An overview of highly skilled labour migration in Denmark with a focus on Indian nationals

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CARIM-India – Developing a knowledge base for policymaking on India-EU migration

This project is co-financed by the European Union and carried out by the EUI in partnership with the Indian Council of Overseas Employment, (ICOE), the Indian Institute of Management Bangalore Association, (IIMB), and Maastricht University (Faculty of Law).

The proposed action is aimed at consolidating a constructive dialogue between the EU and India on migration covering all migration-related aspects. The objectives of the proposed action are aimed at:

- Assembling high-level Indian-EU expertise in major disciplines that deal with migration (demography, economics, law, sociology and politics) with a view to building up migration studies in India. This is an inherently international exercise in which experts will use standardised concepts and instruments that allow for aggregation and comparison. These experts will belong to all major disciplines that deal with migration, ranging from demography to law and from economics to sociology and political science.

- Providing the Government of India as well as the European Union, its Member States, the academia and civil society, with:
  1. Reliable, updated and comparative information on migration
  2. In-depth analyses on India-EU highly-skilled and circular migration, but also on low-skilled and irregular migration.

- Making research serve action by connecting experts with both policy-makers and the wider public through respectively policy-oriented research, training courses, and outreach programmes.

These three objectives will be pursued with a view to developing a knowledge base addressed to policy-makers and migration stakeholders in both the EU and India.

Results of the above activities are made available for public consultation through the website of the project: [http://www.india-eu-migration.eu/](http://www.india-eu-migration.eu/)

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This paper aims at providing an overview of highly skilled labour migration to Denmark, specifically focusing on Indian migrants. This includes an outline of the recent changes in migration policy, the current regulatory framework and statistics illustrating the migration inflows in recent years.

1. Policy Framework

Since 2002 Denmark has developed a selective system for labour immigration designed to ensure that migrants with desirable and in-demand competences can gain access and residence. On the one hand, this system responds to the needs of employers and the state’s interest to fill key labour functions in the welfare state, such as healthcare professionals. On the other hand, Denmark wants to attract skilled workers who contribute to the competitiveness of the state as a knowledge economy (Albertson Borg 2012). Denmark is one of the EU’s most active members in trying to recruit skilled workers from around the world (Lindahl 2010; WorkPermit.com 2013).

In Danish migration policy the idea of the ‘ideal citizen’ and the adaptability of migrants weigh heavily. For highly skilled migrants adaptability is primarily understood as educational background, economic self-sustainability, language proficiency and lasting labour activity (Borg Albertsen 2012). In practice, this means that preference is given to either:

i. selection criteria that allow long-term access only to migrants who possess qualifications that guarantee that they will not become an economic burden to the state or pose a risk to society; or

ii. temporary measures that dictate return or onwards mobility in order to avoid considerations of societal integration.

However, it is risky to assume that the migrant workers will only be temporary. This is linked to the idea of the labour force being more of a commodity rather than people with individual life projects (Borg Albertsen 2012). The notion of the temporary migrant has lead to an underestimate of the integration aspect, a concern expressed both by Roskilde University and the Danish Green Card Association (DGCA), which is made up of green card holders (Stanners and Beacom 2012).

According to Borg Albertsen (2012), the shortcomings of the Danish labour migration policy is its very idea of being able to manage migration to accurately match labour market needs. The Danish policy focuses on restricting undesired immigration, while presupposing to be able to attract the desired migrants. However, highly skilled and educated migrants are in great demand and Denmark is in competition with other immigration countries (Kornø Rasmussen 2010). Borg Albertsen (2012) concludes that it is unlikely that Denmark will, in the long run, be competitive as a small national agent. Morten Thiessen at the Danish Society of Engineers (IDA) is even more pessimistic: "No matter how many (Green) card schemes we are in (…) it does not make up for the fact that Denmark is considered a small market with language and cultural barriers, bad weather and high taxes" (Nysten 2008).

There are four schemes under which workers from outside the EU and the European Economic Area/Switzerland are eligible for work and residence permits: (1) the Green card scheme, (2) the Positive list scheme, (3) The Pay limit scheme and (4) the Corporate scheme.

