

Resolution on Reinforced Youth Guarantee; The revisited fight against youth unemployment

Adopted at the Executive Committee Meeting of 2-3 July 2020

Summary of the key messages

This resolution aims at providing an analysis of the current scheme based on ETUC members' experience as well as recommendations for further steps to reinforce the scheme, also in the view of the new urgencies caused by the pandemic.

- ETUC members, as well as independent evaluators, identified major shortcomings when it comes to the implementation of the Youth Guarantee in Member States. The most relevant issues are: (1) **low quality of the offers provided under the scheme**; (2) **timely intervention within the promised period of 4 months**; (3) **the poor outreach strategies to offer the scheme to those young people who are furthest from the labour market (NEETs)**.
- ETUC sees the current situation, and the skyrocketing numbers of youth unemployment, as direct consequences of structural reforms and austerity measures introduced after the financial crisis in 2009. The neoliberal policies, promotion of labour market flexibility, liberalisation of employment protection systems, and weakening of social protection systems and collective bargaining institutions caused an extreme shortage of decent job opportunities for young people. ETUC will oppose any similar so called 'solution' in the upcoming period and calls for better involvement of social partners on European, National, Sectorial and company level in design, implementation and evaluation of the scheme.
- ETUC insists that all the recovery measures, as well as previously planned European programs, must have a long term perspective and put the well-being of the citizen at its centre. Massive investments into public services and a bailout for private companies must be accompanied by financial discipline (no dividend payment, no buyback of shares, no executive bonuses, no tax avoidance and no aggressive tax planning) and social responsibility (maintaining and creating employment with quality working conditions).
- The Youth Guarantee scheme has the potential to contribute to the creation of quality jobs and stability for young people particularly by creating synergies with other European initiatives such as: (1) European Pillar of Social Rights; (2) Skills Agenda; (3) European minimum wage initiative; (4) European Green Deal.
- ETUC calls for a binding quality criteria framework jointly designed and implemented by the social partners for all offers under the Youth Guarantee scheme. The improvement of the NEETs rates in the country is not a primary objective as it is clearly offering only a partial picture. Under no circumstances, the Youth Guarantee should contribute to social dumping, wage dumping and precariousness of young people.
- ETUC calls for the appropriate financial resources from both national and EU budgets to be invested in achieving real integration of vulnerable young people in a fast-changing labour market. The European Employment Initiative should be brought back as a dedicated channel that allows a coalition of stakeholders (notably PEs, Trade Unions and NGOs) to implement crisis intervention as well as prevention.

1. Introduction and background

Today, twelve years after the financial crisis, the situation of young people remains difficult. Temporary jobs, precarious contracts, civic contracts replacing regular employment, forced self-employment, low-income platform work, lack of basic social protection and even age-discriminatory practices are still the norm for millions of young people who are trying to make their way in the labour market. The growth in employment rates among young people in recent years has been weaker than among older cohorts¹. For many young people, it is still difficult to find employment that would adequately reflect their education and aspirations, be socially regulated, sufficiently remunerated and ensure decent working conditions.

