

Employment in the Danish State Sector



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February 2005

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Table of contents

Preface	7
Chapter 1: The Danish labour market	8
The Danish collective bargaining model	8
Legislation	9
Chapter 2: The state sector	10
The state sector as part of the public sector labour market	10
Tasks and organisation	11
The Ministry of Finance (State Employer's Authority) as employer	12
Staff organisations in the state area.....	12
Cooperation between the State Employer's Authority and the staff organisations	13
Employee participation.....	14
Representatives of employees' organisations.....	15
The State Employer's Authority in an EU context	15
Chapter 3: Status of employment	17
Employment under a collective agreement	17
Employment as civil servants	17
Other status of employment	18
Differences between civil servants and other groups	18
Fixed-term employment	20
Employment of foreign nationals.....	20



Chapter 4: Pay and pension	22
Pay formation in the Danish state sector	22
Pay adjustment scheme	22
Job monitoring	23
Permanent secretaries etc	23
Wage reform	24
Prevalence of the new pay systems.....	25
Structure of the new pay systems	26
New pay system for managers.....	27
Old pay systems	28
Pension	29
Chapter 5: Other terms of employment.....	33
Working hours	33
Dismissal.....	34
Holiday.....	35
Sickness.....	36
Maternity/paternity leave and adoption leave.....	36
Other schemes for families with young children	37
Child-care leave	38
Other types of leave	38
Telework	38
Senior schemes.....	39
Chapter 6: Personnel and management policy	40
Personnel-policy work at central and local levels.....	40
The 2003 central government personnel and management policy.....	41
Annexes.....	47
Selected provisions from the the Constitutional Act, the Civil Servants Act and the Civil Servants' Pension Act	47



Preface

Among EU Member States and in other international contexts, there is considerable interest in sharing experience and mutual inspiration regarding personnel matters and public administration.

The State Employer's Authority often contributes information on personnel-related issues in Danish central government in connection with meetings, conferences and seminars held under international auspices. Furthermore, the State Employer's Authority provides written responses to questionnaire surveys and other inquiries from foreign cooperation partners and international organisations.

For this purpose, the State Employer's Authority has issued the present publication, which sets out general employment conditions as well as more specific rules of employment law in central government.

The publication is available in English and Danish, and is accessible on the website of the State Employer's Authority www.perst.dk.

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February 2005

Chapter 1: The Danish labour market

The state sector is an integral part of the Danish labour market. A number of the characteristics of central government apply to the entire Danish labour market.

The Danish collective bargaining model

Collective agreements between the labour market parties are a significant element of the Danish labour market. The point of departure is that as long as the labour market parties themselves are able to reach agreement, the Government will intervene as little as possible in the employees' conditions. This is the key aspect of the traditional Danish model.

The Danish labour market is, generally, characterised by a very high rate of organisation both among employers and employees, as well as a very long history of mutual recognition of employers' associations and trade unions.

The origins of the present collective bargaining and agreement system lie in the private sector with the September Agreement of 1899. After long and hard dispute, employers and employees agreed that it was a matter of mutual interest to establish more formalised ways of cooperation and to mutually recognise each other. The fundamental agreements reached at that time remain in force today.

It is, therefore, a characteristic of the Danish labour market – both the public and private sectors – that it is based on the conclusion of collective agreements subject to negotiation between employers and employees through their organisations. Collective bargaining rights rest on the general agreements concluded between representatives of the employers and employees as well as on “Normen” (the code of practice governing the resolution of industrial dispute).

The parties decide the length of the agreement period on each occasion. In the public sector area, the parties have agreed upon periods of three years' duration since the late 1990s. During the agreement period, the parties are subject to a no-strike agreement, which means that they cannot lawfully call a strike. The Industrial Court settles disagreements in connection with breaches of the agreements, including strikes in contravention of the collective agreement, whereas questions



regarding the interpretation of the collective agreements are settled by industrial arbitration.

In connection with bargaining regarding the renewal of collective agreements, the parties may issue a strike notice or initiate lockout in order to put pressure to bear on the negotiations. Before a strike can take place, the parties are required to endeavour to reach an agreement, if necessary with the assistance of the State Conciliation Board on Labour Disputes.

Terms of pay and employment that are agreed through collective bargaining apply also to non-unionised employees within the same sector.

In the public sector, there is a consensus that the implementation of EU directives on labour market and social-related issues is to take place, whenever possible, within the framework of the Danish model i.e. through collective agreements.

Legislation

The relationship between the employer and the individual employee is as a main rule regulated by collective agreement. There are, however, a number of labour market laws which regulate the terms that apply to special groups of employees or apply to special situations. An example of the former is the Civil Servants Act and the Civil Servants' Pension Act. Examples of the latter are the Holiday Act, the Salaried Employees Act, the Equal Treatment Act, the Equal Pay Act, the Working Environment Act and the legislation regarding maternity leave. These laws cover employers and employees in both the public and private sectors.

Chapter 2: The state sector

The state sector as part of the public sector labour market

The state sector comprises approximately 160,000 employees. The entire public sector comprises approximately 750,000 employees, corresponding to a third of the Danish labour market.

The public sector comprises:

- The state sector, which is in charge of tasks at central level (including central administration, the defence, the police and universities),
- The counties, which are in charge of tasks at regional level (including hospitals and the upper secondary school area)
- The municipalities, which are in charge of tasks at local level (including primary and lower secondary schools, child care and care for the elderly)

The City of Copenhagen and the Municipality of Frederiksberg have a special status as these municipalities are in charge of both regional and local government tasks. In the metropolitan area, the Copenhagen Hospital Corporation is in charge of the management of hospitals.

The State Employer's Authority in the Ministry of Finance is the central employer in the central government area. In the remainder of the public area, the employer's interests are safeguarded by Local Government Denmark, the Association of County Councils in Denmark, the City of Copenhagen, the Municipality of Frederiksberg and the Copenhagen Hospital Corporation.

Within a few years, a major reform of the Danish public sector structure will be implemented. In addition to task-related changes, the reform will, among other things, imply a reduction in the number of regional and local government units. This may prove important to the ways in which the protection of the public sector's employers' interests will be organised in future.



Tasks and organisation

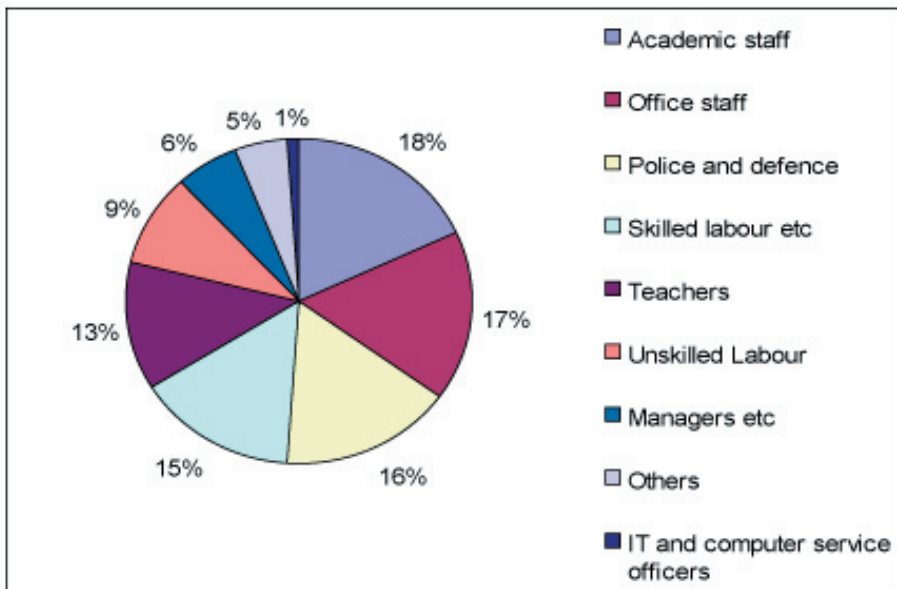
The tasks of the state sector mean that personnel are primarily broken down by three main areas, namely

- teaching, research and culture
- the defence, police and the legal system
- administration

In addition, there are transport sector personnel (DSB and Rail Net Denmark).

