

Warning against the risk of losing the next generation of industrial workers

Brussels, 24th – 25th November 2020

The COVID-19 crisis is disproportionately affecting young workers and apprentices. Many young people have suddenly found themselves with suspended or interrupted employment or apprenticeship contracts and with no other opportunities to start their professional career. Young workers are mostly on fix-term contracts, many are agency workers or are stuck in atypical forms of work with limited or no social protection. An adequate response is urgently needed in order to prevent a damage that is irreparable. Together, we need to prevent the loss of the next generation of industrial workers.

Over the summer of 2020, Eurostat [reported](#) an explosion in youth unemployment which reached 17,6% in August in the EU compared to 6% reported in 2019. Since then, unemployment has continued increasing and it is expected to boom, especially amid the renewed restrictions due to the second COVID-19 wave in Europe and the expected end of government support schemes in 2021. Some [commentators](#) even predict an alarming increase in youth unemployment by 70% within one year. Moreover, recent studies also [show](#) that young people have been among the “lockdown’s biggest losers” with the lowest levels of well-being. They feel excluded from society and are at the highest risk of depression.

We cannot sit back and watch how almost an entire generation will be made redundant and left behind. As we are preparing for economic recovery from the COVID-19 crisis and beyond we must pay attention to young workers and apprentices. Failing the young generation will only play into the hands of the populists.

Many of today’s young people are already experiencing the second economic crisis in their young life. Europe’s youth was already bearing the brunt of the 2008-09 crisis when the austerity measures imposed by politicians left many young workers in precarious working conditions. Almost half of Europe’s young people (44%) aged between 19 and 24 years, were in 2017 [reported](#) to be on a temporary contract. The duration of these contracts is often less than one month, offering neither social protection nor training opportunities. Young people were also the group [reported](#) to be most affected by in-work poverty (10%) which often translates into the inability to afford decent housing and healthy food.

Together, we must ensure that young people are included in the recovery from the COVID-19 crisis and avoid that the young generation gets stuck in precariousness. Young people must be able to start their professional lives with a good-quality job, that offers security and the possibility for personal and career development through training and life-long learning. This is crucial in the context of the recovery, and the digital and green transformations of industry. Many industries already suffer from a lack of a qualified workforce. We rely on qualified, young people to work in the green and smart industries of the near future.

We must prevent that young people are left behind in the European and national recovery plans. We need to ring the alarm bells and to fight for the inclusion of the next generation of industrial workers in the recovery at all levels – European, national, regional, sectoral and local.

The EU is leaving young people behind in the recovery

The EU’s proposed measure to improve the situation of youth and to include them on the labour market is the Youth Employment Support package presented on the 1st of July 2020. IndustriAll European Trade Union

welcomed this package in principle, but we warned that it is not enough to prevent a lost generation, because it disappointingly focuses on training without employment opportunities and quality criteria.

The Reinforced Youth Guarantee (RYG), as one of the main proposals of the package, is not ambitious enough to meet the main challenge faced by most young people: unemployment or precarious, temporary work with limited or no access to social security. Moreover, the EU seems to be repeating past mistakes. The Youth Guarantee was initially introduced in 2013 as youth unemployment soared above 50% in some Member States. However, the European Court of Auditors found that the scheme “fell short of initial expectations”, with up to [60%](#) of interventions consisting of traineeships rather than real jobs. The International Labour Organisation [said](#) that “resource allocations have not been sufficient to match the recommendations.”

The new proposal improves the previous Youth Guarantee (2013) by increasing the age limit to also include 25-29 year-olds. Under this scheme, young people should receive within four months of leaving formal education or becoming unemployed, an offer for training, an apprenticeship, employment or a traineeship. The new scheme also rightly focuses on the much-needed green and digital skills. However, the Commission disappointingly fails to include solid quality criteria for the offers which young people are to receive.

The need for quality offers is only partially addressed by linking the RYG to the European Framework for Quality and Effective Apprenticeships, and the Quality Framework for Traineeships, both from 2013. This is not enough, because these Quality Frameworks do not protect young people from being exploited as cheap labour. Quality criteria should ensure that the offers under the RYG comply with national labour legislation, collective bargaining agreements and tax regulation. All beneficiaries should be covered by social protection and apprentices or trainees should not replace workers. Without clear quality criteria, exploitative employers will continue to substitute quality jobs with precarious apprenticeships and misuse public money.

Furthermore, we are simply shocked that self-employment is part of the Commission’s proposal. So far, this new form of work promoted by neoliberal policies as a solution to high unemployment has only [resulted](#) in an explosion of bogus self-employed who are forced to work in precarious conditions. Many of them are young workers who could not find a stable and good quality job.

Finally, the funding of the RYG is insufficient to meet the needs. Of the proposed 22 billion euro (that are part of the next Multiannual Financial Framework and the Next Generation EU), only 8 billion seem to be earmarked for youth. The rest constitutes a general budget for tackling unemployment. This is not enough to meet the urgency of the situation of the young generation.

One sign of hope came from the European Parliament that on the 10th of October called on the Commission to ban unpaid internships and invest in quality jobs for young people. We supported the Parliament’s [resolution](#) which improved the Commission’s weak proposal by calling for:

- An increased share of the European Social Fund (ESF+) to be allocated to the scheme in the EU long term budget. Experts say it should be more than 7,000 Euro per NEET (a young person not in employment, nor education, nor training) to make a real difference.
- A legal instrument to enforce fair remuneration for internships, traineeships and apprenticeships.
- Enhanced monitoring of the implementation of the scheme in member states and its results.

