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*Committee on Employment and Social Affairs*

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## **DRAFT REPORT**

on promoting youth access to the labour market, strengthening trainee,  
internship and apprenticeship status  
(2009/2221(INI))

Committee on Employment and Social Affairs

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## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### **on promoting youth access to the labour market, strengthening trainee, internship and apprenticeship status (2009/2221(INI))**

*The European Parliament,*

- having regard to the Lisbon Strategy evaluation document SEC(2010)0114,
- having regard to the Commission Communication on New Skills for New Jobs - Anticipating and matching labour market and skills needs (COM(2008)0868),
- having regard to the Commission Staff Working Document - Annex to Commission Communication on New Skills for New Jobs (SEC(2008)3058),
- having regard to the Commission Communication on A shared Commitment for Employment (COM(2009)0257),
- having regard to the Council Conclusions on New Skills for New Jobs - Anticipating and matching labour market and skills needs, adopted in Brussels on 9 March 2009,
- having regard to the Commission Communication on Promoting young people's full participation in education, employment and society (COM(2007)0498), accompanied by the Commission Staff Working Document on Youth employment in the EU (SEC(2007)1093),
- having regard to the Commission Communication on An EU Strategy for Youth – Investing and Empowering. A renewed open method of coordination to address youth challenges and opportunities (COM(2009)0200),
- having regard to the Commission Green Paper on Promoting the learning mobility of young people, (COM(2009)0329),
- having regard to the Commission report entitled Employment in Europe 2009, November 2009,
- having regard to the independent report entitled New Skills for New Jobs: Action Now prepared for the Commission, which provides advice and key recommendations on developing the initiative further in the context of the EU's future 2020 strategy for growth and jobs, February 2010,
- having regard to the independent report entitled Pathways to Work: Current practices and future needs for the labour-market integration of young people, Young in Occupations and Unemployment: thinking of their better integration in the labour market, commissioned by the Commission in the context of the Youth Project (Youth Final Report, September 2008),

- having regard to the Eurofound study on Youth and Work, March 2007,
  - having regard to the Cedefop study on Professionalising career guidance: Practitioner competences and qualification routes in Europe, March 2009,
  - having regard to the Cedefop study on Skills for Europe’s future: anticipating occupational skill needs, May 2009,
  - having regard to the Cedefop fourth report on vocational education and training research in Europe: synthesis report entitled Modernising vocational education and training, December 2009,
  - having regard to the OECD Employment Outlook 2008 entitled Off to a Good Start? Youth Labour Market Transitions in OECD Countries, November 2008,
  - having regard to the European Youth Pact aimed at promoting the participation of all young people in education, employment and society, March 2005,
  - having regard to Petition 1452/2008 by Ms Anne-Charlotte Bailly (German), on behalf of Génération Précaire, on fair internship and proper access of the young people to the European Labour Market,
  - having regard to the judgment (C-555/07) of the European Court of Justice on the principle of non-discrimination on grounds of age, January 2010,
  - having regard to Article 156 of the Treaty on the Functioning of the European Union,
  - having regard to Rule 48 of its Rules of Procedure,
  - having regard to the report of the Committee on Employment and Social Affairs and the opinion of the Committee on Culture and Education (A7-0000/2010),
- A. whereas the economic crisis has caused a massive rise in unemployment rates in the EU Member States; whereas young people have been disproportionately affected by this trend; whereas more than 5.5 million young people in the EU under 25 were unemployed in December 2009, equivalent to 21.4 % of all young people,
- B. whereas youth unemployment and underemployment impose heavy social and economic costs on society, resulting in the loss of opportunities for economic growth, erosion of the tax base which undermines investment in infrastructure and public services, increased welfare costs, underutilised investment in education and training, and the risk of long-term unemployment and social exclusion,
- C. whereas economic and demographic projections point out that 80 million job opportunities will arise in the EU in the next decade, the majority of which will require a high skilled workforce; whereas the employment rate for people with high skill levels across the EU as a whole is approximately 85 %, for medium skill levels 70 % and for low skill levels 50 %, and
- D. whereas the transition from education to work and between jobs is a structural challenge for young people all over the EU; whereas apprenticeships have a largely positive impact

