



Joint inspections in the HORECA sector

Denmark

	<p>Summary</p> <p>In Denmark the Working Environment Authority (WEA) conducts regular joint inspections with the Tax Agency and the police to check companies in the HORECA sector and in other relevant sectors (e.g., construction and agriculture) who are considered at risk of engaging in undeclared work or social dumping¹.</p>
<p>Title of the practice in original language</p>	<p>N/A</p>
<p>Name(s) of authorities/bodies/organisations involved</p>	<ul style="list-style-type: none"> ▶ Working Environment Authority (<i>Arbejdstilsynet</i>); ▶ Tax Agency (<i>Skattestyrelsen</i>); ▶ The police (<i>Politi</i>); ▶ The Danish Agency for International Recruitment and Integration (SIRI) (<i>Styrelsen for International Rekruttering og Integration</i>); ▶ The Danish Immigration Service (US) (<i>Udlændingestyrelsen</i>).
<p>Sectors</p>	<p>Hotel restaurant and catering</p>
<p>Target groups</p>	<ul style="list-style-type: none"> ▶ Danish and foreign enterprises (directly targeted); ▶ Foreign workers, both within the EU and third-country nationals (indirectly targeted).
<p>Purpose of measure</p>	<p>Deterrence: improve detection</p>

	<p>Aims and objectives</p> <p>The aim of the joint inspections is to tackle irregular labour situations and undeclared work in sectors considered 'at risk', including the HORECA sector. The joint inspections are based on a joint government cooperation agreement launched in 2012 between the Danish Working Environment Authority, the Danish Tax Agency, and the police.</p>
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Background context

Danish companies in the HORECA sector (e.g., cleaning and housekeeping, kitchen work and dishwashing etc.) often employ foreign workers who might not be aware of their rights and perform undeclared work or have labour conditions that do not comply with Danish regulations. Increased political attention also began to focus on the issue of social dumping. For this reason, the government strengthened its efforts to ensure that work takes place in compliance with Danish regulations by introducing a joint co-operation agreement in 2012 between the Danish Working Environment Authority, the Danish Tax Agency, and the police.

As the Danish Working Environment Authority (WEA) mainly focuses on issues related to health and safety, investigating undeclared work cases is not within its remit. Hence, the collaboration with tax authorities, the police and, when needed, with the Danish Agency for International Recruitment and Integration and the Danish Immigration Service, creates crucial synergies to make the inspections effective.

Key objectives of the measure

General Objective:

- ▶ To improve detection of undeclared work and other irregularities in Danish and foreign companies in e.g. the HORECA sector.

Specific Objectives:

- ▶ To tackle social dumping, especially in foreign companies, and ensure that work takes place according to the Danish working environment rules;
- ▶ To foster cooperation between the Danish Working Environment Authority and other authorities, particularly the Danish Tax Agency and the police.

Main activities

The main activities carried out in relation to the joint inspections in the HORECA sector include the following:

- ▶ The Danish Working Environment Authority, the Danish Tax Agency, and the police are in close contact, sharing and exchanging information about possible breaches of the law in areas of competence belonging to one another's authority;
- ▶ Frequently meetings are organised to discuss possible actions and a shared list featuring the names of the companies that could be at risk is regularly updated;

	<ul style="list-style-type: none"> ▶ The Danish Working Environment Authority, the Danish Tax Agency, and the police carry out national actions i.e., joint inspections taking place all over Denmark, and regional actions i.e., joint inspections taking place on a regional basis (most take place in Copenhagen and in Eastern Denmark). In the joint inspections the authorities check different aspects including the working environment, fiscal compliance, and whether foreign employees have a work or residence permit; ▶ A joint inspection is a full day where inspectors from each authority inspect a number of companies together; ▶ Ad-hoc joint inspections are also carried out on the basis of the information provided by each authority, but also by trade unions or private persons. The ad-hoc joint inspections check working conditions and compliance with Danish regulations.
<p>Funding/organisational resources</p>	<ul style="list-style-type: none"> ▶ The joint inspections are financed by funds allocated by the Finance Act (2020) and also by the political agreement on a new and improved work environment effort and orderly conditions (2019).ii ▶ The total funds allocated to the joint government effort from 2019 to 2022 are: <ul style="list-style-type: none"> ▷ 2019: EUR 9.93 million; ▷ 2020: EUR 16.63 million; ▷ 2021: EUR 16.36 million; ▷ 2022: EUR 16.36 million. ▶ A total of approximately 65 inspectors are involved in the joint inspections and in every day inspections.

	<p>Outcomes</p> <p>The joint inspections improved the detection of undeclared work and other irregularities taking place in foreign companies and Danish companies employing foreign workers, by enhancing the cooperation and communication between the authorities and maximising the synergies between them.</p>
<p>Achievement of objectives</p>	<ul style="list-style-type: none"> ▶ From 2012 to 2020 there have been 65 national joint inspections (8 per year), 268 regional joint inspections and many ad-hoc joint inspections. Among these, the actions carried out in the HORECA sector are on average 8 per year

	<p>in Copenhagen, 6 per year in Eastern Denmark and 2-3 per year in Western Denmark.</p> <ul style="list-style-type: none"> ▶ An average of 40 ad-hoc joint inspections take place each year, including 5-6 in the HORECA sector. ▶ In total, there have been 4 676 visits to workplaces (of which 871 have been carried out in the HORECA sector), 5 892 companies were inspected and 3 297 violations against the Working Environment Act have been detected. ▶ The collaboration between the Work Environment Authority, the Tax Agency, and the police has improved mutual support between these authorities and increased the impact of the inspections, ensuring effective controls, especially over foreign companies;
<p>Lessons learnt and success factors</p>	<p>Lessons learnt and success factors include the following:</p> <ul style="list-style-type: none"> ▶ Inspections in the HORECA sector are carried out according to the working hours of the sector (i.e., early morning or evening) in order to meet the workers and observe the working conditions; ▶ Cooperation during the first year was a challenge for the authorities involved, but improved as they became familiar with each other's way of working. Each authority inspects particular areas depending upon their area of competence, following a clear division of roles; ▶ The use of interpreters facilitates the provision of relevant information to foreign workers about their employment rights.
<p>Transferability</p>	<p>For the practice to work in another country, strong political support is essential. The cooperation and the division of tasks and roles need to be adapted to the structure of the different organisations involved.</p>

Further information

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Useful sources and resources	<p>Working Environment Authority website: https://at.dk/</p> <p>The national website for posted workers: https://workplacedenmark.dk/</p> <p>Joint government action against social dumping:</p> <p>WEA website https://at.dk/om-os/faelles-myndighedsindsats-mod-social-dumping</p> <p>Danish Tax Agency website https://www.sktst.dk/skattestyrelsen-i-tal/skattekontrol/social-dumping/</p>

ⁱ Social dumping is the practice whereby workers are given pay and / or working and living conditions which are sub-standard compared to those specified by law or collective agreements in the relevant labour market, or otherwise prevalent there.

ⁱⁱ See <https://at.dk/om-os/faelles-myndighedsindsats-mod-social-dumping>