The Green card scheme

The Green card scheme in Denmark, launched in 2008, has similar conditions for recruiting competent labour to schemes in the UK, Canada and Australia. Under the scheme, foreign workers with or without
a concrete job offer can to come to Denmark to seek work. They are granted a residence permit solely on the basis of their qualifications. The majority of Green card holders originate from Pakistan, India, China, Iran and Bangladesh (The Copenhagen Post 2013). In 2012, 252 Green card permits were given to Indian nationals (210 men and 42 women) (Danish Agency for Labour Retention and International Recruitment 2012).

The Green card scheme has not been as successful as expected. Many migrants arriving in Denmark with Green cards have turned to unskilled work as they struggle to find positions in their own fields. According to a 2010 study by consulting firm Rambøll, only 28% of the 5,829 people that had been granted Green cards were working in their fields, while 43% were doing unskilled work (Stanners and Beacom 2012).

Under the scheme, the residence permit is granted following an individual evaluation based on a point system. The points are awarded according to five criteria: (1) educational level, (2) language skills, (3) adaptability, (4) age and (5) work experience in a field indicated in the ‘Positive List’ of shortage occupations (see below).

Minimum 100 points are required for a residence permit. Holding a PhD gives the applicant 80 points. Having an educational level lower than a Danish Bachelor’s degree precludes obtaining enough points for a residence permit. In addition to scoring 100 points, the applicant must have a valid health insurance policy covering him/her and any accompanying family members until they are covered by the Danish National Health Insurance.

Under this scheme, the applicant can be granted a first-time residence permit for up to 3 years. Before the end of this period, he/she can apply for an extension of up to 1 year. Before the end of the 1-year period, he/she can apply for an extension of up to four years. The residence permit can be extended only if the person has worked for the past 12 months for a minimum of 10 hours per week.

The Positive List

The ‘Positive List’ consists of a number of professions currently experiencing a shortage of qualified professionals. Health care professionals are present on this list. Under the Positive List scheme, if a Danish employer offers a job in a profession on the List, the migrant worker can rapidly obtain a work and residence permit.

The Positive List defines a set of minimum qualifications for each profession. Qualifications vary depending on the occupation, ranging from a professional bachelor’s degree or three years of university studies to a Master’s degree, with some occupations requiring a specific authorization (Ruhs 2011). If the occupation requires Danish authorization (e.g. foreign-trained doctors must be authorised by the Danish National Board of Health), the applicant must obtain this authorization before a work and residence permit is granted. In addition, he/she must have a written job offer that states the expected salary and employment conditions.

Under this scheme, work and residence permits can be obtained for up to three years with the possibility of extension of up to four years. The worker can still live and work in Denmark if his/her

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3 The information in this section originates from Newtodenmark.dk, the official web portal about the immigration rules, unless indicated differently. The Newtodenmark.dk site was accessed on 23 September at: http://www.nyidanmark.dk/en-us/coming_to_dk/work/accompanying-family-members.htm

4 See e.g. the categories ‘Doctor and dentist’ and ‘Health, healthcare and personal care’ on the Positive List, which is available at the Newtodenmark.dk, the official web portal about the immigration rules: http://www.nyidanmark.dk/en-us/coming_to_dk/work/positivelist/positive_list_overview.htm

5 All job titles on the Positive List, divided into professional fields, are available at the Newtodenmark.dk, the official web portal about the immigration rules: http://www.nyidanmark.dk/en-us/coming_to_dk/work/positivelist/positive_list_overview.htm
occupation is no longer on the Positive List when he/she applies for an extension to the work and residence permit.

*The Pay limit scheme*  
Having received a job offer from a Danish employer that pays more than DKK 375,000 (approximately EUR 50,000), the applicant is eligible for a work and residence permit under the Pay limit scheme. Unlike the Green Card or the Positive list scheme, there are no specific requirements pertaining to the applicant's occupation, education or the nature of the job.

The applicant must have a written job contract or offer which specifies salary and employment conditions. If the occupation requires Danish authorization, the applicant must obtain this before a work and residence permit is granted.

If the applicant gets a residence and work permit on the grounds of an unlimited job contract (e.g. a job contract with no expiration date), the duration of the permit will normally be four years. After this point, it is possible to apply for an extension if still holding the same job. With a temporary job contract, the duration of the permit will be the same as that of the job contract plus six months. This allows the worker to look for a new job when the job contract expires. During the job seeking period it is forbidden to work. If the person in question manages to find a new job, he/she must apply for a new residence and work permit no later than on the start day of the new job.

