



Nordic Employment Law Update

Nordic Reach by Numbers



Denmark



Overview

- Abolition of Great Prayer Day as a public holiday
- Amendments to the Danish Act on Aliens
- Bill on the Danish Act on Employment Certificates and Certain Working Conditions



Abolition of Great Prayer Day as a public holiday

- From **1 January 2024** the former Great Prayer day will become an ordinary working day
- Employees with a **fixed salary**
 - Entitled to a salary supplement if increased working time
 - Fixed supplement of 0.45% of the employee's annual salary
- **Hourly paid** employees receive their usual hourly rate for their working hours



Amendments to the Danish Act on Aliens

- Aims to make it easier for Danish enterprises to recruit foreign labour
- Entered into force on **1 April 2023**

Amendments

- Adoption of a **supplementary pay limit scheme**
 - Annual salary of at least DKK 375,000
- Extension of the **fast track-scheme**
 - The enterprise must have at least 10 full-time employees



Amendments to the Danish Act on Aliens

- **Job seeking residence permit** for up to 3 years
 - Requirement that the individual holds a residence permit as a student in e.g., a Danish professional bachelor and the applicant has completed the educational programme
- Extension of the **positive list** for people with a higher education
 - Profession specific unemployment insurance funds as well as the Regional Labour Market Councils may add job titles to the list
- Extension of **Start-up Denmark**
 - Opportunity to continue running a self-employment business in Denmark which has already been established while the individual resided in Denmark on different grounds for residence
 - Individuals may be granted a residence permit based on the scheme for the purpose of conducting business in Denmark through a Danish branch of a foreign self-employment business. in Denmark

Bill on employment certificates and certain working conditions

- The bill implements the Directive on Transparent and Predictable Working Conditions
- If adopted, it will enter into force on 1 July 2023
- **Scope of application** will be extended through a reduction of the weekly working time requirement
 - applies to all employees working more than an average of 3 hours per week or where working hours are unpredictable



Bill on employment certificates and certain working conditions

- **Employer's duty of disclosure**
 - Some fundamental information must be provided to the employee no later than 7 calendar days from the commencement of employment
 - Other fundamental information must be provided no later than one month after the employment's commencement
- **Minimum requirements for working conditions**
 - It is proposed that the probationary period cannot exceed six months
 - Employers may not prevent an employee from taking work for another employer unless the work is incompatible with the employment

Amendments to the Danish Act on Aliens

- Employees employed before 1 July 2023 should not receive a new employment certificate or an addendum thereto unless they request it
- The bill has not yet been adopted
- Important that employers are aware of that a larger group of employees will be entitled to receive an employment certificate



Finland



Mandatory salary increases

- Salary increases negotiated by the labour parties are mandatory for employers who are obliged to follow CBA in their sector
- CBA's set the cost-effect of the increases per year and the minimum increase per employee (general increase to all employees)
- Part of the increases may be workplace-specific that need not to be allocated to all employees
- This negotiation round included mandatory one-time compensations
- Timing of the increases set out in the CBA's
- CBA's also stipulate whether employee representatives should be consulted and how to allocate the increases if no consensus is reached



Redundancies and re-employment obligations

- During notice period, an employee made redundant must primarily be offered work equivalent to that defined in the employment contract
- If no such work is available, the employee must be offered other work equivalent to the employee's education, professional skills and experience
- The employer must arrange reasonable and feasible training the new role requires
- But how to offer work?

- The employer must offer same or similar work the employee had been doing
- Provided the employee is registered as job applicant in the employment office (TE-office)
- Need of new employees and additional workforce
- Employee's priority to available work over other job seekers
- When does the re-employment obligation arise?



