Improving and enforcing working conditions of trainees and combating regular employment relationships disguised as traineeships (‘Traineeships Directive’)

2024/0068(COD) - 20/03/2024 - Legislative proposal

PURPOSE: to improve and enforce working conditions of trainees and combating regular employment relationships disguised as traineeships (Traineeships Directive).

PROPOSED ACT: Directive of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the EU's 2014 Quality Framework for Traineeships set out 21 quality principles to ensure high-quality learning and working conditions. In its 2023 evaluation of this Council Recommendation, the Commission found that it had a positive impact on the quality of traineeships in the EU. However, the Commission's evaluation also found room for improvement and both the Conference on the Future of Europe and the European Parliament called on the Commission to improve traineeships.

It is estimated that there are around 3.1 million trainees in the EU (among them 1.6 million paid trainees) and the demand for traineeships is expected to grow at least by 16% by 2030. According to a 2023 Eurobarometer survey, 78% of young Europeans did at least one traineeship and 68% said they found a job afterwards. 21% of respondents did a traineeship in another Member State, marking a significant increase since 2013 (9%).

Traineeships can provide an opportunity for young people to gain practical and professional experience, improve their skills and thereby facilitate their access to the labour market. They offer an opportunity for employers to attract, train and retain their staff. However, the value of a traineeship depends on its quality. A quality traineeship requires fair and transparent working conditions and adequate learning content. Moreover, inclusive traineeships can help provide opportunities for everyone to access the labour market, including young people in vulnerable situations.

The problematic and unlawful use of traineeships undermines the working conditions of trainees and regular workers and harms social fairness. It can also produce an uneven playing field between traineeship providers, which is a problem for businesses, including for small and medium-sized companies (SMEs). The use of non-compliant traineeships or regular employment relationships disguised as traineeships constitutes a cost-reduction measure for employers, which creates a situation of unfair competitive advantage compared to compliant employers. Unlawful traineeship arrangements, in particular those disguised as employment, are also a burden on public revenue through the loss of due social security contributions and tax payments.

CONTENT: the Commission proposes this directive with the aim of helping Member States improve and enforce good quality working conditions for trainees, as well as combat regular employment relationships disguised as traineeships. The proposed directive applies to trainees who have an employment relationship as defined by the law, collective agreements or practice in force in the Member States with consideration to the case-law of the Court of Justice, regardless of the type of traineeship.

Key elements of the proposed Directive include:

- the principle of non-discrimination, ensuring that trainees are treated equally in terms of working conditions, including pay, compared to regular employees, unless different treatment is justified on objective grounds, such as different tasks, lower responsibilities, work intensity or the weight of the learning and training component.

- ensuring traineeships are not used to disguise regular jobs, through controls and inspections, with Member States using duration as a possible aspect to assess whether this is the case, and by asking companies to share traineeships' numbers, durations and working conditions, allowing workers' representatives to engage on behalf of trainees to secure their rights;

- requiring Member States to ensure channels for trainees to report malpractice and poor working conditions;

- the right to redress requiring Member States to provide access to an effective and impartial dispute resolution mechanism and a right to redress, including adequate compensation, if a trainee’s rights are infringed under the Directive or other EU law applicable to workers.