

Wage fraud worth 10 million Danish kroner on major public construction project in Denmark

Around 160 Italian and Romanian bridge workers on the public construction project for the new Storstrøm Bridge were underpaid by at least 10 million kroner in 2021–2023, according to a new ruling. Now the Danish company PK & ECD, which has Italian owners, has to pay the bill. '3F Byggegruppen' (the construction group of the 3F United Federation of Workers in Denmark) calls for political action so that tax money does not fund fraud and underpayment.

For several years, Romanian and Italian workers on the construction of the new Storstrøm Bridge have been systematically underpaid. In total, the swindling amounts to at least 10 million kroner.

The case concerning underpayment of foreign colleagues for millions is no surprise to '3F Byggegruppen', which annually conducts hundreds of cases on this very issue. Even on large public construction projects worth billions with demands for Danish wage and working conditions.

"It's absurd that our tax money is spent on foreign colleagues being grossly exploited on public construction sites," says consultant on the team for foreign labour, Michael Severinsen, who initiated the arbitration proceedings on behalf of '3F Byggegruppen'.

The proceedings also showed that, in addition to the underpayment, the employees' time sheets were falsified. However, data from the construction site's gates helped prove that work had been done on days when no work hours had been entered on the time sheets. This is a way of concealing conditions one often encounters. The construction of the Storstrøm Bridge has been marred by numerous scandals, and according to 3F, more of this kind is coming:

"We only manage to uncover the tip of the iceberg because companies do everything they can to hide how they really treat our foreign colleagues who rarely dare to come forward for fear of reprisal or dismissal. So the current government efforts are far from comprehensive enough. As far as I know, the state control unit did not find any errors in the company's pay systems. The same company that has now been ordered to pay in a crystal-clear ruling," Michael Severinsen points out.

Palle Bisgaard, vice-chairman of '3F Byggegruppen', points to a national strategy and action plan against social dumping and labour crime as examples of important tools to help fix the problem:

"Politicians need to realize that the problem is not only here to stay, it is also growing, especially where there are foreign main contractors. To them, labour clauses are just words on a piece of paper. This requires efforts in relation to public tenders, strengthened controls, ID cards and much more. We are lagging behind in Denmark compared to countries such as Norway where they are working strategically on an action plan in this area," says Palle Bisgaard and adds:

"If the politicians mean it when they say that there must be Danish pay and working conditions on public construction projects in Denmark – including those with foreign main contractors, they need to get to work," concludes Palle Bisgaard.

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The case in a nutshell

The arbitration tribunal has issued an award stating that the Italian-owned Danish company PK & ECD underpaid 160 Romanian and Italian bridge workers over a two-year period in violation of the provisions of

the Collective Agreement for the Construction and Civil Engineering Sectors on wages, overtime pay, holiday pay, special wage savings and pension contributions.

The case has shown how the company fiddled with time sheets by getting workers to sign the sheets without any content in them (see below). In addition, there are examples of two sets of payslips for the same employee for the same period that each indicate a different number of hours. Furthermore, there are examples of employees working in Denmark for months without having a civil registration number (CPR) which allows for tax evasion as well as non-payment of pension and social security contributions.

The arbitration case was brought on behalf of 16 Romanian and Italian members of 3F. However, more than 50 non-Danish members worked at the company, the rest of whom were afraid to testify in the arbitration proceedings for fear of reprisals.

PK & ECD is a subcontractor to the main contractor Storstrøm Bridge Joint Venture (SBJV) on the construction of the new Storstrøm Bridge in Vordingborg. The main contractor is owned by, amongst others, the Italian company Itinera which is also building the New Odense University Hospital and Køge Hospital where there are also numerous scandals about underpayment of foreign labour.

[Social dumping på statens milliardbyggeri: Rumænere blev underbetalt og truet med fyring | Penge | DR](#)

[Storstrømsbroen | Fagbladet 3F](#)

[3F vinder sag: Ulovligt at fyre fagligt aktive brobyggere | Fagbladet 3F](#)

[Bøderegn over Storstrømsbroen for livsfarlige arbejdsforhold | Fagbladet 3F](#)

Migrant workers in the Danish construction industry

New research from Aalborg University shows how foreign workers consistently do the dirtiest, most gruelling and most dangerous work. The report also estimates that only one in five work-related accidents among foreign workers in the construction industry are reported by the employers. In addition, the report shows how migrant workers are in a constant state of dependence on their employers, making migrant workers afraid to speak out against poor working conditions due to the threat of being fired and being sent home.

The report is the result of several years of research and includes more than 80 interviews with construction workers from other EU countries as well as non-EU countries. At around 200 pages, the report is unparalleled in Danish and European research in the field.

[BAT-Kartellet og 3F: Ny forskningsrapport dokumenterer menneskehandel, trusler og etnisk opdeling i den danske byggebranche | 3F \(ritzau.dk\)](#)

[Migrantarbejdere får det farligste arbejde på byggepladserne: 'De lever under en konstant trussel om fyring' | Indland | DR](#)