- Work must be offered actively at the employer's initiative, personally for the employee and specifically as an alternative for termination
- Sending a list of all vacancies to all terminated employees does not qualify as personal offer
- Roles to be offered must be selected for the employee
- Written offer recommended with the options to either accept or reject the offer or to inform of being / not being interested by set date
- Utilizing electronic systems / tools is allowed but the employer's obligation to actively offer work cannot be transferred to an employee

- When an employer has recognized need of workforce, the employer has a right to assess whether it needs new employees and whether it will take actions based on the need
- Mere change that affects the need of workforce does not result in obligation to re-employ but instead when
 - the employer has become aware of the change; and
 - has assessed the situation; and
 - has come to a conclusion during the re-employment period that a new employee will be hired (either by making a decision or recruitment measures)
- If the employer has postponed formal decision making to avoid re-employment obligations, the employer has breached its obligations

Norway

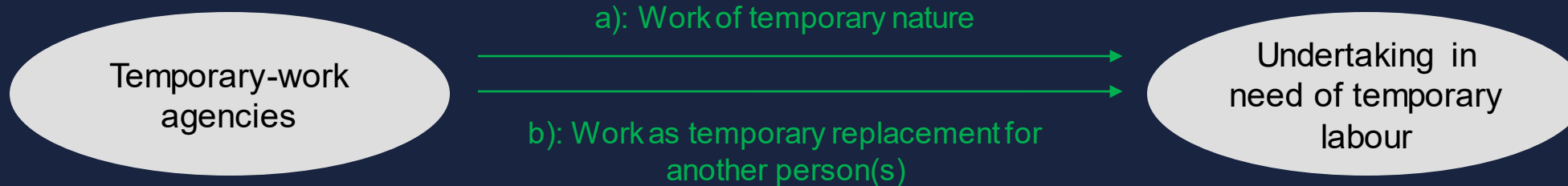


On the agenda in Norway

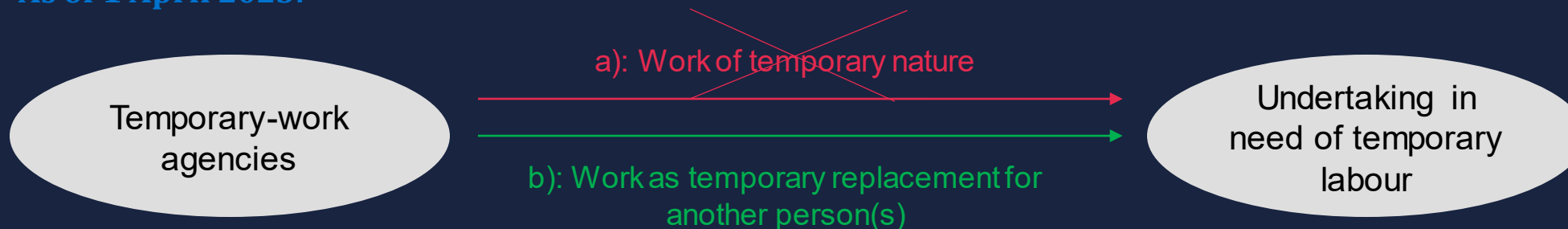
Strict limitations on temporary hiring of workers from temporary-work agencies

- In effect from 1 April 2023
- Before and after – removal of “letter a” – temporary work

Until 31 March 2023:



As of 1 April 2023:



On the agenda in Norway

Strict limitations on temporary hiring of workers from temporary-work agencies

- Exceptions:
 - Companies bound by certain limited CBAs
 - Health personnel
 - Short-term employment - specialist expertise
- **Total prohibition**
 - hiring in on construction sites in Oslo, Viken and former Vestfold
- Right to permanent employment: Reduced to 3 years
- Contractors vs. hire in of workers
- What options do employers have?
- Conflict with the EEA agreement?



On the agenda in Norway

New regulations to be included in the WEA

- In effect from 1 January 2024
- Intended to further enhance employee protection
- Definition of “employee”
 - presumption of employment
- Employers' liability within group companies
 - extended preferential right



Sweden



Introduction to the new public support package

- Part of the Swedish labour reform in 2022
- Adjustment and skill support for a wider range of employees
- Transition student support for employees established in the labour market
- Relevance for employers?