Unfortunately, on the 30th of October, the European Council has adopted the Commission’s proposal without the Parliament’s positive improvements. We are very disappointed that the final [Council recommendation on the Reinforced Youth Guarantee](#) does not include binding quality criteria for the offers young people receive under the public funded scheme.

Nevertheless, the fight is not over. Member States must now implement the Council recommendation. We need to put pressure on our national governments to introduce binding quality criteria at national level,

negotiated with social partners. The European Parliament's resolution and the quality criteria proposed by the [ETUC Youth](#) could be useful starting points for improving the implementation of the RYG at national level.

Urgency to include the young generation in the national recovery plans

IndustriAll Europe is very concerned that so far in most of the national recovery plans the measures intended to tackle the urgent situation of youth are not enough, if such measures are mentioned at all. As unions, we need to push the national policymakers to dedicate enough funds and to include effective measures for the inclusion of youth on the labour market in national every recovery plan in EU Member States and beyond.

The national recovery plans need to include schemes for identifying skills-needs and -gaps, especially with a forward-looking view towards the green and smart industry of the near future. The plans also need to include apprenticeship and training programs with job retention possibilities to prepare the next generation of industrial workers. Trade unions need to be fully involved in this process and to proactively support the youth at the start of their career, especially also as part of a trade union renewal strategy.

The youth guarantee model proposed at EU level and emulated also by some national governments is one option, but it does not represent the silver bullet in solving the issue of youth unemployment. This model provides cash to employers and/or exempts them from certain tax contributions if they take on apprenticeships and/or hire young people. However, the issue of quality apprenticeship and good quality job offers is often not solved and therefore public money continues to sponsor precarious short-term jobs for youth. We demand that unions are always involved in the development and implementation of any scheme. Social dialogue and collective bargaining have proven their worth once again during the COVID-19 crisis, showing that where unions are effectively involved good solutions are found.

One concrete example comes from France where the government presented its Youth Plan at the end of July 2020. The plan intends to support the recruitment of young workers and apprenticeships during a time when 750,000 young people are preparing to enter the French labour market. The plan adds a further €6.5 billion to the €3.5 billion already allocated to youth. This plan also comes in addition to the plan to relaunch apprenticeships which includes a grant for hiring apprentices who want to obtain a qualification between July 2020 and February 2021. These plans are steps in the right direction, but the question of good quality offers remains unsolved. Furthermore, the French social partners in the metal sector (except FTM-CGT) signed a branch agreement that encourages hiring young people through a solidarity system of end-of-career adjustment. The system foresees that for every two departures, one young person is hired.

In Austria, the Austrian government also offers incentives for employers to recruit and retain apprentices after training (employers receive a bonus of 1000€ for recruitment and an additional 1000€ for retaining). But this is not enough for the unions. In their campaign '[Youth Without Job](#)' young trade unionists demand that the government increases the number of apprenticeships in the public sector and creates an emergency fund for apprenticeships.

In Germany, the social partners at national level have joined the 'alliance for apprenticeship and ongoing training' established by the ministry for employment and the ministry for education. Among other measures, apprentices that are forced to suspend their training will receive legal and financial support to complete their training elsewhere. Observers [comment](#) however, that there are no concrete measures for ensuring enough apprenticeship places for 2020-21.

None of these national examples is perfect, but they are steps in the right direction which could be improved if unions continue to build pressure and fight for a better present and future for the youth. Meanwhile, our biggest concerns are directed towards the countries where the urgency of youth is not addressed at all in the

recovery plans, such as in Romania, Hungary, or Poland, or where governments only pay lip service without proposing concrete measures, like in Portugal, Spain or Italy.

Meanwhile, very worrying developments are taking place in Turkey, where the government does not only fail to offer measures for improving the situation of the youth, but it even proposes instruments to make it even worse. The Turkish government has proposed a new law which would allow employers to unconditionally hire under 25-years-olds on precarious short-term contracts which can be unlimitedly renewed. As it stands now, employers must justify why a worker has a short-term contract and are prevented from renewing it unlimitedly. The new law represents a disaster for the Turkish youth, many of whom are already in a precarious situation.

As unions, we cannot fail the young generation. We need to push for their inclusion in the national and European recovery plans. It is impossible to reach a fair and inclusive recovery from the COVID-19 crisis without making youth one of its central pillars. The future of our industry depends on this next generation of industrial workers. But also, the present democratic systems depend on societies with good opportunities for young people who have already started to lose trust in the current model and might end up attracted by populist alternatives.

IndustriAll Europe's Youth demand a better youth strategy

IndustriAll Europe's Youth highlights the crucial need for unions to adopt a critical perspective towards their own strategy of trade union renewal. Unions need to urgently step up their activity towards the youth. We cannot sit back and wait for young people to knock at our doors, but on the contrary, we need to be more proactive and to improve our strategy of reaching them. Unions' communication strategies need to be adapted to also speak to the youth, especially by also using their channels of communication like social media. We need to clearly show young people that we are proactively defending them and that they should join us in order to better advance their interests and win more rights at work.

Unions must support the development of youth structures at all levels and encourage young unionists in their activities. Young unionists need to be given the opportunity to participate in relevant union committees in order to better advance youth issues and bring in their youth perspective. They should be included in the necessary trainings to develop their skills in order to effectively participate in union work. Furthermore, young unionist should be involved in the development of trade union renewal strategies and participate in recruitment and organising activities in order to effectively attract young members to the union.

The future of the labour movement depends on trade union renewal and on increasing the level of young and active members. We need to act now and modernize our way of work, and especially our communication and image in order to better speak to the youth and to win young members. All young people want to have their rights defended and to have fair working conditions. But, in the current era of misinformation, they often do not know where to go for protection or are prevented from joining the union by aggressive employers. We need to proactively reach out to them and show them that there is space for them in the movement.