- The Youth Guarantee is a structural framework aimed at tackling youth unemployment and inactivity. Member States have committed to the goal that all people under 25 would receive a good-quality offer of employment, continued education, an apprenticeship or a traineeship within a period of four months of becoming unemployed or leaving formal education. The Council Recommendation on establishing a Youth Guarantee² was adopted in 2013, when the youth unemployment rate was 24% in the EU and over 50% in some Member States, with 7.5 million young people (aged 15-24) not in employment, education, or training (NEETs).
- A number of independent evaluations have confirmed the problems reported by ETUC members. The European Commission and the European Court of Auditors reports on the implementation of the Youth Guarantee identify a number of shortcomings, most notably the **low quality of the offers provided, the challenges to provide a timely offer within the 4 months** established by the Council recommendations and **the poor outreach strategies to offer the Youth Guarantee programme to those young people who have the greatest difficulty to enter the labour market (NEETs)**.³
- In her Mission letter, President von der Leyen asks Commissioner Schmit to “reinforce the Youth Guarantee.”
The initiative has since been announced in the Communication "A Strong Social Europe for Just Transitions"⁴ dated 14 January 2020, which spells out the different strands of action towards a social Europe over the next five years. The Communication on the European Green Deal, adopted on 11 December 2019, announced that the Youth Guarantee will be updated to enhance employability in the green economy.
This non-legislative file is expected to be announced in June 2020, remaining the only instrument focusing on youth and their opportunities in the EC's program⁵.
- In parallel to these developments, an unprecedented crisis linked to the COVID-19 outbreak paralysed Europe, the life of all citizens, production chains and labour markets. The experience, as well as recent data, confirmed that young people will be one of the hardest-hit groups in this pandemic and the rates of youth unemployment are expected to surpass the infamous milestone in 2009⁶.

This resolution aims at providing an analysis of the current scheme based on ETUC members experience as well as recommendations for further steps to reinforce the scheme, also in the view of the new exigencies provoked by the pandemic.

¹ 15% of young people (15-24) vs 6% of adults (24-64); Eurostat, *Unemployment rates by sex, age and citizenship (%)* [Ifsa_organ], accessed 06/01/2020.

² <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32013H0426%2801%29>

³ <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=41096>

⁴ https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_20

⁵ https://ec.europa.eu/info/sites/info/files/cwp-2020-publication_en.pdf

⁶ <https://www.etuc.org/en/document/youth-guarantee-momentum-quality-jobs-now>

2. Similar problems – youth unemployment and COVID 19.

There are many similarities between the effects of the current pandemic and the global financial crisis that had a significant impact on youth unemployment in the last decade: the economy is in a recession, young people are at the forefront to lose their job and have their wages cuts; policymakers are urgently looking for a remedy that would bring the situation back to normal. It is of utmost importance to analyse the recent developments in the labour market not as similar but unlinked phenomena; instead, we need to realize that the current one is a direct consequence of bad measures adopted to resolve the past crisis. This pandemic has exposed the extraordinary precariousness and injustices of our world of work. There are several reasons why young workers are more exposed than other groups:

- The structural reforms – more commonly known today as austerity measures – introduced during and after the last financial crisis, brought labour market flexibility and weakening of employment protection systems, social protection systems and collective bargaining institutions. Research shows that these measures did not result in increased employment around Europe but resulted in the creation of more precariousness and consequently social exclusion⁷. The situation is repeating itself now as we observe that, for young workers, the lack of networks and experience can make it more difficult for them to find other, decent, jobs and they can be easily pushed into work with less social and legal protection.
- Over the last decade, ETUC continued raising awareness of the persistent development of atypical and non-standard forms of work. This crisis will particularly affect young workers who are overrepresented in “non-standard forms of employment”, such as part-time, temporary or ‘gig’ work. Such jobs are often low paid, with irregular hours, poor job security, and little or no social protection (paid leave, pensions, sick leave, etc). Often, such work does not qualify for unemployment benefits nor entitlement to short-time work scheme.
- Young people commonly work in sectors and industries that are particularly vulnerable to the COVID-19 pandemic. In 2018, roughly one-in-three young workers in European Union member states worked in the tourism, wholesale, retail, accommodation and food sectors (as shop assistants, chefs, waiters, etc), which are predicted to be among the businesses worst affected by COVID-19.⁸ These sectors are characterized by a large part-time jobs concentration, seasonal precarious contracts, a high proportion of foreign citizens working in the sector and, unfortunately, also undeclared work⁹. Young women, in particular, are likely to be affected because they make up more than half of the under-25’s employed in these sectors.

