

Denmark: from integration to repatriation

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Introduction

Denmark is a small country with a comparatively small immigrant population. Nonetheless, it is an interesting country to study in relation to the labour market integration of refugees.

The Danish labour market is renowned for its unique combination of labour market flexibility and social security, strong collective bargaining and economic competitiveness. Up to now, however, the labour market integration of refugees has not been particularly successful.

Like in other European countries, the ‘refugee crisis’ of 2014 and 2015 led to stricter policies on border control and asylum but also to momentum for reforms of refugee integration and employment policies. Since 2016, integration programmes and employment policies targeted at refugees and family-reunified migrants have been reformed to promote faster labour market integration.

In this chapter, we describe the main changes in Danish integration programmes and employment policies during and after the ‘refugee crisis’ and evaluate their impact. Preliminary evidence suggests that recent reforms have been rather successful at promoting labour market integration among refugees. However, a recent paradigm shift in refugee policies, from integration to repatriation, threatens to undermine these achievements.¹

The chapter consists of four parts. First, we examine the Danish context of migration, including the immigration waves since the 1960s and the current asylum application process. Second, we describe the labour market situation and the main barriers to the labour market integration of refugees. Third, we describe the recent changes that have been made to integration and employment policies and evaluate the results. Finally, we discuss the implications of the current policy shift towards refugees, from integration to repatriation, and the main challenges to the integration of refugees in the Danish labour market.

1. This chapter has been finalised in the spring 2020 during the covid-19 pandemic. The corona-crisis has so far led to closure of major parts of the Danish economy, unprecedented rise in unemployment and numerous government relief packages. At this point in time, it is difficult to predict how the corona-crisis will impact on the labour market integration of refugees, but the labour market will go into recession, there will be less public resources for integration programs, and the local jobcenters will be preoccupied with the rising number of native unemployed.

1. The Danish context of migration

Denmark is a small country with a total population of 5,781,000 inhabitants. In 2018, the number of foreign-born residents in Denmark was 12 per cent of the population (690,000 people) which is relatively low compared, for instance, to Germany (16.6 per cent) and Sweden (18.5 per cent). 65 per cent of foreign-born nationals are from non-EU countries (452,000 people) while the remaining 35 per cent are from EU-countries (238,000 people).²

The population structure of Denmark has changed markedly over the last three decades, a development which is depicted in Figure 1 below.

In 1980, which is the earliest year for which figures are available from Statistics Denmark, 135,000 immigrants and 18,000 descendants were residing in Denmark.³ This corresponded to 2.6 per cent and 0.4 per cent of the total population at the time. Since 1980, the number of immigrants and descendants has risen considerably, amounting in 2018 to a total of 592,000 immigrants and 179,000 descendants, corresponding to 11.8 and 3.6 per cent of the total population.

Statistics Denmark estimates that around 30 per cent of the total number of immigrants (170,700 people) have a refugee background (Statistics Denmark 2018). If we assume that all refugees originate from non-western countries,⁴ the share of non-western immigrants who have a refugee background can be estimated at fifty per cent (own calculations based on data from Statistics Denmark).

Immigration occurs in waves. The first of these occurred in the 1960s with 'guest workers', primarily from Turkey but also from Pakistan and the former Yugoslavia, coming to Denmark to work due to labour shortages in the industry sector (Aagesen 1971). Most of these groups became permanent residents. Prior to this, Denmark received a group of refugees, especially after the 1956 revolution in Hungary (Hammer 2019). In 1956, the government therefore initiated the first 'introduction programmes' for newly-arrived immigrants. A voluntary association, the Danish Refugee Council, was delegated with the responsibility for implementing and financing the introduction programme through private funds (Bredahl 2012: 60). During the 1970s, the economy went into recession due to the oil crises and unemployment climbed. Immigration was politicised, especially by a new nationalist party (*Fremskridtspartiet*). In 1973, parliament enacted an 'immigration stop' meaning that migrant labour was no longer invited (Seeberg 2006). In 1978, the central government assumed responsibility for financing the introduction programme (Stenild and Martens 2009), but the Danish Refugee Council remained responsible for implementing the integration and employment programmes which, at the time, primarily consisted of language courses, counselling and vocational training.

