

Denmark introduces collective bargaining scheme for foreign workers to fight social dumping

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A groundbreaking tripartite agreement in Denmark was announced at the end of June.

Its major points are:

- Certified companies can access labour from selected countries outside the EU if there is low unemployment in Denmark
- Only companies with collective agreements between FH/Danish Employers can obtain certification. Agreements with yellow unions will not grant companies the right to certification.
- The companies that apply for certification must have at least 10 employees and can't be involved in a labour conflict when applying for certification.
- Workers must receive full-time contracts and earn at least 300,000 DKK per year (roughly 40,000 euros).
- To strengthen control in the construction sector, ID cards will be required. The ID cards will provide valuable information to supervisory authorities to ensure that engineering projects are carried out under orderly conditions and in a lawful manner.
- There must be labour clauses in all public contracts in the construction industry to support decent pay and working conditions.

This tripartite agreement is a major victory for the Danish trade unions, as it strengthens the Danish labour market model while tackling labour shortages. It will ensure that Danish businesses offer foreign workers from selected countries Danish pay and working conditions.

The new system is currently limited to nationals of the United States, the United Kingdom, Singapore, China, Japan, Australia, Canada, India, Brazil, Malaysia, Montenegro, Serbia, North Macedonia, Albania, Ukraine, and Moldova.

In the present-day situation, many companies follow the rules, but unfortunately, there are also far too many examples of companies that do the opposite. The fight against social dumping is more important than ever. Therefore, it is crucial to protect the employers who play by the rules and safeguard fair competition, as well as those who are exploited and work under completely unreasonable and life-threatening working conditions.

The Chairman of FH, Morten Skov Christiansen, says: "The agreement ensures orderly conditions for foreign workers. It proves that Denmark is the world's best country to work in – and will be in the future. This is due to strong trade unions, the generally good cooperation between employees and employers, and our good collective agreements."

Edited by industriAll Europe.