To avoid past mistakes and to protect current and future European generations, ETUC insists that all the recovery measures, as well as previously planned European programs, must have a long term perspective and put the well-being of the citizen at their core. Massive investments in public services and a bailout for private companies must be conditional to financial discipline (no dividend payment, no buyback of shares, no executive bonuses, no tax avoidance neither aggressive tax planning) and social responsibility (maintaining and creating employment with quality working conditions).

⁷ Kennedy, Geoff. (2018). *Austerity, Labour Market Reform and the Growth of Precarious Employment in Greece during the Eurozone Crisis*. *Labour*. 9. 258-279

⁸ https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Tourism_industries_-_employment&oldid=267583#Characteristics_of_jobs_in_tourism_industries

⁹ <https://ec.europa.eu/social/main.jsp?catId=1299&langId=en>

3. Youth Guarantee as one of the tools to build a Social Europe.

Social Europe is a long-standing claim of the current, as well as the past, European Commission¹⁰. This pandemic clearly exposed the reality that European work is based on citizens and workers who work long hours, are badly paid and have bad working conditions. It is indeed a clear impulse for European institution to gear up on the promise of social Europe and deliver adequate protection and the possibility to find stability and decent work for all.

The number of young unemployed people was decreasing steadily until the beginning of the pandemic. However, stakeholders, including social partners and national monitoring bodies, warn that many of them are entering precarious jobs, leaving the country, enrolling into education or going into training¹¹.

Youth Guarantee, the only policy that tried to tackle youth employment in a lot of Member States, has not succeeded to limit the development of precarious work during the last decade. It has been used by some Member States to hide unemployment figures, by offering low-quality traineeship. The rise of precariousness among young people is facilitated by the absence of social protection for many of them. Without any income, young people accept any offer of temporary or precarious employment and obtain a permanent contract at an older age than the previous generations.

The policies implemented under the Youth Guarantee strategy started from the diagnosis that young job seekers or those who are remote from employment and are dropping out of school were lacking the training and skills to find a job. This is certainly one part of the problem. However, by focusing on this aspect only, the only tools available to the public authorities were: the development of in-company traineeships, the support for training for job seekers and the reconnection of people remote from employment, but often hard to reach out. It was therefore assumed that there is employment, in the context of economic recovery, but that it is young people who are not capable of finding it. However, there are also structural problems to be added to the personal elements that can explain the problems in searching for a job. Youth unemployment did not come out of nowhere. It deteriorated after the 2008 crisis because companies chose not to hire anymore and, if they did hire young people, it would be on temporary contracts. Public authorities focused on improving the *labour supply*, i.e. the employability of young people, whereas it was the *labour demand* from companies that was insufficient. Public authorities were betting on an economic recovery that would make it possible to hire under contract these better trained young people. For some of them, this training and internship schemes may have been a plus, but the trend remained: most companies no longer offer permanent contracts to those entering the world of work, and the situation will be even worse in the aftermath of the COVID-19 crisis.

The Reinforced Youth Guarantee has the potential to contribute to the creation of quality jobs and stability for young people if it considers the limitations of the previous scheme. Its implementation, however, has to follow a different approach and seek strong links with other European initiatives.

a. Synergies with the European Pillar of Social Rights

- **In synergy with the European Pillar of Social Rights, the reinforced Youth Guarantee must ensure the appropriate social protection for young people, to avoid increasing the risk of poverty and precarious work.** In principle, young people can benefit from almost all types of social protection programmes and policies except for old-age pensions. In practice, however, young people are often denied access and some categories may have only partial access to social protection or even be excluded from it (e.g. casual and seasonal, on-call, zero-hour and temporary agency workers, civil law contracts and mini-jobs). Often non-standard workers encounter difficulties meeting eligibility conditions (e.g. hourly thresholds, contribution periods...), which hamper take-

¹⁰https://ec.europa.eu/employment_social/social_agenda/books/48/en/files/assets/common/downloads/publication.pdf

¹¹https://ec.europa.eu/employment_social/social_agenda/books/48/en/files/assets/common/downloads/publication.pdf

up and adequacy benefits and leadz to social exclusion. We need to reinforce and strengthen social security systems to meet the strong desire, and need, for financial autonomy of young people.

