# Denmark: Statistical profile

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Statistical Profile

Compiled by Julie A. Norstrand

## INTRODUCTION TO DENMARK

Denmark, a Scandinavian country, joined NATO in 1949 and the EU (formerly the EEC) in 1973. Denmark does not partake in all aspects of the European Union's Maastricht Treaty, including the European Economic and Monetary Union, European defense cooperation, and issures concerning certain justice and home affairs.<sup>1</sup> It is part of northern Europe bordered primarily by the Baltic Sea and North Sea. It consists of the peninsula of Jutland bordering Germany, and close to 406 islands, about 80 of which are inhabited. Denmark occupies 43,094 square kilometers (16,621 square miles), a little less than twice the size of Massachusetts.

The Danish population is remarkably homogenous with 97% Danes (in 2000). The latest estimates (July 2009) put the Danish population at approximately 5.5 million. Population projections predict a rise in the population to around 5.8 million in 2035 and 5.9 million in 2060. These projections differ significantly from the EU27 projections which forecast a drop in the population by 2060. It is interesting to note that when looking at projected old-age dependency ratios, Denmark's figures rise from roughly 25% in 2010 to 43% by 2060. When comparing to the EU27 countries, differences become more pronounced with time (26% in 2010 to 53% in 2060).

Denmark, traditionally an agricultural country, has turned increasingly to manufacturing since end of World War II. As of 2005, however, the service sector accounted for over 73% of the labor force.' Denmark's fiscal position is among the strongest in the EU. Economic growth gained momentum in 2004 and the upturn continued through 2006, however as has occurred globally, Denmark's economy began slowing in early 2007 with the end of a housing boom. As a result of this the GDP dropped from approximately 3.3% (2006) to -.06% in 2008.'

The Danish labor market is characterized by a high participation rate with approximately 78% of the working age population (15-64 years) in the labor force (in 2008). An important reason for this is the fact that Danish women work more than in many other European countries. In 2000, the participation rate for women was 75.9%, the second highest in the EU after Sweden. In terms of the workplace, it is interesting to note that the Danish economy is characterized by a very large number of small enterprises and only a few large enterprises. Roughly 92% of Danish enterprises have fewer than 10 employees, while 2% of them have more than 50 employees. Enterprises with 50 employees or more employ 68% of the labor force.

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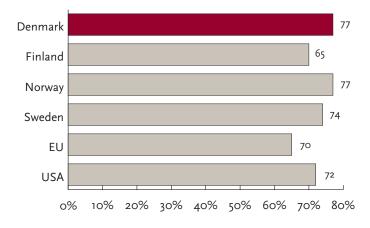
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The Country Profile Series focuses on statistics that can guide decisionmaking at the workplace: workforce highlights, economic highlights, and population highlights. This Country Profile is part of a set of resources about Denmark available on the website of the Global Perspectives Institute: www.bc.edu/agingandwork.

## LABOR FORCE HIGHLIGHTS

- (\$) % total population in the labor force (2008)<sup>2</sup>
  - 78% of the total Danish population is in the labor force. (In Denmark labor force includes persons age 15 and older.)
- Labor force participation / economically active population 2007-2020
  - Economically active population in Denmark is projected to increase slightly from 1,537 thousand in 2007 to 1,540 thousand in 2020.<sup>3</sup> The "economically active population" comprises all persons of either sex who furnish the supply of labor for the production of goods and services during a specified time reference period.
- S Unemployment rate
  - Unemployment rate has significantly decreased over the last decade or so from 10% in 1995 to 3.4% in 2007. Indeed it declined further in 2009 to 2.9%.<sup>5</sup>
- S Average work hours/week
  - In Denmark the average number of hours worked per week have gradually decreased over time from 36.1 hrs (2000) to 35.3 hrs (2008).<sup>5</sup>
- % part time work (as % of total population)
  - Latest data for Denmark (2007) show that the average number of hours worked for what is considered part-time work was 19.7 hrs; approximately 24% were considered to be part-time workers in the same year.<sup>2</sup> Denmark has a higher share of part-time employees compared to EU-15 countries where 21% are considered part-time.<sup>6</sup>
- (\$ % self-employment (as % of total population)
  - Self-employment has been at around 6% in Denmark since 2000. When compared to EU-15, there is a much lower incidence of self-employment in Denmark (6 % in DK vs. 15 % in EU-15).<sup>6</sup>

