Fact sheet

Working time distribution will become more flexible

The distribution of working time scheme will make it possible to temporarily reduce working time in accordance with the collective agreement for a period of time, and thereby avoid dismissal of the affected employees, for example during times of declining orders. Under the distribution of working time scheme, it will be possible to receive supplementary unemployment benefits during periods when employees are not working due to reduced hours.

The Government has decided to make the scheme more flexible so that companies can adapt to the current situation quicker. It is intended to help companies use the scheme to avoid job cuts due to COVID-19.

The rules are therefore changed so that a new working time distribution can be launched as soon as it has been notified to the job centre. This temporarily sets aside the current requirement that a working time distribution change must be notified to the job centre no later than a week before it can come into force.

At the same time, companies will get the opportunity to alternate between the types of working time distribution once a cycle of working time distribution has ended. This makes the scheme more flexible, enabling quicker adjustments to production.

Background

A member of an unemployment insurance fund who is covered by a notified working time distribution scheme can, under a range of conditions, receive supplementary unemployment benefit for the days when the employee in question does not work.

The working time distribution must be established in accordance with a collective agreement or a local agreement.

The working time must be reduced by at least 2 whole days per week or by one week of full-time work followed by one week of unemployment. However, the distribution can also be two weeks of work followed by one week of unemployment or two weeks of full-time work followed by two weeks of unemployment.

Companies that are interested in embarking on working time distribution can find more information here: https://star.dk/til-virksomheder/arbejdsfordeling-som-alternativ-til-afskedigelse/