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DRAFT REPORT

with recommendations to the Commission on quality traineeships in the Union (2020/2005(INL))

Committee on Employment and Social Affairs

Rapporteur: Monica Semedo

(Initiative – Rule 47 of the Rules of Procedure)

PR\1268154EN.docx PE739.586v01-00

CONTENTS

Page
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION
ANNEX I TO THE MOTION FOR A RESOLUTION10
RECOMMENDATIONS AS TO THE CONTENT OF THE PROPOSAL REQUESTED10
A European framework directive for adequate remuneration for traineeships10
ANNEX II TO THE MOTION FOR A RESOLUTION11
RECOMMENDATIONS AS TO THE CONTENT OF THE PROPOSAL REQUESTED11
Update of 2014 Council Recommendation on a Quality Framework for Traineeships11
EXPLANATORY STATEMENT

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

with recommendations to the Commission on quality traineeships in the Union (2020/2005(INL))

The European Parliament,

- having regard to Article 225 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to Article 292 TFEU, in conjunction with Articles 153 and 166 TFEU,
- having regard to Article 153(2)(b) TFEU, in conjunction with Article 153(1)(b) TFEU,
- having regard to Council Recommendation of 10 March 2014 on a Quality Framework for Traineeships¹ (the "2014 Council Recommendation"),
- having regard to the Commission's factual summary report of 3 August 2022 of the online public consultation in support to the evaluation of the 2014 Council Recommendation on a Quality Framework for Traineeships (QFT)²,
- having regard to the Eurofound report of 27 July 2017 entitled "Fraudulent contracting of work: Abusing traineeship status (Austria, Finland, Spain and UK)"³,
- having regard to the Commission report of October 2018 entitled "Traineeships under the Youth Guarantee – Experience from the ground",
- having regard to the Commission communication of 4 October 2016 entitled "The Youth Guarantee and Youth Employment Initiative three years on" (COM(2016)0646);
- having regard to the Commission Staff Working Document of 4 October 2016 entitled
 "Applying the Quality Framework for Traineeships" (SWD(2016)0324),
- having regard to Council Recommendation of 30 October 2020 on A Bridge to Jobs –
 Reinforcing the Youth Guarantee and replacing the Council Recommendation of 22
 April 2013 on establishing a Youth Guarantee⁵,
- having regard to the European Pillar of Social Rights, proclaimed by the European Parliament, the Council and the Commission on 17 November 2017 at the Gothenburg Summit, in particular to its Principle No 4,
- having regard to Regulation (EU) 2019/1700 of the European Parliament and of the Council of 10 October 2019 establishing a common framework for European statistics

1

¹ OJ C 88, 27.3.2014, p. 1.

² https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13118-Quality-Framework-for-Traineeships-review-evaluation-/public-consultation_en

³ https://www.eurofound.europa.eu/publications/information-sheet/2017/fraudulent-contracting-of-work-abusing-traineeship-status-austria-finland-spain-and-uk

⁴ https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8163&furtherPubs=yes

⁵ OJ C 372, 4.11.2020, p. 1.

relating to persons and households, based on data at individual level collected from samples, amending Regulations (EC) No 808/2004, (EC) No 452/2008 and (EC) No 1338/2008 of the European Parliament and of the Council, and repealing Regulation (EC) No 1177/2003 of the European Parliament and of the Council and Council Regulation (EC) No 577/98⁶,

