



## Quality traineeships

### Facilitating young people's transition to employment

**SUMMARY** *With high levels of youth unemployment in the European Union, helping young people find work is a pressing problem. By providing opportunities in a real work situation to acquire valuable skills and learn appropriate behaviour, traineeships can help young people make the transition from education or unemployment to permanent work.*

*In addition to acquiring skills and increasing their employability, trainees can benefit by orientating their career and building networks of contacts. Employers offering traineeships can identify potential new recruits and build their corporate reputation as a quality employer.*

*However traineeships often suffer from poor quality. Trainees may be assigned unsuitable tasks or receive poor mentoring and training. They may lack remuneration and social protection, or become trapped in precarious work through repeated traineeships.*

*Traineeships will play an important part in the Youth Guarantee and other EU initiatives to foster youth employment. A proposed Council Recommendation on a European Quality Framework, which focuses on 'open-market' traineeships, aims to increase transparency in terms of what will be learnt and working conditions, as well as encouraging transnational mobility.*



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#### In this briefing:

- Background
- Benefits of traineeships
- Quality issues with traineeships
- EU policy context
- Social Partners and other stakeholders
- Further reading

#### Background

In October 2013, [5.7 million](#) young people between the ages of 15 and 24 were unemployed in the 28 Member States (MS) of the European Union (EU). At [23.7%](#), the youth unemployment rate was more than twice that of the general population. For the EU and its MS, tackling youth unemployment is one of the major challenges of the post-financial crisis period. Traineeships, which offer young people the opportunity to gain additional skills and competences through practical experience in the workplace, are one way to help young people find permanent employment.

The prevalence of traineeships varies widely across MS but on average [nearly half](#) of respondents to a 2013 EU-wide survey had undertaken a traineeship. [Commentators](#) believe that with high levels of youth unemployment and increasing competition for the entry-level jobs that are available, having traineeship experience can make the difference between getting a job or not. In [some MS](#), it may be almost impossible to find employment in certain professions unless a young person has done a traineeship.

The definition (see box on the next page) and practice of traineeships varies widely across the EU, with greater or lesser degrees of regulation and different educational and

employment systems in MS. However the European Commission (EC) estimates that there are [4.5 million](#) traineeships a year in the EU of which [one in three](#) are unsatisfactory. Traineeships form a key part of several EU initiatives aiming to increase employment and achieve [Europe 2020](#) employment goals.

### Definition of traineeships

There is no simple, comprehensive definition of traineeships in Europe.

The EC considers *traineeships* to be limited periods of work practice, including a learning component, undertaken with the aim of helping the integration of young people into the labour market. Traineeships are short, lasting from several weeks up to six months. Most often they take place during higher education or shortly after studies are complete. But they can also be used to help unemployed young people to enter (or re-enter) the job market. Traineeships are often known as *internships*.

Traineeships are different from *apprenticeships* which usually last longer (e.g. three years), form part of a formal vocational training programme, lead to a specific occupational qualification and often involve trade unions or professional organisations in their design.

The scope of the proposed Recommendation on a quality framework also does not include so-called *work placements* which form a required or optional part of an educational or vocational curriculum; these are organised or sponsored by the educational institution such as a university which determines the expected learning outcomes. Nor does it cover extended *mandatory traineeships in a profession* such as medicine, law, teaching and architecture found in many MS. Instead the Recommendation aims to cover '*open-market*' traineeships which are the result of agreements between employers and trainees without the involvement of third parties such as educational institutions. In MS where such traineeships are available, they are often little regulated and may give rise to quality problems or offer opportunities for abuse.

## Benefits of traineeships

### For trainees

Traineeships provide young people with an opportunity to develop **additional skills** important in the workplace. For example, in a [2009 UK survey](#), recruiters ranked employability skills and work experience as the most important factors in hiring; more than a third of employers were unsatisfied with the business/customer awareness of recent graduates. A successful traineeship can signal to potential employers that a trainee has acquired many of these important skills and learnt behaviour appropriate to the working environment. Trainees themselves agree: in an internet survey of 10 Central European countries (including eight MS), [almost 30%](#) of young people rated jobs or internships related to their studies more highly than any other kinds of training or experience (including programmes like Erasmus).

Work experience, e.g. through a traineeship, has a major impact on **employability**: nearly half (44%) of the respondents to a [2011 EU survey](#) who had completed a traineeship said it had helped them to find a permanent job, and another 17% said it helped them to find a temporary job. A traineeship can also give trainees a better appreciation of **career options**, a good understanding of the **recruitment process**, an awareness of the **types of candidates** employers are seeking and a **network of contacts** in their chosen field of work. In short, for many trainees, the short-term economic cost of foregoing employment or further education during the period of the traineeship is more than compensated for by the greater ease of [finding employment](#), a better initial position or [faster career advancement](#).

