

Jobs with wage subsidy

Springboard
to regular
employment

Jobs with wage subsidy allow companies to hire a potential employee with a grant. The wage subsidy can usually last up to six months in private companies and up to four months in public companies*. Then employment continues without subsidies.

Companies can only receive wage subsidies for a new employee who has previously had a period of at least 6 months of unemployment. The requirement of six months' unemployment lapses, however, if the unemployed person:

- does not have a general or vocational upper secondary education (or higher)
- is over 50 or
- is a sole provider.

The company pays the minimum contractual wage within the industry sector in question and then receives a wage subsidy of 50% of this salary, with however, a maximum of 79.68 kr. per hour (2019 rate). For public companies, the rate is 115.73 kr. per hour.

Employees with wage subsidy must not replace regular employees, and there must be a reasonable relationship** between the number of permanent employees and persons employed in subsidized jobs or work placements. Wage subsidy is not possible in the business where you have most recently been employed, or in companies owned by a spouse.

There are also wage subsidies for graduates with disabilities and early retirees – ask at your Job Centre.

HOW TO...

Create and submit an application for wage subsidy at [vitas Vitas.bm.dk](http://vitas.vitas.bm.dk)

BENEFITS

- Allows the company to gain an impression of the employee in question – both professionally and socially. For job seekers the scheme offers the opportunity to refresh skills, use newly acquired skills or simply get used to it being in a workplace. There is also the possibility to train for a new industry sector.
- The company and the job seeker plan the wage subsidy program in close cooperation. The Job Centre regularly follows up on the wage subsidy.

EXAMPLE

A 34-year-old woman has been unemployed for a number of years as an unskilled production worker. She is very interested in health and natural medicine. The Job Centre finds a vacancy as a shop assistant in a local health food store. The position requires some training and product knowledge. The woman's wages are therefore subsidized for the duration of the training period. After three months, she is employed on normal terms.

* For benefit recipients who are ready for the labour market, the duration of the public wage subsidies extends to six months. For recipients of temporary labour market benefit, the duration of both private and publicly subsidy is maximum of three months. For integration citizens, the duration of both private and public wage subsidies extends to 12 months. ** The number of people in subsidized jobs or internships cannot exceed one person for every five ordinary employees if the company has between 0 and 50 employees (though always 1). In addition, there can be one person employed for every 10 ordinary employees.

Company internships

No extra wage expenses

Businesses can offer a company internship without incurring an additional wage expense. Job seekers get the opportunity to test and improve their skills in the workplace, or to clarify a preference in relation to choice of education.

An internship can be in a private or public company, as long as it is not in the same company where the job seeker last worked. There must be a reasonable number of ordinary employees compared to the number of job seekers in internships (1-5 ordinary employees for each internship vacancy) and the work undertaken should be as close to normal work as possible.

The internship lasts up to four weeks*, but can be further extended for people who receive social benefit, people who are classified as unprepared for the labour market, people with a limited capacity for work, etc. The internship will uncover or develop the person's professional, social or language skills and define work, career or educational goals.

Before the end of the internship, the intern should receive feedback on the possibility of regular employment or subsidized employment in the company - or an assessment of the trainee's educational opportunities in the field.

HOW TO...

Create and submit an application for a company internship at vitas.bm.dk

* Unemployed people with insurance, who have completed tertiary education, have the possibility of up to eight weeks of job training - on the assumption that they have not been in regular employment after the completion of their education.

Insurance

Job seekers are not employed by the company during an internship. There should not be issued a certificate of employment. During the internship, job seekers receive a living allowance from the unemployment fund or municipality. Job seekers are not covered by rules applicable to wage earners (legislation, common agreements, etc.) with the exception of health and safety legislation and laws prohibiting employment discrimination. During the internship the Job Centre offers compensation under the Act on Protection against the Consequences of Industrial Injuries, according to Employment Act § 113. The Job Centre also provides compensation for damage that the offeree causes to other people or other people's property according to Danish law, see Order on Active Employment Sec. 12. It follows that there is usually no compensation to the extent that an injury is covered by workers' compensation insurance, property insurance or insurance for loss of operations.

BENEFITS

- The Job Centre selects the most suitable trainees for the company.
- The company, which offers the internship, pays neither wages nor insurance during the internship.
- The company will be able to assess whether the job seeker is suitable for a permanent post or a subsidized job immediately after the internship.

EXAMPLE

A 32-year-old carpenter has been sick for an extended period due to a slipped disc, and is not be able to perform usual work. A construction company offers an internship as a construction manager. For a period, the carpenter can clarify whether this type of work is an appropriate alternative for a future career, and whether it is appropriate to undertake training / qualification as a construction manager.