Figure 1a. Employment rates (of working aged population) of Scandinavian countries, EU and USA, 2007



In 2007 Denmark had the highest employment rate at 77% along with Norway in relation to other Scandinavian countries. Employment rate was higher than both the EU and USA. (See Figure 1a)

Source: Eurostat<sup>2</sup>

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In 2007, Denmark had the second highest level of employment (51%) amongst the total population (including children). Norway had the highest level of employment at 52% whereas both Finland and USA had the lowest rate of employment, both at 48%. (See Figure 1b)

In 2007 Denmark had the highest

rate of employment among men

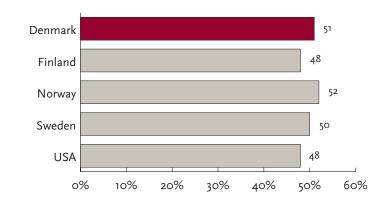
employment rates by gender was higher for both that of the EU and

USA. (See Figure 2)

(81%) whereas employment among

women (73%) was slightly lower than that of Norway (74%). Denmark's

## Figure 1b. Employed as Percent of Total Population in Denmark, Finland, Norway, Sweden and USA, 2007



Source: ILO, Laborsta<sup>3</sup> & OECD, Stat Extracts<sup>7</sup>



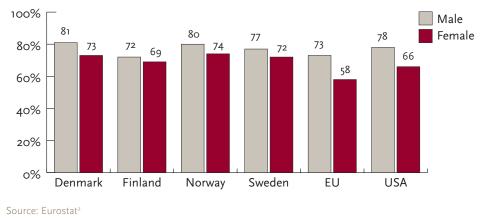
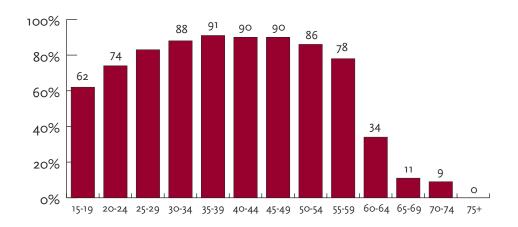


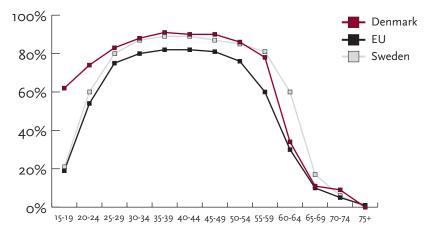
Figure 3. Employment rates (of working aged population) in Denmark by age category, 2008



Denmark's employment rate in 2008 was particularly high among those aged 30-50, averaging 90% however, it dropped to approximately one third by age 60 years old and higher. No figures were available for those aged 75 years and higher. (See Figure 3)

Source: Eurostat<sup>2</sup>

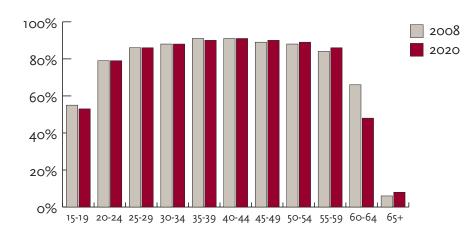




The employment rate was higher in Denmark than both Sweden and EU for most ages in 2008. However after age 55, employment rate was higher in Sweden than both Denmark and the EU. (See Figure 4)