on young people's access to employment,

- E. whereas young people often face discrimination on the grounds of their age when entering the labour market; whereas young women are more likely to face unemployment and poverty than young men,
- F. whereas decent work shifts young people from social dependence to self-sufficiency, helps them escape poverty and enables them to actively contribute to society, economically and socially; whereas discriminative legislation in some Member States, such as the minimum wage for young people in the UK, the Revenu minimum d'insertion in France and the reduced employment benefits for young people in Denmark, prevent young people from entering into an adult, independent life,
- G. whereas the Lisbon Strategy's benchmarks on youth have not been met,
  - 1. Urges the Commission and the Member States to take a rights-based approach to youth and employment. The qualitative aspect of decent work for young people must not be compromised, and the core labour standards and other standards related to the quality of work, such as working time, the minimum wage, social security, and occupational health and safety, must be central considerations in the efforts that are made;

#### ***Job creation and labour market inclusion***

- 2. Calls on the Council and the Commission to define a job strategy for the EU that combines financial instruments and employment policies in order to avoid 'jobless growth', and entails setting ambitious benchmarks for the employment of young people;
- 3. Invites Member States to create efficient incentives for public and private employers to hire young people, to invest in job creation for young people and to support entrepreneurship among youth;
- 4. Calls on the Member States to establish inclusive and targeted labour market policies that secure the respectful inclusion and meaningful occupation of young people, e.g. through the setting-up of inspirational networks, trainee arrangements, international career centres and youth centres for individual guidance;
- 5. Calls on the Commission to expand financial capacity for the European Social Fund, to earmark a minimum of 10 % of this fund for projects targeting young people and to ease access to the fund; urges the Member States to improve their targeting of youth;

#### ***Education and transition from education to employment***

- 6. Calls on the Member States to intensify efforts to reduce early school leaving in order to achieve the Lisbon goal of no more than 10 % of early school leavers by 2012; invites the Member States to make use of a wide range of measures to fight early school leaving, e.g. lowering the number of students in each class, introducing mentors at all schools, establishing an immediate follow up of early school leavers; points to Finland which has succeeded in reducing the number of early school leavers; invites the Commission to coordinate a project on best practices;

7. Calls for more and better traineeships; calls on the Commission and the Council to set up a European Quality Charter on Traineeships to ensure their educational value and avoid exploitation;
8. Recognises that, in times of crisis, young people seek education and should be encouraged to do so; calls on all Member States to secure equal access to education for all by guaranteeing a minimum right of 12 years free education and securing financial support for young students, and invites Member States to invest further in education and training, even if fiscal constraints are present;
9. Calls on the Commission to expand EU programmes that support education and up-skilling, such as Lifelong Learning, the European Social Fund, the Marie Curie Actions and the Science Education Initiative;

#### ***Adapting to the needs of the individual and the labour market***

10. Calls on the Commission and the Member States to develop lifecycle-based policies and strategies, in which education and employment are better integrated, in which safe transition is a key point and in which there is a constant up-skilling of the labour force;
11. Urges the Commission to revise the flexicurity strategy in order to place transition security at the top of the agenda while creating mobility and easier access for young people; underlines that flexibility without social security is not a sustainable way of combating the problems young people face on the labour market;
12. Appeals to Member States to include all four flexicurity components in the national designs for youth employment strategies, namely:
  - a. flexible and reliable contractual arrangements,
  - b. comprehensive lifelong learning programmes securing the continued development of skills,
  - c. effective active labour-market policies that focus on skills and inclusion,
  - d. social-security systems that provide young people with transition security, rather than forcing them to be flexible;
13. Calls on Member States and the social partners to secure quality work to avoid young people falling into the ‘precariousness trap’; and calls on the social partners, in cooperation with the Commission, to establish and implement minimum standards protecting those who work in insecure or low-quality jobs;

#### ***Disadvantages and discrimination***

14. Calls on the Commission for a review of existing national legislation affecting youth in each Member State to verify its compatibility with the Employment Equality Directive;
15. Calls on Member States and the Commission to provide better childcare opportunities for young parents, thus facilitating the possibility for young mothers to participate in the

labour market;