### Employers

The chief benefit that employers derive from a traineeship scheme is the ability to screen new potential employees and hence to improve recruitment: in a 2010 learning

development survey, [76%](#) of human resources professionals saw traineeships as a way of testing potential new staff.

Other reasons [employers](#) hire trainees are to benefit from new, **motivated and enthusiastic young people** (who are perhaps more familiar with the latest advances or new techniques than established staff); to create **workforce diversity**; and to build up the **employer's 'brand'** in terms of corporate social responsibility and long-term reputation as an employer.

**The European quality charter on internships and apprenticeships** is a [charter](#) developed by the [European Youth Forum](#) in collaboration with numerous stakeholders. It is primarily aimed at work placements and apprenticeships that are part of a formal education process. However for traineeships outside formal education, it calls for recognition of trainees' rights to a written contract outlining learning objectives; guidance from a trained supervisor; pay at a level above the poverty threshold; social protection; and reimbursement of trainee costs. Employers should be allowed to offer only a limited number of traineeships, restricted to students or recent graduates, and should advertise openly, providing details of tasks and working conditions.

Well-run traineeships have costs for employers, aside from whatever remuneration or social contributions they pay, such as office space, equipment, training and mentoring. However employers can take advantage of reduced labour costs (e.g. trainees willing to work for no pay or minimum wage, [government subsidies](#) or reduced social contributions for paid trainees) to get supplementary work done in a **cost-effective way**. Whilst this is not the most important reason to take on trainees, [17%](#) of employers in the UK said they hired trainees to get work done more cheaply.

### Quality issues with traineeships

Many trainees currently experience problems in the quality of their traineeships. For example, **information** provided to the trainee before or during the traineeship may be insufficient. In the 2013 Eurobarometer (EB) survey on traineeships in the EU, [over a third](#) of Europeans who had completed a traineeship said they did not have a written contract for their traineeship.

The **learning content** of a traineeship may be weak or lacking. More than [one in four](#)

Europeans thought that their last traineeship was not helpful in finding a job. In another survey, 18% of young Austrians with an 'open-market' traineeship thought they had not learned anything relevant. This may happen if trainees are only asked to do simple tasks (such as photocopying) that are not appropriate to their level of education, or tasks that do not relate to the career that they hope to develop. Some employers do not offer induction training or ensure proper men-

toring or supervision.

**Working conditions** may be sub-standard: almost [one in four](#) trainees in the EU think that their working conditions were not equivalent to those of regular employees. Worryingly, only [62%](#) of permanent employees in a UK survey thought that trainees in their organisation were treated fairly.

More specifically, **low or no pay** for trainees can lead to problems. Only [a third](#) of traineeships were paid (though later traineeships are more likely to be paid than earlier ones); of those who were paid, only 41% found the amount sufficient to cover basic living costs such as rent and food. Even in MS where trainees doing low-level work should be paid the appropriate national minimum wage, this is not always the case: a 2010 UK survey indicated that [37%](#) of employers did not pay their trainees the national minimum wage and almost one in five paid no wage at all. Young people may hesitate to complain because they want to receive a good reference at the end of the traineeship.

Trainees may become trapped in a series of **consecutive low or unpaid traineeships**,

providing them with some work, but preventing them from moving out of poverty and into paid employment. More than [one in five](#) people in the EU27 who have been a trainee had done more than three traineeships, despite the fact that traineeships are intended to help with the transition to a full time job.

Lack of access to **social protection**, notably health coverage and accident and liability insurance, can also be a problem for trainees. [15%](#) of trainees did not have illness or accident insurance (and almost 10% did not know if they had any form of coverage).

Traineeships may also cause problems for society in general, such as when employers use unpaid or lowly paid trainees as a low-cost **replacement for regular employees**. *Génération précaire*, a pressure group, [cites](#) media, diplomatic relations, commerce, tourism and finance as sectors where trainees are often used to substitute for regular staff. Not only do these employers not pay young trainees a fair wage, but they deny other workers (especially young workers) chances of either temporary or permanent employment.

