

Brussels, 7 February 2024

Open letter: European Commission must guarantee legislation on quality internships

Dear President of the European Commission, Ursula von der Leyen, Dear Executive Vice-President of the European Commission, Valdis Dombrovskis, Dear Vice-President of the European Commission, Margaritis Schinas, Dear European Commissioner for Jobs and Social Rights, Nicolas Schmit, Dear European Commissioner for Innovation, Research, Culture, Education and Youth, Iliana Ivanova,

We, the undersigned coalition of civil society organisations and trade unions, are writing to you with our concerns about the delays in putting forward a legislative proposal for an **<u>EU Directive which ensures</u>** access to remuneration for interns in the labour market.

Despite the calls for an EU Directive made during the <u>Conference of the Future of Europe</u> as part of the **Commission-led European Year of Youth in 2022** and by the <u>European Parliament</u> in June 2023, a legislative proposal has yet to be presented. Noting the recent College agenda indicating a 'Reinforced quality framework for traineeships' to be presented on 27 March 2024, and as confirmed by Commissioner Schmit on 6 February 2023 that a proposal for an EU Directive will indeed be introduced, we urge you to see through an ambitious EU Directive that guarantees remuneration to interns without delay.

In the current cost of living crisis, young people are anxious to enter the labour market and find a paying job. Yet, they are overrepresented in precarious work, including unpaid and low-paying internships.¹ One in four young people are at risk of living in poverty and/or social exclusion.² Young people living at risk of poverty face a housing cost burden that is ten times higher than their peers who are not at risk, having to pay up to 40% of their income to cover the costs of rent and utilities.³

Every year, an estimated **3.7 million young people** undertake a traineeship as their first professional experience.⁴ **The European Youth Forum's research shows that it costs a young unpaid intern 1000 EUR on average to work for free in Europe**.⁵ The Commission's <u>2023 Eurobarometer on transitions to the labour market</u> showed how **the majority of young people have done at least two traineeships, and only half of respondents were granted financial compensation.** Unpaid internships pose the risk of **replacing entry-level jobs**⁶ and unfairly excluding those who do not have the financial resources to work for free. Low quality internships also do not provide any gains to a young person nor an employer.⁷

Unpaid internships are thus a form of exploitation and social exclusion. Young people cannot start their entry into the labour market faced with financial precarity, mental exhaustion and burnout.⁸ Given that many are just starting their careers, it is incredibly intimidating and difficult for them to report any

abuse of their rights. We are therefore deeply concerned that this practice will not end without binding EU legislation.

In light of ensuring a tangible legacy following the European Year of Youth and the European Parliament's Own-initiative report, we are now looking towards your leadership to ambitiously set a legislative path forward.

As stated by Commissioner Schmit to the European Parliament on Tuesday 6 February, companies benefit from traineeships through young people's knowledge, commitment and sense of innovation. As such, "These are contributions to companies who benefit from these young people. That's why traineeships have to be paid."

Remuneration is the key criteria of what constitutes a quality internship.⁹ We call on your collective leadership to see through, without delay, the introduction of a proposal for an EU Directive that champions quality criteria for traineeships, and includes provisions such as:

- remuneration amounting, at least, to the national minimum wage or collective bargaining agreement;
- transparent and unbiased recruitment processes;
- use of a written agreement, which is registered within the competent national authorities;
- access to social security protection;
- access to a mentor with whom there is regular contact;
- the promotion of an **inclusive and adaptable work environment** that welcomes young people in all their diversity, **including young people with disabilities**, young women and non-binary **people**, young people of colour, etc;
- a staff to intern ratio, with break periods between hiring interns; and
- financial incentives to those who hire their interns permanently.¹⁰

Before the end of your mandate, you now have the opportunity to set a gold standard for all EU Member States when it comes to ensuring EU fundamental rights and quality working conditions. This must work towards creating an environment that values young people's work, empowers them to play an active role in society, and provides them with the social and financial safety nets to allow them to thrive in their careers and live a decent life.

In the spirit of a social Europe which you envisaged through the European Pillar of Social Rights and the European Year of Youth, we count on you to make this a lived reality where no young person is left behind.

Yours sincerely, European Confederation of Independent Trade Unions - CESI Youth Division European Disability Forum European Network on Independent Living - ENIL, and its Youth Network European Youth Forum Social Platform

Youth Committee of European Trade Union Confederation - ETUC Youth

¹⁰ These standards should be in line with the European Youth Forum's <u>Quality Charter on Internships & Apprenticeships</u>.

¹ European Commission, Employment and Social Developments in Europe 2022 report shows young people most affected by job losses to economic impact of COVID-19, 2022.

² Eurostat, <u>Young people - social exclusion</u>, March 2022.

³ Eurostat, <u>Young people - housing conditions</u>, May 2023.

⁴ Court of Auditors, <u>Review 01/2024: EU actions addressing traineeships for young people</u>, February 2024.

⁵ Dolidze, S., Moxon, D., & Bacalso, C., <u>The Costs of Unpaid Internships</u>, European Youth Forum, Brussels, 2022.

⁶ See: Stewart, A., Owens, R., O'Higgins, N., & Hewitt, A. (eds.), <u>Internships, Employability and theSearch for Decent Work Experience</u>, ILO, 2021, p. 19

 ⁷ Müller, K., <u>The quality of traineeships in the EU - European added value assessment</u>, European Parliament Research Service, 2022.
⁸ Ibidem.

⁹ O'Higgins, N., & Pinedo Caro, L., (2021) 'What makes for a 'good' internship?' in Stewart, A., Owens, R., O'Higgins, N., & Hewitt, A. (eds.), Internships, Employability and the Search for Decent Work Experience, ILO – Elgar, E., <u>The regulation of internships: A</u> <u>comparative study. International Labour Organisation</u>, 2018.