

## I

(Resolutions, recommendations and opinions)

## OPINIONS

## COMMITTEE OF THE REGIONS

101ST PLENARY SESSION HELD ON 30 MAY 2013

**Opinion of the Committee of the Regions on 'Youth Employment Package'**

(2013/C 218/01)

THE COMMITTEE OF THE REGIONS

- welcomes the Youth Employment Package, which proposes a series of practical measures to assist Member States in addressing unacceptably high levels of youth unemployment and the resulting social exclusion;
- stresses the key role that local and regional authorities play in framing and implementing measures to combat unemployment, providing young people with opportunities and support, and exchanging good practice;
- also stresses the importance of actively involving young people and youth organisations when drawing up strategies;
- given the urgency of the matter, requests the European Council to agree to anticipate the implementation of the Youth Employment Initiative already in 2013;
- calls on the European Commission to finalise the European Quality Framework for Traineeships, the European Alliance for Apprenticeships and the proposal for the new EURES regulation;
- calls on the Commission to support and supplement the action of the Member States in the vocational training policy sector, by proposing, in the form of a recommendation, minimum quality standards for apprenticeships at European level in order to facilitate recognition of the skills acquired throughout Europe.

<b>Rapporteur</b>	Enrico ROSSI (IT/PES), President of the Tuscany Region
<b>Reference documents</b>	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — Moving Youth into Employment  COM(2012) 727 final  Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — Towards a Quality Framework on Traineeships. Second-stage consultation of the social partners at European level under Article 154 TFEU  COM(2012) 728 final

## I. POLICY RECOMMENDATIONS

### THE COMMITTEE OF THE REGIONS

#### **Background**

1. appreciates the efforts made by the European Commission to step up the fight against youth unemployment, since it is undoubtedly one of the most serious problems facing the EU, which urgently demands a coordinated and systematic political response <sup>(1)</sup> and a credible allocation of funds;

2. welcomes the Youth Employment Package <sup>(2)</sup>, which proposes a series of practical measures to assist Member States in addressing unacceptably high levels of youth unemployment and the resulting social exclusion;

3. endorses the dual approach (recommendations for the Member States combined with European-level coordination, initiatives and measures), as proposed by the Commission in its communication on Moving Youth into Employment. At the same time, it would stress the need to take appropriate and proportionate action and measures at European, national and regional level, while fully upholding the principle of subsidiarity;

4. would stress the key role that local and regional authorities play in framing and implementing measures to combat unemployment, providing young people with opportunities and support, and exchanging good practice, and would also stress the importance of actively involving young people and youth organisations when drawing up strategies;

5. warmly welcomes the decision of the European Council of 7-8 February 2013 to earmark EUR 6 billion for the Youth Employment Initiative, open to all NUTS 2 regions with youth unemployment levels above 25 %; the Committee would nevertheless argue that although this sends an

encouraging message, the resources provided will not be sufficient to address a problem of this scale;

6. given the urgency of the matter, the Committee requests the European Council to agree to anticipate the implementation of the Youth Employment Initiative already in 2013;

7. believes that a substantial proportion of the resources dedicated to the youth employment initiative should be allocated to local and regional authorities, to increase their ability to implement initiatives to support youth employment in the manner that is most appropriate to local conditions;

8. calls on the European Commission to finalise the European Quality Framework for Traineeships, the European Alliance for Apprenticeships and the proposal for the new EURES regulation;

9. would stress the importance of taking a cross-cutting, jointly agreed and sustainable approach to the implementation process so as to secure synergies between all the strategic initiatives: the agenda for new skills and jobs <sup>(3)</sup>, Youth on the move <sup>(4)</sup>, Innovation Union, the European Digital Agenda; and between these and cohesion policy 2014-2020;

10. strongly supports the Europe 2020 strategy and its instruments and supports the commitment to meeting its employment targets, including reducing the number of early school-leavers, and calls upon the Member States to strengthen the pathway towards growth and innovation it defines, not least by promoting enhanced cooperation between the various tiers of government; would stress in this respect the importance of the role played by the regional and local authorities in reaching the Europe 2020 strategy objectives and the need for the national reform programmes to be implemented through cooperation between the various tiers of government;

<sup>(1)</sup> CdR 2562/2012 fin.