The composition of central government personnel reflects the composition of tasks in the state sector. The major personnel groups are academic staff, office staff, internally trained police and defence staff, skilled labour etc as well as teachers.

Figure 1: Personnel groups in the state sector (2002)



The size of the individual ministerial remits varies a great deal, and so may the organisation of them. In addition to a department, most ministries include one or more government agencies. Moreover, a number of institutions are associated with the individual ministerial areas.

The Ministry of Finance (State Employer's Authority) as employer

The State Employer's Authority was set up in 2000 and is part of the Ministry of Finance.

The State Employer's Authority carries out the function of central government employer. This entails the prescription and interpretation of rules in the area of personnel, and the tasks of concluding collective agreements and other agreements regarding pay and employment conditions.

The State Employer's Authority provides ministries and government agencies with general as well as specific advice on personnel-related matters. Furthermore, the Authority cooperates on an ongoing basis with the employee organisations, i.a. in connection with collective bargaining, when drawing up joint guidelines etc.

The State Employer's Authority wishes to promote the development of effective and attractive jobs in the state sector and aims strategically to ensure:

- flexible terms of employment to be applied in a targeted manner
- a sound pay development and targeted application of pay
- professional management and competent employees.

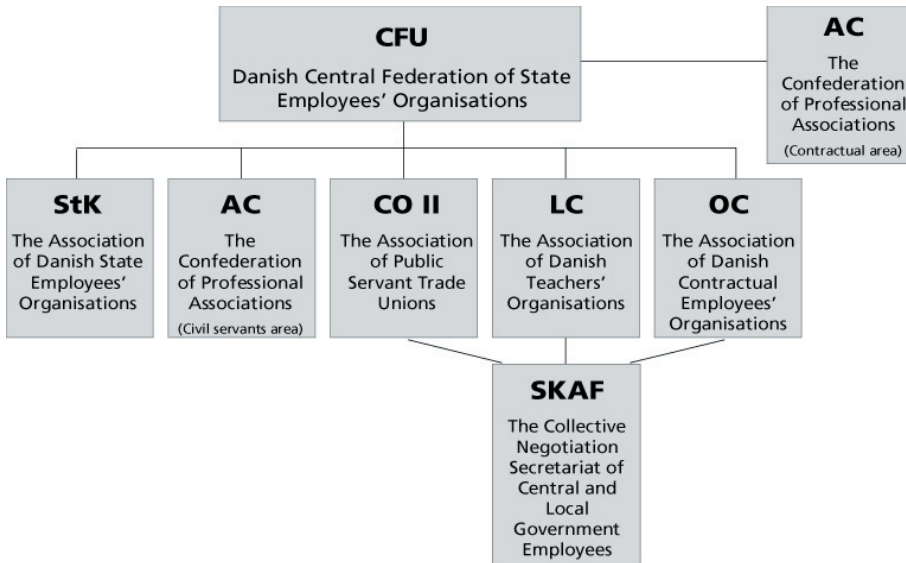
Staff organisations in the state area

The majority of those working in central government are employed under a collective agreement or as civil servants. They are comprised by the collective bargaining competence of the central organisations. Each of the central organisations represents a number of associated employee organisations.

The central organisations have established a joint collective bargaining committee, The Central Organisations' Joint Committee (CFU).



Figure 2: Overview of the central organisations in the state area



A few organisations, representing 2-3 per cent of state employees are not included in the above organisations.

Cooperation between the State Employer's Authority and the staff organisations

In accordance with the Danish collective bargaining model, framework agreements and general issues regarding pay and employment terms are negotiated between the Ministry of Finance (State Employer's Authority) and the CFU in connection with the collective bargaining, which typically takes place every third year.

Collective agreements fixing pay and employment terms for the various personnel groups in central government are concluded between the Ministry of Finance (State Employer's Authority) and the individual employee organisations.

In the periods between the collective bargaining, the State Employer's Authority and the CFU cooperate, on an ongoing basis, on various projects of mutual interest. They include, for example, the organisation of theme days, the publication of joint guidelines on general codes, discussions of EU issues, the launch of surveys etc.

Employee participation

The management of state sector workplaces has the right to manage and distribute work.

The development of workplaces in central government depends, however, to a very high degree on employee participation as well as on dialogue and cooperation both in formal and informal cooperation fora at the workplace.

In all state sector workplaces with a minimum of 25 employees, a joint consultation committee has been set up. In minor places of work, cooperation is based on the same principles, but without a formally established joint consultation committee.

It is the task of the joint consultation committee to determine the framework for and develop cooperation everywhere within the organisation. The joint consultation committee may, therefore, be seen as the forum that is to follow up on and ensure that the necessary ongoing communication and dialogue between management and staff are actually realised.

The joint consultation committee is the natural forum for discussions between management and staff on the development and future of the workplace. A number of the problems and questions that relate to the organisation of work, working conditions and personnel policy are officially assigned to this forum.

The institution's aims and objectives, strategies, competence development and linkage to the personnel policy are the core aspects of the discussions that are to be conducted on the joint consultation committee. Expectations are that these discussions will lead to a consensus. In case of disagreement, management will make the necessary decisions in the area.

The number of places on the joint consultation committee is subject to local agreement, and the aim is for the joint consultation committee to be as representative as possible. The number of members cannot, in general, exceed seven management representatives and seven employee representatives. The manager of the institution is chairman of the joint consultation committee. The employee representatives elect the deputy chairman.



Representatives of employees' organisations

At the individual institution, there are representatives of employees' organisations, provided there are five or more employees in accordance with the collective agreement/organisational agreement in question.

The employees, for the purpose of, among other things, safeguarding their interests in relation to management, elect representatives of employees' organisations. Furthermore, the representative of an employees' organisation is to a certain extent involved in local pay negotiations on behalf of the organisation, and acts in general as the link between management on the one hand and the employees and the organisation on the other.

Due to their particularly exposed position, representatives of employees' organisations are in need of special protection against unfair dismissal and transfer.

Therefore, special procedural rules apply in connection with the dismissal and transfer of these representatives, and there must be compelling reasons for the dismissal of a representative of an employees' organisation to be deemed fair.

The State Employer's Authority in an EU context

Decisions taken at EU level impact on the Danish labour market. As one of the labour market parties, the State Employer's Authority is a member of various committees and European organisations through which it is possible to gain influence on the European decision-making process.

In connection with the implementation of EU directives etc, the State Employer's Authority seeks to ensure that both processes and modes of implementation, to the widest extent possible, respect the competence of national labour market parties to determine pay and employment terms.

Together with other public sector employers in Denmark, the State Employer's Authority is a member of the CEEP, which is recognised by the Commission as a European social partner.

The State Employer's Authority participates, furthermore, in unofficial European cooperation regarding public administration in EU Member States, known as the

Employment in the Danish State Sector

European Public Administration Network. The objective of this cooperation is to exchange ideas and experience as well as to develop common activities and tools to contribute to greater effectiveness and better performance of tasks in the public sectors of the Member States. The State Employer's Authority is particularly involved in the efforts of the network concerning Human Resources Management.