- having regard to Rules 47 and 54 of its Rules of Procedure,
- having regard to the opinion of the Committee on Culture and Education,
- having regard to the report of the Committee on Employment and Social Affairs (A9-0000/2023),
- A. whereas traineeships are a common way for young people to gain experience before finding stable employment; whereas traineeships can ease the transition from education or vocational training into the labour market; whereas it is crucial that optimal conditions and incentives are established to enable young people to have access to high-quality traineeships that will provide them with a useful learning experience, as well as work experience and the development of a relevant set of skills; whereas the skills acquired and the workload of traineeships must be proportionate to the remuneration for the traineeship;
- B. whereas different definitions of traineeships exist across Union; whereas a traineeship can be understood to be a limited period of work practice which is paid and which includes a learning and training component and which a person undertakes in order to gain practical and professional experience with a view to improving that person's employability and facilitating transition to stable employment⁷;
- C. whereas different types of traineeship exist across the Union and not all types can be found in all Member States; whereas most traineeships across the Union can be divided into the categories comprising: open-market traineeships, traineeships associated with active labour market policies and traineeships that are part of professional training or part of an academic or vocational curricula;
- D. whereas different legal frameworks and approaches regulating traineeships exist across the Union; whereas such regulatory differences exist both between Member States and, in some cases, within Member States;
- E. whereas studies have established links between the quality of traineeships and employment outcomes⁸;
- F. whereas the 2014 Council Recommendation addresses open-market traineeships and those associated with active labour market policies;
- G. whereas the 2014 Council Recommendation recommends that Member States put in practice the following principles for a Quality Framework for Traineeships: the conclusion of a written traineeship agreements, learning and training objectives,

PE739.586v01-00 4/13 PR\1268154EN.docx

⁶ OJ L 261 I, 14.10.2019, p. 1.

⁷ 2014 Council Recommendation, p. 3.

⁸ https://www.europarl.europa.eu/RegData/etudes/STUD/2022/699459/EPRS_STU(2022)699459_EN.pdf, p. 1

working conditions applicable to trainees, rights and obligations of the trainee and the traineeship provider, the limitation of traineeships to a reasonable duration, the proper recognition of traineeships, transparency requirements, the establishment of cross-border traineeships, the use of European Structural and Investment Funds to enhance traineeships, and the application of the Quality Framework for Traineeships itself;

- H. whereas a person may experience discrimination differently based on a variety of factors, including, but not limited to, that person's gender, race, colour or ethnic origin, genetic features, language, religion or belief, class or social origin, sexual orientation, physical or mental ability, or age; whereas it is crucial tofocus on addressing and overcoming all discrimination in traineeships and ensuring the accessibility of traineeships to persons and groups of persons who are furthest away from the labour market:
- I. whereas high-quality traineeships can contribute to combatting skills mismatches and consequent labour market shortages in the Union, by reducing the search burden and matching the costs borne by traineeship providers and trainees; whereas too many young people are unable to find stable employment because they do not have the necessary skills or because they are working in jobs that do not match their skill set; whereas, at the same time, 40 % of employers cannot find people with the necessary skills to fill their vacancies⁹;
- J. whereas about half of all 15 to 34-year olds in the Union have gained work experience in at least one traineeship; whereas this means that approximately four million persons take part in at least one traineeship per year in the Union¹⁰;
- K. whereas the majority of trainees questioned during a Eurobarometer survey think that their experience was or would be useful to find stable employment (71 %), but almost one third disagree (28 %)¹¹;
- L. whereas, according to the same Eurobarometer survey, only 40 % of trainees received financial compensation and whereas more than half of those trainees (53 %) considered say that compensation to be insufficient to cover their basic living costs¹²; whereas adequate remuneration for traineeships must cover at least basic living costs;
- M. whereas undertaking traineeships in another Member State is still rare, with only 9 % of traineeships in the Union taking place abroad according to a survey done by Eurobarometer¹³;
- N. whereas there is a lack of up-to-date comparative data on traineeships at national and Union level;
- 1. Highlights that traineeships are primarily a learning experience; calls on the Commission and the Member States to facilitate and improve access for young people to high-quality, paid and inclusive traineeships;

⁹ https://ec.europa.eu/social/main.jsp?catId=1146&langId=en

¹⁰ https://www.europarl.europa.eu/RegData/etudes/STUD/2022/699459/EPRS_STU(2022)699459_EN.pdf, p. 2

¹¹ https://europa.eu/eurobarometer/surveys/detail/1091

¹² Ibid

¹³ Ibid

- 2. Stresses the need for high-quality traineeships to enhance the skills and employability of young people, thus easing their transition into the labour market; highlights that traineeships can be an opportunity for young people to learn and test different careers to find what jobs best suit their talents and aspirations;
- 3. Highlights the need to tackle skills mismatches, while emphasising the potential added value in this regard for both employers and trainees; in this regard, highlights the need to offer traineeships in areas linked to skills needs of labour markets and future oriented sectors to overcome labour shortages in view of both the green and the digital transition;
- 4. Recalls that high-quality traineeships can play a valuable contribution in achieving the Union social targets by 2030, as having at least 60 % of all adults participating in training every year and having at least 78 % of people aged 20 to 64 who should be in employment;

