

Main results of the new collective agreement in the Danish state sector (2005 – 2008)

On 22 February 2005 the CFU (Danish Central Federation of State Employees' Organisations) and the Ministry of Finance concluded a collective agreement covering approx. 160.000 employees in the state sector for the period 1 April 2005 - 31 March 2008.

The agreed **economic framework** for the period is 6,96 % of the total wage sum in the state sector per 31 March 2005. The major part (5,76 %) is earmarked for general wage increases, whereas the rest (1,20 %) is reserved for pool purposes.

The agreement comprises a **low pay** project within StK's area of organisation: The 3 lowest pay scales have been deleted. This means that employees on one of the three lowest scales of pay (in the old scale pay system) are raised to what used to be the fourth lowest scale. Likewise, all basic wages (in the so-called new pay system) are raised to a level equivalent to that scale.

The agreement comprises a number of agreements on **pension**, including a 1 % pension raise for employees on the so-called mini-pension in StK:Pension. These are employees who do not meet the criteria of being over 25 years old or of having been employed in the public sector for at least 4 years. Another pension agreement concerns the introduction of pension rights during extended, unpaid parental leave. This agreement has important **gender equality** implications (in terms of closing the gender pension gap), because far more women than men make use of the possibility to take unpaid parental leave in prolongation of paid maternity/paternity leave. As from 1 April 2005 employers will pay in the full pension contribution (normally employers pay a 2/3 share and a 1/3 share is drawn from the employee's salary) for employees on extended, unpaid parental leave for a maximum period of 32 weeks.

The agreement comprises a number of agreements that aim to ensure a better **family / work life balance**: The number of (paid) special care days for young children (up to 7 years) have been increased from a total of 10 to a total of 16 (2 days per year). And parents now have the right to a max of 5 days paid leave in connection with admission to hospital with children of up to 14 years of age (5 days per child per 12 months).

The social partners have signed a new **working time** agreement for civil servants, which can be extended to contractual staff if the relevant trade unions decide to endorse it. The agreement is a simplification of a very complex set of rules, and among other things provides better compensation for employees who normally work hours outside normal day shift.

The social partners have agreed on a new **competence package**, which is a further development and improvement of the package agreed upon in 2002. A special priority area of action in the upcoming agreement period is general qualifications and development of the competences of employees with a short or no formal education.

As regards **older workers**, the social partners agree on the need to retain and develop the competencies of experienced employees (+ 55 years). The social partners at the central level will launch a number of initiatives to support efforts undertaken at the work place level, including a pilot project where experienced employees are offered the opportunity of an external career clarification process prior to the normal job assessment interview.

The social partners have agreed on a modernisation of the **agreement on cooperation and cooperation committees**, which has not only brought it in line with the present state of management and decision-making in central government work places, but has also made it more binding. By means of this cooperation agreement the social partners have implemented **the directive on information & consultation** as well as **the framework agreement on work-related stress**. It should be noted that the cooperation agreement applies to all state employees (contractual staff and statutory civil servants), including in the police and the armed forces.

With reference to stress, the social partners have agreed to increase their efforts in the cause of a better working environment, and in particular to focus on securing a good psychic working environment including preventing and dealing with work-related stress and sick leave.

And with reference to implementation of EU legislation and European level agreements, the social partners have agreed to start negotiations on the implementation of **the framework agreement on telework**.

Last but not least, the social partners have agreed to set-up a number of so-called **integration positions** targeted at persons with a non-Danish ethnical background (immigrants and their descendants) who experience difficulties accessing the labour market. The objective is to increase the proportion of newly appointed with an ethnical background other than Danish, and to help provide young people from ethnical minorities with work place experience and qualifications. Instruments are setting-up these special integration positions and at the same time increasing the total number of traineeships in the state sector by 25 %.