Chapter 3 – Status of employment

Persons working in central government are as a main rule employed under collective agreements or as civil servants.

Since 1 January 2001, appointment as civil servants is confined to special positions that are specified in circular of 11 December 2000 on the application of civil servants' employment in the state sector and the national church. Accordingly, it is typically senior managers, judges as well as police, prison and defence staff that are employed as civil servants. Other groups are typically employed on collective agreement terms.

Consequently, over the years there has been a drop in the number of appointments as civil servants. In 1996, the proportion of civil servants was 44 per cent; in 2003 it was 36 per cent.

A few individual personnel groups are employed according to regulations, and in a small number of cases, employment is based on individual contracts.

Employment under a collective agreement

In connection with employment under a collective agreement, the Minister for Finance and various organisations have concluded the terms of the agreements.

Persons employed under a collective agreement in the state sector are covered by the general labour market legislation.

Employment as civil servants

Under the Danish Constitution, Danish nationality is a prerequisite for employment as a civil servant (with respect to employment of foreign nationals, please see below).

Detailed employment terms for civil servants are laid down in the Civil Servants Act and the Civil Servants' Pension Act as well as determined by collective agreement.

Employment in the Danish State Sector

These Acts regulate issues regarding official duties, disciplinary rules, dismissal and pension.

Issues regarding pay and other employment terms are agreed between the Minister for Finance and the four central organisations.

Other status of employment

In connection with *regulations employment*, the terms are determined unilaterally.

In connection with *individual employment*, the basis of employment is an individual contract that is concluded between the employee and the employment authority.

Both regulations employed and individually employed members of staff are subject to the general labour market legislation.

Regulations employment is used for groups whose work area is not subject to any collective agreement.

Employment based on an individual contract is used especially in connection with the appointment of high-ranking managers, where the employment authority finds it expedient to apply a more flexible and individual wage system or is in need of non-competition clauses or special dismissal or premature compensation retirement schemes. This status of employment may only be used in cases where there exists no agreement covering the area, or if the organisation with which the agreement has been concluded gives it approval.

Differences between civil servants and other groups

The most significant difference between civil servants and other groups of employees is that civil servants have no right to strike, they are entitled to three years' pay if they are dismissed due to abolition of positions, and their pension scheme is a defined-benefit plan.



Overview of differences between the rules governing persons employed under a collective agreement and civil servants

	Persons employed under a collective agreement	Civil servants
Regulatory framework	General agreements, collective agreements and general labour market legislation	The Danish Constitution, the Civil Servants Act, the general agreement, collective agreements and the general labour market legislation apart from the Holiday Act and the Salaried Employees Act
Course of action to follow in case of failure to conclude/renew collective agreements	General employment law procedures	No right to strike. The Minister for Finance will submit a Bill to the Folketing (Danish Parliament)
Probation period	For <i>salaried employees</i> : a maximum of 3 months according to the Salaried Employees Act. <i>Other employees</i> : none	Normally 2 years
Breach of duty	Warning or dismissal are possible sanctions	Disciplinary sanctions under the provisions of the Civil Servants Act
Sickness	Usual pay during sickness for most groups. Others will receive benefits under the Sickness Benefit Act	Usual pay during sickness
Notice of termination on the part of the employee	Salaried employees and other employees paid on a monthly basis: 1 month. Some employees paid on an hourly basis: 0 days – 1 month	3 months
Notice of termination on the part of the employment authority	Salaried employees: 1 – 6 months depending on seniority. Some employees paid on an hourly basis: 0 days – 3 months	Normally 3 months
Pension	Insurance-based pension in connection with resignation due to age or sickness	The Civil Servants' Pension Act. Pension in connection with resignation due to age, sickness or any other cause that is not attributable to the civil servant

Fixed-term employment

Fixed-term employment is based on special rules in the Civil Servants Act, the Act on Fixed-Term Appointments etc. Civil servants, staff employed on terms similar to civil servants as well as staff employed under a collective agreement may have fixed-term appointments.

It is a characteristic of fixed-term employment that a fixed-term award is granted and that conditions regarding severance pay and job return may have been agreed.

The objective of fixed-term employment is to achieve greater mobility and flexibility and a broader basis of recruitment, especially in connection with the appointment of managers.

Employment of foreign nationals

Like Danish nationals, foreign nationals may be employed on *collective agreement terms* or on *individual terms*.

Appointment as civil servants is only possible provided the employee has Danish nationality, cf section 27 of the Danish Constitution.

In cases where individuals with Danish nationality are employed as civil servants, individuals without Danish nationality will be employed on *terms corresponding to those of civil servants*, cf section 58c of the Civil Servants Act. With respect to pensions, they will also be treated like civil servants.

In accordance with the rules on the free movement of labour, citizens from the other countries in the EU and the EEA enjoy the same opportunities of employment in positions where individuals with Danish nationality are employed as civil servants. This right applies subject to restrictions that are justified by regard for public order, public security and public health.

The rules governing the free movement of labour do not apply to positions in public administration. According to the practice of the European Court of Justice, this exemption applies only to positions that entail the exercise of public authority and responsibility for safeguarding the general interests of the state or other public authorities.



In general, there is no requirement of Danish nationality in connection with appointments in central government administration. However, there are exceptions with regard to certain positions within the area of the Ministry of Defence and the Prison and Probation Service.

Chapter 4 – Pay and pension

Pay formation in the Danish state sector

Ministries, government agencies and institutions are basically free to recruit personnel according to local wishes and needs, but within certain limits. For payroll-operated institutions (typically ministries and agencies), the primary limitation is the total payroll. For framework-financed institutions (for example universities and vocational schools), the limitation lies in the total budget. The pay of central government employees is fixed in different ways for various types of employees. For the highest-ranking managerial positions in the state sector, both the number of positions and the total pay for the individual positions are fixed centrally. For other positions, the point of departure is that the classification/basic pay is fixed centrally and, in addition to this, there is a possibility of allowances subject to local negotiation.

The possibility of granting allowances in addition to centrally fixed pay varies depending on the level of the position, as well as on whether the position is subject to the old or the new pay system. The differences are described in the paragraphs below.

Pay adjustment scheme

In the Danish state sector, a pay adjustment scheme has been agreed which ensures that the pay of state employees in general and over a long period of time develops in parallel with the wages and salaries in the private sector. The pay adjustment scheme automatically adjusts the central government pay development to the private sector pay development, but subject to a certain time lag.

The key mechanism of the scheme is that pay increases on the private labour market are compared with pay increases in the state sector. In case of a difference, 80 per cent of it will be realised in the subsequent pay settlement period as adjustment of the central government wages and salaries.



If the state sector pay development is below that of the private sector, the state sector wages and salaries will be adjusted upwards in the subsequent pay settlement period. If the opposite is the case, the central government wages and salaries will be adjusted downwards.

The pay adjustment scheme means that the pay development of the state sector in the long term will fluctuate according to the pay development of the private sector. This means that it is the private sector pay development that sets the actual standard for the size of the total central government pay development.

Job monitoring

Apart from the budgetary restriction, there is particular monitoring of the number of positions that are classified at the top salary levels, for example managerial positions. Before a position at the level of head of division or above can be established, it must be approved by the Ministry of Finance and the pay level is, furthermore, subject to agreement between the Finance Ministry and the central organisation. This procedure ensures that the number of positions at top salary levels does not increase in an inexpedient manner. Furthermore, the procedure gives consideration to the cross-departmental matter of ensuring uniformity in the classification of the highest-ranking positions.