*The Corporate scheme*  
The corporate scheme makes it easier for companies with operations in Denmark to transfer employees with special qualifications from the company’s foreign departments to Denmark to work on a project or to carry out work that is innovative or educational in nature. The scheme allows an employee from a company’s foreign department to obtain a corporate residence permit in Denmark. While the permit is valid, the employee can alternate between working in Denmark and abroad without the permit lapsing.

A corporate residence permit can be granted if the person is employed in a Danish company's foreign affiliate or department. There are no specific educational requirements attached to this scheme. The worker may not be employed to carry out ordinary operational tasks and the Danish company must sign a declaration stating this. Moreover, the applicant must document that he/she:

- is employed full-time in the foreign department of the company at the time of application. Temps or substitutes do not qualify.
- remains an employee for the foreign department while working for the Danish company. Working for the Danish company cannot entail a change in his/her employment status with the foreign department.

If the residence and work permit is granted on the grounds of an unlimited job contract (e.g. a job contract with no expiration date), the duration of the permit will normally be four years. After this point, the worker can apply for an extension if still being in the same job. With a temporary job contract, the duration of the permit will be the same as that of the job contract.

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6 The information in this section originates from Newtodenmark.dk, the official web portal about the immigration rules, unless indicated differently. The Newtodenmark.dk site was accessed on 23 September at: http://www.nyidanmark.dk/en-us/coming_to dk/work/pay-limit-scheme.htm

7 The information in this section originates from Newtodenmark.dk, the official web portal about the immigration rules, unless indicated differently. The Newtodenmark.dk site was accessed on 23 September at: http://www.nyidanmark.dk/en-us/coming_to dk/work/corporate-scheme.htm
If the relationship between the Danish company and the foreign company ends, the residence and work permit of the worker will normally be revoked. If the worker finds a new job, he/she must apply for a new residence and work permit.

No labour market test is required for any of the four schemes, while salary and employment conditions must correspond to Danish standards (EU Technical Assistance Trade Related 2011, p. 52-53). Most scheme permits are granted in the framework of the Pay limit scheme (54%) and least under the Positive list scheme (2%) (see Table 1).

Table 1. Permits granted according to labour scheme (2012)

<table>
<thead>
<tr>
<th>Scheme</th>
<th>(N)</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay limit</td>
<td>2,287</td>
<td>54</td>
</tr>
<tr>
<td>Green card</td>
<td>1,228</td>
<td>29</td>
</tr>
<tr>
<td>Corporate</td>
<td>635</td>
<td>15</td>
</tr>
<tr>
<td>Positive list</td>
<td>85</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,235</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: The Danish Immigration Service (2012).

The Blue card directive

Denmark has opted out of the Blue card programme. It already has a highly skilled immigration programme of its own, the Green card scheme. The Green card is similar to the Blue card, i.e. the closest family members are also eligible for a residence permit, the spouse/partner is allowed to work full time, and the card can lead to permanent residency after five years. However, the Danish policy does not include any specific requirement about salary levels, while the Blue card directive stipulates a threshold of three times the minimum wage.

Minimum salary requirements

There is no national minimum wage in Denmark. The only requirement is that the salary and employment conditions must correspond to Danish standards (EU Technical Assistance Trade Related 2011, p. 52-53). "Danish standards" means that every business sector applies its own salary standard and working conditions for each occupation. When employing workers from outside the EU/EEA, the employer must provide a contract, specifying salary, working hours and working conditions. The work and residence permits are granted on the basis of this contract, except for Green Cards (Mortensen 2013).

Family reunification

All the four schemes described above apply the same rule regarding accompanying family members. If the applicant is granted a residence permit, his/her spouse, registered partner or cohabiting partner is also eligible for a residence permit, as well as any children under the age of 18 who are living at home. The spouse/partner is allowed to work full time for the entire period of the residence permit’s validity. In extraordinary cases, it is also possible for children over the age of 18, living at home, or for worker’s parents, to be granted a residence permit. The accompanying family members do not need to

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8 On the Danish labour market, terms of employment and salaries are generally regulated by collective agreements reached by trade unions and employer associations.
apply for a work permit, as the residence permit includes the right to work or study during the stay in Denmark (Newtodenmark.dk 2013c).