- **The European Commission should conduct a study that looks into the link between young people in jobs without social protection and youth precarious work. The EC can monitor the loopholes in the universal access to social protection and quality jobs across Europe.** Young people are forced to accept different kinds of insecure work arrangements in different countries, however precise data does not exist. In the EU there are many forms of contracts not covered by employment laws and subsequently workers have no rights to holidays, employment protection and/or the benefits gained by paying social insurance contributions. **This affects a large, but unknown, number of young workers. It is unacceptable that the future Youth Guarantee offers might reinforce this situation.**
- Many workers in the EU still do not receive a written confirmation of their working conditions, or at least not all the information they need, nor in a timely manner. This includes in particular "atypical" or "casual" workers such as "on-call" workers, those who have zero-hour contracts (in which no particular number of hours or times of work are specified) or intermittent workers; especially in sectors such as agriculture, hotels and catering, education, and healthcare. It also concerns specific categories of workers, such as domestic workers and trainees. Precarious work deprives people of the stability required to take long-term decisions and plan their lives. **ETUC believes that the precarious contracts and workers categories that do not provide access to social protection should be banned and replaced with guaranteeing a minimum number of working hours which provide a safety net for workers.**
- To ensure equal opportunities for all young people the outreach to the most vulnerable groups must be improved in the future scheme. Young unemployed people are not a homogenous group and particularly the reach out to long term unemployed (long term NEETs) could be significantly strengthen. Evidence shows that the most vulnerable are less likely to succeed in Youth Guarantee programmes¹². ETUC supports aggregation of the services under the so-called ONE STOP SHOP. **However, we strongly warn against the centralisation of such services in the capitals and big cities only.** The creation of such service points requires a substantial investment in public services and space and resources allowing for cooperation among stakeholders (including trade unions, NGOs and CSOs) that are crucial for reach out, guidance and assistance to the beneficiaries.
- The reinforced Youth Guarantee should consider the reality of the workforce in Europe and enlarge its scope to all young people below the age of 30. This enlargement is also necessary because it is the only way to reach those who are still in an insecure situation due to the 2009 crisis and have not yet been able to benefit from the Youth Guarantee.
- Development, implementation, monitoring and evaluation of the Youth Guarantee must be done in cooperation with the social partners.

¹² SELENKO, E. and PILS, K., 2017. *The after-effects of youth unem-loyment: More vulnerable persons are less likely to succeed in Youth Guaranteeprogrammes. Economic and Industrial Democracy,*

b. Synergies with the Skills Agenda

- Following up on the ETUC response to the European Commission update of the **Skills Agenda**, there is a big need to include the climate and digital transition. So as to prevent unemployment and deskilling of the workforce there is the need to provide equal access to high quality and inclusive employee training provisions, regardless of the workers' contractual rights, age or gender. National rules should require companies to provide quality training plans, negotiated with trade unions, ensuring that training takes place within working hours, unless negotiated otherwise with social partners, and free of charge to workers. The sectoral social partners are best placed to find workable solutions that have a real impact.
- The Reinforced Youth Guarantee should promote and provide means for validation and recognition of the training, including non-formal and informal learning, to gain higher qualification levels. Young people should have equal access to such training at the workplace regardless of how long they have been employed and regardless of their employment contract.
- Climate change, energy transition, demographic changes, digitalisation, and technological change are new challenges facing the job market. Young people need effective support to handle changes in the labour market and need to be upskilled and reskilled to face such transitions. A shortage of skilled workers in many European countries is predicted for the future or already exists today. Now the time to train the skilled workers of tomorrow; the Youth Guarantee scheme can and should contribute to this.