Permanent secretaries etc

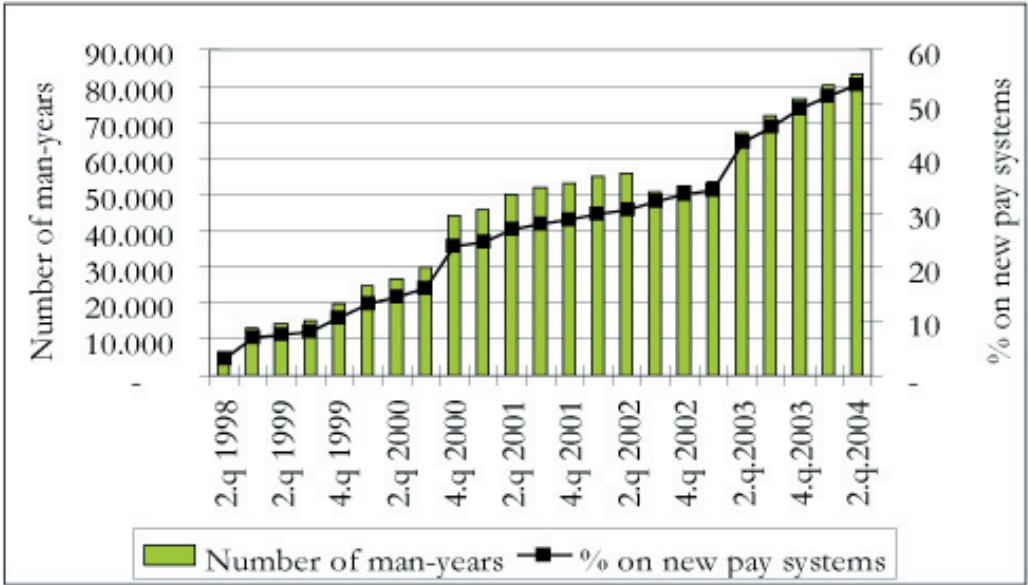
With respect to the highest-ranking managers in the individual ministries, the permanent secretaries, the Chief of Defence and the Supreme Court President, both classification as well as allowances for the individual permanent secretaries etc are subject to decision at central level.

Once a year, the Ministry of Finance together with the Prime Minister's Office makes a decision on the granting of personal salary improvements for the permanent secretaries and the Chief of Defence. In connection with the assessment of the major tasks and results of the past sessional year of the Folketing, a review will be carried out of how any permanent secretary or the Chief of Defence has managed and developed the ministerial area and performed any cross-departmental tasks.

Wage reform

Since 1998, a wage reform has been implemented in the Danish state sector. Under this reform, a great number of state employees have changed from old to new pay systems.

Figure 3: Developments in the number of employees (man-years) on the new pay systems





The wage reform implies

- that pay formation is decentralised to local level where there is maximum knowledge of the actual working conditions and the qualifications and effort of employees,
- that the pay development of employees is to reflect the performance and qualifications of the individual staff member to a greater extent than previously and
- that pay is to be seen as a management instrument to help motivate employees and to achieve a more effective state sector.

The wage reform is an integral part of the personnel and management policy in the state sector.

Prevalence of the new pay systems

The first wage reform agreement came into force at the beginning of 1998 when approximately three per cent of state employees were included in the new pay systems. Since then, the percentage has gradually increased. Today, more than half of all state employees are comprised by the new pay systems, which cover the state area to a broad extent and apply to general staff members as well as managers.

The new pay systems are particularly prevalent in the area of academic staff and the educational area, where practically everybody is included in the new pay systems. Similarly, the majority of office staff are employed under the new pay systems.

With respect to managers, the vast majority of these are comprised by the new managerial pay agreement. A great number of managers within the educational sector are also subject to new pay systems.

Structure of the new pay systems

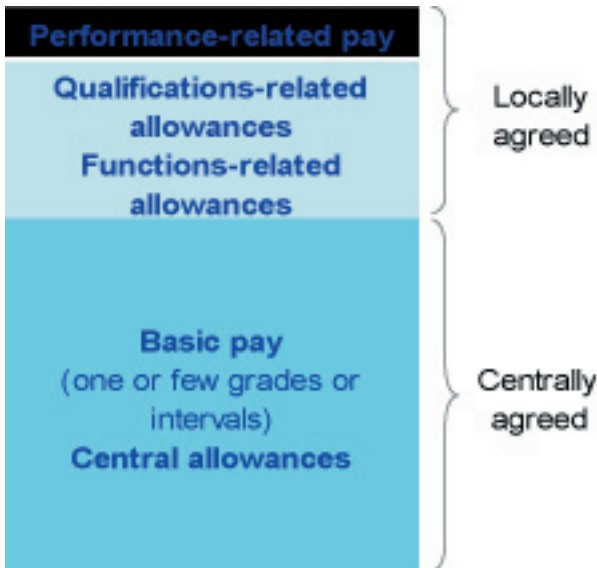
The most prevalent new pay system model is the basic pay rate system. The basic pay rate system consists of a basic pay rate or a basic pay rate interval, which is agreed centrally, together with a superstructure in the form of an allowance component, which is agreed locally. The new basic pay rates hold typically no or only a very small number of automatic seniority-related pay increases. Individual pay development has thus been decentralised to the individual state sector place of work.

One of the objectives of the wage reform is for a greater proportion of the pay formation to take place at decentralised level in the form of local pay formation.

The State Employer’s Authority aims at raising the local allowance proportion of the total payroll for employees on new pay systems.

Locally agreed allowances comprise functions-related allowances, qualifications-related allowances and a one-off payment. Furthermore, performance-related pay is also an option.

Figure 4: New pay systems – centrally and locally agreed pay





Text box 1: Types of allowances under the new pay systems.

Qualifications-related allowances are used to reward the employee on the basis of his/her professional and personal qualifications, the quality of the performance of the task, the balance in relation to corresponding positions elsewhere on the labour market or for the purpose of recruitment and retention. Qualifications-related allowances are as a rule granted as permanent allowances.

Functions-related allowances are used to reward the employee who is in charge of special functions in his/her position. The functions-related allowance is linked to particular tasks which the employee performs. The functions-related allowance is, typically, temporary and limited to a particular task, but may be permanent.

One-off payments will typically be relevant if it is a matter of remuneration following a particular effort.

Performance-related pay is awarded against the background of a number of performance targets (quantitative and qualitative) that have been agreed in advance. The performance-related pay is triggered once the conditions of the performance-related pay agreement have been met. It is possible to agree performance-related pay for groups of employees or individuals.

New pay system for managers

In 1999, the wage reform was further developed with the addition of a new managerial pay agreement. The objective was to achieve greater flexibility regarding the remuneration of managers.

The pay level classification has been retained in the form of a fundamental, centrally agreed basic pay rate. However, liberty of action has been noticeably increased regarding the superstructure.

One-off payments, permanent and temporary allowances are fixed subject to negotiation with the individual manager.

Since 1995, it has been possible for directors general of government agencies to enter into performance pay contracts in order to establish visible correlation between performance and pay, please see text box below.

Text box 2: Contracts of directors general in the Danish state sector.

Performance-related pay for directors general (directors general contracts)

Following major developments of the wage reform in the management pay area, it is now possible to establish performance-related pay schemes for directors general and other managers.

The possibility of concluding performance pay contracts is to be seen in the light of general target and performance management in the state sector. The idea of contract management implies that a contract system can be set up from top to bottom within the institution. It means that the department enters into a performance contract with the institution as a whole and/or a performance pay contract is concluded with the director general. Subsequently, the overall contract will be specified to make it relevant and feasible for other managers.