16. Calls for Member States to introduce affirmative action measures for young people in those areas of the labour market where youth is under-represented, so as to overcome the consequences of previous age discrimination and achieve a truly diverse workforce; points to good experience as regards affirmative action in combating discrimination;
17. Recognises the importance of young people being able to be financial independent and calls for Member States to ensure that all young people are individually entitled to a minimum level of income that secures for them the possibility of creating an independent adult life;

### *Strategies and governance tools at EU level*

18. Suggests that the Council and the Commission come forward with a European Youth Guarantee securing the right of every young person in the EU to be offered a job, an apprenticeship, additional training or combined work and training after a maximum period of 6 months' unemployment;
19. Welcomes progress towards defining the EU 2020 Strategy but regrets that there has been no public and transparent evaluation of the Lisbon Strategy, and in particular of the European Youth Pact, including benchmarks for youth, and regrets that the social partners, civil society and youth organisations were not consulted sufficiently during the process of developing the EU 2020 Strategy;
20. Calls for new binding youth benchmarks; invites the Commission to evaluate existing youth benchmarks and the Youth Guarantee every year in order to deliver results and progress;
21. Calls on the Council and the Commission to agree to and deliver on new improved governance tools for the work on youth employment;
22. Suggests the setting up of a permanent EU youth taskforce involving youth organisations, Member States, the Commission, Parliament and the social partners to monitor developments on youth employment, enable cross-section policies, share best practice examples and initiate new policies;
23. Calls on the Member States to assess policy impacts on youth, to include youth in all processes and establish Youth Councils to monitor youth related policies;
24. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.

## EXPLANATORY STATEMENT

As the economic downturn has caused a massive rise in unemployment rates in EU27, it is clear that young people have been hit disproportionately hard. Today, more than 5.5 million young people under 25 are unemployed, equivalent to 21.4 percent, which is twice as high as the overall unemployment rate. Unfortunately time is not bringing salvation to Europe's young people: unemployment rates are expected to rise even further.

Youth unemployment is one of Europe's most pressing problems. We risk losing a generation to social exclusion, while gambling with the economic and social future of the EU.

Youth unemployment imposes heavy social and economic costs on our societies, resulting in the loss of opportunities for economic growth, erosion of the tax base which undermines investment in infrastructure and public services, increased welfare costs, and underutilised investment in education and training. Europe's youth is a treasure chest of unused human resources. The economic and social outlook calls for action.

Starting your working age life as unemployed creates long-term personal scars. Studies clearly indicate that those who are unemployed when young continue to suffer from its harmful impacts later in life. Unemployment while young increases the risk of long-term unemployment and has a negative impact on income levels in later life. Furthermore, when unemployment rises, poverty, illness, crime and suicide rates go up. We cannot accept to lose Europe's young to social exclusion.

Not only the economic crisis has created barriers for youth to access the labour market and create an adult, independent life. Since the 1980s there has been a special focus on labour market barriers experienced by youth. Some facts indicate the scale of the problem:

Young workers are not only more often unemployed than adult workers, they are also more often employed in precarious, temporary jobs of low quality, with lower wages and less social security. Furthermore young workers experience lower standards on occupational health and safety and are at least 50 percent more likely to be injured in the workplace than their more experienced counterparts.

The good news is that there is much to gain if we manage to include young people in the labour force and in society. Promoting more and better jobs for young people has several positive impacts: It unleashes multiplier effects throughout our economies and societies, boosts investment and consumer demand as well as assures more stable and cohesive social ties across generations. Last but not least: decent work and inclusion shift young people from social dependence to self sufficiency, helping them to escape poverty and enabling them to actively contribute to society.

All Member States must take action and fight youth unemployment with policy priorities and strategies that reflect the national specificities. But at the same time the EU needs to unite around common strategies. Meeting the youth challenge requires an integrated and coherent approach that combines interventions at macro and micro economic levels, focuses on labour supply and demand and addresses both the quantity and quality of employment. A coherent mix of educational, financial, employment and social policies is needed.



With economic and political investments in new jobs, education and training, stronger social security systems, a more dynamic labour market and in decent work - we can transform the European labour market and reorient the current trends towards a better future for the youth.

Let's put youth at the top of the political agenda. Let's take up this challenge. Let's turn Generation Lost to Generation Hope.