Some experts are also concerned that traineeships exacerbate **social inequalities** in society when traineeships become an essential qualification to get a good job. Many trainees depend on contacts amongst friends and family to identify possible positions; and employers may favour young people with social ties to their permanent employees. For example, a Swedish [study](#) showed that 14% of young workers (19% of the least educated) have a close relative in

**The common best practice code for high-quality internships** is a voluntary [code](#) developed by a British ad hoc advisory body that sets out the elements required to maximise the benefits of traineeships for both trainees and employers in the UK. It recommends use of standard recruitment practices and induction training; calls for trainees to be treated in a comparable way to employees; and insists on designated mentors who provide supervision, feedback and (ultimately) a reference attesting to the trainee's experience. The code presents the legal requirements and the advantages relating to remuneration, but mandates only payment of expenses.

the organisation where they get their first job.

In addition, unpaid trainees depend for living or travel costs on family support which less well-off young people may not have. In Germany [60%](#) of trainees rely on such parental support. In a [2011 UK survey](#), 40% of young people who had considered applying for an internship said that they changed their mind as they were not in a position to be able to work for free, and 39% of those offered an internship turned it down for that reason.

#### Transnational traineeships

Cross-border traineeships can be an excellent way to acquire language and intercultural competencies as well as workplace experience. However, according to the [Eurobarometer 2013 survey](#), only 9% of EU traineeships took place abroad. The reasons are diverse. While more than half of trainees said they were not interested in a foreign experience and 14% said they did not know a foreign language well enough, one in five were not well-informed about the possibility of a traineeship in another country. And one in four said they did not have sufficient financial resources to meet the extra travel and living costs involved in training abroad.

The EU has a particular role to play in cross-border education and training, e.g. through [Erasmus work placement programmes](#) or the [Youth on the Move](#) initiative. In 2011-12, trainees accounted for [19%](#) of Erasmus cross-border student placements (a proportion which has grown rapidly since introduction of this possibility in 2007). Erasmus work placements lasted an average of four months, with a mean monthly grant of €361 to help defray travel and subsistence costs. More than three-quarters of the employers were small and medium-sized enterprises. However Erasmus work placements are restricted to current students in higher education, so do not help with traineeships *after* studies are complete.

## EU policy context

Traineeships have been on the EU policy agenda for more than five years. As early as [2007](#), the European Commission (EC) urged MS to ensure that traineeships were properly defined and promised a European quality charter on internships. However it was only in 2012, with the introduction of the [Youth Employment Package](#), that the EC initiated consultations of [citizens](#) and of the Social Partners. In December 2013, after the Social Partners decided not to launch their own negotiations on a possible agreement under Article 154 of the Treaty on the Functioning of the European Union (TFEU), the EC adopted a proposal for a [Council Recommendation](#) to MS on a Quality Framework for Traineeships (QFT).

A number of other EU policies underline the importance of traineeships and the timeliness of the proposal. In late 2012, the EC proposed a [Youth Guarantee](#), [adopted](#) by the Council in April 2013. This guarantee promises a good quality offer of a job, continuing education, an apprenticeship or a traineeship to young people (under 25) within four months of completing education or becoming unemployed. Each MS will decide how to implement the Youth Guarantee but the initiative may lead to a greater number of traineeships in the EU. The [Youth Employment Initiative](#), a 2014-20 instrument with a budget of €6 billion for financing youth employment measures, is [expected](#) to provide direct support for traineeships.

### Proposed Quality Framework

A Council Recommendation was chosen as the legal instrument because of the wide variety of different practices in MS. The EC proposal would have MS improve the quality and transparency of 'open-market' traineeships by adopting, by the end of 2014, measures regarding working conditions and learning content.

The proposal set out by the Commission recommends that MS:

- Require a written traineeship agreement covering learning objectives, rate of pay (if applicable), working conditions and the duration of the traineeship (these elements must also appear in vacancy notices).
- Ensure that trainees understand their entitlement to remuneration and their rights to health coverage, accident insurance and sick pay (though without extending to a requirement that trainees are either paid or covered).
- Guarantee respect for the legal rights of trainees in terms of working conditions (e.g. hours of work, holidays).
- Ensure that traineeships last only a reasonable length of time (normally not more than six months).

The proposal also asks MS to promote best practices in terms of achieving learning objectives, the designation of a mentor and the provision of a certificate at the end of the traineeship. MS should also encourage the practice of specifying a two-week notice period for termination of the agreement by either trainee or traineeship provider. Moreover, MS should facilitate cross-border traineeships by making clear their national rules regarding open-market traineeships and trainees moving to or coming from another MS. The use of the European Job Mobility Portal [EURES](#) should also be extended to traineeships.