Revision of the current framework

- 5. Calls on the Commission to update the 2014 Council Recommendation;
- 6. Recognises that existing Quality Framework for Traineeships principles remain relevant in supporting young people who undertake high-quality traineeships; however, stresses that new principles must be added; calls on the Commission, therefore, to include the following additional principles in an updated Quality Framework for Traineeships:
 - access to social protection by trainees in accordance with national schemes,
 - increased access to traineeships by trainees with disabilities and trainees from other marginalised groups, using an intersectional approach,
 - access to high-quality conditions for remote and hybrid traineeships, where applicable,
 - access to adequate mentorship and to the guidance of trained mentors;
- 7. Calls on the Commission to propose extending the scope of the Quality Framework for Traineeships to include all traineeships;
- 8. Calls on the Commission to propose a directive to ensure adequate remuneration for traineeships in order to avoid exploitative practices;

Assistance and awareness-raising

- 9. Reiterates the central role that the European Social Fund Plus (ESF+) and the Youth Guarantee can play in contributing to an increase in the number of high-quality traineeships; urges Member States, with the support of the Commission, to use all available resources in this area;
- 10. Calls on the Member States to better utilise the ESF+ to help progression within education and training and transition to work, by supporting lifelong learning and employability with a view to facilitating full participation in society for all, and

- contributing to competitiveness¹⁴;
- 11. Calls on the Commission to raise awareness at national, regional and local level of available Union funds to ensure the accessibility by all to high-quality traineeships;
- 12. Calls on the Commission to support the exchange of best practices between the Members States on high-quality traineeships; encourages Member States to provide guidance and assistance to employers, in particular microenterprises and small and medium sized-enterprises, to enable them to offer high-quality traineeships, and to offer incentives to employers that provide trainees a high-quality job placement after the successful completion of a traineeship;
- 13. Welcomes the Commission proposal to make 2023 the European Year of Skills; calls on the Commission to place particular attention on quality and paid traineeships during the European Year of Skills;
- 14. Calls on the Commission to provide assistance to the Member States on legal enquiries related to implementation of a Quality Traineeship Framework;

Best practices and monitoring

- 15. Calls on Members States to implement adequate monitoring schemes to ensure that trainees' first working experience is of a high quality; calls on the Commission to convey guidelines for adequate monitoring schemes to ensure uniformity of data collection;
- 16. Calls for national labour market inspectorates to enforce compliance with existing regulations on high-quality traineeships; in this regard, calls for further awareness-raising, training and capacity building for national labour market inspectorates;
- 17. Calls for more cooperation between all stakeholders involved, in particular education and vocational training providers, businesses, national, regional and local governments and involvement of social partners; suggests the creation of a European Alliance for Traineeships, similar to the European Alliance for Apprenticeships, uniting governments and key stakeholders with the aim of strengthening the quality and offer of traineeships across the Union, while promoting the mobility of trainees;
- 18. Calls for the support of local pact for skills in cooperation with employment agencies of local authorities to ensure that traineeship help in closing the skills mismatch in the labour markets;

Data collection

- 19. Calls for better and more comparative data collection on traineeships at a national and Union level; asks for comparative data on traineeships to be included in the social scoreboard;
- 20. Highlights that further data is needed in particular on: barriers that trainees face in obtaining a high-quality traineeship and ways of overcoming them; the effects of the

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7/13 PE739.586v01-00

 $^{^{14}\} https://eur-lex.europa\underline{.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R1057\&from=EN/TXT/PDF/?uri=CEL$

COVID-19 pandemic on trainees; the challenges frequently faced when undertaking a traineeship and ways in which to overcome them; possible obstacles faced by employers when offering high-quality traineeships and ways in which to overcome them; the advantages and disadvantages of digital traineeships; the experiences of trainees with disabilities; obstacles to cross-border traineeships and ways in which to overcome them;

