## First-phase consultation of social partners on a possible action further improving the quality of traineeships

Rue Belliard 40/ Belliardstraat 40, 1040, Brussels, Belgium

T: +32 (0) 2 786 30 45 E: <u>secretariat@ceemet.org</u> ⊕ www.ceemet.org ♥ **I** 

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### **Ceemet response**

### **PRELIMINARY REMARKS**

The 2014 Council Recommendation on Quality Framework for Traineeships (QFT) aims to help young people transition from education and unemployment into employment through quality traineeships that enhance their skills, allow them to gain work experience and thereby increase their employability.

For the tech and industry employers, traineeships are, undeniably, an important entry point into the labour market as they ease the transition to employment and help trainees obtain what often is their first work experience. Indeed, quality traineeships, which offer valuable learning outcomes and practical experience, are a win-win situation for both employers and future workers and thus for the economy and society as a whole.

For young people, traineeships allow them to acquire soft and technical skills and most importantly they are their first point of exposure to the world of work and more concretely to the "business environment". For a company, trainees can be effective in dealing with certain concrete tasks and can be a good solution to find well trained workers in the future. Further, trainees bring in their own "skills" (for example digital) that are of significant added value for the workers and the companies in which they are placed.

Undoubtedly, for Ceemet, the content of the traineeships is one of the key elements contributing to the success of a quality traineeships. The more practical & business experience a trainee acquires and the better trained he/she is in certain tasks, the better the learning outcomes and, therefore, the better the chances of facilitating his/her transition to the labour market. Trainees should thus be assigned a task, which helps them to acquire practical experience and employability skills and opportunities that they can use professionally at a later stage. It is not acceptable to simply give trainees trivial and repetitive tasks without any real learning content.

Along these lines, the tech and industry employers would like to stress that they are against abusive practices and the use of trainees as "cheap labour". Trainees should not be used to replace regular workers.

Besides, Ceemet considers that quality traineeships are a crucial instrument to support the NEET population in their integration into the labour market. Even though the rate of young people (15-19 years) not in employment, education or training (NEET) has been decreasing over the years, it is still quite high: 11.7% in 2022, which represents over 8.3 million people in the EU. In this regard traineeships represent one of the means to ease the transition of the NEET population into the labour market.

We, therefore, cannot afford to hinder companies from offering quality traineeships. This is why we are of the opinion that an overly prescriptive approach on this matter might produce adverse effects and become a disincentive in particular for SMEs (which are the vast majority of companies in Europe) to offer quality



traineeships. This situation will also be to the detriment of the young and unemployed population and thus to the NEET population.

In this regard, Ceemet considers that the current QFT already offers an effective framework to determine the quality of traineeships. For us, an update of the Council Recommendation on QFT, in order to adapt it to the changes that have occurred in the world of work since 2014, as well as a reinforced practical application of the QFT principles on the ground will be sufficient to support the development and increase the quality of traineeships in Europe. In addition, to an updated Council Recommendation, there are many other complementary (non-binding) initiatives that can be put in place to support the expansion of quality traineeships.

Accordingly, Ceemet opposes a binding initiative in the area of traineeships (all kinds of traineeships). Indeed, for Ceemet the rules governing traineeships schemes must be addressed and determined at national level and need to take into account the established practices and the nature of industrial relation systems.

# I- Do you consider that the European Commission has correctly and sufficiently identified the issues and the possible areas for EU action?

Ceemet welcomes the Commission evaluation as well as the general – rather cautious – tone of the consultation document. The Commission rightly points out that there are strict legal limitations on this matter.

Moreover, the tech and industry employers agree with the issues identified in the consultation paper. Indeed, the Commission's analysis gives a sound overview of the objectives of quality traineeships as well as of the main challenges regarding the practical application of the QFT principles on the ground – taking into account its non-binding nature. Further, it should be noted that the lack of systematic data collection at EU level regarding traineeships hinders a proper analysis of the situation.

#### • Types of traineeships

It is important that the Commission has undertaken the task of defining and distinguishing the different types of (most common) traineeships that exist in Europe, including: open (labour) market traineeships, traineeships that are part of active labour market policies (ALMPs), traineeships that are part of curricula of formal education or vocational education and training as well as traineeships that are regulated under national law and whose completion is a mandatory requirement to access a specific profession.

Ceemet also agrees with the Commission's analysis concerning traineeships that are part of formal curricula of education and training. Indeed, the legal basis to act on these traineeships is articles 165 and 166 TFEU (that only provides the EU with a supporting competence since we are addressing the area of education). Therefore, the Commission is right in stating that it cannot propose a decision (binding instrument) to regulate these traineeships as requested by the European Parliament.

