

JOB'S FOR YOUTH CAMPAIGN

ORGANISED BY THE YOUTH FORUM OF THE EUROPEAN COMMUNITIES

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It is a great privilege for me to meet this assembly of young people here today. I am aware that you have all travelled from different parts of the whole Community to Brussels to present an urgent plea for action - for concrete convincing action at Community level to tackle youth unemployment. I know that most of you are actually unemployed. You are able to speak from grim experience, from the front line as it were itself. You have witnessed the efforts of your own national governments to deal with the economic crisis we are all facing. You have heard their phrases over the years about the long road back to economic recovery, about the need to improve the competitiveness of industry, to tackle inflation, to act on interest rates, and you have compared their phrases with what you have seen about you as more and more of your friends and relations find themselves in the dole queue, becoming part of that now vast army of second-class citizens, condemned to rely for a livelihood on others, and gradually losing hope of ever finding a way back into employment.

The older generation used to speak with indulgence of the younger generation who had never known what it was to be at war, as those who could not fully understand the historic significance of European integration. Nowadays, we should be shamed to realise there is

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emerging a whole generation of young Europeans, many of whom have never known what it is to be in stable employment, to stand on their own feet, able to fulfil the role of a responsible, self-respecting citizen. The previous generation attempted to defend democracy in Europe by creating new institutions. It should be no surprise if their good intentions are now called into question since they failed to apply themselves sufficiently to the basic economic issues of democracy, which concern social equity and individual justice. And yet you young people have come to Brussels. However frustrated and impatient you might be, your coming here to the seat of the Community institutions shows you still have faith left in the European idea, perhaps more faith than many of your elders.

As you know, last week Ministers of Economics, Finance and Employment gathered here in a special 'Jumbo' Council meeting devoted, ostensibly at least, to considering joint action to be taken to combat unemployment. That Jumbo Council provided the opportunity to show that the Member States of the Community had not only the means but also the will to act together in stemming the still rising curve of unemployment.

I put the stress on joint action, since it is clear that, individually each Member State cannot alone embark on major economic policy initiatives without taking full account of their impact on their European partners and competitors. We are all nations which live by trade and commerce. Such is the degree of economic interdependence/that we must stand or fall together. That is the achievement of the founding fathers of the Community, a legacy which you may have understood better than those 23 ministers - with a few exceptions - who gathered here last week.

Ministers around the table chose to take a highly selective interest in the scope for concerted action at Community level, picking out those few specific aspects of Commission proposals which happened to coincide with priorities fixed at national level, rejecting all which seemed to run counter to prevailing national economic ideology. Some of those countries which have the most room for manoeuvre in economic and financial terms emerged as those least willing to play a role in support of those countries with their backs against the wall. Economic stabilisation was seen by the majority in purely national terms. The reorganisation of working time was seen by most as an issue far too complicated to be taken in hand by governments and best left to the social partners. Only those governments that have begun to show themselves committed to finding some immediate solutions to the unemployment problem were able to understand the vital potential for job creation that can be negotiated on the basis of reductions in working time. The Social and Regional Funds were as usual invoked right and left to support various national causes. Rarely was the idea of Community solidarity seen as the way in which Member States can support each other in their specific initiatives for economic and employment recovery.

Perhaps the only area of some consensus was with regard to young people. While this may be some small comfort, I would nevertheless agree with you, as stated clearly in Charter on Jobs for Youth, that youth unemployment cannot be solved in isolation for the wider problems of unemployment. There was however a general welcome for the proposals of the Commission in this area which specifically concern young people. I should now like to make a few remarks about these.

1. Firstly, welcome support was given to the new action programme on the transition of young people from education to working life, agreed by the Education Ministers last May. This is an important programme, following on from the first launched in 1976, which will develop further the whole concept of preparation for working life in the context of general education in the last few years of compulsory schooling. The emphasis will be on the interaction between school and the local community, paying attention to the new challenges that arise from very high levels of youth unemployment.

2. Secondly, a fresh impetus was given to the preparatory work for Council agreement on the new programme regarding vocational training and new technologies.

We are particularly keen to ensure

that the advent of new information technologies does not provide a new cause for polarisation between the more and the less fortunate members of the population.

3. The Jumbo Council also re-affirmed its "commitment to ensure that over the next five years all young people entering the labour market for the first time should be given the opportunity of taking vocational training or a first job experience". The Commission has formulated this commitment in more detail as a training guarantee, not limited to the 16 - 19 age group as you may have been led to believe, but as a training entitlement for all young people under the age of 25. More precisely we consider that "all young people who so wish should have unconditional access to:

- (a) a full-time programme of social and vocational preparation for working life during an initial one-year period immediately after the end of compulsory schooling, and
- (b) an entitlement to the equivalent of a further one-year period of vocational training to be used on a full-time or part-time basis before reaching the age of 25.

