

A 2nd generation flexicurity: Mobile, Dynamic and Open Labour Markets

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Flexicurity – past, present and future ...

- Is there a need to – both in the Danish as well as in the European context – to rethink flexicurity?
 - NO! If it works, don't fix it ...
 - YES! One who does not look ahead remains behind ...



Has flexicurity passed the test in DK?

YES ...



- Deteriorated public finances – but still better than many other countries
- Now increase in GDP
- Smaller increase in unemployment than feared
- Job mobility – still great number of job changes
- Workers still content as to economic and job outlook

Danish Challenges

- **GROWTH & JOB**

- 200.000 jobs lost during crisis
- Low future growth rate at 1%
- Decreasing relative competitiveness
- Grim demographic outlook



A key precondition for growth

A well-functioning labour market with ...

1. A highly educated and well-skilled labour force
2. A high actual employment rate
3. A large potential labour force

How is this precondition met?

- **Mobile, dynamic and open labour markets ...**
 - Facilitate workers *transitions* to work places where their competences are most in demand and thus rewarded
 - Ensure that people are rewarded both in terms of job satisfaction and remuneration for *obtaining the skills* needed by companies
 - Pave the way for *the highest possible number* of people in jobs

Flexicurity 2nd generation ...



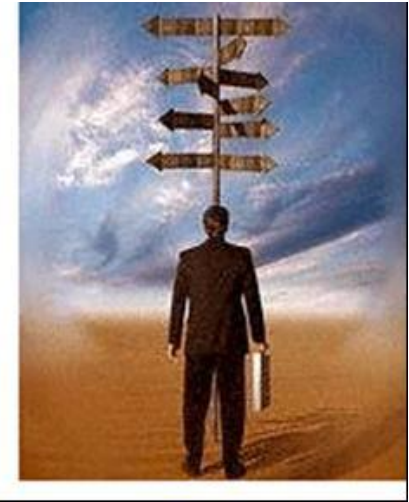
... a means to making transitions pay

Mobility

- In a mobile labour market ...
- ... employees can move around for jobs both across occupations, companies, sectors and geographically without barriers and without losing earned rights
- Key: secure and mobile modern rights

Mobility - Danish pathways

- Mobile and secured rights:
 - occupational pension funds
 - educational competence funds
 - holiday pay funds

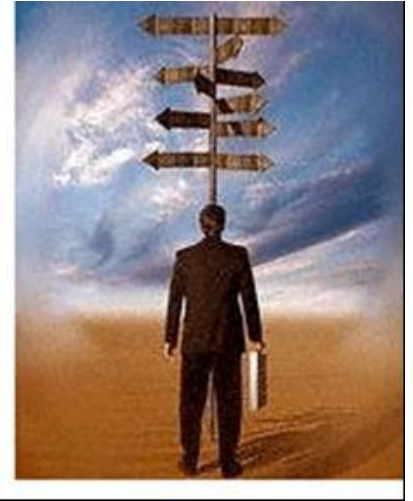


Dynamic

- In a dynamic labour market ...
- ... both employees and unemployed are continuously further educated and trained – to match the competences that business needs
- Key: rights of further education & training to strengthen the employability of employed and unemployed

Dynamic - Danish pathways

- Continuing vocational education training
 - Educational competence funds
- Collective agreement: 2 wks further education during resignation period

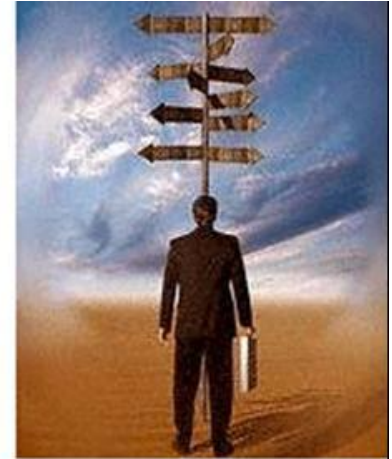


Openness

- In an open labour market ...
- ... the entry and the return into jobs of people outside the labour market such as young first-jobbers, immigrants, unemployed etc. is facilitated
- Key: no segmentation or insider-outsider distinction

Openness - Danish pathways

- Maternity fund
- Dual system in vocational education training
- Job schemes for immigrants



The way forward ...



Thank you for your attention !

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