The objective of linking performance pay to the realisation of target and performance requirements for the institution's activity and strategic development is to provide directors general and managers with further incentives to pursue the management objectives of the institution.

The performance-related pay contracts of directors general are, consequently, primarily used as a reflection of the institution's performance contract or parts of the contract.

Old pay systems

Employees on the old pay systems are remunerated either according to the wage system of civil servants; the salary grade system or other centrally agreed pay scales.

It is a common characteristic of the old pay systems that they typically hold long pay intervals with many salary grades, and that employees move up automatically in connection with increasing seniority.

The civil servants' wage system consists of a pay scale of 55 salary grades. These salary grades constitute the framework for a number of salary levels, each of which comprises one or more of these salary grades. At the bottom of the scale, the pay intervals are the longest i.e. they contain the greatest number of salary grades. Subsequently, they become shorter and shorter, the higher the employee rises on the scale. The ten highest salary levels comprise only one salary grade.

A position is classified depending on the most important tasks and the responsibility linked to the position as well as any particular education and experience-related requirements.



A civil servant's salary seniority means the time the person in question has been employed at the salary level at which the individual position is classified. If the salary level consists of several salary grades, a change to the next salary grade will take place after (normally) two years, depending on the pay interval agreed.

In addition to the salary grade pay, allowances are granted in a number of cases as a permanent part of the remuneration to compensate for i.a. an obligation to be at the disposal of the institution, overtime work, inconvenience etc. Furthermore, the salary grade system contains a certain degree of geographical differentiation according to which Danish municipalities are divided into five different local-allowance areas. The division into local-allowance areas has taken place on the basis of

- wages and salaries on the private labour market in the municipality
- the level of prices in the municipality
- taxation in the municipality

The old pay systems are characterised by centrally agreed pay elements, which means that there are only limited opportunities of local allowance formation.

Pension

The vast majority of central government employees are covered by a statutory labour market pension scheme or a labour market pension scheme under a collective agreement. In addition, all employees receive the Danish Labour Market Supplementary Pension (ATP), which is a mandatory pension scheme for all wage earners in Denmark. Like all other citizens in Denmark, state sector employees are included in the social pension system. It means i.a. that they receive the flat-rate state pension when they reach the age of 65.

Staff employed under a collective agreement

Staff employed in the state sector under a collective agreement are covered by collective pension schemes based on pension funds or insurance companies.

These pensions are financed by pension payments made by the employee as well as the employer. The pension payment varies according to the collective agreement area. The employee pays from four per cent to six per cent of the pensionable salary, whereas the employer pays twice the amount.

Employment in the Danish State Sector

The main elements of the pension schemes are retirement pension, disability pension (if a person's working capacity is reduced by 2/3 or more), children's pension and often also a spouse's pension scheme.

According to actuarial principles, the pension is calculated in relation to the amount paid into the scheme. A spouse's pension typically constitutes from 40 to 60 per cent of the retirement pension and the children's pension normally 10 per cent of this (20 per cent for orphans).

Since the introduction of these pension schemes, the state has set out a number of requirements regarding the composition of benefits of the schemes. The trend is towards opening up more flexible schemes and making it optional for the individual, within the given framework, to invest part of his/her own pension contribution.

Civil servants

Pensions for civil servants are regulated under the Civil Servants' Pension Act. Civil servants are entitled to a pension in connection with the termination of his/her employment due to age, infirmity or any other cause that is not attributable to the civil servant. The civil servant's spouse and children are also secured a pension if the civil servant dies.

There are approximately 83,000 retired civil servants, 29,000 spouses of deceased civil servants and 5,000 children of deceased civil servants. There are approximately 105,000 employees entitled to a civil service pension from the state.

The pensions are financed by the Budget.

The pension is calculated on the basis of the civil servant's pensionable salary on the date of retirement and the accumulated pensionable service of the civil servant. The term of the pensionable service is calculated from the civil servant has attained the age of 25 at the earliest, and the maximum pensionable service is 37 years.

Certain groups of civil servants, among others military personnel and employees in the police force have a lower mandatory retirement age than the ordinary mandatory retirement age of 70. For these groups, special rules have been established regarding the accumulation of pensionable service.



After 37 years' pensionable service, the maximum pension amounts to 57 per cent of the pensionable salary.

In addition to the percentage of the pensionable salary, pensioners who have not attained the age of 65 receive a supplement that is included in the total pension. When pensioners reach the age of 65 and consequently are entitled to the flat-rate state pension, the pension supplement ceases to exist.

Civil servants are entitled to *retirement pension* in connection with their retirement after having reached the age of 60. In connection with retirement at the age of 60-64, a deduction will be made in the civil servant's pension. The deduction totals from ten per cent to two per cent, and it is permanent. In connection with retirement before the civil servant has attained the age of 62, the pension will furthermore be reduced by an amount corresponding to 50 per cent of the supplement granted to pensioners below the age of 65.

A civil servant is entitled to *infirmity pension* when dismissed due to sickness if the person in question has been employed for at least ten years. Civil servants who on the date of dismissal have lost at least 2/3 of their working capacity are entitled to qualified infirmity pension in connection with retirement before they have reached the age of 60. In this case, there is no requirement of ten years' service. The pension will be calculated on the basis of the pensionable service that would have been accumulated at the mandatory age of retirement.

Civil servants who have performed at least ten years' service and who are dismissed for another reason than age and infirmity and which is not attributable to any fault of their own will have their pension calculated on the basis of the pensionable service accumulated on the date of dismissal. "*Another non-attributable reason*" will typically be that the position is abolished or that the civil servant for other reasons than sickness is not in a position to carry out his/her tasks. If it is a matter of abolition of the position, the civil servant will receive the salary he/she has received so far for a period of three years prior to transition to pension. The three years will be included in the pensionable service.

If a civil servant leaves his/her position before having attained the age of 60 without being entitled to current pension, the person in question will receive a *deferred pension*, which is calculated on the basis of the pensionable service accumulated on the date of resignation. The deferred pension depends, however,

Employment in the Danish State Sector

on at least three years' pensionable service and may not be paid out until the person in question has reached the age of 60 with a deduction as mentioned in the above. Payment may, however, also take place from the date when the former civil servant's employability might be reduced by at least 50 per cent.

If a civil servant or retired civil servant dies, the *surviving spouse* will receive a pension, which normally totals 71 per cent of the deceased's pension. This entitlement also applies to a registered partner.

Any children below the age of 21 of a retired civil servant or deceased civil servant are entitled to a pension until they have reached the age of 21. Orphaned children are entitled to twice the amount.



Chapter 5 – Other terms of employment

Working hours

The length of working hours is as a rule fixed by collective agreement. Working hours today are 37 hours a week at full-time employment.

It is possible to obtain an agreement on part-time employment.

Employees who work more than an average of 37 hours a week over a period of typically one to three months will receive overtime remuneration.

Overtime is compensated for by payment or time off in lieu of payment. In most cases, the overtime pay amounts to 50 per cent.

Employees who themselves plan their work, or whose working time cannot be checked are not entitled to overtime pay. However, the employer may grant overtime remuneration subject to specific assessment if the scope of the additional work has been considerable.

The provisions governing the *working time organisation* are laid down in the Working Environment Act and based on collective agreement. To some extent, it is a matter of implementation of EU directives.

Under the Working Environment Act, the employee is entitled to a 24-hour rest within each period of seven days. For the vast majority of employees, the working hours are, however, organised as a five-day week.

The Working Environment Act entitles the employee to a period of rest of at least 11 hours within each period of 24 hours. The period of rest may be reduced by collective agreement in special circumstances.