Source: Eurostat<sup>2</sup>

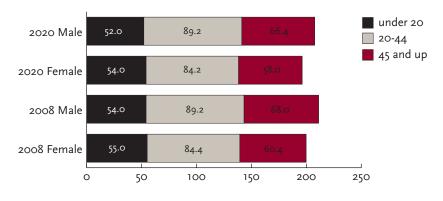




Employment rates for 2008 and 2020 showed little variation over time except for the 60-64 age group where a notable drop is projected for 2020. (See Figure 5a)

Source: Laborsta, ILO3

Figure 5b. Current & Projected % of Total Danish Labor Force 2007-2020



Source: Laborsta, ILO<sup>3</sup>

projected Danish labor force participation in 2008 and 2020 in various age categories. There are two major trends: 1) a slight decrease in participation among the younger age category (15-19 year olds), and 2) a slight increase in the oldest cohort (45+ years). These trends may indeed reflect the chance in the population structure with the aging of the baby-boomer sector of the population.

Figure 5b shows the current and

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## Denmark's Employment Facts

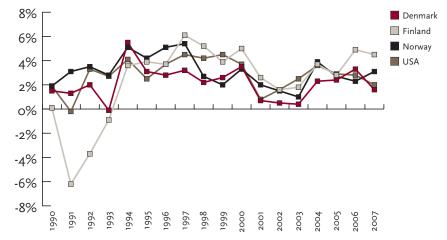
As noted in the introduction, Denmark is characterized by a very high employment rate as demonstrated by Figure 1a where Denmark (along with Norway) has higher employment rates compared to other Scandinavian countries as well as the EU and USA. Participation rates in the workplace were particularly high for those in their 30s to 50s, with rates in the high 80-90 percentiles in 2008 as shown in Figure 3 above. It should be noted that participation rates are likely to have gone down since the current downturn of the global economy.

Another interesting employment pattern that is evident in Figure 4, is that the Danish participation rate was higher than both Sweden and the EU in 2008, particularly in younger age cohorts. However, with increasing age Swedish participation exceeded that of the Danish workforce. In actual fact an early retirement program, "overgangsydelse" introduced in 1992 encouraged early retirement, however by 1996 the program was terminated, which led to increased participation rates among older persons. Indeed, according to Figure 5a, future projections forecast a notable rise in participation rates among Danes aged 65 and older by 2020.

## **ECONOMIC HIGHLIGHTS**

- S Overall GDP per capita
  - Gross Domestic Product per capita in 2007 for Denmark was \$57,257, while it was \$46,371 for Finland; \$53,300 for Norway; \$49,873 for Sweden, and \$45,047 United States (2007).<sup>1,9</sup>
- GDP growth
  - The gross domestic product of Denmark shrunk considerably since 2006 from a maximum of 3.35% to -1.13% in 2008. This notable drop in GDP reflects the global recession that took effect in late 2007.
  - In 2007, Denmark's GDP was DKK 1,688 billion (roughly \$312,000,000).
    Prosperity as GDP per inhabitant in chained values and constant prices has increased by almost 36 per cent since 1990.<sup>4</sup>



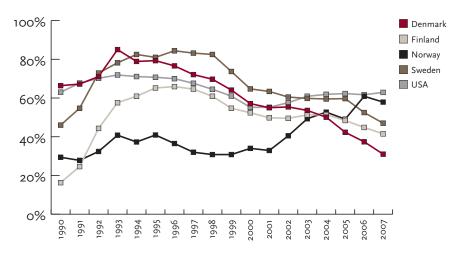


The annual growth in GPD was, for the most part, lower in Denmark compared to other Scandinavian\* countries as well as the United States during the years 1990 to 2008.

(\* No data was available from the OECD on Sweden.)