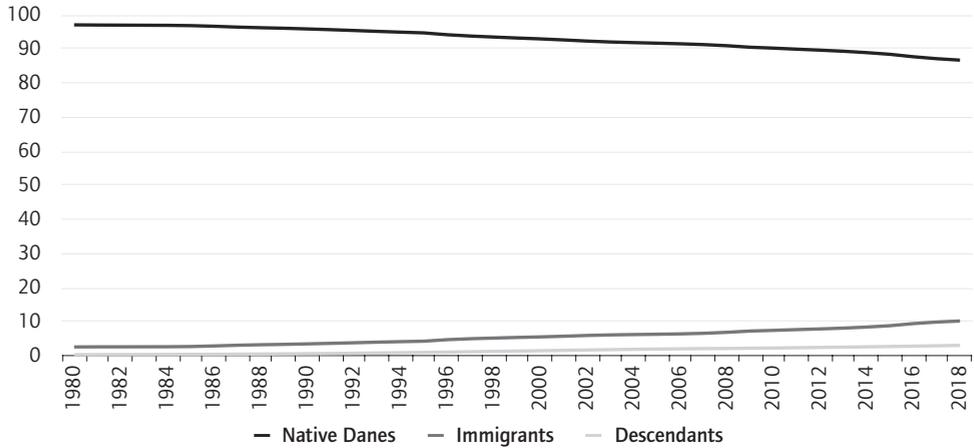
2. Eurostat (migr_pop3ctb) https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=migr_pop3ctb&lang=en

3. Immigrants are defined as foreign-born people residing in Denmark, while descendants are the children of foreign-born people.

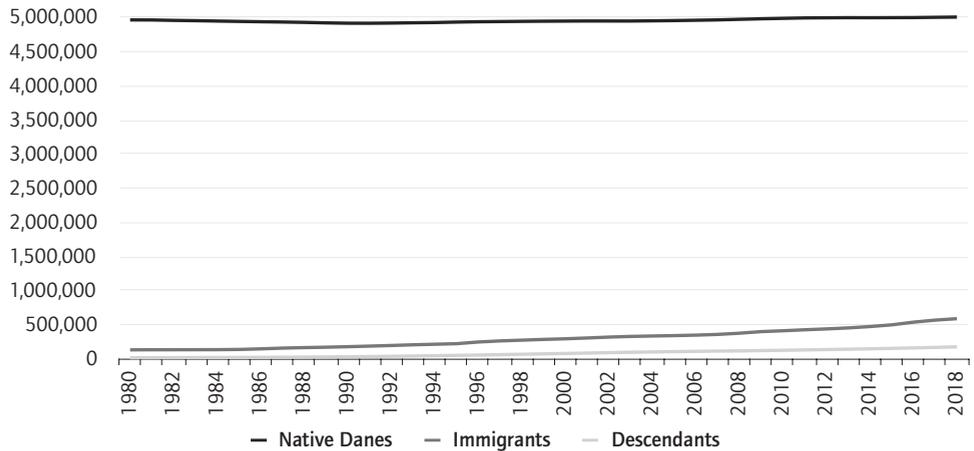
4. Western countries are defined as all EU countries plus Andorra, Iceland, Liechtenstein, Monaco, Norway, San Marino, Switzerland, Vatican City State, Canada, USA, Australia and New Zealand. Non-western countries are defined as all other countries.

Figure 1 The Danish population structure (1980-2018)

a) in per cent of total population



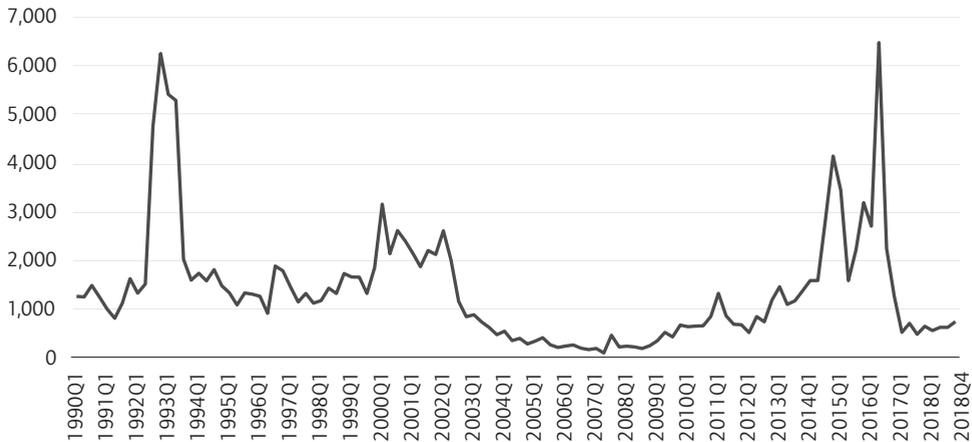
b) in absolute numbers



Source: Statistics Denmark (FOLK2).