The applicant must be able to support him/herself and the accompanying family financially and may be asked to document this. Consequently, the worker or the family may not receive public assistance under the terms of the Active Social Policy Act (2007), i.e. social benefits (Newtodenmark.dk 2013c).

Permanent residence permit
Eligibility for permanent residence under the four labour schemes cited above is not automatic. In order to apply for permanent residence permit the worker needs to fulfil the following requirements (Newtodenmark.dk 2013a):

− Qualify for temporary residence at the time of application.
− Have resided in Denmark legally for at least five years.
− Not have received certain types of public benefits for a period of three years prior to submitting the application for permanent residence or while the application is being processed.
− Have submitted a declaration of integration and active citizenship in Denmark.
− Have passed a Danish language test of a specific level.
− Have held regular full-time employment and/or been enrolled in an educational programme in Denmark for at least three of the five years prior to submitting the application for permanent residence.
− Be working or studying at the time of application.

Linguistic training
De DanskeSprogcentre (the Danish Language Schools), which is an association of 52 Language Schools throughout Denmark, offer free Danish classes to adult foreigners residing in Denmark in accordance with the directive issued out by the Ministry of Children and Education. They also provide the official Danish language exams, which the foreigners need to apply for a permanent residence permit or Danish citizenship. All teaching staff is highly qualified professionals who in addition to their basic training at bachelor or master level hold a specialized degree in teaching a foreign language to adults. (DanskeSprogcentre 2013).

Special conditions for academic researchers
Researchers have facilitated access to the Danish labour market. However, the applicant must have a particular reason why the research should be carried out by him/her in particular. Moreover, a written job contract or a job offer, which specifies salary and employment conditions, is required. Salary and employment conditions must correspond to Danish standards.

If the researcher, scientist or lecturer has been invited to teach or give lectures, he/she may do so without a residence and work permit, provided the stay does not exceed three consecutive months. If the stay in Denmark is expected to exceed three months, he/she must have a residence and work permit covering the entire period, including the first three months. The permit must be obtained prior to arriving in Denmark (Newtodenmark.dk 2013b).
Health professionals

Medical doctors from third countries need to get an authorization of their medical degrees from the Danish National Board of Health. After approval of the foreign medical qualification, the applicants have to complete a Danish language tests, a medical knowledge tests and a course on Danish health legislation. Successful completion of a 6-12 months adaptation employment leads to a Danish authorization. The other alternative is to opt for the Green card scheme. The access to the Danish job market is facilitated by the fact that doctor and nurse professions are included in the Positive list (Bhattacharjee 2012). There is no Memorandum of Understanding or bilateral agreement between Denmark and India for the recruitment of health professionals (Ministry of Overseas Indian Affairs 2013).

Collaboration between Denmark and India

In 2009, the Indian government has signed (i) a Social security agreement and (ii) a Labour mobility partnership agreement with Denmark (Social security agreement 2009; MoU on labour mobility partnership 2009). The MoU facilitates legal migration of workers from India to meet the growing demand for skilled and trained workers in the Danish economy. The Ministry of Overseas Indian Affairs stated that the agreement would open up opportunities for Indian skilled workers, including doctors and nurses to work in Denmark (The Economic Times 2009). Denmark is the only Nordic country that developed a strategy around the active recruitment and marketing abroad and has set up a ‘Work in Denmark Centre’ in India to promote job opportunities for Indians(Kornør Rasmussen 2010).

2. Labour migration statistics

Table 2 shows that the labour migration to Denmark has diminished during the last five years. The total amount of work permits in 2012 (9,024) refers to(i) specific work schemes, such as the four listed above, (ii) other migrants who are self-employed or wage earners, and (iii) other labour categories such as trainees, specialists, people with family ties to a person with a work permit and those arriving through specific agreements. In the first category referring to specific work schemes, 4,235 permits were granted and 1,882 refused in 2012. India was the leading country of origin in terms of work permits in Denmark in 2012 (2,668). In fact, residence permits for Indian citizens constituted circa 30% of the total number of permits (9,024).