Source: OECD, Stat Extracts7





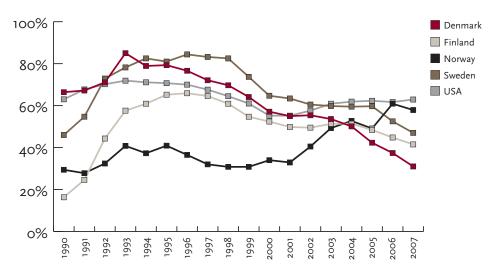
Denmark's external debt (as a percentage of GDP) is relatively high compared to Finland and Norway. However, since 2000, Denmark has lowered its external debt significantly. Indeed by 2007, Denmark has the lowest external debt compared to Finland, Norway, Sweden, and USA. (See Figure 7)

Source: OECD, Stat Extracts<sup>7</sup>

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## **DEMOGRAPHIC HIGHLIGHTS**

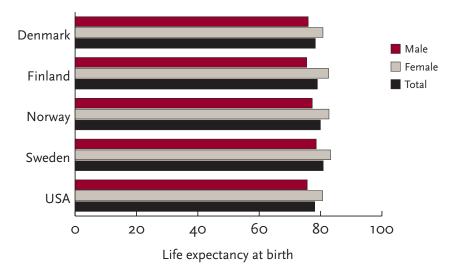
- Population size
  - The estimated population size as of July 2009 was 5,500,510 people. The age breakdown was 18% for 0-14 years, 66% for 15-65 years and 16% for those aged 65 and older. The median age was 41 years which was lower than some Scandinavian countries such as Finland and Sweden (both 42 years) and higher than others, such as Norway (39 years) and United States (37 years).<sup>1</sup>
- Ethnic composition
  - Despite Denmark consisting mostly of Danes (97%), there are many other ethnic groups in Denmark including descendents from other Scandinavian countries as well as Inuit, Faroese, German, Turkish, Iranian and Somali.
- Birth rate / Fertility rate
  - Birth rate gives the average annual number of births during a year per 1,000 persons in the population. The estimated birth rate for Denmark in 2009 was 10.54 children per thousand. The birth rate was lower than some Scandinavian countries such as Norway (10.99 births/thousand) and United States (13.82); and it was higher than others, such as European Union, Finland and Sweden (9.9, 10.38 and 10.13 births/thousand, respectively).<sup>1</sup>
  - The fertility rate provides the average annual number of births per woman. The estimated fertility rate for Denmark in 2009 was 1.74 children per woman. This was higher than Sweden (1.67) and Finland (1.73) but lower than Norway (1.78) and and United States (2.05).<sup>1</sup>





Source: CIA World Factbook (2009)



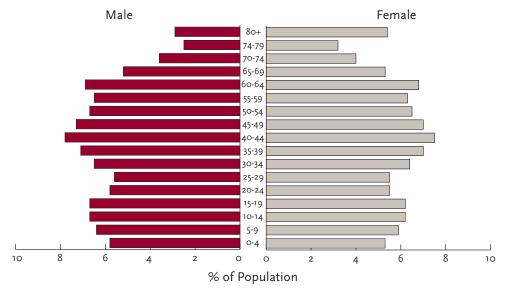




- Older population: 65+
  - In 2009 approximately 16% of the Danish population were 65 and older. Projections forecast that by year 2034 roughly one quarter of the population will be 65+. The proportion of older adults remains fairly constant through to year 2050. When comparing Denmark today to other countries, the proportion of Denmark's elderly population is higher than Norway (15%) and United States (13%).<sup>7</sup>
  - In Denmark, 7.0% of the male population and 9.0% of the female population is 65 or older. In comparison:
    - In Norway, 6.3% of the male population and 14.6% of the female population is 65 or older.
    - In Sweden, 7.9% of the male population and 9.9% of the female population is 65 or older.
- Population distribution
  - The Median age was lower in Denmark for both men and women compared to both Finland and Sweden whereas it was higher than both Norway and the United States. (See Figure 8)
  - Life expectancy for the Danish population in 2003 was 78 for the total population, 76 years for men, and 81 years for women. This was lower in all three groups when comparing to both Norway and Sweden, whereas life expectancy for all three groups was similar to both Finland and the United States. (See Figure 9)
  - Denmark's population structure is characterized by several peak age groups (including those in their mid 60s, early 40s, mid 30s and mid teens). Similar 'bulges' are seen in both the Norwegian and Swedish populations. In all three countries, the ratio of males to females is fairly evenly distributed, although a slightly higher total number of women is noted for all countries. (See Figures 10a-10c)