The second immigration wave consisted mainly of arrivals from the former Yugoslavia (Bosnians). From late 1992 to early 1993, Denmark received more than 10,000 asylum seekers, the majority escaping from the Balkan conflict (see Figure 2 below). In 1998, the responsibility for implementation of the integration programmes was transferred from the Danish Refugee Council to local municipalities. The duration of the programme was set at three years and consisted of language classes and courses which focused on the teaching of an understanding of Danish society. A new, and lower, 'introduction benefit' was introduced for newly arrived refugees, replacing social assistance, with eligibility made conditional upon participation in an introduction programme. In this way, integration policies were streamlined with employment policies that also

Figure 2 Asylum applications in Denmark (1991-2018) (number of registrations per quarter)



Source: Statistics Denmark (VAN5).

introduced conditionality in order to ‘make work pay’, by strengthening the economic incentives to become employed (Bredgaard *et al.* 2016).

Figure 2 (above) shows that the third cycle happened during the Syrian ‘refugee crisis’, starting in late 2014. In September 2015, this crisis became highly visible as large groups of migrants began crossing the Danish border from Germany and walking along Danish highways –many of them on their way to Sweden (or further to Finland) and not wanting to register as asylum seekers in Denmark (Bredgaard and Thomsen 2018). The number of asylum applications doubled from 2013 to 2014 and peaked in 2015 with 21,316 applications. From 2016, the number of asylum applications decreased again, reaching an almost historically low level in 2017 and 2018, with only 3,500 asylum applicants each year. The percentage of applications granted asylum (the approval rate) also increased during the ‘refugee crisis’ and fell afterwards.⁵

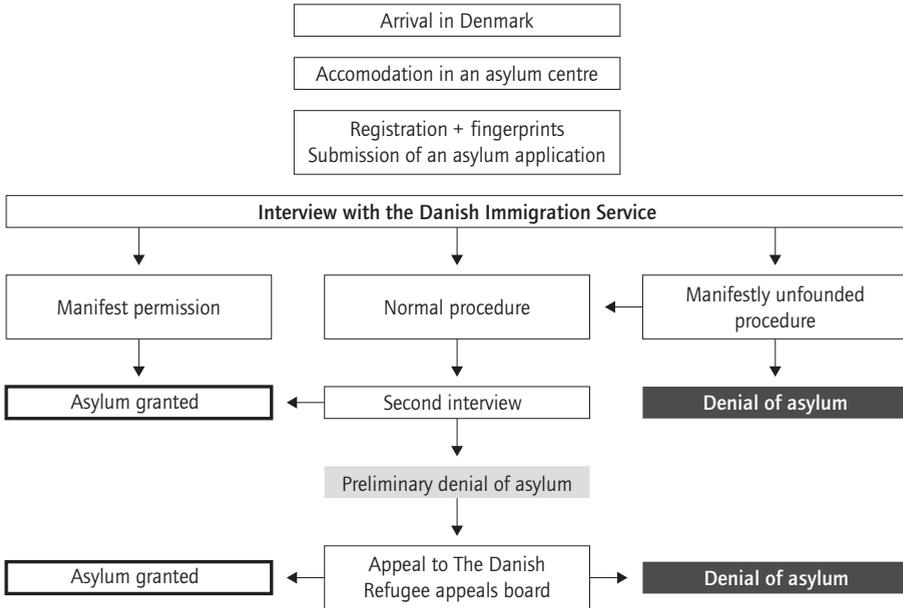
Figure 3 (below) illustrates the different phases and legal framework for asylum seekers arriving in Denmark.

Upon arrival in Denmark, asylum seekers are accommodated in asylum centres. The asylum seeker is registered and questioned by the police and the Immigration Service with the purpose of determining their identity, travel route and reasons for seeking asylum. After the first interview, the authorities decide if the asylum seeker should be transferred to another European country or whether the case should be processed in Denmark.

When a case is processed in Denmark, the first possible outcome of the interview is the ‘manifestly unfounded procedure’, where the Immigration Service finds that there are no valid grounds for requesting asylum. The Danish Refugee Council will then review

5. See www.nyidanmark.dk

Figure 3 The Danish asylum process



Source: Based on Danish Refugee Council (2015) and Danish Immigration Service, <https://bit.ly/2UZzv0F>

the case. If the Council agrees with the Immigration Service, the request for asylum is denied; if it does not agree, the case will pass to the ‘normal procedure’.

In the normal procedure, a second interview will usually be conducted in order to determine whether the criteria for granting asylum have been fulfilled. It can also lead to preliminary denial of the asylum request. In such a situation, the case is automatically appealed to the Danish Refugee Appeals Board for final consideration, which can lead to a rejection of the asylum request or the person in question being granted asylum.

The last possible outcome of the initial interview is the ‘manifest permission’ procedure. This is a rather recent and faster procedure for granting asylum. This procedure is used when it is very likely that the person in question will be granted asylum.