Table 2. Residence permits for labour migrants in Denmark: top countries of origin and in total, by year

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>911</td>
<td>1755</td>
<td>1934</td>
<td>2147</td>
<td>2959</td>
<td>2666</td>
<td>2668</td>
</tr>
<tr>
<td>China</td>
<td>433</td>
<td>607</td>
<td>784</td>
<td>737</td>
<td>763</td>
<td>928</td>
<td>1004</td>
</tr>
<tr>
<td>Ukraine</td>
<td>309</td>
<td>567</td>
<td>1086</td>
<td>1295</td>
<td>1049</td>
<td>948</td>
<td>880</td>
</tr>
<tr>
<td>USA</td>
<td>532</td>
<td>602</td>
<td>718</td>
<td>660</td>
<td>679</td>
<td>741</td>
<td>746</td>
</tr>
<tr>
<td>Pakistan</td>
<td>69</td>
<td>160</td>
<td>246</td>
<td>483</td>
<td>1306</td>
<td>643</td>
<td>604</td>
</tr>
<tr>
<td>TOTAL</td>
<td>15396</td>
<td>21440</td>
<td>12638</td>
<td>9168</td>
<td>10851</td>
<td>9389</td>
<td>9024</td>
</tr>
</tbody>
</table>


In addition, the first category (specific work schemes) has had mostly a rising trend during the recent years, although with some ups and downs as illustrated in Table 3. India - with 1,753 permits in 2012 (circa 41% of the total) - was the top-country of origin in this category of permits.
Table 3. Work scheme permits between 2007-2012

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of permits</td>
<td>1,745</td>
<td>2,624</td>
<td>3,616</td>
<td>5,395</td>
<td>4,280</td>
<td>4,235</td>
</tr>
</tbody>
</table>


Table 4 illustrates that the main sectors of employment of immigrants from non-western countries in Denmark, such as food service, retail and transportation, do not require high qualifications. Moreover, there are also almost as many women as men employed in total (circa 53,000 vs. 60,000), and some sectors are even dominated by women (e.g. travel agent, cleaning, and education).

Table 4. Top-10 sectors of employment of immigrants from non-western countries in Denmark, by gender (2012)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation and food service activities</td>
<td>8,861</td>
<td>4,168</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>8,483</td>
<td>5,280</td>
</tr>
<tr>
<td>Transportation</td>
<td>8,046</td>
<td>1,124</td>
</tr>
<tr>
<td>Travel agent, cleaning, and other operational services</td>
<td>6,360</td>
<td>8,145</td>
</tr>
<tr>
<td>Residential care</td>
<td>2,920</td>
<td>12,906</td>
</tr>
<tr>
<td>Education</td>
<td>2,873</td>
<td>4,037</td>
</tr>
<tr>
<td>Manufacture of food products, beverages and tobacco</td>
<td>2,108</td>
<td>1,222</td>
</tr>
<tr>
<td>Agriculture, forestry and fishing</td>
<td>2,024</td>
<td>899</td>
</tr>
<tr>
<td>Human health activities</td>
<td>1,720</td>
<td>4,199</td>
</tr>
<tr>
<td>Construction</td>
<td>1,518</td>
<td>152</td>
</tr>
<tr>
<td>TOTAL</td>
<td>60,117</td>
<td>53,018</td>
</tr>
</tbody>
</table>


3. Conclusions

Denmark has developed a selective system for labour immigration targeted at the needs of the labour market and aiming at increasing Denmark’s competitiveness as knowledge economy. Denmark is one of the EU’s most active members in trying to recruit skilled workers from around the world and has an ambitious strategy around active recruitment and marketing abroad. However, highly skilled migrants are in great demand and some experts raise doubts about Denmark’s ability to compete, being a small market with language and cultural barriers. In fact, labour migration to Denmark has decreased during the last five years.

Denmark has made specific efforts to recruit workers in India, e.g. by opening a ‘Work in Denmark Centre’ in New Delhi and by signing a Labour mobility partnership agreement with India. The main aim was to open up opportunities for Indian skilled workers, including doctors and nurses, to work in Denmark. India is also the leading country of origin in terms of work permits in Denmark.
References


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