SEMINAR: CREATING CONDITIONS FOR QUALITY TRAINEESHIPS

3-4 APRIL 2019

FINAL REPORT

The seminar "Creating conditions for quality traineeships", organised by the European Commission in Lisbon, Portugal, on 3-4 April 2019, brought together nearly 60 stakeholders and young persons.

The seminar started on 3 April with a site visit to **OGMA Indústria Aeronáutica de Portugal**, in Alveiro (see <u>PowerPoint presentation</u>). The company provides training through a variety of training and traineeship programmes, and retains a majority of participants. Despite their efforts, the company faces difficulties in finding enough employees with technical skills.

Max Uebe, Head of Unit for Employment Strategy, European Commission, opened the session of 4 April. In the context where traineeships have become an important stepping-stone for young people to enter the labour market, it is important to ensure their quality. Clear legal frameworks are key, but also various stakeholder initiatives can have a positive impact on traineeship quality. The Commission is ready to support Member States in developing such initiatives.

At EU level, the Council Recommendation on the **Quality Framework for Traineeships** (QFT), adopted in 2014, contains guidance for quality traineeships. The QFT forms the qualitative basis for **traineeship initiatives at EU level**, such as the Digital Opportunity Traineeships or the European Solidarity Corps. In addition, although not exclusively focussing on trainees, EU-level instruments in preparation, such as the **Directive on Transparent and Predictable Working Conditions** and the **Recommendation on Access to social protection**, can potentially have a positive impact on the quality of traineeships.

In her keynote speech, **Carina Autengruber**, President of the European Youth Forum (EYF), reminded that the EYF is advocating for youth rights, including quality internships and better working conditions for young people. For the EYF, legislation and its monitoring are key to ensure respect of labour standards, but further efforts are needed, such as more and better data and raising awareness of rights of young people. Employers have a crucial role. At European level, the work on the implementation of the QFT should continue.

In cooperation with other stakeholders, the EYF has developed a *European Quality Charter on Internships and Apprenticeships* as well as a related guide for employers. In 2017, the EYF lodged a collective complaint under the European Social Charter on the issue of unpaid internships in Belgium, in order to seek a legal decision that will set a precedent across Europe. In this context she rejoiced at the recent European Parliament decision to ban unpaid internships in MEP offices.

Ms Autengruber referred to the International Interns' Day which has been celebrated on 10th of November since 3 years now. This day is an occasion to remind that quality in traineeships is a moral and economic imperative, as much as it is a right, and that traineeships should be educational experiences of quality, with access to fair remuneration and the right to social protection.

Jorge Cabrita, Research Manager from Eurofound, presented the outcomes of the study 'Fraudulent contracting of work' (see PowerPoint presentation), which took a look at traineeship schemes in which certain basic rights don't seem to be respected, and which therefore seem to constitute 'fraudulent' use of these contracts.

The main reason for employers to misuse traineeship status is that it reduces labour cost. Individuals accept to undertake such traineeships in hope of a foothold in the labour market. Main enablers for such traineeships are legal uncertainty/unclarity, socioeconomic factors and lacking union representation amongst trainees.

Such 'fraudulent' practices have a negative impact, mainly on working conditions and fair market competition. This is why many Member States are already addressing the issue e.g. through reporting websites in which trainees can evaluate their traineeships, quality labels or information and guidance to companies and trade unions.

The audience reacted to the presentation by proposing to create more binding rules for traineeships, closer cooperation with partners and by pointing to the accessibility to traineeships of vulnerable people.

Lukasz Sienkiewicz, Chairman of the Board, Institute for Labour Market Analyses, Poland set the scene for first panel "**Working conditions for trainees** – **Does a legal framework make a difference?**" Mr Sienkiewicz presented (see <u>PowerPoint presentation</u>) the main findings of a recent Commission report <u>Traineeships under the Youth Guarantee – Experience from the ground</u>'.

Other panel members were:

- Alexandre Oliveira, Director of Employment Promotion Services, IEFP -Institute for Employment and Vocational Training, Portugal
- Laurentiu Avram, Labour inspector, Labour Inspection Romania
- Rossana Lo Schiavo, Labour Inspector, National Labour Inspectorate, Italy
- Wynanda van Nord, Senior Policy Officer, Ministry of Social Affairs and Employment, The Netherlands

The panel was chaired by **Pirkko Pyörälä**, Policy Officer at the European Commission.