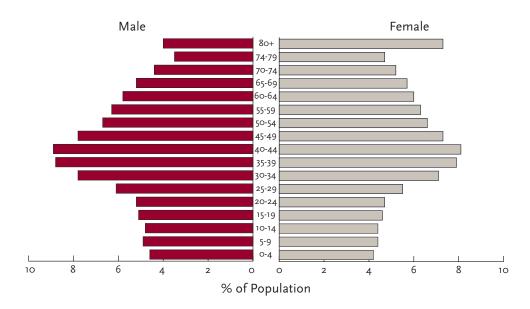
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### Figure 10a. Population distribution of Denmark, 2009



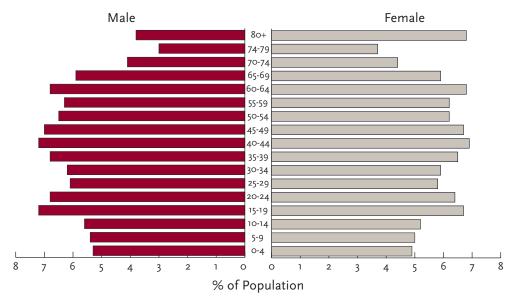
Source: U.S. Census Bureau<sup>10</sup>

Figure 10b. Population distribution of Norway, 2009



Source: U.S. Census Bureau<sup>10</sup>

#### Figure 10c. Population distribution of Sweden, 2008

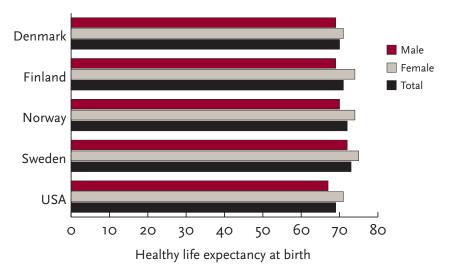


Source: U.S. Census Bureau<sup>10</sup>

## Denmark's Health Facts

Both life expectancy and healthy life expectancy at birth (see Figures 9 and 12) have been negatively impacted by the Danish way of life. Poor habits including smoking, alcohol, diet and physical activity have improved, however in the last couple of decades. For example, in 1980 about 50% of the population were smokers. Today, this proportion has now declined to 25%. The amount of fat in the diet of the Danes has also been cut, and alcoholic consumption has decreased. Expenditure on medication has risen considerably, with about 40% of the adult population using medicine regularly.<sup>4</sup>

## Figure 11. Healthy Life expectancy at birth by gender for Denmark and other Scandinavian countries and United Sates



Healthy life expectancy provides a useful indicator of the average number of years that a person can expect to live in "full health" by taking into account years lived in less than full health due to disease and/or injury. In Denmark, the healthy life expectancy at birth in 2003 was 70 for the total population, 69 years for men and 71 years for women. Generally Denmark's healthy life expectancy was poorer than other Scandinavian countries (i.e. Finland, Norway, and Sweden). However, the United States ranked lowest in terms of healthy life expectancy. (See Figure 11)

Source: UNdata (2003)9

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*Julie A. Norstrand* is a doctoral student in the School of Social Work at Boston College. Julie's area of research is focused on understanding the impact of the social environment on the physical and mental health of older adults. She also has strong research interest in better understanding the relationship between social networks and employment status of older adults.

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