<sup>(2)</sup> COM(2012) 727 final, COM(2012) 728 final, COM(2012) 729 final.

<sup>(3)</sup> CdR 401/2010 fin.

<sup>(4)</sup> CdR 292/2010 fin.

11. would stress the importance of acting boldly to address Europe's growing problem concerning young people not in education, employment or training, and assess its short- and long-term cost, while not overlooking the social and economic impact and the social and demographic consequences and risks (in terms of social and democratic order) associated with these young people's lack of autonomy. The Committee would also argue that young people's non-integration into the labour market also depends on such factors as the efficiency of employment services, the link between education and business, and the greater or lesser presence in this context of voluntary and third sector organisations. It is important to note that maximum impact is achieved through cooperation between regional and local authorities, employment services, advisory bodies and educational establishments;

12. notes that the best results in terms of youth employment are seen in countries where young people have the chance to take part in high-quality traineeships and where well-established apprenticeship schemes<sup>(5)</sup> form an integral part of the training and work placement system. This is also the case when employment services are effective. In this respect, the Committee would underline the importance of highlighting the good practice of European-level public career guidance and job seeker support systems and services; at the same time, feels that as many local youth organisations as possible should be involved in employment services and the careers advice process;

13. welcomes the so-called youth guarantee, under which, within four months of finishing school or a work contract, young people receive a good quality offer of employment, continued education, an apprenticeship or a traineeship; cutting youth unemployment is a key challenge for Europe's future;

14. the CoR will pay close attention to the practical implementation of this Youth Guarantee, and points out that this is a very expensive instrument and that Member States, particularly those with serious financial problems, will therefore need wholehearted support from the EU for its implementation;

15. would reiterate the importance of extending the benefits of the measure to cover young people up to the age of 30 (not just up to 25), including those with university degrees;

16. will seek to ensure that in the interinstitutional negotiations on the new European Social Fund provisions for the Youth Employment Initiative agreed by the European Council on 7 and 8 February 2013, the budget allocation for this instrument offers more flexible conditions in matters such as co-financing rates and advance payments, in order to more effectively and assiduously address the difficult situation facing the regions in this field. The Committee also asks that local and regional authorities be informed in good time about the workings of this initiative and about the amounts coming

from its two funding channels, so that they can take this into account when drawing up their strategies for fighting youth unemployment and their guarantee schemes;

#### ***The contribution apprenticeships make to young people's autonomy***

17. encourages the Member States and the bodies responsible to put together training programmes that support and anticipate the school-work transition so as to prevent young people from remaining too long in the education or training system without prospects. Earlier entry onto the labour market must nevertheless be backed up by opportunities to return to training to improve or convert skills, within the framework of life-long learning; at the same time, recommends drawing up and implementing regional employment and vocational training strategies in cooperation with local and regional authorities, bodies involved in education and training, as well as government job centres and the business world, so as to facilitate employment integration within a context of integrated economic systems;

18. underlines the need to urgently address also the gender dimension of youth unemployment, since young women are more likely to be in precarious employment and suffer the consequences of the gender pay gap, even in traineeships, and of the lack of adequate work-life balance measures; calls therefore for all schemes aimed at boosting youth employment to take into consideration national, regional and local circumstances as well as the gender dimension of the problem;

19. notes that apprenticeship programmes facilitate the school-work transition considerably, enabling young people to gain on-the-job work experience as well as off-the-job theoretical knowledge through the involvement of companies and training institutes in the training process; for this reason, the Committee would encourage the Member States to promote dual or twin-track apprenticeships, also during higher education;

20. hopes it will be possible to adopt a common framework, while remaining faithful to the division of responsibilities, to make existing dual training initiatives in the Member States compatible with each other, so as to make the most of apprenticeships and provide guidance on how best to set them up;

21. calls on the Commission to support and supplement the action of the Member States in the vocational training policy sector, by proposing, in the form of a recommendation, minimum quality standards for apprenticeships at European level in order to facilitate recognition of the skills acquired throughout Europe;

22. appreciates the steps taken in this direction by the European Alliance for Apprenticeships, a European tool that responds to demand for skills and helps to provide the right frame of reference for qualifications obtained;

<sup>(5)</sup> SWD(2012) 406 final.