The panel members confirmed the existence of a variety of legal frameworks for traineeships, even in one single country¹, which provide for very different traineeship conditions and social security coverage. For example, in Italy national guidelines offer a framework for regional laws. In the Netherlands, when certain legal criteria are fulfilled (e.g. focus on productivity (rather than learning), working under authority) the employment relationship is considered a labour contract, and at least the statutory minimum wage must be paid. This also applies to traineeships in order to prevent misuse and job substitution. According to the panel, clarity of legislation and simplicity of rules contribute to correct application by traineeship providers.

Monitoring traineeship implementation was considered very important, although challenging. Labour inspectorates should have a central role in this. The panel also proposed to create **partnerships** to better monitor the quality of traineeships, involving in particular NGOs and trade unions. In some countries, a traineeship contract has to be transformed into a regular work contract in case there is suspicion that it constitutes regular work.

The panellists admitted that during an economic crisis, labour market conditions tend to be worse, and young people are afraid to complain. Also, people tend to stay longer in education, which might be a reason for increasing age of trainees.

The panel concluded that it was important to **promote good practices in traineeships**, in particular by social partners. Employers should understand that traineeship quality can have an impact on company reputation. It was also proposed to create a **national coordinator for traineeships**.

In the next session, the seminar participants discussed "**Protecting trainees – tools and methods**" in world café workshops. The discussions were launched with the scene setting presentations. Conclusions were presented in the plenary session.

 Guidance for companies on quality traineeships - Stéphanie Devèze-Delaunay, Coordinator of the SPRINT Standardise Best Practices About Internships, from the Ministry for higher Education, Research and Innovation, France

This Erasmus+ project is developing standards for companies to implement traineeships (see <u>PowerPoint presentation</u> on the project, and another one on the results of the break-out discussions).

In order for companies to offer traineeships, traineeship programmes should be clear, **simple**, concrete and with little bureaucracy. Companies should be made aware of the **opportunities** that traineeship programmes offer, e.g. the possibility to recruit the best trainees and to create a positive **company image**;

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¹ As an example, please see a <u>presentation on traineeship laws in Romania</u>.

good trainees are likely to become good employees and ambassadors for the company.

The participants proposed many elements to enhance the quality of traineeship programmes, such as **evaluations**, a database, a quality charter, a **mentoring** programme (including reflections on the future of the trainee), and an **alumni network**. It was also suggested that ideally, traineeships should be linked to **education** curricula.

• Information and support to trainees - Boris Ginner, Speaker of the Educational Policy Department, Arbeiterkammer Wien, Austria

The Arbeiterkammer is a social partner in Austria, representing workers. It informs young people about traineeships in many different ways, e.g. by providing material about labour law and workers' rights and receiving complaints from young trainees (see PowerPoint presentation).

The discussions pointed to the need to build a new public narrative about traineeships. In addition to **trainees**, also **employers**, **parents**, **schools**, etc need to be informed about **labour law and training conditions**. Young people can be reached through various **communication** channels, such as the social media and internet sites used by young people, as well as job search portals or reporting websites. A traineeship **database**, including examples of best practice, could be useful both for young people and for companies.

• Rating tools - Pierre Bosser, Co-founder of InternsGoPro

The 'Transparency At Work' initiative was presented to kick-off this session. It allows young people to rate their traineeships and entry-level jobs. A ranking of the best employers is also established. Quality labels are also linked to this initiative (see PowerPoint presentation).

Reviews and ratings contain much information on employers that young people can use. They permit to identify **good practices** worth disseminating. If the tool is flexible enough, it can be used beyond traineeships or young people, e.g. for the purposes of activation or professional insertion.

The participants thought that using rating tools and more transparency would require a change in mentality. But it is important for companies to realise that information is out there anyway and it is better that this information is then presented in a structured way. However, the tool might be difficult to use for some persons, e.g. the low skilled. Also trainees in smaller sectors may be more reluctant to share their views.

 Labels - Christine Keplinger, Project Manager, IZ - Verein zur Förderung von Vielfalt, Dialog und Bildung, European Solidarity Corps Resource Centre, Austria

The example provided for this discussion was the European Solidarity Corps Quality Label, which is required of all organisations providing placements under this programme (see PowerPoint presentation and a document on the Quality Label).