c. Synergies with the European Initiative on Minimum Wages

- The ETUC believes in intergenerational solidarity and fair treatment for young people, who should have the same right to well-paid, secure, quality jobs as other workers. Sub-minimum wages for young people and unpaid internships should be outlawed. As outlined in the [response the First Phase Consultation of Social Partners under Article 154 TFEU on a possible action addressing the challenges related to fair minimum wages](#): The best tool to achieve the objective of fair wages is through the safeguarding, strengthening and promotion of autonomous sectoral and cross-sectoral collective bargaining. Any EU initiative in this field must strengthen national collective bargaining models and fully respect the autonomy of social partners. It must not result in negative outcomes for workers and their unions.
- ETUC is ready to contribute to the second stage of consultation with the premise that we will strongly oppose any re-run of the austerity policies of wage-cutting or restricting collective bargaining, which has already been observed by young workers around Europe as the employers' remedy to the effect of the pandemic.

d. Synergies with the European Green Deal

- To reach young people in remote areas, we need to promote social dialogue at regional and local level and create strong connections with a regional strategy for just transition plans. These plans should include the creation of quality jobs as well as reinforcement of public services and infrastructure. The sole focus on enhancing entrepreneurial skills in remote areas is limited and does not lead to sustainable improvement.

e. Synergies with the European Semester

- Further attention to the situation of young workers should be foreseen in the European Semester – the cycle of economic, fiscal and employment policies coordination within the EU – in terms of employment and training but also in relation to education. The European employment strategy implemented through the European Semester should therefore focus on quality jobs. It could also be used to monitor the application of the Quality Criteria for a reinforced Youth Guarantee, this would be done through the Social Scoreboard that is followed also within the European Semester linked with the integration of the EPSR. Existing participation of trade unions at European and national level – also to be reinforced – to the European semester through the TUSLO (*Trade Union Semester Liaison Officer*) is therefore a opportunity to strengthen the synergy with the European Semester.

f. Synergies with the European Social Dialogue

- A link with the European Social Dialogue Work Programme 2019-2021 could be drafted, in view of the attention of European social partners to the issue of the improvement of the performance of labour markets and social systems – with a focus on NEETs – and on skills. Further synergies with the next European Social Dialogue Work Programme post 2021 – whose negotiations have not started yet – could be foreseen – in conjunction with the ETUC Social Dialogue Committee.

g. Synergies with the Future Child Guarantee

- A reinforced Youth Guarantee could build synergies with the future Child Guarantee – still to be proposed by the European Commission however foreseen in its work programme - as education will be a key part. In relation to early drop-out, linking the Child and the Youth Guarantee could be useful to further identify and reach young people in need of support – and to address more effectively the issue of NEET identified as one of its major shortcomings. Synergies with the Child Guarantee could also improve the transition between education and work.

4. Framework of Quality Criteria for reinforced Youth Guarantee

Freedom of association and collective bargaining have been the main point of access to decent working conditions and other benefits, and in many sectors it is the most common way to determine wages. A worker's access to trade union is an enabler to the improvement and application of all other labour rights. Therefore this freedom of association is critical in preventing precarious work arrangements and ensuring better working conditions for precarious workers.

A number of problems related to the implementation of the Youth Guarantee offer have been identified, these differ from country to country. The lack of quality criteria and quality control was considered a major obstacle for successful implementation. Accepting any kind of offer under the Youth Guarantee scheme helps Member States achieve their statistical objective, but this is not the purpose of this programme. In fact, (as described in section 2) this increases precariousness in the labour market and weakens the entry position of young people.

The intended goal of the Youth Guarantee was to provide a job, apprenticeship, traineeship or further education to young unemployed people. However, the job part was rapidly forgotten by a number of Member States. In some of them, more than 60% of the Youth Guarantee interventions consist of the offer of a traineeship programme¹³.