In the same line, we agree with the Commission when it specifies that as these traineeships fall under articles 165 and 166 TFEU, the Commission is not required to consult the EU social partners in accordance with the Treaty provisions. However, Ceemet appreciates the opportunity to provide our views on this matter. We will give our opinion on these traineeships under question II.

In summary, the consultation document is clear about the different types of (the most common) traineeships that exist in Europe and very importantly on the fact that traineeships are to be distinguished from apprenticeships. All these clarifications were much needed to shed light on the debate around quality traineeships that is taking place at EU level.

#### • Legal status of trainees

In addition to the different categories of trainees, it is important to determine whether the trainee is considered a worker under national law and/or the ECJ case law. If the trainee is considered a worker, then he/she will be protected by the rights of workers as laid down in EU and national legislation.



In this regard, the tech and industry employers also share the Commission's findings that emphasize that existing EU law<sup>1</sup> is relevant for improving the quality of traineeships if trainees are considered as workers under national law and/or ECJ rulings.

#### • Remuneration and social security

The consultation document also points out to the diversity of national systems with regard to the classification of the different types of trainees and the corresponding access to social rights of these different categories laid down in national law and collective agreements or practice including remuneration and access to social protection.

- As regards the issue of remuneration the Commission rightly points out that the situation of trainees in the EU varies according to their classification in national (labour) law and the different remuneration/compensation policies of different types of traineeships in the Member States.
- Likewise, in the case of access to social protection, the situation of trainees in the EU varies depending on the classification in national (labour) law and the national regulations governing the different types of traineeships.

This analysis is of high importance as there is a trend to state that remuneration determines the quality of traineeships. However, on this point the tech and industry employers concur with the Commission when it points out that the value of traineeships in facilitating the transition to employment depends strongly on the learning content.

# II- Do you consider that EU action is needed to address the identified issues effectively and achieve the objectives set out:

#### POTENTIAL AREAS FOR EU ACTION:

#### • The scope of the QFT

Ceemet does not favour enlarging the scope of the QFT to include traineeships that are a mandatory part of professional training to access certain professions. As the consultation document points out, these trainees are often workers already covered by EU and national labour law. Further, the content of these traineeships is regulated under national law and as their completion is a mandatory requirement to access a specific profession, they are often organised with the relevant professional associations. There is no need to enlarge the scope of these kinds of traineeships.

Therefore, we consider that the scope of the QFT<sup>2</sup> should remain the same and cover only traineeships that are part of ALMPs and open market traineeships.

#### • Duration of traineeships

Ceemet believes that reducing the maximum duration of traineeships is one way to establish a time limit and, consequently, to eliminate abusive practices. The renewal of a traineeship after a certain period should be possible under certain conditions and always considering that on many occasions both the employer and the trainee might consider that an extended traineeship is in the interest of both. Indeed, traineeships of longer duration are acceptable only where this can be justified in terms of learning content.

<sup>&</sup>lt;sup>1</sup> The Commission text mentions amongst others, the Fixed-Term Work Directive, Directive on transparent and predictable working conditions, the directive on adequate minimum wages, work-life balance Directive etc...

<sup>&</sup>lt;sup>2</sup> This Recommendation does not cover work experience placements that are part of curricula of formal education or vocational education and training. Traineeships the content of which is regulated under national law and whose completion is a mandatory requirement to access a specific profession (e.g., medicine, architecture, etc.) are not covered by this Recommendation.

In this context, Ceemet would like to highlight that the current QFT is sufficiently relevant to address the duration of a traineeship as well as the conditions under which a traineeship agreement can be renewed<sup>3</sup>. In the same way, we consider that fostering the practical application of the QFT principles on the ground, will serve to ensure a reasonable duration of the traineeship and also to put an end to the succession of traineeships.

#### • Fair remuneration and access to social protection

For the tech and industry employers, these issues have to be addressed at national level and need to consider the established practices and the nature of industrial relation systems. We agree with the Commission that there is no legal basis to regulate remuneration and social protection of trainees at EU level.

Moreover, the tech and industry employers would like to insist that, when approaching the issues of remuneration and social protection it is important to determine whether or not the trainee is considered a worker under national and/or EU law.

As rightly pointed out by the Commission if the trainee is considered a worker under national law and/or the case law of the Court of Justice of the EU, they are covered by relevant (national an EU) legislation in this area as for example the Council Recommendation on access to social protection for workers and self-employed, the Directive on adequate minimum wages etc. Member States are thus responsible for ensuring that the law is enforced at national level.

In contrast, if we refer to trainees, Ceemet considers that the QFT already offers an appropriate framework to provide for good working conditions. For example, article 8 of the QFT states that the traineeship agreement should clarify whether an allowance or compensation is applicable and if applicable its amount. We must continue along these same lines and avoid the term remuneration and use compensation instead as remuneration applies to workers and the legislation applicable to workers is different.