Adjustment and skill support

- Managed by Kammarkollegiet

Support to employees:

- Support/services: (i) Advice for laid-off employees, (ii) career guidance and (iii) enhanced support
- Maximum support period: 12 months
- Current employees or individuals whose employments have been terminated (due to redundancy or sickness) meeting certain qualification requirements

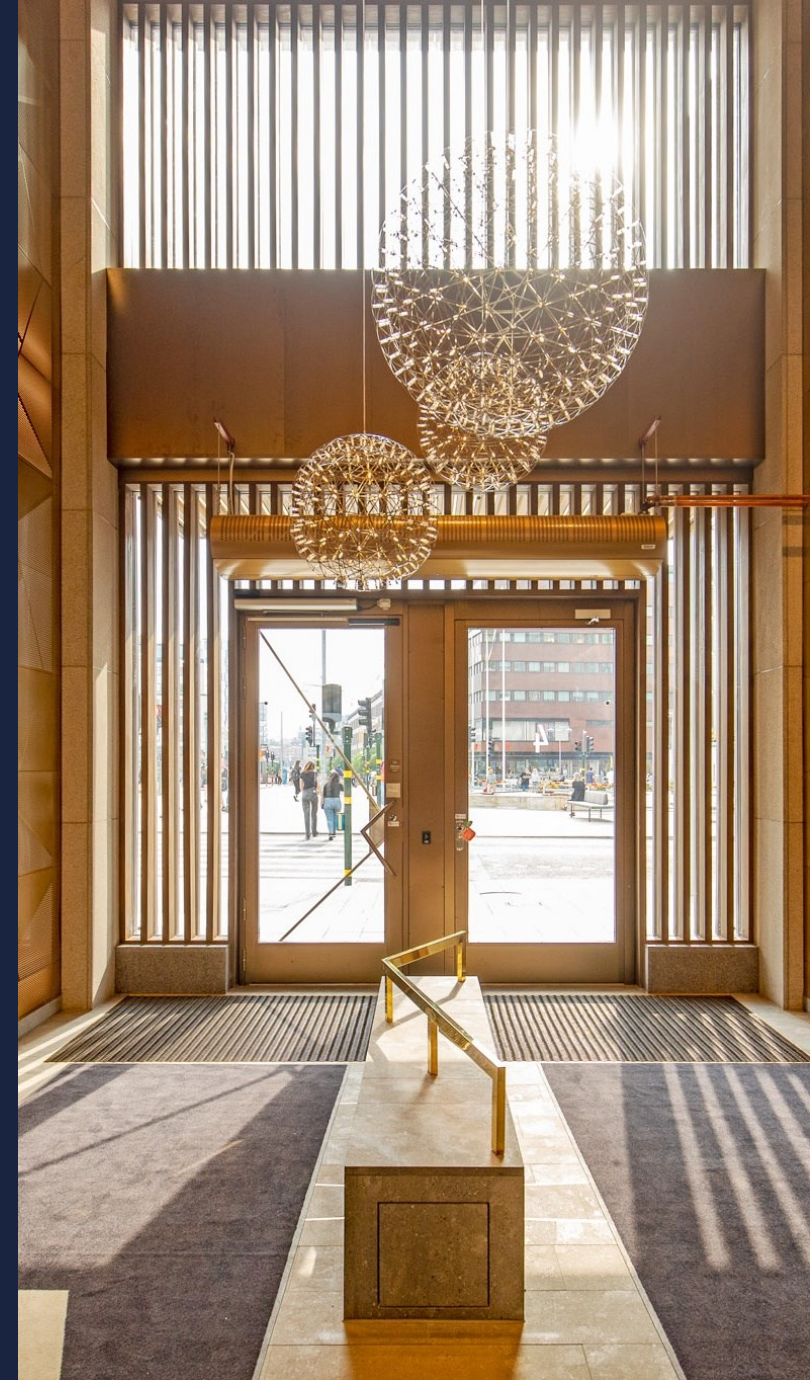
Compensation to employers:

- Fee reimbursement for those who have contracted with adjustment organisations
- Maximum: 0.15% of the employer's basis for employer contributions