Integration

ALLOW MORE REFUGEES AND MEMBERS OF REUNIFIED FAMILIES TO CONTRIBUTE TO THE LABOUR MARKET

Integration works best in the workplace. In order to succeed with integration, it's crucial that as many companies as possible invite newly arrived refugees to contribute with concrete and productive work.

The initiative applies to refugees and members of reunified families as part of the Integration Program (see right-hand column) and can involve all business-oriented programs - tailored to the individual refugee as well as business needs.

Frederiksberg Municipality has launched an offer for recently arrived, labour-market ready, refugees - a so-called industry sector process. This concept is rooted in the experience that both integration and development of language skills happen quickest in the workplace, among colleagues who speak Danish. There are seven different industry sector processes in the following industry sectors: retail, cleaning, care, kitchen / canteen, warehousing, building / construction and transport. Each process consists of a thorough introduction to each industry sector, followed by three so-called "business programs" in which the individual refugee acquires industry-specific skills. All programs have a clear employment goal. Refugees take part in a parallel Danish course at a language school.

As an employer, you have the opportunity to take part in an industry sector process by offering to make a business program available to a refugee.

By hosting a business program, your company can help integrate refugees into the labour market.

HOW TO...

Contact your Job Centre to hear more about the possibility of making space for a refugee in your workplace. Job Centre Frederiksberg Business Service, tel: 3821 5823



BENEFITS

- Creates better and faster integration of recently arrived refugees and members of reunified families
- Strengthens civil cohesion and the economy

INTEGRATION PROGRAM

The municipality offers refugees and members of reunified families an integration program to ensure that the refugee can cope in Denmark in general and as soon as possible, become self-sufficient through employment. The program consists of Danish education and employment related offers in the form of guidance and skill-acquisition activities, as well as subsidized employment in line with the Integration Act.

The integration program can last up to 3 years and must combine Danish education with employment related offers. On average, this should be equivalent to 37 hours per week including preparation. Language Schools are required to offer programs that can be combined with work.

Job rotation

DEVELOP EMPLOYEES' SKILLS WITH EXTRA TRAINING, WHILE TEMPORARY WORKERS GET THE JOB DONE

With a job rotation scheme, employers can send staff on training courses, while temporary workers take over their duties for the duration of the training period. The Job Centre and the employer work together to organise the course, and the Job Centre helps find relevant temporary workers.

When a company hires a job seeker to deputise for an employee who is in training, it's possible to apply for job rotation subsidy. Job rotation subsidy is paid by the Job Centre and is an overall contribution towards both wages and the cost of training. For the duration of the training period, the company receives 189,51 kr. for each hour that the employee is in training and a temporary worker is at work.

To receive job rotation subsidy, the following conditions must be met:

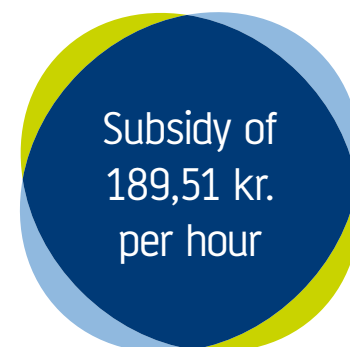
- The employee must have been appointed on normal terms of employment in Denmark for at least three months and must receive wages in line with the collective agreement* during the training period.
- Job rotation funding for employees with a short or medium higher education, is allocated from a special pool (the Job Centre can apply on behalf of the employer).
- The temporary worker must be employed for at least 10 hours a week for a maximum of six months.
- The temporary worker's employment must be in line with the collective agreement for contractual wages paid for similar work.
- The temporary worker must have been unemployed for at least six months before recruitment.
- The company cover the costs of training the employee.
- The training course or program must be publicly funded.
- The employer applies to the Job Centre for job rotation subsidy when wages for the employee are incurred. The Job Centre must first approve the project, and the employer must document wage costs.
- The employer may not, simultaneously with job rotation, receive VEU allowance, SVU, wage subsidies or other public benefits for the employees. It is not possible to apply for job rotation subsidy in association with training agreements under the law on vocational training or education with access to AUB.

HOW TO...

Contact your Job Centre to learn more about job rotation and training opportunities. Application form AB 522 for job rotation subsidy can be found at www.jobnet.dk/blanketter. Employers can also search directly for job rotation subsidy at indberet.virk.dk - Search for AB 522.

Read more about job rotation at www.star.dk

* The collective agreement (overenskomst) determines and regulates wages, pensions and working hours.



BENEFITS

- Companies can improve their skill base without falling behind with work.
- Companies may avoid redundancies by retraining employees for new job functions.
- Companies get the chance to assess job seekers, who are employed temporarily, as potential future employees.

TRAINING ADVICE

- The Job Centre provides information on relevant courses and training opportunities and can establish contact with educational institutions.
- The Job Centre offers guidance on the relevant legislation and the possibilities for compensation.
- Read more about training opportunities at www.veu-center.dk