Finally, a humanitarian residence permit can be granted in some cases for people who do not fulfil the normal criteria for asylum. A humanitarian residence permit is, however, only granted under very special circumstances, for instance in cases of severe physical or mental illness.

The Danish Ministry of Immigration and Integration estimates that the average time taken from the initial application for asylum until a decision was 194 days in 2016, rising to 317 in the first eight months of 2017.⁶

6. Folketinget (the Danish Parliament), <https://www.ft.dk/samling/20171/almudel/uii/spm/9/svar/1453695/1836485/index.htm>

If asylum is granted, a residence permit is given, which entails the ‘right and responsibility’ to work and become self-supporting. Until 2019, a residence permit was granted for up to two years at a time. If a person applied for an extension of the residence permit, this would be granted unless there was reason to withdraw the permit. Residence permits for refugees with ‘convention status’ and ‘protected status’⁷ were granted with a view to granting permanent residency. However, this all changed in 2019 when a majority in the Danish parliament decided that refugees should only be granted temporary residence permits and that refugee policies should focus on repatriation rather than integration (Danish Parliament 2019a). We return to these changes in the last section of this chapter.

2. Labour market integration of refugees

Compared to Danish nationals, the employment rates of migrants in Denmark, including refugees, are significantly lower. Figure 4 (below) shows the employment rates of Danish nationals compared to immigrants from EU-28 countries and non-EU countries after the global financial crisis in 2008. During this period, the employment gap between Danish nationals and migrants from foreign countries varied between ten and fifteen percentage points.

Figure 4 also indicates that the employment opportunities of migrants from foreign countries are more dependent on fluctuations in the business cycle (compare the decline in employment rates from 2009–2012 and the increase from 2015–2018). The employment rates of people born in an EU-28 country residing in Denmark are close to the employment rates of Danish nationals throughout the period. However, when the employment gap between Danish nationals and migrants from foreign countries is broken down by gender, there is a clear pattern. Women from foreign countries have markedly lower employment rates than their Danish counterparts. The employment rates of women from foreign countries also saw a much sharper decrease in the wake of the 2009 financial crisis and has not yet recovered to the level before the crisis.

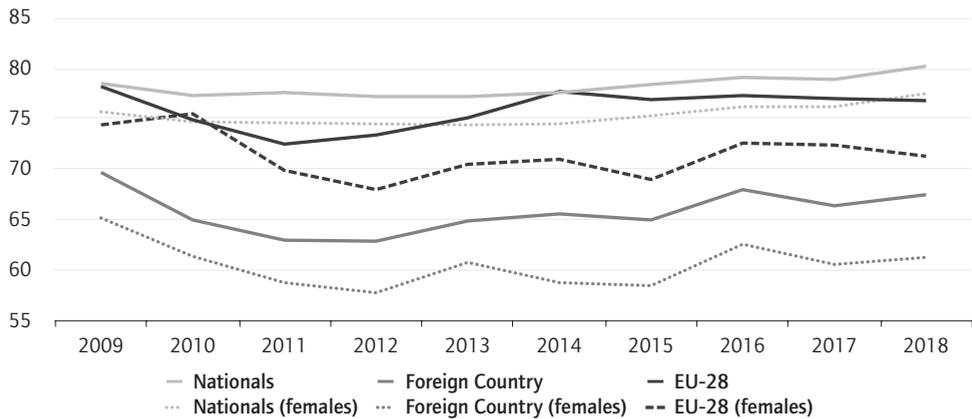
Table 1 (below) shows the employment rates for refugees and family-reunified migrants compared to native Danes by years of residence. The employment rates of refugees and family-reunified migrants improve with years of residence in Denmark but continue to be significantly lower than the employment rates of native Danes and other migrant groups. The data cover refugees (including families reunified with refugees) who immigrated to Denmark during the period 1997–2011.

Five years after coming to Denmark, only one in three refugees older than 25 is employed (34.3%). For family-reunified migrants, the employment rate is even lower (21.6%),

7. ‘Convention status’ is when asylum is granted based on the principles of the UN Refugee Convention. ‘Protected status’ is instead granted when the requirements of the UN Refugee Convention are not met but the individual in question is at risk of the death penalty, torture or inhuman treatment. This is granted based on Article 3 of the European Convention on Human Rights, <https://flygtning.dk/danmark/asyl/lovgivning-og-fakta/lovgivning-og-konventioner>

which may relate to the higher proportion of women among the family-reunified and the lower employment rates of refugee women. Employment rates peak after ten years of residence in Denmark for refugees and then decline slightly, although not for those who are family reunified. In a similar analysis, Schultz-Nielsen (2017) shows that the decline in employment rates after ten years only occurs for men while employment rates stagnate for women. This finding indicates that it is not only important to focus on the integration of newly arrived refugees but also on the retention and careers of those in employment.