Accessibility

- 21. Recalls that any discrimination based on grounds such as sex, race, colour, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age or sexual orientation must be prohibited; calls on the Member States to put in place specific measures to ensure this;
- 22. Underlines that high-quality traineeships must be inclusive and accessible to all; stresses, in particular, the need to support persons with disabilities to have access to high-quality traineeships while ensuring an inclusive recruitment process; calls for a Union-wide definition of disability and an expansion of the European disability card to facilitate the mobility of persons with disabilities and their ability to take up traineeship opportunities in other Member States; stresses the need for an accessible workplace for trainees with disabilities; calls for a revision of Council Directive 2000/78/EC15 to improve the article on reasonable accommodation in the workplace in line with the UN Convention on the Rights of Persons with Disabilities; calls for the unblocking of the adoption of a proposal for an anti-discrimination directive (COM(2008)0426); highlights the need for the unbundling of remuneration and disability support to allow for extra disability related costs for traineeships; highlights the importance of personal assistance to support persons with disabilities; calls for more cooperation between employers and the organisations representing people who are at greater risk of discrimination;
- 23. Highlights the need for lifelong learning; calls for traineeships to be accessible to people of all ages; recalls that traineeships can provide many benefits to the traineeship provider and the trainee;
- 24. Highlights the need to offer opportunities aimed at young people from disadvantaged backgrounds, in particular young people who are neither in employment nor in education or training (NEETs); in this regard, supports the Union-level target stipulating that the share of NEETs should be less than 9 % by 2030¹⁶;

Cross-border mobility

25. Calls on the Member States to encourage more cross-border traineeships; in this regard, highlights the potential of EURES as a traineeship-matching and placement tool; calls

PE739.586v01-00 8/13 PR\1268154EN.docx

Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation (OJ L 303, 2.12.2000, p. 16).

¹⁶ https://ec.europa.eu/eurostat/statistics-

 $explained/index.php? title = Statistics_on_young_people_neither_in_employment_nor_in_education_or_training \# To_what_extent_are_young_adults_neither_in_employment_nor_in_education_or_training. \\ 3F_The_transition_from_education_to_work$

on the Commission to further develop EURES by providing clearer information as well as better guidance and placement services to interested trainees wishing to take advantage of cross-border mobility; calls on the Members States to promote EURES among, inter alia, traineeship providers, young people, unemployed people and recent graduates;

o o o

- 26. Requests that the Commission submit on the basis of Article 153(2)(b) TFEU in conjunction with Article 153(1)(b) TFEU, a proposal for a framework directive setting out minimum requirements for adequate remuneration for traineeships, following the recommendations set out in Annex I hereto;
- 27. Requests that the Commission submit a proposal to update the 2014 Council Recommendation on the basis of Article 292 TFEU, in conjunction with Articles 153 and 166 TFEU, following the recommendations set out in Annex II hereto;
- 28. Is of the view that sufficient funding for the proposals set out herein is required and considers that the financial implications of the requested proposals should be covered by the relevant Union budgetary allocation;
- 29. Instructs its President to forward this resolution and the accompanying recommendations to the Commission and the Council.

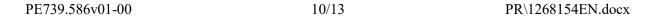
ANNEX I TO THE MOTION FOR A RESOLUTION

RECOMMENDATIONS AS TO THE CONTENT OF THE PROPOSAL REQUESTED

A European framework directive for adequate remuneration for traineeships

The European Parliament considers that the future legislative proposal for a framework directive setting out minimum requirements for adequate remuneration for traineeships should follow these principles and aims:

- 1. The directive should set out minimum requirements for adequate remuneration for traineeships.
- 2. The directive should apply to trainees who are considered to be workers, namely, people who have an employment relationship as defined by the national law or practice of collective agreements, taking into account the criteria established by the Court of Justice of the European Union (Court of Justice) for determining the status of a worker (including cases 66/85, Lawrie-Blum, C-3/90, Bernini, C-109/04, Kranemann, C-229/14, Balkaya, in which the Court of Justice gave indications as to when trainees may be considered to be workers under Union law). Provided that trainees fulfil those criteria, the directive should apply to such trainees in both the private and the public sectors.
- 3. The directive should include a penalties provision.



