Position Paper

European Youth Forum's demands on the review of the Quality Framework on Traineeships



Introduction

The European Youth Forum is the largest platform of youth organisations in Europe which represents over 100 youth organisations and brings together tens of millions of young people from all over Europe. We have collected the views and experiences of young people and youth organisations on traineeships and advocated on their behalf at national and European level to improve working conditions for young trainees. This includes through surveys of trainees' experiences, developing a Quality Charter for Internships and Apprenticeships, working with international institutions and private employers to improve the traineeships they offer, analysing national traineeship policies and advocating for better conditions to EU policy-makers.

For many young people traineeships have become an unavoidable part of their journey to finding a permanent job, with employers often expecting young people to have already completed one or multiple traineeships before offering them an entry-level position. During Covid-19 young people lost their jobs at a rate three times faster than for the rest of the population. A large part of the reason for this can be attributed to young people's precarious position on the labour market where non-standard forms of work such as traineeships meant they had little job security (see Beyond Lockdown: the 'pandemic scar' on young people).

Yet, traineeships are frequently criticised for their low quality, failing to uphold basic labour rights or to provide any meaningful learning content. As youth organisations have highlighted, these low quality traineeships are unfortunately common practice in many countries in Europe.

To combat this, we have outlined within our Quality Charter for Internships and Apprenticeships the key principles that traineeships should follow, including:

- · Use of a written contract
- Remuneration at least at the level of the national minimum wage and above the national poverty threshold, with overtime additionally compensated
- A limit on the length of the traineeship to a fixed number of months

- Equal access to social protection in line with other workers
- A limited number of trainees per employer
- Presence of a mentor and evaluations to discuss progress
- Transparent advertisement on the conditions and learning objectives

Implementing these measures is crucial in order to provide opportunities where young people can have both financial security through fair pay for their work as well as quality training to develop their skills. These principles will also ensure that traineeships uphold rather than undermine young people's rights as set out in international human rights frameworks.

Without these measures, unpaid and low quality traineeships can have very damaging consequences on individual young people and the rest of society. They can place the young person in a very precarious position (i.e. no financial security, or access to social protection, no skills development), restrict career opportunities for those who cannot afford to work for free, and lead to the replacement of permanent jobs.

Assessment of the Quality Framework for Traineeships

The current policy framework of the Quality Framework for Traineeships (QFT) requires updating to include key quality criteria which are lacking, especially on remuneration and access to social protection. Implementation of the QFT has also been weak in the EU, demonstrating the need for a directive rather than a recommendation. Our submission and recommendations are based on our recently published report, High Quality or Unpaid and Unregulated? Uncovering National Internship Policies in Europe, which examines traineeship policies across 7 Member States.

Implementation of the QFT

In our detailed examination of the 7 Member States, only **Romania** and **Croatia** show significant compliance with the QFT (**France** which we also examined has good quality policies, however these are for traineeships in education). In the case of **Romania**, large scale changes were made to their traineeship policies after the QFT was introduced, indicating its impact in that Member State.

On the other hand, in other Member States there has been only minimal impact or no impact whatsoever. In Ireland and Austria, traineeships are not defined in national legislation at all. Whilst in theory standard labour law (with regard to providing a written contract, access to social protection and minimum wage etc.) should apply, employers frequently circumvent these laws by arguing that their traineeships are learning opportunities rather than employment, despite the fact that young people are performing real work and that there is no guarantee that they will receive any training or mentorship. In Germany, traineeships can legally take place with no remuneration, no access to social protection and no learning opportunities if they are less than 3 months in duration (although those longer than 3 months are more strongly regulated).

Access to remuneration and social protection

The lack of remuneration and access to social protection in these Member States for traineeships can have a damaging impact. They undermine young people's right to fair remuneration and a good standard of living whilst also preventing

young people from marginalised backgrounds from accessing career opportunities as they do not have the finances to work unpaid over a period of time. Research also suggests that unpaid traineeships are worse for young people's employment chances, with a literature review of 20 studies finding that "Paid internship programmes are clearly associated with better post-programme outcomes [for young people] than are unpaid internship programmes." (ILO, page 45)

These arguments are echoed in the outcomes of our <u>Collective Complaint against Belgium on unpaid traineeships</u>. The Committee for Social Rights found in their <u>decision on the merits</u> that Belgium is in violation of Article 4.1 (right to fair remuneration) and Article E (non-discrimination) because of the practice of unpaid traineeships.

Policy enforcement

One of the key findings of the Committee was also on the lack of effective monitoring and inspections of traineeships by labour inspectorates in Belgium:

"...[the data] cast serious doubts on the overall efficiency of the inspection and monitoring of internships in Belgium." (paragraph 147)

"...it is important to note that, given that they are at a very early stage of their work lives, young interns might not be aware of their rights or might not want to take any legal action in case of abusive internships in order not to affect their potential for future employment in the labour market. Given this strong disincentive for young interns to take legal action and their possible lack of knowledge concerning their rights in the implementation of internship contracts, a proactive approach, apart from an efficient inspection service, by the relevant authorities may be necessary." (paragraph 145)

This analysis is supported by the findings of our report on national traineeship policies which demonstrated that traineeships which are in violation of national legislation often take place, with little action undertaken by national governments to address these exploitative practices. As indicated by the Committee of Social Rights young people are often unable to address illegal traineeship practices themselves, indicating a need by labour inspectorates to take a more proactive approach.

Recommendations

The failures in traineeship policies across a number of EU Member States demonstrate the limitations of the QFT. These gaps allow for loopholes and exploitative policies at national level to continue. We therefore recommend the QFT to provide the following provisions:

Remuneration and social protection: The QFT must be updated with the introduction of an EU Directive that includes a binding requirement for all open labour market trainees to be recognised as employees and entitled to, at least, either the statutory minimum wage or coverage under collective agreements – without exceptions, as well as full access to social protection on an equal basis as other employees. This approach can have a legal basis under the EU's social policy competence of setting minimum requirements on working conditions through directives (Article 151 of the Treaty on the Functioning of the EU).

Other good practice that should be promoted at national level in a new QFT directive, and are not already covered by the existing one, include:

- Maximum ratio of the number of trainees to staff & break periods for employers between the hiring of trainees (to prevent traineeships replacing existing jobs).
- Guidelines and funding to promote proactive enforcement of traineeship policies by labour inspectorates, recognising the specific situation and power imbalance facing young people.
- The use of financial incentives to encourage employers to hire trainees permanently.
- Collection of data on trainees at national and EU level disaggregated by all factors such as age, ethnicity, gender etc.

Whilst there may be some marginal costs to implementing stronger traineeship policies for governments and employers, inaction can have very large personal costs on individual young people and wider society. Stronger regulations would support the equality of access to opportunities for marginalised youth, uphold young people's social rights and prevent permanent jobs being replaced by

low quality traineeships. Employers may also benefit by being able to recruit from a wider pool of young people, by trainees developing more skills, and by trainees having a more positive experience which can lead them to be more productive and committed to their employer. The examples of France and Romania show that it is possible to implement more stringent regulations on traineeships and should set a precedent for action at EU level so that we can ensure quality experiences for all young people in their traineeships.





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