Figure 4 Employment rates in Denmark (20-64 years, 2009-2018), by country of birth



Source: Eurostat, Labour Force Survey (lfsa_ergaedcob).

Table 1 Employment rates by years of residence and type of residence permit

	1 year	5 years	10 years	15 years
Refugees	3.4%	34.3%	42.5%	36.8%
Family reunified with refugee	3.7%	21.6%	33.8%	34.1%
Family reunified with Dane*	24.6%	65.8%	71.6%	69.0%

Note: *Schultz-Nielsen defines a Dane as a person with at least one parent born in Denmark and also having Danish citizenship.

Source: M. L. Schultz-Nielsen (2016: 30).

Nordic data on refugees entering Denmark, Sweden or Norway from 2008 to 2013 also indicate that female employment rates are comparably low in Denmark. After seven years of residence, the employment rates of male refugees are almost similar, at around fifty per cent in Denmark, Sweden and Norway. However, the employment rates of female refugees are only 21 per cent in Denmark compared to 28 per cent in Sweden and 37 per cent in Norway. The share of female refugees in education is also lower in Denmark than it is in Sweden and Norway (Nordic Council of Ministers 2019).

Barriers to the employment of refugees

In this section, we discuss some of the most important explanations for the lower employment rates of refugees by focusing on the supply-side (refugees), the demand-side (employers) and the matching of labour supply and demand (the employment service). For a detailed review of the literature, see Bredgaard and Thomsen (2018).

Table 2 Conceptual approaches to the labour market integration of refugees

	Supply-side approach	Matching approach	Demand-side approach
Target group	Refugees	Employment service	Employers
Key problem	Refugees lack adequate skills, qualifications and motivation to integrate into the labour market	Lack of credible information and contacts between refugees and employers	Employers discriminate against refugees in recruitment processes
Policy objective	Make refugees ready for the labour market	Match refugees and employers	Make employers ready for refugees
Policy solution	Improve skills, qualifications and motivation of refugees	Break down information asymmetries and facilitate contact between refugees and employers	Encourage and incentivise employers to recruit refugees

Source: Bredgaard and Thomsen (2018).

The supply-side approach focuses on the capacity of refugees for integration into the labour market. Lower labour market integration among refugees is considered a function of individual barriers to labour market integration, such as inadequate language skills, low or inadequate education, mental or physical challenges, limited work experience and low work motivation (see, for instance, Schultz-Nielsen and Skaksen 2017; Rigsrevisionen and Statsrevisorerne 2018; Arendt 2019). The objective of public intervention is, therefore, to prepare refugees for the labour market; that is, improve the skills, qualifications and motivation of refugees for integration.⁸

On the demand-side, the lower labour market integration of refugees is a function of (direct and indirect) discriminatory practices and inadequate incentives for employers to recruit refugees. Numerous studies have found wage and employment gaps between migrants and natives which may, at least partially, be due to discrimination particularly in the hiring decisions of firms (e.g. Zschirnt and Ruedin 2016; Villadsen and Wulff 2018; Quillian *et al.* 2019). Related to this, the high wage levels and productivity requirements of the Danish labour market may also be an important barrier to those refugees who have limited human capital and work experience. Policies addressing barriers on the demand-side focus on encouraging and providing incentives for employers to recruit refugees, ranging from ‘hard regulation’ (anti-discrimination laws, employment quotas and sanctions) to ‘soft regulation’ (wage subsidies, campaigns).

8. A study by the Danish Institute of Governmental Research finds that a higher share of immigrants are overqualified for the jobs they possess compared to Danish nationals (Nielsen 2007). A more recent study finds a strong association between education level and the labour market performance of immigrants (Schultz-Nielsen and Skaksen 2017).

The matching perspective considers the lower labour market integration of refugees (and jobseekers in general) to be a function of information asymmetries on both the supply and demand sides of the labour market and the inability of public employment services to facilitate matches between refugees and employers (Larsen and Vesan 2012). Refugees often have insufficient information about the new host labour market and inadequate personal networks to gain access to employers' informal recruitment channels. Some employers, on the other hand, lack information about the productivity, qualifications and competencies of refugees and are reluctant to recruit them. Public employment services may assist by providing credible information to both sides. However, evidence suggests that most employers refrain from using public employment services for recruitment. An alternative strategy is to subsidise employers to recruit unemployed jobseekers (e.g. via wage subsidies and work experience programmes). For details, see the review of the literature by Bredgaard and Thomsen 2018.