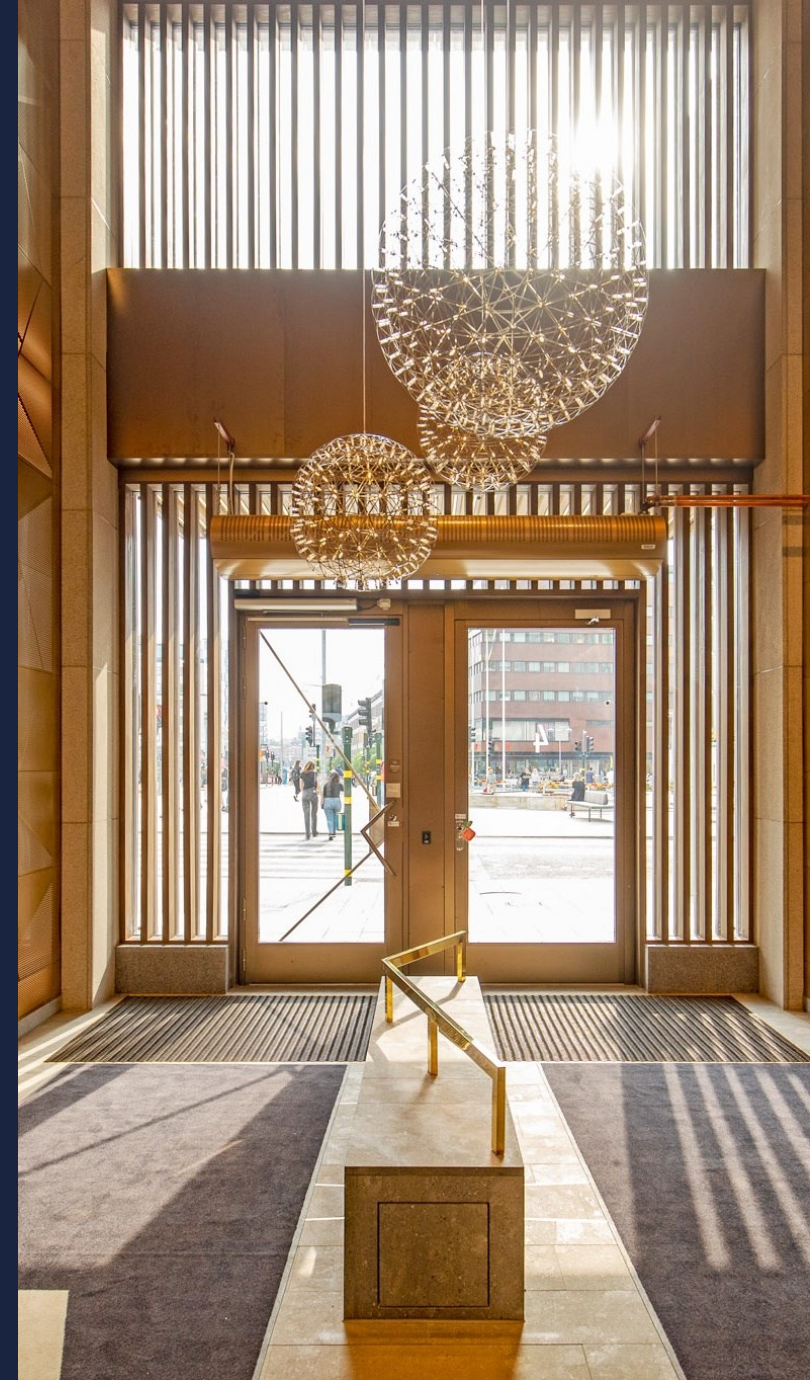
Transition student support

- Managed by The Swedish Board of Student Finance (CSN)
- Study allowance + study loan
- Maximum support period: 44 weeks' full time studies
- Qualification requirements include:
 - Working time average (40% per week each calendar month for at least 8 years during a period of 14 years), age limits (27-62), study degree (min 20%)
- **Must strengthen future status on labour market**
- Generous amounts: allowance - 80% of salary up to SEK 20,572 for four weeks



The new industrial agreement is in place

- No notice of strike or actual strike
- Unions demanded increases of 4.4%
- The employer federations made a counter-proposal: 2% wage increase and a one-off sum of SEK 3,000



The Result

- 7.4% over two years
- 4.1% increase in 2023
- 3.3% increase in 2024



Thank You!

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