



European employers statement on withdrawal of the European Commission's proposal for a Directive on quality traineeships

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Employers operating across all economic sectors in Europe are experiencing significant labour and skills shortages. This has been recognised as one of the main challenges by the European Commission, and many other actors, throughout the recent European Year of Skills, and in the framework of the Commission's Action Plan on Tackling Labour and Skills Shortages. European employers welcome this focus, which is set within the broader context of skills as a factor of enterprises competitiveness and for Europe's economy in general.

In the area of skills development, traineeships are an important tool to facilitate the transitions into the labour market. They represent an occasion for trainees to acquire the necessary skills and practical experience needed to start their career and grant access to professional networks which consequently increase their employability. Traineeships can also be used as means to help reintegrate adults into work, being part of the learning experience, whether as part of formal education and training or in the open labour market context.

European employers have previously expressed concerns about an EU directive covering traineeships, believing that an updating of the existing Council Recommendation alone would be sufficient to address perceived issues around the quality of traineeships in the EU, especially given the widely acknowledged lack of data on open-market traineeships and the limited evidence base for proposing a directive. This contradicts the announcement of designated Commissioners to deepen analysis and impact assessments before proposing new legislation. **We reiterate our concerns regarding the proposed Directive on improving and enforcing working conditions of trainees and combating regular employment relationships disguised as traineeships.**

European employers fully share the aim of improving the quality of traineeships, with a particular focus on better aligning the learning outcomes with evolving labour market needs.

Taking stock of the discussions in the Council and the proposed amendments to the proposal of the EU-Commission we acknowledge the dedicated work and efforts of many national delegations and the Hungarian presidency of the EU Council. In that regard, European employers fully support the proposals that traineeships that are part of formal education and training and organised in an active labour market policy (ALMP) context are excluded from the directive. In this respect, the focus of the directive is more clearly put on open market traineeships.

However, **the proposed Directive goes beyond EU competence, as the Treaty on the Functioning of the European Union (TFUE) recognises an exclusive competence of the Member States in the field of education. Labour law issues that addressed in the proposal are best dealt with at the national level, in line with industrial relations systems, and paying due regard to social partners autonomy, and education and**

training practices. The current focus on labour law issues does not address the root causes of any deficits that can affect trainees.

In the Commission proposal, there is no significant improvement in differentiating the status of a trainee and the status of a regular employee. On the contrary, the proposal blurs this distinction creating legal uncertainty for employers (i.e. the use of jargon referring to the employment relationship such as ‘pay’, ‘dismissal’). This would be a hindrance to enterprises providing traineeships and which seem at odds with the intentions of the EU-level approach of supporting the training of individuals who are critically needed for the digital and green transition and in response to Europe’s labour and skills shortages. Given the diversity of national systems and regulatory frameworks, we believe that the issue of traineeships should be addressed at the national level.

We also consider that the proposed Directive is misaligned with the Commission President’s pledge to reduce reporting burden by 25%¹, as well as with its 2024-2029 political guidelines. More precisely, the political guidelines emphasise the importance of simplifying business processes and deepening the Single Market and highlight the need for a competition policy that supports companies in scaling up within global markets. However, upon reviewing the Directive’s provisions, notably as concerns the proposed reporting requirements and burden of proof that are outlined in Article 5, we are concerned that its requirements will impose significant burdens on companies, particularly small and medium-sized enterprises (SMEs), which will be discouraged from offering high-quality traineeships. This could negatively impact both businesses and potential trainees. The proposed orientation of the Hungarian Presidency towards a more concise approach to the information that employers may be required to provide about the traineeships that they offer is a much better approach than a long and prescriptive list of indicators, even if indicative, as outlined in the Commission’s proposal.

Overall, we welcome the renewed and reinforced focus of the incoming Commission on competitiveness and increased subsidiarity, emphasizing a “trust-based” approach in discussions on regulation and industry, as outlined in the 2024-2029 political guidelines, the Mission Letters to the Commissioners-designate and reinforced by the recommendations of the [Draghi report on the future of European competitiveness](#). This approach is centred on creating a regulatory environment that fosters trust and confidence among businesses and regulators and thus, ultimately, fosters European competitiveness.

Therefore, taking all these elements into account and having regard to Article 39 of the Framework Agreement on relations between the European Parliament and the European Commission, **we request that the Commission’s proposal for the Directive on traineeships is withdrawn and that efforts to improve the quality of traineeships across Europe focus on an updating of the existing Council Recommendation.**

¹ State of the Union address, September 2023: https://state-of-the-union.ec.europa.eu/index_en