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Brussels, 29 October 1981

**PRESS CONFERENCE OF MR IVOR RICHARD: COMPONENTS OF A EUROPEAN EMPLOYMENT
STRATEGY**

- the following remarks are attributable to Mr Richard

The massive and growing unemployment facing the Community, reflecting the structural upheavals which all Member State economies are undergoing, necessitates a new EEC approach to employment policy and, indeed, to its place in macro-economic policy. Central aim of this strategy must be to stimulate employment without worsening inflation - a theme I expect will feature largely in the European Council in November. Key elements of this new approach, instanced both by the Commission's new proposals on job creation and by discussions I shall be having with EEC ministers, unions and employers next week on the employment impact of technological change - include:

1. An awareness that unemployment will continue to rise in the short and medium-term as growth rates at realistically expectable levels are insufficient to absorb the demographic surge of the post-war years. Much higher rates of underlying unemployment are, I fear, with us and with us to stay.
2. The search for ways to relieve the pressure on a job market shrinking in relative terms must thus be paramount. I therefore call on member governments to give urgent consideration to:
 - ensuring over time that no school-leaver of 18 or under should be forced straight from the classroom into the dole-queue. For the 16-18 years group we must forge a new Community Social Guarantee - a guarantee of education, training or work experience as an alternative to unemployment;
 - measures such as selective recruitment subsidies and public works schemes, ensuring greater job opportunities - particularly for the Community's under-25 population, 4 million of whom are currently unemployed, the handicapped and other long-term jobless;
 - exploring new ways of organising working time, a complex area in which the Commission is consulting widely with a view to making proposals.
3. Channelling investments into areas of future growth - e.g. energy, infrastructure and the service sectors. In addition, the employment potential of small and medium enterprises, which already employ some 70% of the Community's work force outside agriculture and public administration, must be politically encouraged. At the same time, we must realise that promotion of employment must be associated with the restoration of general economic growth.
4. The need to ensure that necessary changes in technology and production structures take place in socially acceptable conditions. This is the main thrust of my talks next week in the Standing Committee on Employment, and, indeed is the principal objective behind our proposals on worker consultation and information in multinational companies.