of the sector concerning "business-to-business" cleaning services but also has a few members, particularly small and medium-sized member companies, that provide cleaning services to private households.¹⁰⁵



Policy Process

According to Mailand and Larsen (2020), the most important legislation regarding PHS services applies only for the public and publicly procured types of PHS.¹⁰⁶ One of them is the **Social Service Act** that includes rights for citizens, regulation for publicly financed services, and covers several types of PHS, such as childcare, eldercare, and care for persons with disabilities.¹⁰⁷ As can be summarised from the article by Mailand and Larsen (2020), further legislation on employment conditions, working conditions and health and safety of employees in PHS can be found in the **Holiday Act**, the **Sickness Benefit legislation**,¹⁰⁸ the **Parental Leave Act**, the **Salaried Employees Act**,¹⁰⁹ the **Health and Safety Act**,¹¹⁰ the **House Assistant Law**,¹¹¹ the **Written Statement Act**,¹¹² and the au pair regulation.¹¹³

The **Domestic Care Scheme** is administered by each municipality as well as the National Social Appeals Board.

The **Housing-Job Scheme** is overseen by the Ministry for Taxation.¹¹⁴⁻¹¹⁵ Its predecessor instrument, the Home-Service Scheme, was administered by the Danish Commerce and Companies Agency (*Erhvervs- og Selskabsstyrelsen, EogS*),¹¹⁶ under the supervision of the former Ministry of Economic and Business Affairs (*Økonomi- og Erhvervsministeriet*).¹¹⁷

¹⁰³ Mailand/Larsen (2020); Larsen/Mailand (2014).

¹⁰⁴ <https://www.danskeservice.dk/>

¹⁰⁵ Mailand/Larsen (2020); Larsen/Mailand (2014: 44).

¹⁰⁶ Mailand/Larsen (2020); in their article, the authors use five types of services according to who pays for and who delivers the service: private informal, private formal, public formal, public procured service work, and voluntary organizations.

¹⁰⁷ Mailand/Larsen (2020).

¹⁰⁸ Lov nr. 563 af 9/6 2006.

¹⁰⁹ See Above, chapter „Wages.“

¹¹⁰ LBK nr. 1084 af 19/09/2017.

¹¹¹ LBK nr. 712 af 20/08/2002.

¹¹² LBK nr. 240 af 17/03/2010.

¹¹³ Mailand/Larsen (2020).

¹¹⁴ <https://www.skm.dk/english>

¹¹⁵ Madsen (2018b).

¹¹⁶ <https://danishbusinessauthority.dk/>

¹¹⁷ <https://eng.em.dk/>



Commonalities across Countries

The housing-jobs scheme has certain similarities with the ROT/RUT Avdrag scheme in Sweden.



Previous Instruments

Home-Service Scheme: Introduced in 1994 and permanently implemented in 1997, this instrument offered subsidies to households purchasing PHS. The specific services initially covered were cleaning and gardening. Over time, the instrument grew to include craft workers offering home improvements. Users could be subsidised for 60 per cent of the invoiced cost of services. The goal was to support families with young children and older people, reduce undeclared work and provide more job opportunities for individuals with low qualifications and skills. After many iterations and changes (including limitations to households with at least one individual receiving an old-age or retirement pension in 2000), it was replaced by the Housing-Job Scheme in 2011 and officially abolished in 2012.¹¹⁸

¹¹⁸ Madsen (2018b).

Glossary

Formalisation: In the context of informal care work, the European Commission describes how “formalisation of informal care takes place either through payments and associated social security (pension and health insurance), training/ certification of skills schemes and finally legislation (recognition of status and rights to being assessed as a carer)”. In the same article, the EC associates “any type of formal work” with the following features: payments (preferably regular and predictable); an employment contract and social security (such as being protected by regulation); training and validation of skills; and finally broader legislation which recognises the importance of the role and offers assurance of a certain minimum standard of rights.”¹¹⁹

Immigration: “Immigration” is the action by which a person establishes their usual residence in the territory of a Member State for a period that is, or is expected to be, of at least 12 months, having previously been usually resident in another Member State or a third country (Regulation (EC) No 862/2007 on Migration and international protection).¹²⁰

Migration Chain: The terms “chain migration” or “migration chain” refer to “a process in which initial movements of migrants lead to further movements from the same area to the same area. In a chain migration system, individual members of a community migrate and then encourage or assist further movements of migration.”¹²¹

Professionalisation: “[P]rofessionalisation means granting workers of a certain sector employment and social protection rights that are equivalent to those enjoyed by employees working under employment contracts regulated by law, including a decent wage, regulated working hours, paid leave, health and safety at work, pensions, maternity/paternity and sick leaves, compensation in the event of invalidity, rules governing dismissal or termination of the contract, redress in the event of abuse, and access to training; whereas the domestic work and care sector can be professionalised through a combination of public finance (tax breaks), social finance (family allowances, aid to businesses, mutual societies and health insurance, works councils, etc.) and private finance (payment for services by private individuals).”¹²²

Regularisation: In the context of (illegal) migration, “regularisation” is defined by the European Union (EU) “as state procedure by which illegally staying third-country nationals are awarded a legal status”; a synonym that is rather used in the USA and less in the EU is “legalisation” (AE: “legalization”).¹²³

Regular Profession: In the context of work and professions, the EU defines a “profession” as “regulated (...) if [one has] to hold a specific degree to access the profession, sit special exams such as state exams and/or register with a professional body before [one] can practice it.”¹²⁴

¹¹⁹ European Parliament (2008).

¹²⁰ Eurostat (2018).

¹²¹ European Commission (2018b).

¹²² European Parliament, European Council (2016: 6).

¹²³ European Commission (2009).

¹²⁴ EU (2019).

Undeclared Work: In the EU, the term “undeclared work” denounces “[a]ny paid activities that are lawful as regards their nature but not declared to public authorities, taking account of differences in the regulatory systems of the Member States.” The Member States have adopted a variety of different definitions focusing upon non-compliance with either labour, tax and/or social security legislation or regulations: If there are additional forms of non-compliance, it is not undeclared work. If the goods and services provided are unlawful (for example, the production/trafficking of drugs, firearms and persons, or money laundering), it is part of the wider criminal economy, such as the “shadow economy” (often defined as including both the undeclared economy and the criminal economy), and if there is no monetary payment, it is part of the unpaid sphere.¹²⁵

Undocumented or Irregular Migrant: The EU defines a “undocumented” or “irregular migrant” as “a third-country national present on the territory of a Schengen State who does not fulfil, or no longer fulfils, the conditions of entry as set out in the Regulation (EU) 2016/399 (Schengen Borders Code) or other conditions for entry, stay or residence in that EU Member State.”¹²⁶

Unpaid Sphere: The term “unpaid sphere” refers to activities that are lawful as regards their nature but not declared to public authorities and without monetary payment.¹²⁷

¹²⁵ European Commission (2018a).

¹²⁶ European Commission (2018b).

¹²⁷ European Commission (2018a).

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