ANNEX II TO THE MOTION FOR A RESOLUTION

RECOMMENDATIONS AS TO THE CONTENT OF THE PROPOSAL REQUESTED

Update of 2014 Council Recommendation on a Quality Framework for Traineeships

The European Parliament considers that the future Commission proposal for an update of 2014 Council Recommendation should follow these recommendations:

- 1. The scope of the Quality Framework for Traineeships should be extended to cover all traineeships.
- 2. Even though the existing Quality Framework for Traineeships principles remain relevant in supporting young people to undertake high-quality traineeships, the following principles should be included in the revised Quality Framework for Traineeships in order to improve the quality of traineeships, in particular as regard the learning and training content and the working conditions of traineeships, with the aim of easing the transition from education, employment or inactivity to work:
 - (a) access to social protection by trainees, in accordance with national schemes;
 - (b) increased access to traineeships by trainees with disabilities and trainees from other marginalised groups, using an intersectional approach,
 - (c) access to high-quality conditions for remote and hybrid traineeships, where applicable,
 - (d) access to adequate mentorship and to the guidance of trained mentors.
- 3. The revised Quality Framework for Traineeships should focus on providing assistance to employers, in particular microenterprises and small and medium-sized enterprises, offering quality traineeships.
- 4. The revised Quality Framework for Traineeships should include a focus on awareness raising both at national and regional level of available Union funds to ensure accessibility for all to high-quality traineeships.
- 5. The revised Quality Framework for Traineeships should include adequate monitoring schemes in the Member States to ensure that trainees' first working experience is of a high quality. In this regard, national labour market inspectorates should monitor compliance with existing regulations on quality traineeships.
- 6. The revised Quality Framework for Traineeships should include provisions for more cooperation between all stakeholders involved and the creation of a European Alliance for Traineeships, uniting governments and key stakeholders with the aim of strengthening the quality and offer of traineeships across the Union, while also promoting the mobility of trainees.

PR\1268154EN.docx 11/13 PE739.586v01-00

The revised Quality Framework for Traineeships should include a provision for better 7. and more comparative data collection on traineeships at national and Union level and for comparative data to be included in the social scoreboard.

EXPLANATORY STATEMENT

Traineeships are a frequent way for young people to gain necessary work experience before entering a regular job.

According to a 2013 Eurobarometer survey, traineeships are a common practice in the EU. Traineeships can benefit both the trainee and the employer. While supporting the trainee's transition into the labour market, employers gain access to a pool of talented young people.

Nevertheless, several stakeholders have raised concerns regarding the quality of traineeships, in particular regarding learning elements and working conditions. Accordingly, this Report aims at creating optimal conditions for young people to be able to do quality traineeships that will provide them with useful experience. This is essential to ensure equal opportunities and access to labour markets for all youngsters regardless of their socio-economic background. This is particularly important when bearing in mind the recent drastic effects of the Covid-19 pandemic on young people.

The present proposal aims at revising the Council Recommendations of 2014 on a Quality Framework for Traineeships (QFT). It focuses on expanding the scope to include more types of traineeships. Moreover, it adds further principles to the QFT, in particular to improve the quality of traineeships as regards to learning and training content as well as working conditions, with the aim of easing the transition from education to employment. Furthermore, the proposal calls on the Commission to propose a Directive to ensure adequate remuneration for traineeships in order to avoid exploitative practices. The proposal also highlights the importance of providing assistance and awareness raising of existing funds and regulations while supporting the exchange of best practices among Member States. The proposal calls for better and more comparative data collection at a national and EU level on traineeships and underlines that quality traineeships must be both inclusive and accessible to all. Furthermore, it calls on Member States to encourage more cross-border traineeships.

This Report seeks to provide opportunities to young people. It aims at providing optimal conditions for youngsters doing a quality traineeship to gain practical and professional experience while improving employability and facilitating transition into regular employment.