Normally half an hour's paid lunch break is included in the working hours.

At local level, agreements may be concluded on a so-called flexitime scheme. It gives the employee the opportunity of placing some of his/her working hours within a particular period.

Lastly, most employees are entitled to a special allowance for work carried out between the hours of 5 pm to 6 am, at weekends and on public holidays.

Dismissal

The rules governing dismissal depend i.a. on whether the employee terminates his/her employment or is dismissed by the employer, and whether it is a matter of a civil servant or a person employed under a collective agreement. For staff employed under an individual contract, the contract applies together with the provisions laid down in employment law.

The period of the employer's notice of dismissal differs between the different groups of employees: for the vast majority of *staff employed under a collective agreement*, the rule is that the notice of dismissal is increased from one month (in the course of the first three months' employment) to six months (after nine years' employment). Employees paid by the hour, who are often less closely connected with the employer, receive no notice of dismissal in the course of the first three months' employment. Normally, however, they will have a gradually increasing notice of dismissal from zero days to three months (after five years' employment).

For *civil servants*, the notice of dismissal is three months (it is, however, two weeks in the first six months of the probation period).

Prior to dismissal, a consultation is to be held to give the employee and, when it is a matter of dismissal of a civil servant, the employee organisation the opportunity to make a statement concerning the contemplated dismissal. Any dismissal must be based on a reasoned argument relating to the circumstances of the institution (i.e. insufficient funds, restructuring or the like) or to the conduct of the employee (i.e. lack of aptitude, too much absence due to sickness or cooperation problems).

Dismissal of civil servants may be tried before the ordinary courts of law. With respect to staff employed under a collective agreement, their organisation may submit a dismissal to industrial arbitration i.e. a special negotiation institution based on the collective agreement where an arbitrator (normally a judge) can settle the disagreement without the possibility of appeal. Staff employed under a collective agreement may, similarly, have a dismissal tried before the ordinary courts of



law, if the employee organisation refuses to take the matter further in the dispute settlement system.

An employee may tender his/her resignation at the following notice: a civil servant employed on probation: one month (two weeks, however, regarding the first six months). A permanently employed civil servant and a fixed-term employed civil servant: three months. The majority of staff employed under a collective agreement: one month.

No reasons are required for a resignation. The possibility of civil servants to have their pension paid immediately from the date of resignation depends, however, on the reason for which the person in question has tendered his/her resignation. See Chapter 4 (Pension).

Holiday

All employees in Denmark are entitled to five weeks' holiday. To the extent the employee has been employed in the previous calendar year, it will be a matter of holiday with pay.

For employees in the state sector, the pay will normally include salary + a special holiday allowance that is calculated as 1½ per cent of the taxable income in the previous calendar year.

Employees in the state sector who are entitled to pay during sickness will, furthermore, earn the right to a 0.42 special holiday with pay per month's employment. It means that an employee who has been employed throughout the previous calendar year has earned the right to one week's special holiday with pay.

The most significant differences between ordinary holiday and special holidays are

- that the employee may choose to convert the special holidays into a cash payment, and
- that the taking of the special holidays is subject to agreement, whereas the employer, after consultation with the employee, decides when the ordinary holiday is to be taken.

Sickness

The majority of central government employees are normally entitled to full pay during sickness. However, a small group of hourly paid employees receive only sickness benefits, which are lower than their normal wages.

Maternity/paternity leave and adoption leave

Under Danish *legislation*, parents have a joint right to absence from work for a period of 112 weeks in connection with pregnancy and childbirth. Parents are jointly entitled to benefits for 52 out of the total number of weeks.

The mother has a right to take pregnancy leave four weeks before childbirth. After the birth of the child, the mother is entitled to 14 weeks' maternity leave, and the father is within the same period entitled to two weeks' paternity leave.

The mother and the father are jointly entitled to 32 weeks' parental leave on benefits, which they may share as they please. The father may begin to take part of the 32 weeks' leave at the same time as the mother takes her 14 weeks' maternity leave.

The parents may extend the 32 weeks' leave to 40 or 46 weeks, but without a corresponding increase in the benefits.

There is, furthermore, much scope for spending the leave in a flexible manner. Parents may, for example, postpone part of the leave. The only restriction is that it must be taken before the child reaches the age of nine. Furthermore, parents may, subject to agreement with the employer, resume work on a part-time basis during a leave period, which means that the leave will be correspondingly prolonged.

Apart from the biological mother's pregnancy leave, adoptive parents have the same right to flexible planning of absence and benefits in connection with adoption. However, the 14 weeks following the reception of the child are not reserved for one of the parents.

Especially for women salaried employees, there is, in addition, a statutory right to half pay in the period beginning four weeks before to 14 weeks after the birth of the child.



In the state sector, a *collective agreement* has been concluded which supplements the statutory rules with an additional entitlement to pay and pension etc.

Under this agreement, women employees have a right to maternity leave with pay beginning six weeks before childbirth. In addition, the mother has a right to 14 weeks' pay after the birth of the child, and the father is entitled to two weeks' pay within the same period of time. Moreover, the parents are jointly entitled to ten weeks with pay in the parental leave period, and the father has a special right to two weeks' leave with pay before the child has reached the age of 46 weeks.

The pay entitlement is supplemented with a right for both parents to earn pension rights during leave without pay. This applies to the first 14 weeks of leave without pay.

Apart from the biological mother's pregnancy leave, adoptive parents have the same right to pay and to earn pension rights in connection with adoption. For adoptive parents, none of the leave periods are, however, reserved for one of the parents.

Furthermore, prior to the reception of the child abroad, adoptive parents normally have a right to paid leave in connection with a journey to and a stay in the country in question.

A maternity/paternity fund has been established in the state sector. With a view to equalising the expenses of institutions in connection with childbirth and adoption, the additional expenses of employing substitutes during a leave period will be reimbursed.

Other schemes for families with young children

Under the central government agreement, both a father and a mother are entitled to ten care days with pay per child. No special conditions have been laid down with respect to purpose regarding the application of the days, and there are no deadlines for when they are to be taken.

The mother may, for example, spend her care days in connection with the pregnancy leave as the seventh and eighth weeks before the birth of the child.

Employment in the Danish State Sector

Employees in the state sector have, moreover, the right to paid leave on the first sickness day of a child.

Child-care leave

Under Danish legislation, the parents of children born/received before 1 January 2002 have the opportunity of taking up to one year's child care leave as a supplement to the maternity/paternity or adoption leave. During this leave, parents are entitled to a leave benefit of 60 per cent of the maximum unemployment benefit rate. Similarly, against the background of collective agreement, pension rights will be earned during the entire period. The leave must be taken before the child reaches the age of nine.

As a result of the longer and more flexible maternity/paternity leave that came into effect on 1 January 2002, this scheme is being phased out, and will cease to exist in 2011.

Other types of leave

Subject to application, an employee may obtain leave for a limited period of time, for example in connection with a job change. To which extent and for which purposes leave may be granted will depend on the practice of the individual institution and, among other things, on the possibility of reemployment.

However, when working in the service of international organisations that Denmark is a member of or cooperates with as, for example, the UN, the EU and NATO, the employee has a genuine legal claim to leave.

Telework

Increasing technological development has led to a greater need for new ways of working. The technological development, in particular, has made employees less dependent on being physically present at the place of work and has made it possible to work from home.

Therefore, the Ministry of Finance and the CFU concluded a framework agreement on telework in 1997. The agreement comprises work where a special telework place



is set up for the employee in addition to his/her main workplace, and where the tasks performed as telework are of a permanently recurrent nature. Other types of home working where the employee for example performs various tasks from time to time may also take place, but are not included in the agreement.