23. supports the Commission's proposal to promote forms of cooperation that encourage the development and dissemination of dual training systems. These must, however, bring together the authorities responsible for education, training and employment policy at national level, representatives of local and regional authorities, European Social Fund (ESF) management authorities, and representatives of companies and both sides of industry. The aim is to pinpoint useful strategies for promoting apprenticeships and effective ways of using national ESF funds to plan and implement dual training systems in each Member State's labour market and education system;

24. notes that the best results in terms of employment and learning are obtained when all the stakeholders cooperate well together<sup>(6)</sup>. The Committee would therefore propose that the Member States promote effective cooperation between schools, the colleges and bodies responsible for vocational training and teaching, the business world and employment services. This could be achieved by means of cultural and structural measures and financial or fiscal incentives, offered where appropriate by regional and local authorities;

25. would argue that it is necessary to meet the specific needs of SMEs, as they could help to give young people the skills that the labour market demands but have limited resources and come up against ever increasing organisational, bureaucratic and cultural barriers;

26. feels that employment agencies and bodies operated by national, regional and local authorities should promote the organisation of work placements for young people. They should be given monitoring powers and responsibility for the tasks involved in following up work placements. The institutional framework should be adapted accordingly;

### ***The role of traineeships in helping young people to enter the world of work***

27. notes that, even if brief, traineeships can prove to be useful, enabling young people to enter the workplace as rapidly as possible and in a stable manner. For this reason, traineeships must be of a high quality, in terms both of their training content and of social welfare. The Committee therefore calls on local and regional authorities to provide as many traineeships as possible so that young people can become more familiar with a wide range of professions and trades. The Committee believes that local and regional authorities can set a good example by implementing high-quality work experience programmes, and therefore suggests they should work together with educational institutions to play a leading role in taking on and placing interns, and establishing cooperation forums with the business sector to help young people quickly find places on the labour market;

28. notes that in many Member States traineeships are misused and can be abused as a source of cheap or even free labour, replacing normal employment contracts, often at peak work periods;

29. the Committee would point out that any definition of a traineeship should emphasise the formative process of becoming more closely acquainted with the workplace and, to be accurate, should also refer to the broad concept of a pathway linking guidance, training and work;

30. strongly supports the role of the EU in defining criteria for quality that are recognised throughout Europe. An EU-level approach could also offer clear benefits in terms of the mobility of trainees both within the EU and beyond and contribute to greater labour market integration;

31. welcomes the Commission's proposals on the European Quality Framework for Traineeships, a package of measures that helps young people to enter the world of work;

32. strongly urges that the European recommendation on traineeships be adopted as a matter of urgency and that it define minimum standards at European level that are common to all Member States. This recommendation should give proper consideration to all forms of traineeship, not just traineeships on the open market (extracurricular traineeships);

33. hopes that the individual Member States will adopt minimum standards, for instance on the drawing up of a written contract between the trainee and the host organisation and possibly also with the training organisation or with the person promoting the traineeship, to specify aspects such as the vocational and training objectives, the duration, the traineeship timetable and, if necessary, details of social insurance and reimbursement of expenses or allowances. The training content formalised by the contract should be underpinned by the appointment of supervisors or tutors with appropriate professional skills in line with the traineeship activities, within the host organisation;

34. recommends that trainees follow a clear course and underlines the importance of providing for the fair reimbursement of costs, or an allowance; this could be financed by the ESF contribution and could represent a genuine element of quality, enhancing the mutual benefit for the young person and the company, while also securing dignity for the trainee;

35. would reiterate the need for the host company to meet the necessary requirements with regard, for instance, to regulations on social security, health and safety in the workplace and disability, etc.;

36. would stress the need for the knowledge and skills acquired by the trainee during the traineeship to be formally certified;

<sup>(6)</sup> COM(2012) 669 final.