The proposed Recommendation does not mention some elements that have been promoted by stakeholders or have appeared in voluntary national charters. These include following the [same selection and hiring procedures](#) as for employees, providing [mandatory](#) induction training, or [limiting](#) the number of interns per employer to help avoid exploitation. Most notably it does not include any recommendation concerning [remuneration](#) or [reimbursement of expenses](#): pay is excluded from EU competence by Article 153 TFEU, though

the Recommendation would leave MS free to implement their own provisions in this regard or not.

### Other EU institutions

The other EU institutions have also been supportive of quality measures for traineeships. In 2011, the Council [recognised](#) that young people were being forced to take up precarious unpaid or low-paid internships and invited the EC to put forward a quality framework. In June 2012, the European Council [stated](#) that a quality framework for traineeships was crucial in addressing youth unemployment, and underlined its urgency at its [December 2012](#), [February 2013](#) and [June 2013](#) meetings.

The European Parliament (EP) has also strongly supported improving traineeships. In a [2010 own-initiative resolution](#) on promoting youth access to the labour market, the EP reminded the EC of its 2007 commitment to establish a quality charter, and called for minimum standards for internships to ensure their educational value and avoid exploitation (in particular the replacement of regular workers by trainees). Envisaged quality measures included a job description, a statement of required qualifications, time limits, social security provisions and a minimum allowance based on local living costs. In a 2010 [resolution](#) on the EU 2020 strategy, the EP called on MS to create more traineeships while protecting young people against unfair practices, as well as asking for better statistics on traineeships in each MS. In a 2013 resolution on [tackling youth unemployment](#), the EP repeated its call for a set of quality criteria for traineeships and called on the EU institutions themselves to pay all trainees a minimum allowance.

## Social Partners and other stakeholders

### Social Partners

The European Social Partners, in their [Inclusive labour market agreement](#) of March 2010, committed themselves to more and

better traineeships and apprenticeships. However opinions on how to achieve this goal differ.

The [European Trade Union Confederation](#) (ETUC) is committed to a European charter of quality for traineeships and apprenticeships. On the other hand, employers' organisations have been more sceptical. [BusinessEurope](#) believes that minimum requirements for traineeships (especially remuneration) should not be set at EU level but at the level of MS. The [European Association of Craft, Small and Medium-sized Enterprises](#) (UEAPME) supports a quality framework, providing that it is limited to general principles, that it is not so prescriptive as to reduce the attractiveness of traineeships for SMEs and that it allows MS to decide trainee status. The [European Centre of Employers and Enterprises providing Public Services](#) (CEEP) also supports a framework based on general principles with the flexibility to accommodate the diversity of systems in MS. [Eurochambres](#), representing commerce and industry, stresses the need to avoid additional bureaucracy and to maintain flexibility if businesses are to be encouraged to offer more traineeships. The [European Confederation of Executives and Managerial Staff](#) (CEC) supports remuneration for trainees but favours a non-regulatory solution such as the creation of a quality label and better information.

### Other stakeholders

The [European Youth Forum](#) (YFJ) has been a strong advocate of a European framework for quality traineeships and has led the development of the [European quality charter on internships and apprenticeships](#) (see box on page 3). The [European Business Network for Corporate Social Responsibility](#) (CSR) has a project to support companies in assessing and improving the quality of the internship schemes they have in place. The [Trade Union Congress](#) (TUC) has set up an information site for trainees in the UK called [Rights for Interns](#).

Other NGOs or pressure groups in various MS, including [Génération précaire](#) (France), [Repubblica degli stagisti](#) (Italy), [Interns Anonymous](#) (UK), [Internocracy](#) (UK) and [Intern Aware](#) (UK), have highlighted problems with traineeships or suggested remedial actions. The latter group's campaign led to [UK authorities investigating 100 firms](#) that (perhaps through ignorance) were not paying trainees the minimum wage when appropriate.

Stakeholders and Social Partners are expected to react to the EC's proposed Council Recommendation (see previous section) in early 2014.

### Further reading

[Learning mobility and non-formal learning in European contexts](#) / G. J. Friesenhahn et al., Council of Europe and the European Commission, 2013.

[The experience of traineeships in the EU](#) (Flash Eurobarometer 378) / European Commission, 2013.

[Analytical document: towards a quality framework on traineeships](#) (SWD(2012) 407 final) / European Commission, 2012.

[Study on a comprehensive overview of traineeship arrangements in Member States: final synthesis report](#) / IES, IRS, BIBB, European Commission, 2012.

[Internships: to pay or not to pay?](#) / Chartered Institute of Personnel and Development (UK), 2010.

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