The European social partners' agreement on telework is expected to be implemented in central government in 2005.

Senior schemes

The Danish state sector wishes to develop and retain experienced staff. Therefore, diversity in relation to age is considered an absolute necessity for the purpose of good performance of tasks.

For this reason, it is possible to make an agreement to the effect that employees above the age of 60 (before 1 April 2005: employees above the age of 55) work part-time, while at the same time receiving a higher pension payment, or an agreement that managers transfer to a lower-ranked position, but receive pay and/or pension-related compensation.

In addition, it is possible for employers to grant employees above the age of 62 one day off per month and a severance benefit to be disbursed if the person in questions postpones his/her retirement until a specified date.

In certain situations, it may prove necessary to carry out staff cuts. In this connection, it is possible to conclude agreements on a voluntary redundancy package, which entails that the employee receives extra pension and/or pay.

Chapter 6 – Personnel and management policy

Personnel-policy work at central and local levels

For many years, the Danish state sector has worked on central personnel-policy proposals and initiatives in relation to workplaces in central government.

In 1994, the Ministry of Finance presented its first overall personnel policy for the workplaces and employees in the state sector. The policy set out three personnel-policy minimum requirements, to which another four minimum requirements were added in 1998. They are minimum requirements which, for example, assume that all managers hold annual staff development interviews with their employees and that the workplaces carry out regular assessments of managerial competencies.

In the summer of 2003, the State Employer's Authority presented a new personnel and management policy, which contains a vision regarding future personnel and management policy work at central government workplaces. This policy differs from previous central personnel policies in that it sets out expectations of local personnel policies, but no minimum requirements nor specific guidelines.

The overall personnel and management policy provides the framework and direction for the personnel-policy work at the workplaces in central government. However, it is the individual place of work that has to develop and adjust the policy to its special conditions and circumstances. The development of local personnel policies is to a large extent based on the participation of staff and managers.

In addition to providing the overall framework for the personnel policy, the State Employer's Authority develops various tools on an ongoing basis to support the personnel-policy work at the individual workplace.

The State Employer's Authority does not prescribe the use of any particular tools or concepts in connection with local efforts, but hopes that local workplaces will see the tools as a source of inspiration to enhance the effectiveness of work on personnel and management development.

In order to evaluate the effect of the personnel-policy efforts in central government workplaces, the State Employer's Authority conducts measurements and assessments



in the personnel and management area on an ongoing basis. Experience gained from these surveys provides the background to the further development of policies, the introduction of new initiatives and the development of new tools.

The 2003 central government personnel and management policy

The 2003 central government personnel and management policy contains an overall *vision* for the state sector as a place of work as well as *four focus areas* regarding matters pertaining to the performance of tasks, members of staff, diversity and management, respectively.

The vision for the state sector as a place of work

The Danish state sector performs a number of important tasks, each of which serves the purpose of managing and developing Danish society as one of the most successful democracies in the world.

The vision is that staff and managers in central government workplaces

- generate value for citizens
- ensure integrity and legal rights
- are open-minded and service-oriented
- demonstrate responsibility and a holistic approach and
- think innovatively

The task comes first

Focus must be on the tasks in the work of central government. It means that it is the specific tasks that determine how work is to be best organised. This applies both to cross-institutional tasks and tasks at the individual place of work. Placing focus on the task requires flexible structures and the will to adapt to changing demands. The task must contribute to determining modes of work, competence requirements and the distribution of responsibility. This also means that there must be focus on securing a balance between consumption of resources and results.

Valuable staff

Staff in the state sector are characterised by being competent and responsible. This requires that staff receive ongoing competence development that is rooted in the targets and strategies of the institution. Security for the employee is based on

lifelong competence development, not on lifelong employment. The workplace must ensure that individual members of staff are able to develop their potential for the benefit of the employees themselves as well as the workplace. Valuable staff will expect to be recognised and rewarded relative to their performance.

Recruitment

The state sector considers it important to attract valuable staff. Therefore, staff members are offered attractive, individual development opportunities and good conditions regarding the job contents, a good working environment, and they are rewarded relative to their performance.

Employment in the Danish state sector is, as a rule, based on public notice of a vacant position. This is to ensure that everybody has the opportunity to apply for the job. The State Employer's Authority has laid down rules for notices of vacant jobs. These rules comprise both a duty to advertise as well as contents requirements regarding the notice.

Positions are filled by the best qualified among the applicants. Applicants who already are employed in central government have no preferential right to vacant positions.

The state sector has set up a general job database – www.job-i-staten - where all vacant jobs are advertised.

The State Employer's Authority has developed a tool for recruitment, which is available to all central government workplaces.

Strategic competence development

For a number of years, focus has been on the importance of making competence development in the state sector both strategic and systematic. All workplaces must have an overall strategy for the competence development efforts, and it must be firmly rooted in the organisation's targets and tasks. The systematic approach to competence development takes place through recurrent use of tools like, for example, individual development plans.



The staff development interview

In the state sector, annual staff development interviews are a generally used tool regarding the development of employees. Practically all managers conduct annual staff development interviews with their members of staff.

The staff development interview consists of a discussion of the staff member's working situation, his/her performance of tasks in the past year as well as current and future tasks. An important element of the interview is the staff member's need for competence development and his/her own career wishes. It has also become a common feature of staff development interviews that the possibility of an allowance is taken up during the discussion.

Individual development targets that have to be followed up on currently are set during the staff development interview.

The State Employer's Authority has developed material as a source of inspiration for planning and implementing staff development interviews.

Talent and career development

This new focus area is meant to secure that unexploited resources and special talents among staff are developed for the mutual benefit of employees and employers, and that the staff member experiences that there are attractive career prospects in the state sector.

The State Employer's Authority contributes to creating attractive workplaces in central government by offering inspiration and tools for the institutions' work on talent and career development.

The State Employer's Authority has developed inspirational material, which includes a publication on the HR function, a dialogue tool for the management group and a tool of clarification for the employees.

The State Employer's Authority develops and implements a series of two-year career-development programmes. They are, in the first instance, programmes for HR advisers, financial advisers/controllers and international advisers. A fourth career development programme is targeted at experienced project managers.

Diversity

Diversity in central government workplaces is a prerequisite for good performance of tasks. Everybody is able to contribute something special, irrespective of gender, age, family situation, educational background, working experience, ethnic origin or other differences. A broadly composed group of staff and managers, therefore, stand a better chance of providing good quality and service to citizens and enterprises. At the same time, it is a significant aspect of the state sector's social commitment.

Diversity requires broader recruitment and makes demands on staff and managers for respect, tolerance and social responsibility. Moreover, diversity requires flexibility at the place of work and among staff and managers.

Integration of ethnic minorities

Integration of ethnic minorities in the labour market is a significant action area. It is important for society and for the individual. Society is in need of enlarging the workforce, and it is necessary that all resources be fully used. The individual will benefit from being an integral part of society through active participation in the labour market.

The Government has, therefore, decided a target to the effect that 3.5 per cent of central government employees should be immigrants and descendants from third countries. This reflects the proportion of ethnic minorities in the labour force. The State Employer's Authority supports efforts in this area by various activities.

Gender equality

Central government workplaces are, similarly, under an obligation not to discriminate on the basis of gender. Gender equality is regulated by law, and it is an integral part of the personnel and management policy. Furthermore, mainstreaming is used as a tool to incorporate equality into day-to-day activities.

The State Employer's Authority is, moreover, working proactively at raising the number of women in managerial positions in connection with the efforts to enhance the professionalisation of management.