¹³ Report- Comitato Di sorveglianza, CGIL – May 2019

The Framework for quality criteria, proposed in ANNEX I of this document, lists the minimum requirements that employers and education providers should respect to be considered for the subsidy. To guarantee the improvement of the quality offer under the Reinforced Youth Guarantee scheme the control mechanism must be discussed and implemented by social partners.

- ETUC calls for quality criteria as a requirement of all offers under Youth Guarantee. Furthermore, participatory programming and control mechanism should be part of the reinforced Youth Guarantee, with strong involvement of Social partners at all levels during the setting of the criteria and the implementation of the control mechanism.
- The quality criteria for Youth Guarantee offers must be binding for all providers. Since public money is being used, it is paramount to control the quality of the offers. Youth Guarantee is a policy that needs to tackle youth unemployment, not another employer subsidy policy.
- In Member States with higher rates of early school leavers, drop-outs and NEETs with low level of education or without a professional qualification, the share of traineeships over the total number of measures should be limited by a conditionality mechanism in order to avoid a "dumping effect" on apprenticeship contracts.

5. Financial resources

The narrative of economic recovery was illustrated only by growing GDP rather than increased wellbeing of workers. Now that economies are in recession we cannot repeat the previously tried and failed solutions. Austerity measures still have a huge negative effect on many sectors, including public services. Before the pandemic, there were lesser opportunities for young people to obtain a good quality job. The high rate of NEETs in different Member States was a clear sign that the difficult period for young people was not over.

In the light of the pandemic, and its impact on the labour market and well being of citizens, we need a European budget that will fully support the creation of a Social Europe.

In 2013 the Youth Guarantee and Youth Employment Initiative were approved as 'crisis intervention measures' to deal with skyrocketing Youth Unemployment. The EU budget was designed to bring added value to the national resources. However, the lack of funding resulted in very poor outreach, low-quality offer, and insufficient monitoring of the outcomes. This time around the challenge for young people will likely be much bigger and we cannot face it with fewer resources.

The European Social Fund should, in the MFF 2021-2027, continue to play a key role both in supporting the creation of new quality employment and in promoting social inclusion. We consider that ESF remains the main EU instrument for supporting jobs, helping people of all ages get better jobs and ensuring fairer job opportunities. In light of the challenges brought by the pandemic, the funding for ESF should be considerably higher. Involvement of trade unions in the implementation of ESF, granted by the European code of conduct on partnership in the framework of the European Structural and Investment Funds, should be extended to the EU financial instrument implementing the reinforced Youth Guarantee in the next MFF 2021-2027. This would ensure participatory programming and effective monitoring of its implementation and could be used to monitor the application of the Quality Criteria.

Labour market regulations to reduce precarious employment need to be embedded in a wider bundle of policies in order to be effective. Financial resources, as well as the measures to limit the leverage of large corporation over governments, must be implemented to achieve the fair redistribution and fair opportunities for all.

- ETUC calls for the appropriate financial resources to be invested from both national and EU budgets to achieve real integration of vulnerable young people in a fast-changing labour

market. ETUC welcomes European Parliament's proposal that under the ESF+ there should be an investment of at least 3% by all Member States and of at least 15% for those countries where the NEET rate is above the EU average or 15%. However, we call for the European Employment Initiative to be brought back as a dedicated channel that allows a coalition of stakeholders (notably PESs, Trade Unions and NGOs) to implement crisis intervention as well as prevention.