In the following, we focus on the matching of labour supply (refugees) and demand (employers) through public employment services and describe the changes made to integration and employment programmes in recent decades.

3. Refugee integration and employment programmes

The 'refugee crisis' provided political momentum for the reform of Denmark's refugee integration and employment programmes. The dominant political narrative was that previous integration and employment policies had failed to integrate 'non-western' migrants, especially refugees, into the labour market.

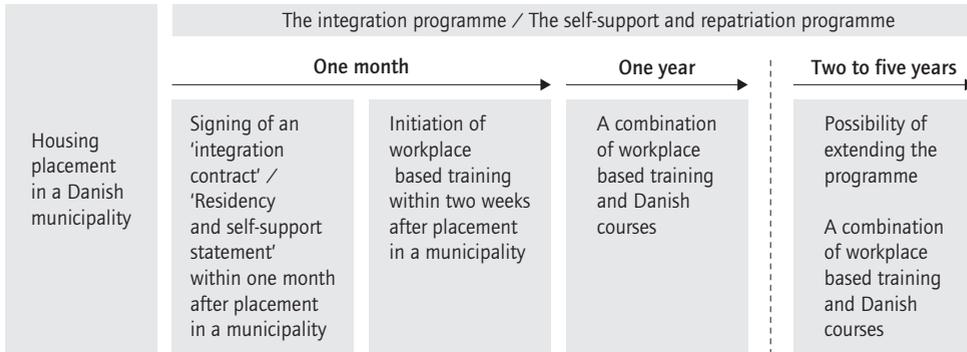
An Expert Committee on the labour market integration of disadvantaged jobseekers paved the way for the changes to come. This Committee had been appointed by the government to provide recommendations for the reform of public employment services for jobseekers regarding unemployment insurance benefits and other types of public income support. As the 'refugee crisis' unfolded from late 2014, the government realised that the reform of integration and employment programmes for refugees was also necessary and asked the Committee to provide specific recommendations here, too (Expert Committee 2015). In early 2015, the Committee announced its recommendations, concluding that municipal integration programmes had failed and sometimes even worked against policy intentions by retaining refugees on public income support rather than supporting labour market integration.

In the spring of 2016, most of the recommendations of the Expert Committee were accepted in a subsequent tripartite agreement between the government and the social partners (Danish Employers Association and the Danish Confederation of Trade Unions). The proposals that required a new legislative framework were subsequently enacted by parliament in June 2016. All parties in parliament voted in favour of the legislation except the Danish People's Party (DF). An official government target was set of a fifty per cent employment rate, meaning that one-half of all refugees and family-reunified migrants should be in employment after three years of residency in

Denmark (Ministry of Immigration and Integration 2016: 2). This government target was 10-20 percentage points above the levels achieved previously.

Denmark’s integration programme commences when an asylum seeker is granted asylum and transferred from the asylum centre to a municipality (see Figure 5 below).

Figure 5 The Danish integration programme



Source: Authors’ own compilation based on Expert Committee (2016), Ministry of Immigration and Integration (2016), and Danish Parliament (2019a).

Following the reform, the duration of the integration programme has been reduced from three years to one year, with the possibility of extending it for up to five years if employment is not obtained (Ministry of Immigration and Integration 2016).

Previously, the integration programme consisted primarily of language courses and municipal training programmes; now, these have been combined (Bredgaard and Thomsen 2018) Arendt (2019) labels this a shift from a ‘human capital’ policy to a ‘jobs first’ policy. The main instrument in the toolbox is a work experience programme (*virksomhedspraktik*) whose duration is, typically, 13 weeks and under which refugees (and the unemployed in general) provide work for an employer. The employer does not pay any wages for the individual directly, and the participant instead receives welfare benefits (Expert Committee 2015). Furthermore, employment programmes now start earlier and have been intensified. Two to four weeks after refugees transfer from the asylum centre to the municipalities, they begin employment programmes and participate throughout the year, with a maximum break of six weeks between periods of activation.

The results show in the statistics. Since 2015, the share of participants in work experience programmes who are on integration benefits has increased from less than 15 per cent to more than 25 per cent. Since 2015, the share of recipients receiving integration benefits who participate in the wage subsidy programme (see further below) has also doubled from less than five per cent to more than ten per cent in 2018.