An organisation wishing to participate in the European Solidarity Corps (ESC) can apply for a quality label online, by explaining the solidarity dimension of the project and the tasks and training programme for the young person. The Erasmus+ National Agency of the country where the organisation is based reviews whether the application is in line with the values and requirements of the ESC. The quality label can be withdrawn at a later stage, if there are indications that the company does not comply with the requirements of the ESC anymore.

Labels offer **positive PR** for companies, but they should be recognisable. **Monitoring** the labels offers companies the chance to develop, in particular if linked with **support** mechanisms. There could also be a label for organisations integrating disadvantaged young people into the labour market. One criteria for a quality label could be the retention rate of young trainees after the end of their traineeship.

 Other possible tools - Josefine Carnolf, Desk Officer, Ministry of Employment, Sweden

In this group, participants reflected in what other ways the quality of traineeships could be enhanced.

Developing the working conditions of young trainees is still a challenge. First of all, **legislation** should provide for good working conditions, for example a minimum duration for traineeships. Even though trainees are not considered as workers, they should have the **same working conditions and rights** as workers. Lack of resources to monitor is a challenge.

Various **stakeholders** need to be involved in enhancing the quality of traineeships. **Governments** should monitor traineeships, based on data. In addition, **NGO's, trade unions and labour inspectors** play an important role, but also other actors are needed. **Schools** should help young people finding suitable traineeships. **Public health organisations and employer associations** should be involved.

It is important that **trainees give feedback** after the traineeship, in order to gather information on working conditions at the employer. Employers should communicate trainee tasks in a positive way, to help them understand the broader picture.

The second panel "Creating optimal traineeships" was composed of the following members:

- Alexandre Correia, HR Professional, L'Oreal, Portugal
- Flavia Colonnese, Policy Officer, European Youth Forum
- Hugo Andre Bahut, ETUC
- Wout Van Caimere, Coordinator, Youth Intergroup European Parliament

The panel was chaired by **Max Uebe**.

In order to improve traineeship conditions, the panel confirmed that it is better to improve legislation, support and guide employers and inform young people, rather than use sanctions. This requires cooperation of different stakeholders. Trade unions could represent trainees more than they actually do, and civil society organisations could have a stronger role. In addition to providing information on e.g. trainee rights, their action can keep traineeship conditions on political agenda, push the public opinion, and aim at systemic change. This is what the Youth Forum is doing through its different activities. Also, the activities of the European Parliament Youth Intergroup were necessary to make the European Parliament take the decision to ban unpaid traineeships, hoping that this will show the example for other traineeship providers.

There should be **dialogue** between the trainee and the company throughout the traineeship period, to better align their interests. Also, it was considered important that other employees know how to support trainees.

The panellists agreed that the quality of traineeships should be improved, even though this could increase their costs. Traineeships are needed and it is important to **maintain traineeships places**. However, it might be preferable to move traineeships from the open market to the **education system**. Furthermore, the possibility for **traineeship quotas** was evoked to make sure they are of quality and don't replace jobs.

Questions from the audience referred to supporting and protecting **vulnerable trainees**, as well as other young workers in vulnerable situations (e.g. platform workers). Diversity in the workplace was considered as a positive aspect, although many companies tend to open up to young people with high potential. In addition, normal traineeships might not suit vulnerable people who need broader support measures.

The panellists see a role for the EU in creating optimal traineeships. Good practice should be promoted, and companies should be made understood the **impact that image can have**. Well performing companies could be awarded a (European) **certificate or a label for quality traineeships**. More and better **data** on traineeships is needed to better target policies. **Legislation** should be improved; at EU level, the **QFT** could be revised and made more ambitious.

In his conclusions, **Max Uebe** stated that it was important to clarify the contents of traineeship legislation to trainees and to companies. There is a need to support implementation of traineeship legislation by providing more and better data as well as by exchanging best practices. All relevant stakeholders, including trade unions and labour inspectorates, should join forces to implement legislation correctly, and to inform about it. But the quality of traineeships can also be improved through other methods, such as standardisation, labels or rating tools, which were discussed during the seminar. The Commission is ready to support relevant activities to improve traineeship quality.