

Thank you for receiving my written submission and for your time today.

My motivation is the desire to make a contribution to this critically important national issue and to assure the Inquiry how strongly my own experiences reinforce the relevance of the terms of reference. My submission is based on actual and current personal experience. My appearing here today is to state personally to you how relevant to absolute living reality are the terms of reference. And to personally encourage you to be pro-active in your findings and eventual recommendations.

I have accessed the transcripts of the presentations made to these hearings by private citizens. All are further testimony to the relevance of those terms of reference and are a credit to their presenters. I have also accessed the report to the National Bank of Australia by Dr. Vince Fitzgerald and Catherine Rooney. This report was released on the 12th October 1999.

My own recent and current experience is that the longer spent in one role or organisation, the more likely it is that prospective employers see the skills base as too narrow. And that it's totally difficult - all but impossible - to suddenly reinvent oneself and the temptation to quickly become an entrepreneur or a franchisee very likely means small business disaster. My own experience totally supports comment made to the Inquiry on 16th September re small business.

The issue is growing publicly: in both the Parliament and the media. Dr. Margaret Steinberg heads the University of Queensland's Healthy Ageing Unit. When addressing a symposium on the mature -age workforce she evidenced the ageing of the population and is quoted as finding that 7% of Qld. employers labelled workers past their prime at age 36. Dr. Steinberg is also quoted as claiming that, "... covert discrimination" in the freezing out of mature-age job-seekers is occurring. Outplacement provider Morgan and Banks, is quoted as finding that 25% of Australian firms recorded a decline in the proportion of workers over 45 in the past five years.

If the trends behind these statistics continue, people wont be working long enough to self-fund .. The Fitzgerald report (page 18) details what are some suggested economic effects of the reduction of participation of older persons. My experience, as evidenced in my written submission, strongly supports these suggestions

There is overall jobs growth: in Queensland at least. Unfortunately this growth is not impacting on the mature age employment situation. Dr. Steinberg's comment regarding "covert discrimination" appears to be well supported by the statistics.

The presenter of the TV programme 'Money' Paul Clitheroe referred to the issue. Mr. Clitheroe echoed other findings that the average age of retirees is very quickly falling. Fitzgerald (page 29) comments that many reasons for this fall are "masked". Mr. Clitheroe stated that corporate performance appears to be measured by the number of

jobs shed. What percentages of the shed jobs involve older persons? He stated "as we get older..who dominates the vote-us baby-boomers." My written submission made the same point.

Whilst the employment paradigm has changed, countless older workers are still inside the old paradigm. The irony is that today's disaffected will, as Mr. Clitheroe states, dominate tomorrow's elections, and, if nothing is done NOW, then quite conceivably, we baby-boomers will demand and get at the ballot box an age pension, even if we are self funded.

This is the year of the older person. It is also the year we celebrate the 50th anniversary of the great initiative known as the Snowy Mountains Scheme. Every effort must be made to maintain employment currency. Now is the time for employment initiatives of Snowy proportion.

SUGGESTIONS

I suggest that this committee take the initiative in the implementation of the Ralph Report. Alice McCleary, a Ralph Report architect is quoted as saying the Ralph Report reforms mean "a revival of takeover activity in corporate Australia.". I suggest the committee have strong input into any effect that implementation has on employment: especially mature-age employment.

In my view, Government initiatives regarding mature age employment would be welcomed by the community. The Executive Summary of Fitzgerald's report states that an "issue of public policy" exists. I believe Government initiatives NOW would be seen as positively as the Snowy Mountain Scheme has been.. Any initiative NOW, rather than it having a negative impact on organisations, will be of long term benefit to the market as social stability is achieved by the facilitation of continuing participation. Or to put it more bluntly, ensuring customers have money to spend.

I have formulated a series of steps that could be used as the basis for a Government initiative in optimising the redeployment of older workers.

Firstly. Develop a Government discussion paper that looks at various options and is under-pinned by socio-economic modelling and a cost-benefit analysis for each option. One of these options should be a legislative obligation on employers that, before redundancies occur, organisations must demonstrate a robust exhaustive and total exploration of redeployment where there is a continuation of activity in the same area of commerce. This would apply to both internal restructure and outsourced functions.

Secondly. The discussion paper should then be released by the Government and socialised with the community in a series of public forums and used to formulate a draft policy and supporting legislation to be taken forward by the Government. The legislation should allow for an independent compulsory assessment of the redeployment exploration undertaken by the employer.

Ms. Gambaro has stated that programmes targeting *redeployment* rather than redundancy are already happening in Germany. Senator Newman makes a similar comment regarding China. In it's current global restructure the Nissan Corporation is reported as doing likewise.

In conclusion

My comments and suggestions are restricted to the area of the issue which is inside personal experience: ie restructure, redundancy and reinvention..

Legislated initiatives resulting in *redeployment* may mean a shift by older workers to other than full time hours and to reduced income expectations.: again Fitzgerald refers. Tax credits which would maintain superannuation -the ability to self-fund-would be appropriate. With an ageing population this would be an investment in the present psychological, and future financial well-being of our society.

Legislated *redeployment* will ease pressure on these statistics. And avoid much of the undeniable hurt. The analogy regarding this hurt, drawn by Mr. Sawford in Adelaide on September 16th, is very apt. Such hurt is very probably contributing to the rising, damaging and expensive incidence of depressive illnesses. One study suggests that by 2020, the only disease more prevalent in the western world than depression will be ischaemic heart disease.

The Inquiry is in a historically unique position. The opportunity to be pro-active on this issue must be seized.

The reaction to the revelation of a premium pricing policy by SOCOG underscores the Australian community's expectation of fairness and a 'fair go'!

Unless a correction to the mature age employment situation is made NOW, older Australians, who Dr. Steinberg believes are suffering from "covert discrimination" will very soon be very aware of a real lack of fairness. And won't tolerate it!

As Mr. Clitheroe says "**....as we get older - who dominates the vote - us baby-boomers**".

Unless a legislated public policy initiative, by necessity as courageous as the Snowy scheme, is adopted NOW, the mature age employment situation will precipitate a cataclysmic, socially and economically damaging, baby boomer electoral backlash.

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Fitzgerald Report

attached

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