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**SUBMISSION ON ISSUES SPECIFIC TO WORKERS OVER 45 YEARS OF
AGE SEEKING EMPLOYMENT OR ESTABLISHING A BUSINESS
FOLLOWING UNEMPLOYMENT.**

INTRODUCTION:

The issues affecting unemployed workers over 45 years of age in seeking employment or the establishment of a business, would on first glance seem to be of mainly social considerations. These considerations are of prime importance to the large numbers of those between the ages of 45 and 65, as they encompass the twin evils of apparent failure in life in being unable to re-enter the workforce, and the lack of confidence in themselves together with the shame of loss of status when compared to their previous economic position.

However, the above considerations do not take into account the circumstances of lost skills, diminished productive capacity, training and development skills within the workforce, through the loss of experienced workers. All of these considerations are of the utmost importance in maintaining and growing our so called "smart Australian" workforce.

POLICIES:

The Government has been acutely aware of the problems of returning people to the workforce and in placing youth in employment. In recognising this problem a variety of schemes have been brought into Legislation, recognising in particular the requirements of youth, long term unemployed, and various facets of unemployment. Whilst supporting these worthwhile measures, there appears to be little or no specific policies directed at assistance to the middle to older range of workers in the 45 to 65 years of age category, who are in need of particular consideration in their plight of unemployment.

SIZE OF THE PROBLEM:

The size of the problem has not, to our knowledge, been quantified in exact terms of middle range unemployment, so the following figures are an extrapolation of official age demographics.

***Australian Population as at December 1996 (45-65 age group)
(Table not reproduced)***

Although not updated to 1999, this is a significant proportion of our population and represents a high proportion of those already in the workforce or seeking to re-enter the workforce. If a median unemployment figure of 8.4% was used to calculate a conservative figure in the 45-65 age group. The following estimates would indicate the possible minimum number of unemployed in that group.

<i>Women – say 42% available for work</i>	<i>798,648 x 8.4</i>	<i>67,086</i>	
<i>Men – say 92% available for work</i>	<i>1,789,976 x 8.4</i>	<i>150,358</i>	<i>217,444</i>

Thus conservatively, close to a quarter of a million people in the 45 to 65 age group are unemployed and this group is being affected by a number of serious issues.

45-65 UNEMPLOYED :

The following issues are of grave importance in considering the problem of unemployment in the 45-65 age group.

1. **Loss of Skill and experience** : As anyone in this age, group would have had at least a quarter of a century of work experience, there is the spectre of :
(a)**Loss of Skill** - right throughout the whole range of business, professional, commercial, manufacturing and agricultural undertakings. Further, skills in particular areas could be lost completely if there was a run-down of a particular business or industry, or if retrenchment occurred through business circumstances of a take over and subsequent re-establishment overseas.

(b)**Loss of Experience** - occurring right across the broad sweep of business, professions, commerce, manufacturing and agriculture. This loss of experience is already showing up in the placement of younger persons in the workforce in preference to older applicants because they are considered 'too old', after the age of 40plus, is reached. This experience drain is not being addressed in any known scheme of re-employment for the 45-65 age group.

2.**Education** : Of young employees has lapsed in the practical area and although "work experience" schemes are used from time to time, there is no substitute for the passing on of practical experience and skills by a trained person with over 25 years experience. This is particularly so in the trades and services areas. The drop in the training in these areas at school level exacerbates this problem.

3.**Asset Depletion** : Has been suffered severely by many unemployed persons in the 45-65 age group, when they are at their most vulnerable with uncompleted mortgage commitments, home and family obligations. Whilst the mortgage payments may now be extremely difficult or even impossible to complete, the assets themselves may not realise anything like their value to the owner, the net result being a depletion or loss of assets which cannot be replaced in retirement.

4. **Productive Capacity** : Perhaps the loss of productive of 'this group of' persons is the most serious aspect as far as our economy is concerned. They are skilled, experienced, willing to work and capable of 'a high degree of productive capacity. Yet, if they are not part of the workforce, their purchasing power is removed or reduced as a stimulus to our internal economy, a factor which cannot be overlooked when we are talking of approximately a quarter of a million workers.

SUMMARY: The range of workers in the 45-65 years of age category are still a well trained, skilled and experienced group, who represent a potentially high level of productive capacity. They also represent an important source of purchasing power in the internal economy of our country. For these reasons and for the issues raised in this submission, urgent attention is requested for the creation of active programs which will rectify a situation which needs fair and equitable treatment.