## **Prime Minister's Speaking Notes**

## "Greek Employment Policy,

## Views on Employability-Education-Training"

1/4/1998

Employment is actually the stickyard on the basis of which our societies will measure the success or the failure of our government policies, of our European institutions, of our big plans to develop a new and strong Europe. During the previous decade many attempts have been undertaken by different governments to deal with the problem. However, the persistent high rates of unemployment are the sign that the problem is complex, the difficulties are significant, that our policies have not been very successful and that many efforts have to be undertaken.

The decisions we took in Luxembourg established a good framework, but expectations should not be overestimated. We have to intensify our efforts and particularly to make them more inventive, more appropriate to the importance of the employment issues and to the complexities of the problem.

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Employability = Ausbildung, Weiterbildung ln ≝urope, it is not only employment we have to support. Of equal importance is the question of satisfactory remuneration levels, improving income levels and of overall welfare. Also, a closely related issue to the above is preventing an increase in the instability or vulnerability of the workforce. These developments are neither desired nor affordable, while policy implications to such problems are beyond the sphere of pure economic policy.

Beschäftigungsfähigheit

We must consider the fact, that economic changes implied by the globalization process and the need to remain competitive, could cause social costs. Meeting competitive pressure should not necessarily mean deterioration for wages, widening income inequalities or even social unrest effects. Investments on human resource development, investments on new infrastructure and on new technologies, accompanied by some social policies, become of essential value.

Hence, the challenge we are faced with concerns employment, coupled with satisfactory income levels and social protection. It has been argued that these might be contradictory targets. We must prove to our people the steady presence of both targets on our agenda. Most importantly, we need to keep the appropriate balance between them.

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European employment policy places employability among the components of the overall strategic response, along with enterpreneurship, employability, adaptability and equal opportunities. Undoubtedly, in an era of rapid technical change, labor abilities and knowledge should be able to we all agree respond and adjust rapidly, to Education, training, lifelong learning, and more active labor market policies favor the improvement of skills and qualifications of the workforce. Evolution of skills to match the requirements of the labor market, shifting sources from passive to active policies, as well as job-creation programmes contribute to the creation of new jobs, but also What is the success of these policies to the security of existing jobs. aptoknow concerning wemployment In comparison to other contries a

Experience has shown that upper secondary education (or its vocational Marcy of they very crucial for employment. Equally, positive eunloged equivalent) is What educaaccumulative results could be accomplished through additional training. Formation professional additional training. Possibly, intervention in the case of secondary education could prove Growing necessary towards changing its content to meet the current needs of society as well as to make educational systems more con nature and level of our social knowledge. Particulary, this could provide young people with upgraded knowledge and more flexibility, when preparing Percon each them to adapt to rapidly changing labor market requirements.

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However, these tools have their own limits. Hopes cannot be kept high for all categories of job-seekers. Not all can have access to learning and training opportunities. Even in the best case, individuals benefiting from these need time to experience positive results. Particularly, for some vulnerable categories (ie. young, women, less skilled, job-seekers near retirement-age), the chain "improving skills - finding a job - staying in employment and higher income prospects" is not always secured.

All this brings us to considerations that additional and more successful work has to be done on this area. We are faced with the challenge to achieve a balance between higher rates of employment, social cohesion, while maintaining the necessary fiscal consolidation, price stability and sustained growth.

From the standpoint of the situation already mentioned previously, Greece has elaborated and is implementing its National Action Plan for Employment with particular emphasis, among others, on education and training. Our training policy focuses on two areas:

- a. preparing manpower to adapt quickly to the changing requirements of competitiveness today, with stress on some specific categories i.e. young, long-term unemployed, women, and disabled,
- b. giving more weight to active policies as compared to the past, and
- c. offering a set of alternative solutions and upgrading skills for manpower employed in sectors which are faced with competitive problems.

In dealing with the unemployment issue, the reform of our secondary educational system is considered as a priority. The improvement of our education system is a key of our long term and steady response to constant changes taking place internationally and the demand for individuals prepared

to adapt quickly to changing requirements. This reform serves purposes such as improving the quality of education, creating an alliance between education and labor, reducing the number of school drop-outs and responding to the country's social, economic and productive needs.

To conclude, I would like to point out that there are no magic solutions nor common ones. Obviously, the impact of traditional policy instruments is not the same as in the past. Also, it is difficult to perceive a single ideal policy for all our countries. However, the fundamental expectations of our citizens have remained unchanged. Facing unemployment risks and protection from economic insecurity are two sensitive values and our governments are asked to deal with them continuously, efficiently and in consistency with all our major goals.