This social guarantee would nevertheless carry with it no notion of compulsion. By combining two types of provision, it would be designed to offer a degree of protection especially to the more vulnerable or disadvantaged young people in the two year period following the end of full-time compulsory education, and at the same time to develop a sense of initiative on the part of young people themselves, to promote an awareness of their responsibility to complete their initial vocational training and to encourage a taste for life-long learning.

This concept has been described in the Commission's latest Communication on vocational training policies in the 1980s.

4. Commission proposals for adapting the European Social Fund to the needs of the Community in the 1980s are already on the table at the Council. Without attempting to explain these proposals in detail, you should know that very specific measures are envisaged to make it possible for the Social Fund to give more broad-based support to the implementation of the Social Guarantee. The Commission is also hoping that the Fund will have wider scope to support local employment initiatives and the whole range of counselling and guidance facilities necessary to stimulate job creation activities at local level. One of the main tasks before us is to improve the role of the Social Fund in contributing to innovatory policies in Member States.

5. The Social Fund is still vastly over-subscribed. Although it represents the main instrument of Community financial intervention in support of measures to combat unemployment, we will need a massive increase in resources next year, if we are going to be able just to keep pace with the increasing volume of applications. The European Parliament has in this respect been a most valuable ally, putting as its main priority in the 1983 budget negotiations a doubling of Social Fund resources to bring it up to a total of 2,500 million ECU. Thanks to parliamentary insistence, the Council of Ministers is now beginning to see that its rhetorical words about youth unemployment must be matched by money. The latest news from the Council, which met until early yesterday morning, shows the Social Fund budget now being edged up towards the mark of 1,700 million ECU. There is clearly still a long way to go.

6. The Social Fund can support training programmes and also specific measures to increase the volume of employment opportunities whether by recruitment premiums or other forms of subsidized job creation which respond to the needs of the local community. The Social Fund cannot of itself initiate measures, however.

There are already signs that most Member States are beginning to take seriously the idea of a training guarantee at least for first job-seekers. But however important the pursuit of an effective and more equitable training policy may be, I believe the credibility of training in the eyes of young people will depend largely on the availability of employment thereafter. This is borne out by your own working paper with questions and answers on youth unemployment.

How many of the four and a half million young unemployed displayed on your poster have already done their term in a special youth unemployment programme, which might have given them a few more skills but no real prospect of stable employment? The Commission believes that it is necessary to revise radically existing attitudes to job creation and recruitment policies. Urgent consideration needs to be given by public authorities and social partners alike to the further development of special recruitment programmes for young people linked to reductions in working time.

In addition to measures to stimulate recruitment, we have to develop a new approach to job creation. There have in the past been several types of initiatives in the area of temporary job creation - "make-work" programmes supported by public funds, temporary jobs in the public sector and so on. These have most often been of limited scope and duration and have sometimes encountered the opposition of public service unions, themselves affected by cuts in the public sector. Given the sheer scale of youth unemployment, particularly in areas of the Community where the traditional private sector of employment is simply not capable of generating enough vacancies to satisfy first job seekers, an expansion of certain forms of subsidised job creation is urgently required.

Alongside such actions, a much more developed system of local guidance and counselling centres for young people is required, to support and encourage young people not only when they are about to enter the labour market but also when they are trying to find durable employment within it in their teens and early 20s. The Community

has a role to play, in particular through its various financial instruments, in supporting the expansion of special employment provisions for young people as well as for other disadvantaged groups such as the long-term unemployed. With this in view, I am preparing a new communication on youth employment which will be submitted to the Council early in the New Year. We intend to study a number of related issues, including the possibility of setting employment quotas for young people in part or all of public employment, the influence of different types of age-related salary scales on employers' choices between workers and the specific problems that need to be tackled for those young people who experience repeated and prolonged periods of unemployment.

These ideas concerning job creation for young people are those that the Commission has already presented for initial discussion to the Standing Committee on Employment, where the European trade union and employers' organisations are represented alongside Ministers of Employment, and to the Jumbo Council. The response has not been overwhelmingly enthusiastic. Job creation is not a theme that governments are accustomed to coming to grips with. They are still - even after the experience of the last five years - tempted to place their trust in the employment-creating capacities of private enterprise. There is great reticence towards all that concerns job subsidies and grants towards so-called "non-productive" activities. It is here I believe that we still have a major psychological barrier to break down. It is not in my view a financial barrier, for we are in effect talking about a more efficient and creative way of using public expenditure.

"Jobs for youth" is your slogan. It is clear and to the point. It can unify young people across frontiers, and it is time for the voice of young people to be heard at Community level. The Commission will do its best - and I hope you will acknowledge that many of your ideas have already been taken up in Commission proposals. I hope, however, that your campaign - which should not limit itself to the Community institutions - will develop a momentum at all levels in all Member States. If the Community institutions themselves have together so far failed to provide the leadership in the fight against unemployment that you and I would have hoped, it is time now for the pressure to come up from the grass roots, from young people and the growing ranks of the unemployed. I wish your campaign all success and I congratulate the Youth Forum on this initiative.