Before the reform, refugees were typically classified as ‘activity ready’, denoting that the person was not ready to work in the ordinary labour market but was ready to

participate in activation and integration programmes. Activation requirements are not as strict for the ‘activity ready’ as they are for the ‘job ready’, while the ‘activity ready’ unemployed are not required actively to be looking for a job. The government and the social partners agreed that the share of refugees being classified as ‘activity ready’ was (at roughly ninety per cent) too high. In a tripartite agreement it was therefore set as a goal that refugees should initially be regarded as ‘job ready’ unless it was evident that they are unfit for work. This reclassification has led to a major increase in the share of people on integration benefits being classified as ‘job ready’ and, currently, about seventy per cent of refugees are classified as such.⁹

The tripartite agreement also introduced a new apprenticeship programme for refugees, the so-called *Integrationsgrunduddannelse* (IGU). Prior to the agreement, the Employer Association had advocated the introduction of ‘entry wages’ below the level set down in collective agreements as an instrument to integrate refugees into the labour market. The Danish Trade Union Confederation strongly opposed the idea, and the refugee apprenticeship programme was, therefore, a compromise struck between the social partners and the government. The refugee apprenticeship programme was accepted by trade unions since it was similar to the apprenticeship programmes for young adults in vocational training. The programme is targeted at newly arrived refugees aged between 18 and 40. Participants are covered by a collective agreement during the period of apprenticeship. The duration of the programme is two years and consists of twenty weeks of Danish language training combined with work experience. Employers pay wages fifty per cent below the minimum wage for apprentices (the remainder being subsidised by the state) and receive one-off bonuses if they have a participant on the payroll for six and then 24 months. Employers also qualify for the same bonuses if they hire a refugee on ordinary terms (in unsubsidised employment).

After a slow start, the number of IGU participants has started to increase and currently stands at 2,000 individuals.¹⁰ However, many IGU participants do not complete the apprenticeship: eight per cent of participants are ‘no shows’ while 37 per cent are terminated ahead of schedule (Ministry of Immigration and Integration 2019).

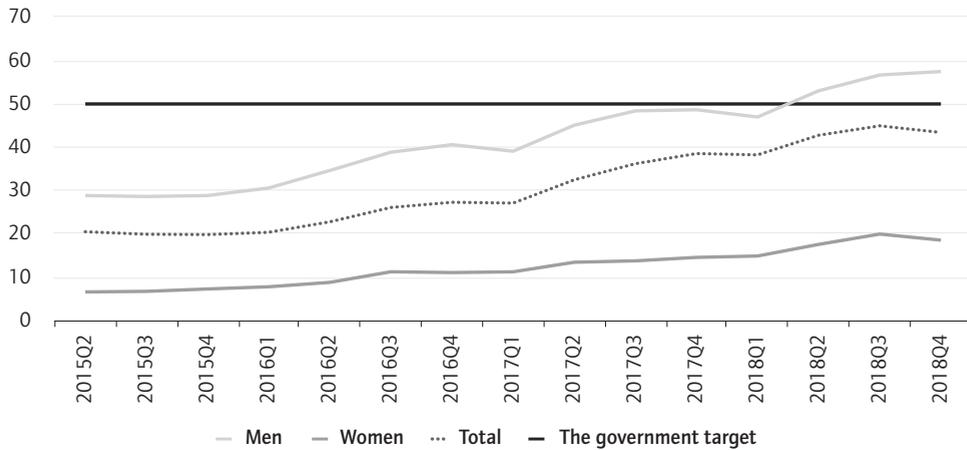
An evaluation of the programme, nonetheless, shows that employers and public employment services are, on the whole, satisfied with the programme (Rambøll 2018). The new social democratic government that took office in June 2019 has also announced that it intends to extend, and possibly strengthen, the programme.

Since the 2016 tripartite agreement, there has been a significant increase in employment rates for refugees and family-reunified migrants, especially for male refugees (cf. Figure 6 below).

9. See www.jobindsats.dk

10. See www.integrationsbarometer.dk

Figure 6 Employment rates for refugees and family-reunified migrants after three years of residency in Denmark (21-64 year olds)



Source: <http://integrationsbarometer.dk/>

The government target for the employment of refugees and family-reunified migrants was set at fifty per cent after three years of residency in Denmark. Since 2015, the employment rate of refugees has increased from twenty per cent to, currently, 43 per cent. Male refugees have even surpassed the government target in 2018, with 58 per cent currently in employment, although this compares to only 19 per cent of female refugees.

The improving business cycle and labour shortages on the Danish labour market during this period is an important explanation for the increase in the refugee employment rate. However, the tripartite agreement and the new integration and employment policies in place since 2016 also seem to have made an independent and significant impact. Arendt (2019) uses a quasi-experimental approach to compare the impact of the new job search requirements (i.e. that every refugee is treated as ‘job ready’ upon arrival) and on-the-job training (i.e. work experience programmes) with that of previous refugee integration programmes. He found that the new programme had been implemented as intended and had a large and significant employment effect for men ten to sixteen months after arrival, but that these had no effect on employment for women (Arendt 2019).