Regarding social protection, the complexity and diversity of social protection systems across Member States demands for a strong adherence to the principle of subsidiarity. The Commission should thus refrain from regulating this topic at European level.

As Ceemet considers the QFT an adequate framework to address the needs of trainees, we also advocate for a reinforced practical implementation on the ground of the principles of the QFT.

In addition, and as in the case of legislation, we must also focus on addressing the challenges of the practical implementation of QFT principles at the national level. As a matter of fact, the consultation document highlights that in 2023 up to 14 Member States had introduced or adapted existing legislation to implement the QFT in their legal frameworks. However, the 2023 evaluation of the QFT also revealed that the practical implementation of QFT principles on the ground lagged behind the regulatory adaptation in the majority of the Member States. Therefore, the spotlight should also be placed on the enforcement of the QFT principles at the national level.

#### • Supporting measures

The tech and industry employers welcome all kinds of supportive measures such as the development of awareness raising programmes and campaigns regarding the principles of the QFT. These initiatives should specially target employers in particular small and micro enterprises and traineeships providers.

SMEs should receive targeted supported in order to have more possibilities of offering quality traineeships.

It is crucial to involve the social partners in the development and deployment of these measures.

<sup>&</sup>lt;sup>3</sup> article 10 on reasonable duration states "Ensure a reasonable duration of traineeships that, in principle, does not exceed six months, except in cases where a longer duration is justified, taking into account national practices".



#### **POSSIBLE INSTRUMENTS**

#### Non-legislative instruments

As already mentioned, the tech and industry employers would welcome an update of the current Council Recommendation on QFT in order to adapt it to the changes that have occurred in the world of work since 2014.

The tech and industry employers are, for example, fully supportive of facilitating the access to traineeships for people with disabilities. In certain cases, SMEs would need support (for instance to adapt the workplace or others) to have the possibility to offer these traineeships. We also call on the policy makers to deploy targeted support for these situations. We thus favour an updated QFT that extends its coverage to support an easier access to traineeships for people with disabilities.

**In a nutshell,** Ceemet considers that an updated Council Recommendation on the QFT (that covers only traineeships that are part of ALMPs and open market traineeships) combined with awareness raising initiatives on the principles of the QFT, as well as with the exchange of best practices and mutual learning between Member States are effective manners to improve the development and extension of quality traineeships.

Furthermore, as already stated, it is important to reinforce the practical application of the QFT principles on the ground. We see here a key role for the social partners. Actually, as pointed out in the 2014 QFT itself: the social partners can play a role in facilitating the implementation of the Quality Framework for Traineeships, notably by drawing up and making available simple and concise model traineeship agreements, particularly for use by micro enterprises and tailored for their specific purposes.

Likewise, and as previously explained we should address the enforcement challenges around the implementation of the QFT principles at national level.

#### • Legislative instruments

Ceemet does not support a directive for open labor market traineeships, traineeships in the context of ALMP and traineeships that are a mandatory part of professional training, given the diversity of the national situations. The rules governing traineeships schemes must be addressed and determined at national level and need to take into account the established practices and the nature of industrial relation systems.

Further, as mentioned under preliminary remarks, the tech and industry employers consider that an overly prescriptive approach on this matter, might produce adverse effects and become a disincentive, in particular for SMEs, to offer quality traineeships.

For us an updated Council Recommendation on QFT is sufficient to address the trainees' needs whilst not discouraging companies from offering quality traineeships.

#### • Traineeships that are part of formal education and training programmes

Ceemet is of the opinion that there is no need for the Commission to come up with a Recommendation on these types of traineeships. These traineeships are part of formal education and training programmes and thus linked to the education policies of the Member States and must be dealt with at national level.

Furthermore, we consider that these traineeships are an opportunity for students in order to complete their education programme and develop skills linked to the labour market. Excessive regulation in this area might be a disincentive for companies to take in trainees. Also, it is common practice for companies to provide with some kind of compensation: such as lunch vouchers, transport etc.

We favour, however, a structured exchange of best practices in this area.



#### • Problematic traineeships

As regards the so-called problematic traineeships identified by the Commission, we believe that the legislation in place as well as other existing instruments are sufficient to tackle them:

- Those considered of poor quality, that do not fulfil the quality requirements set in the QFT (for example are longer than 6 months for no good reason) can be tackled through awareness raising activities on the QFT principles. Again, here the social partners play a key role in making companies and trainees acquainted with the quality principles that apply to traineeships.
- In order to tackle those cases in which traineeships are not compliant with EU or national law or we are faced with the case of bogus traineeships, we call for a strengthened enforcement of the law at national level. The effective compliance of the law must be monitored, and the necessary controls to enforce legislation need to be put in place.

### III- Ceemet does not consider initiating a dialogue under article 155 TFEU

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