

September 15, 1981

EMBARGO: 18.30 HOURS, SEPTEMBER 15, 1981

EUROPEAN EMPLOYMENT POLICY: CHALLENGE AND RESPONSES

Extracts of speech to be given by Mr Ivor Richard,
Commissioner for Employment and Social Policy, to the
European Parliament, Strasbourg, 15 September 1981.

Appalling rise in unemployment

'Europe, and indeed the world, is faced by a complex set of employment problems, to which there are no simplistic answers.... It is becoming increasingly clear that the over-riding problem in the 1980s will be that of unemployment, and the need to find ways of creating more jobs, and this against the unfavourable external background of oil price rises, international monetary instability, the changing international pattern of labour, and in the face of the financial problems of government.

'The way in which unemployment has risen in the past three years is appalling. We have moved from some 6 million unemployed in 1978 to almost 9 million at the present time and it is still rising. Already, in Britain alone, the figure is fast approaching 3 million and the latest figures we have for the Community as a whole showed a staggering increase in unemployment of over 400 000 in one month.

'We are consistently failing to create enough jobs - since 1975 the rate of increase in the labour force has been almost two-and-a-half times greater than the increase in available employment.

'Not only have the numbers of unemployed increased alarmingly, but the composition of the unemployed has also altered. The worst hit sections of society have been the young, women and workers over 50 and this is likely to be a persistent feature of employment patterns unless a major improvement in the overall situation takes place.

'For most workers over 50 who are at present unemployed, there is the real risk of their never finding work again. For large numbers of young people who become unemployed immediately on leaving school, the prospect of gaining work experience and training in order to equip them to obtain skilled employment when job opportunities improve, is remote.

'Moreover, with over 3 million young people already unemployed in the Community, and many millions more knowing the same fate awaits them, this Community is destroying its future..... We must move towards a longer term strategy as I mentioned earlier in which all young people receive an adequate social and professional preparation for adult life, a guarantee not of any kind of unskilled paid job but of a flexible range of learning opportunities where young people themselves can gradually take responsibility for their career options and develop the enormous capacity which I believe they have to make a creative contribution to our society.

'Equally, the pattern of employment for women demonstrates that when they can obtain employment it tends to be relatively low paid and unskilled and they are liable to be among the first to be thrown out of work at the onset of a recession.'

Need for job creation

'We must strike a new equilibrium in our economic and social policies. The emphasis now must be on creating new jobs.

'If we persist in squeezing our economies along present lines we will end up with less output, less investment, less employment and - ultimately - not less inflation, but more, as our fragile wage bargaining systems explode under the strain of attempting to share more fairly the massive suffering brought by the recession.

'We have been practising deflation when, in reality, the Community is suffering a structural crisis. We are too big in the declining activities..... We need to shift our activities much more rapidly into areas like energy and energy-saving, into the new information technology based activities, and into those vast areas of employment potential in the service sector. We also need to give special attention to the process of small-scale employment creation and to the potential contribution that different types of small enterprises can make in creating jobs - this must become the over-riding objective.'

EEC Unemployment: Latest figures

July 1981 (x 1 000)

	D	F	I	NL	B	L	UK	IRL	DK	EUR 9	GR	EUR 10
Total	1 246,2	1 680,5	1 915,3	396,4	495,5	1,345	2 851,6	128,1	183,9	8 898,8	25,1	8 923,9
Male	604,8	815,3	998,8	260,6	209,9	0,717	2 010,6	97,6	104,2	5 102,5	14,6	5 117,1
Female	641,4	865,2	916,5	135,8	285,6	0,628	841,0	30,5	79,7	3 796,3	10,5	3 806,8

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