From refugee integration to repatriation

Even though the new integration and employment programmes for refugees seem to have been working, the former (liberal) and current (social democratic) governments have decided to engage in a ‘paradigm shift’ in asylum regulation and integration policies, shifting the focus from integration towards repatriation. The paradigm shift was enacted by the former liberal government in February 2019, but the general

approach has been maintained after the change in government in June 2019. The policy shift was enacted in Law No. 140:

The agreement on the immigration area contains a new approach to immigration and integration with a focus on repatriation which sends a clear signal that residence of refugees in Denmark is temporary and that Denmark has both the will and the ability to act quickly and effectively when the basis for a residence permit is no longer present. The agreement significantly strengthens the possibility to withdraw the residence permits of refugees and family reunified to refugees and send them home as soon as possible. (The Danish Parliament 2019: 12, own translation)

This is a fundamental change of the integration ideals and practices. Migration authorities are instructed to issue temporary instead of permanent residence permits and to repatriate rather than integrate refugees. Previously, refugees showing an ability and willingness to integrate in Danish society were more likely to receive permanent residence permits. The new repatriation law, however, entails that when assessing the basis for extending a residence permit, employment, participation in voluntary associations, and Danish language skills are not considered positively any longer.

The repatriation law also entails some important discursive and economic changes. The name of the integration program is now labelled 'self-support and repatriation program' signalling that refugees should return to their country of origin as soon as possible and be self-supporting while residing in Denmark. The integration benefit was lowered and relabelled the 'self-support and repatriation benefit'. The proponents argue that lower income benefits for refugees have the double effect of discouraging refugees from seeking asylum in Denmark and improving employment rates for those who are granted asylum in Denmark, but evidence supporting either of the claims is limited (Rosholm and Vejlin 2010; Andersen, Dustmann and Landersø 2019).

This 'paradigm shift' sparked extensive debate and criticism, not least from trade unions, employer associations and humanitarian organisations (The Danish Parliament 2019b). For instance, the Danish Refugee Council and Danish Social Workers Union argued that the shift to repatriation creates an almost permanent state of uncertainty for refugees that can have severe negative social and psychological consequences. The employer associations and trade unions have criticised the law for being harmful to labour market integration and reducing labour supply in an economy with labour shortages. Employers' associations further argue that employers would be reluctant to recruit and invest in refugees, when refugees are at risk of repatriation.

In June 2019, the new social democratic government announced some minor changes to migration policies. It has introduced an exception to repatriation policies where refugees have been in full-time ordinary employment for more than two years, while they can have their residence permit extended if they remain in employment (Political Agreement 2019). It is, generally, too early to tell what impact these signals from the new social democratic government will have on existing practice.

4. Conclusions

The Danish labour market is renowned for flexicurity, its social model and collective bargaining, but has not been particularly successful in integrating refugees and non-EU migrants on the labour market. The ‘refugee crisis’ of 2014–2015 paved the way for major reforms of refugee integration and employment policies. Importantly, a tripartite agreement was reached in 2016 outlining an ambitious target of a fifty per cent employment rate for refugees and family-reunified migrants. Since then, the employment rate of male refugees increased from 30 per cent in 2015 to 58 per cent in 2018, while the employment rate of female refugees increased in the same period from 6.5 per cent in 2015 to 18.5 per cent. The explanation for this is not only an improving business cycle and labour shortages until the current corona-crisis, but also that the reforms of integration and employment policies were working. Impact evaluations indicate that the reform of the integration and employment policies targeted at refugees had a significant and positive employment effect. The most important changes included a shift in active labour market policies to encourage faster and more intensive job placement (work experience programmes) and stricter job search requirements.

However, less than three years after the reforms were introduced, the major political parties have, nevertheless, decided to implement a fundamental change in migration policies under which the objective of the migration law is to promote the repatriation of refugees rather than their integration. This new law transmits conflicting signals to refugees and the public authorities as well as to employers. The migration authorities should avoid issuing permanent residence permits and seek to repatriate refugees to their countries of origin as soon as their grounds for humanitarian protection cease. At the same time, public employment services and employers are supposed to continue their efforts to integrate refugees into the Danish labour market. Employers’ associations, trade unions and civil society organisations have all criticised these repatriation policies for potentially undermining achievements in labour market integration.

The covid-19 pandemic and the government lock-down of major parts of the Danish economy is fundamentally changing the context for labour market integration of refugees. Although it is too early to assess the impact on labour market integration of refugees, it is already clear the Danish economy will go into recession, unemployment is rising rapidly and the public employment services will be preoccupied with the growing number of unemployed nationals in the years to come.

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