- GDP is not the right indicator to assess well-being of the society; similarly, the widely used NEET rate might often provide misleading information about the situation of young people in a country. While the rate shows the number of people who are not in education, employment or training, it completely omits to provide data on a large number of young people who (1) are in involuntary part-time employment¹⁴; (2) left the country to find a decent job) (forced mobility); (3) have undeclared work; (4) work but still live in poverty¹⁵. ETUC Youth calls for tri-partite dialogue to design and implement new criteria for redistribution of EU budgets dedicated to fight against youth unemployment.
- ETUC continues to advocate for the implementation of a financial transaction tax; which could be as low as 0.1% on each transaction with a share, bond or derivative, which would make small transactions and high-speed transactions less attractive, affecting mainly high-frequency trading.
- Rebalancing public budgets cannot be achieved by further impoverishing the disadvantaged. Given that the world's billionaires, only 2,153 people in 2019, had more wealth between them than 4.6 billion people¹⁶, wealth and inheritance taxes must be part of rebalancing public budgets and financing inclusive societies.
- It is the high time to close tax havens, increase tax progressivity, enforce tax laws, tax capital gains and broaden the tax base. This would be essential in order to close the gap between private wealth and impoverished societies. The tax competition and tax incentives resulting in a breach of labour rights and race to the bottom needs to be stopped and replaced with coordinated tax policies in particular with respect to multinational companies. Financial institutions that participate in tax evasion activities or that operate in tax havens must be excluded from public subsidies and management of public funds including pension funds.

The state, in most societies, is the largest procurer and investor, it often provides a large amount of preferential credit to business. In addition to legal extension mechanisms, public contracts should be used to promote quality employment. Companies violating their obligations as employers or who use subcontracting to undercut labour standards should be excluded from any public tender.

¹⁴ Eurostat, *Involuntary part-time employment as percentage of the total part-time employment, by sex and age (%) [lfsa_eppgai]*, accessed 06/01/2020.

¹⁵ Eurostat, *In-work at-risk-of-poverty rate by age and sex - EU-SILC survey [ilc_iw01]*, accessed 11/03/2020

¹⁶ <https://oxfamlibrary.openrepository.com/bitstream/handle/10546/620928/bp-time-to-care-inequality-200120-summ-en.pdf>

6. Conclusions

The European Union is once again under scrutiny and strong pressure to demonstrate to the citizens that the EU project is not based only on the single market, but rather on solidarity and a society in which together we are stronger and together we can offer strategies on how to overcome the consequences of the pandemic.

Young people and workers who are particularly hit by the COVID-19 crisis need to recognise that the European solution brings the necessary relief and that the measures taken by the Member states are designed to support their well-being and desire for the stability.

To effect lasting social change, trade unions will have to remain at the heart and in the lead of social movements demanding change. Despite the deep economic crisis, there might be an opportunity to combine mass protest and considerable institutional power and expertise to ensure that dissatisfaction and frustration is translated into real change.

ETUC and its affiliates are ready to fight for the right of all workers to decent jobs. We want to continue our successful cooperation with the national and European Institutions and seize the momentum to offer quality jobs, apprenticeship, traineeship or further education to young unemployed in the situation that many predict only dark scenarios. We have learnt from the lessons of the past and this time we must not leave anyone behind!

The Youth Guarantee is a tool with great potential but it can only be successful if the evaluation of the current programme is taken seriously into account and if the sectorial, national, and European social partners are involved in its design, implementation and reporting of the future version of it.

ANNEX I

Framework for Quality Criteria for a reinforced Youth Guarantee

a. Criteria for employment and traineeship subsidies

With the absence of any European legal framework for quality traineeships, lack of integration into any training path and no prospect of certification of the skills, the traineeships that are outside of the formal education requirements are potentially increasing the precarious position in which young people find themselves. The 'dumping effect' on standard work contracts (such as replacement of workers on permanent contracts with trainees) should be controlled, prevented and penalised. We, therefore, propose the following criteria to be fulfilled by each employer receiving a subsidy to create a quality job.