37. would support the Commission's proposal on modernising the Professional Qualifications Directive<sup>(7)</sup>, extending its scope of application to include traineeships in other Member States; the Committee also hopes the question will be examined of whether the directive will cover not only traineeships necessary for access to regulated professions but also open-market traineeships and curricular work experience;

#### ***Mobility as a factor in developing young people's potential***

38. considers the geographical mobility of young workers to be an important instrument in helping to redress local imbalances between labour supply and demand. Traineeships moulded in accordance with specific criteria within a given sector (such as traineeships in the craft industry or tourism) can be effective in promoting this kind of mobility enabling young people to return to their home region equipped with enhanced skills that will improve their employment opportunities there. This is especially important for retaining regional cohesion and helping regions faced with demographic challenges such as an ageing population or depopulation;

39. hopes that the upcoming European programmes in support of mobility, as part of the Erasmus for All proposal, will receive the necessary and sustainable funding they need in order to enable young people to carry out part of their academic or training career abroad, and provide for the particular situation of young people from the outermost regions;

40. supports the Commission's decision to transform the European job network into a results-oriented supply and demand matching tool, further developing the 'Your first EURES job' initiative to help EU citizens aged between 18 and 30 find work in other Member States;

41. would argue that it has to be possible to earmark resources, either through the ESF or through national and/or regional funds, in addition to EU education programmes. These funds should be used to promote specific mobility schemes to be available to all the EU's young people under equal conditions, regardless of where they live, while encouraging Member States' public employment services to develop programmes that publicise the opportunities available in the EURES system and integrate them into their regular activities;

#### ***A number of cross-cutting priorities***

42. welcomes the launch of the EU Skills Panorama and the European Skills Passport for defining skills. These instruments can respond more effectively to demand for appropriate skills and help to provide the right frame of reference for qualifications, so as to include not just skills acquired by means of formal courses, but also those relating to informal and non-formal pathways;

43. would encourage the Member States to devise and implement policies and instruments that nurture young people's business start-ups, not least through forms of guarantees on loans and leasing operations and lower interest rates on loans, and by means of micro-credit instruments;

44. believes it is crucial to build a bridge between the academic and business worlds, making the most of instruments such as the Erasmus Programme for young entrepreneurs; the latter in particular is proving effective in stimulating entrepreneurship, as already underlined in a previous CoR opinion<sup>(8)</sup>;

45. agrees with the Commission on the importance of giving a strong boost to strategic sectors with high employment potential (the health and social sectors, the green economy and ICT), in terms both of business start-ups and of the promotion of employment in general. The regional level can play a key role in skills development by targeting those sectors where the region in question is strong and employment opportunities are good;

46. considers it key to succeed in building the concepts of security and flexibility into the labour market (flexicurity), striking a balance between the need for employers to have a flexible workforce and the need for workers themselves to find security and protection in an increasingly precarious working environment;

47. stresses the importance of cooperation with the institutions at local and regional level on designing the strategy for the overall planning and management of youth employment policies. Innovative integrated youth employment policy management systems could be developed to nurture the link between public bodies, the younger generations and the business world;

48. would underline the need to involve local and regional authorities fully in defining and implementing new initiatives, as they are best placed to assess the needs and requirements of local areas not least with regard to employment and programmes geared towards young people;

49. reminds the European Commission that local and regional authorities are to a large extent already responsible for implementing policies relating to employment, education and training. It is also disappointed that the Commission communication does not contain specific reference to the responsibilities of local and regional authorities<sup>(9)</sup> either for drawing up or for implementing policies in the fields mentioned above;

(7) COM(2011) 883 final.

(8) CdR 1186/2012 fin.

(9) CdR 1186/2012 fin.

50. considers that the traineeship instrument, as part of the Youth Employment Package and the broader scope of the promotion of youth guarantee schemes, must find its place and receive the support its needs from the EU, so that its youth employment policies can address the greatest challenge facing European society: how to bridge the generation gap and grant young people opportunities to become fully autonomous.

51. considers it vital to channel significant resources into instilling entrepreneurship among young people. This should be targeted on emerging sectors identified by the various

regional strategies within a wider economic framework. Acquired knowledge, and the eagerness shown by young people to learn, offer European society a source of growth. Experience should teach us to steer our young entrepreneurs away from sectors with little economic future. In an economically complex society, we should therefore 'teach how to learn', through training schemes that enable young people to translate an abstract business idea into a practical business project. Funding is vitally important. Member States should allocate a given percentage of their respective financial instruments, using coefficients directly tied to the youth unemployment rate, in order to offer favourable terms for the funding of projects presented by young entrepreneurs.

Brussels, 30 May 2013.

*The President*  
*of the Committee of the Regions*  
Ramón Luis VALCÁRCEL SISO

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