The inclusive labour market

Workplaces in the state sector are obliged to demonstrate social commitment by becoming more inclusive, i.e. they must be able to take preventive measures against sickness and attrition, retain employees and integrate persons who find it difficult to achieve lasting attachment to a workplace. This is done, among other things, through a number of labour market policy and social policy schemes.

In the year 2000, the Danish Government decided a target to the effect that the proportion of employees in the inclusive labour market should grow to 3.5 per cent by the end of 2003. Since 2001, the State Employer's Authority has been in contact with all ministries and has published the development within all ministerial remits four times a year. As a consequence of this effort, the proportion had increased to 3.6 per cent by the end of 2003, corresponding to approximately 4,500 persons.

The effort within the inclusive labour market comprises also the employment of disabled persons. Special rules exist which give the disabled a preferential right to job interviews, provide the place of work with the possibility of a subsidy to employ a disabled person, and may grant disabled persons individual assistance to carry out their trade.

Professional management

Good and professional management in the state sector is a precondition of good and effective performance of tasks and continued development of central government workplaces now and in future. Key words for professional management are: focus on results, strategic overview and holistic thinking, but also to a very high extent an interest in human beings and managerial talent. Management is a professional discipline, and it must be developed and practiced. Good and professional management in the state sector is recognised and rewarded, whereas poor management must have consequences.

These years, the State Employer's Authority has placed much focus on supporting the development of professional management in central government, which implies the offer of tools as well as educational programmes.

Management development programme for new managers

The State Employer's Authority has set up a development programme for all newly appointed central government managers with personnel responsibility. The programme is based on three themes: 1) personal leadership, 2) personnel management and 3) partnership with the managerial group.

Development of personnel managers

The State Employer's Authority conducts a special development programme for personnel managers. The programme focuses on how the personnel manager can strengthen his/her role as a strategic sparring partner vis-à-vis management and how the value of HR activities can be documented.

Management evaluation

The State Employer's Authority has developed a tool for the purpose of evaluating the management of a place of work.

Standards for good management in the workplace are drawn up, and through a questionnaire an assessment is made of how the managerial group and the individual manager fulfil these requirements. Staff, colleagues and the immediate superior carry out the assessment.

The outcome of the assessment is to be followed up on through targeted development of managers with special needs.



Annexes

(Unauthorised translation)

The Constitutional Act

Section 27(1). Rules governing the appointment of civil servants shall be laid down by statute. No person shall be appointed a civil servant unless he be a Danish subject. Civil servants who are appointed by the King shall make a solemn declaration of loyalty to the Constitutional Act.

The Civil Servants Act

Chapter 2. Appointment

Section 2. Appointment as a civil servant shall take the form of

- 1) Permanent employment.
- 2) Employment on probation with a view to subsequent permanent employment.
- 3) Employment on a fixed-term basis.

Section 5(1). Appointment as a civil servant shall be based on public notice, unless the person concerned is appointed after prior employment on probation.

(2). The notice must indicate the appointment area and the designation of the position as well as the current salary level of the position and the current place of employment.

Chapter 3. The civil servant's official duties

Section 10. The civil servant must conscientiously comply with the rules that apply to his position, and both on duty and off duty prove worthy of the esteem and trust required by the position.

Section 12(1). Within his appointment area, a civil servant shall be obliged to submit to such changes regarding the scope and nature of the official duties which imply no

change of the nature of the duties and which do not imply that the position may no longer be considered appropriate for him. The civil servant may to the same extent be required to assume another position.

Section 17. A civil servant may solely have other employment than his position as a civil servant in so far as and to the extent that this is compatible with the conscientious performance of the official duties of the position as a civil servant and with the esteem and trust required by the position.

Chapter 5. Dismissal

Section 26(1). Civil servants appointed by the King shall be dismissed by the King.

(2). Other civil servants shall be dismissed by the Minister whom they serve or by the person who has the powers to do so. However, solely the Minister may announce compulsory retirement.

Section 27. A civil servant shall be entitled to require termination of his appointment by giving three months' prior notice to expire on the last day of any month.

Section 32(1). A civil servant who is dismissed because changes in the organisation or mode of work of the administration imply the abolition of the position shall keep his salary received so far for three years [...].

Chapter 6 a. Special provisions regarding fixed-term employment

Section 33 a(1). Appointment as a civil servant on a fixed-term basis shall apply to persons who

- 1) already are employed as a civil servant,
- 2) hold positions in which employment can be included in the pensionable service accumulated under section 4(1) or (2) of the Civil Servants' Pension Act or
- 3) have retired from positions with a right to current or deferred pension as referred to in paras (1) and (2).

(2). Appointment on a fixed-term basis of others than persons referred to in subsection (1) may take place on the same terms as those that apply to civil servants. However, the provisions regarding appointment by the King and the



rules laid down in the Civil Servants' Pension Act shall not apply.

Section 33 b. The Minister concerned shall decide which positions may be held on a fixed-term basis [...].

Section 33 c. Appointment on a fixed-term basis shall cover a period of three to six years. A fixed-term contract may be prolonged by a total of three years. Reappointment subject to renewed position advertisement may not take place more than twice or otherwise if the grounds given for the reappointment are objective circumstances.

Chapter 10. Negotiation and organisational matters

Section 45(1). Pay and other terms of appointment shall be determined subject to agreement between the Minister for Finance and the central organisations referred to in section 49.

(2). Agreements, however, which solely concern the terms of appointment for civil servants under a particular ministry may, subject to specific decision by the Minister for Finance, be concluded by the Minister concerned.

(3). Agreements under subsections (1) and (2) may, however, not be concluded regarding matters that are determined by law or pursuant to law or concern the tasks, organisation or personnel requirements of the administration.

Section 49(1). The collective bargaining rights of civil servants and retired civil servants shall be exercised through the central organisations with which the Minister for Finance [...] concludes a general agreement on the procedure regarding the conclusion of agreements and regarding the rules for the exercise of the collective bargaining rights in general.

(2). The central organisations concerned are required jointly to provide all civil servants and retired civil servants with the opportunity of representation.

(3). In the general agreement, decision shall be taken on the opportunity for the organisations that are associated with the central organisations to negotiate issues that solely concern the members of the organisation.

Chapter 15a. Appointment of persons without Danish nationality

Section 58 c. Persons without Danish nationality shall be employed on terms similar

to those of civil servants where persons with Danish nationality are employed as civil servants. The provisions regarding appointment by the King shall, however, not apply.

The Civil Servants' Pension Act

Chapter 2. Personal pension

Section 2. A civil servant shall be entitled to a personal pension when he, after a full ten years' service in a position where employment under the rules [...] may be included in the pensionable service, is dismissed due to age, as a result of health-related unfitness for service or for another reason that is not attributable to any fault of his own [...].

Section 3. A civil servants shall be entitled to retirement due to age from the last day of the month in which he attains the age of 60 or attains any lower age which, subject to rules laid down in another statute, may have been stipulated regarding this right.

Section 4. A civil servant's pensionable service shall include the number of years during which he after having attained the age of 25 has served as a civil servant [...] or has been entitled to redundancy payment pursuant to section 32 of the Civil Servants Act or would have been entitled to redundancy pay provided the person concerned had not attained the age of 65.

Section 6. The maximum personal pension shall be achieved after 37 years' pensionable service and shall constitute 57 per cent of the civil servant's pensionable salary [...].

Section 24(1). A civil servant who has accumulated pensionable service of at least three years and who resigns from the service without being entitled to a pension under section 2 and without transferring to other employment that, under section 4, is included in the pensionable service shall be entitled to redundancy payment, cf subsection (5).