To be eligible for the Youth Guarantee intervention the employer must:

- Comply with legislation and collective agreements (no recent records of violation)
- Comply with tax regulations
- Respect the limitation of the number of subsidies according to the overall number of employed workers
- Have an obligation to hire a certain number of workers before having the right to another subsidy
- Assign a supervisor responsible for the initial training and progress of each new employee
- Not use it for hiring a young worker for the workstation (job function) from which the regular worker was previously dismissed

To be eligible under the Youth Guarantee offer the employment or traineeship must fulfil the following obligations:

- **A written agreement**
 - duration of employment
 - expected working hours or presence hours
 - description of the role and tasks
 - salary (for employment) / compensation (traineeship)
 - skills outcomes with reference to the NQF/EQF in (case of traineeship)
 - information about applicable Collective Labour Agreements and about any trade union at the workplace

- **Employment Salary**

For Full-Time employment the wage shall not be lower than either the salary established by a collective agreement, or the median income or the national or sectoral minimum wage or the EU poverty line, whichever is more favourable.

For part-time employment, the obligation to compensation shall adapted according to the working hours.

- **Work environment and working conditions**

The employer shall ensure decent working conditions, including a designated and accessible working space with all tools and materials. If the activities performed by the worker require it, the host organization shall provide Personal Protective Equipment. The workplace shall meet the prescribed standards of health and safety at work, as defined in national legislation, collective and/or sectoral agreements, or other binding documents. Workers shall benefit at least from the resting time established by the national legislation or the sectoral collective agreement. Limits to weekly working hours, rest break, minimum

daily rest period, and minimum weekly rest period shall meet the provisions of principle 10 of the European Pillar of Social Rights (Healthy, safe and well-adapted work environment and data protection), articles 2 (on the right to just conditions of work) and 31 (on fair and just working conditions) from the European Charter of Fundamental Rights of the European Union and the EU's Working Time Directive (2003/88/EC).

In the case of parental leave, accident or long-lasting illness, workers shall have the right to return to their job at the host organization, either in the original position or a suitable alternative.

Workers shall have access to a complaint channel to report abuses. This complaint channel can be at either the host organization, or a trade union presence in the company, or at a third party.

- **Social protection and insurance**

Workers shall be included in the social security system irrespective of the duration of the contract. All workers in the subsidised position shall be entitled to:

- Unemployment benefits
- Health Insurance
- Paid sick leave
- Accident insurance

b. Criteria for quality education

Securing the right environment of training, reskilling and upskilling for beneficiaries of the Youth Guarantee offer should mean ensuring strong coherency between VET providers, social security systems and public services employment policies to boost underrepresented groups or weak groups in the labour market, guaranteeing revaluation of wages in case of upskilling. The following criteria should be taken into account when proposing an education to the beneficiary or the Reinforced Youth Guarantee.

- **Career guidance and monitoring**

No 'one size fits all' solution can be considered when proposing education or training opportunity to the beneficiary. Young people are a very diverse group that on one hand is characterised as the most educated generation in history¹⁷ and on the other hand includes some of the most vulnerable and marginalised groups. The proposition of further education should look at previous training and skills of each applicant and proposed training that will boost their chances to enter permanent employment in the region of their choice. The sectoral social partners are best placed to find workable solutions which have a real impact. The Reinforced Youth Guarantee must stress the importance of industrial relations and the role of social partners.

The beneficiaries entering education automatically disappear from the NEET statistic and therefore their progress is no longer monitored. In line with the European court of auditor's report¹⁸ and PES' report¹⁹, ETUC calls on resources to be allocated to the monitoring of the beneficiaries after they receive the offer. This would allow for a better evaluation of the education offer available under the Reinforced Youth Guarantee.

- **Validation and recognition**

In order to motivate the beneficiary to enter into further education and training, coherence is needed between individual responsibility and individual rights (e.g. pay, time, social security during training). Professional training must give access to a diploma or certification which can be considered an added value in the industry and boost employability.

¹⁷ <https://www.feps-europe.eu/articles/36-project/48-millennial-dialogue.html>

¹⁸ <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=41096>

¹⁹ <https://www.pesnetwork.eu/download/pes-implementation-youth-guarantee2017/>