

Please feel free to contact me in regard to any of the issues presented in this report. Thank you for the opportunity to present my case.

Kindest Regards

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Business Format

**HOUSE OF REPRESENTATIVES STANDING COMMITTEE
ON EMPLOYMENT, EDUCATION AND WORKPLACE
RELATIONS**

Topic

**Issues specific to workers over 45 years of age seeking
employment, or establishing a business, following unemployment**

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Introduction

Much of what is included in this report relates directly to both my life and business partner and my own experiences. When unemployment first loomed for my partner at the age of 48 years we were not too concerned believing that in the near future a position would arise and we would resume our current lifestyle until retirement. Some twelve years later our lives have changed dramatically. With one wage coming in and the sole responsibility for both of us resting on my shoulders, life became a little difficult at times. We have now been further plunged into despair when unemployment was then forced on to me through the new tendering process which took the New Enterprise Incentive Scheme (NEIS) tender away from the then Managing Agents and gave them to not – for – profit organisations some twelve months ago, (I was employed as a NEIS trainer and Co-ordinator). We went into further decline and are now living from day to day and desperately working on developing our business without any support other than unemployment benefits. Our current circumstances are intolerable.

From this background I am putting my views forward as to the changes I foresee as being necessary and significant to this age group of 45 plus, to give us back our dignity, and hope for the future. We are not looking for sympathy, handouts or welfare, we still have a lot to contribute in skills and experience and for many of us pensions and retirement benefits are far from what we want.

We may be more mature but we still have dreams and are achievers. We in this age group do not want to be unemployed. Circumstances have not always been the kindest to us but this does not mean that we do not dream, we still want to achieve something in our lives. Who are the corporate business builders? Not the young! Who are the judges? Not the young! Who are the politicians, the risk takers? Not the young! Give us a chance, we have a lot to offer, we can be employers, teachers and counsellors, we understand because we have been there. From the beginning of time, it has always been the old teaching the young. Perhaps things haven't always been perfect but the majority of older people can work effectively and assist through self-employment to provide the young with employment and self respect.

Executive Summary

It is impossible to turn back the clock to correct past mistakes and to right the wrongs of an age gone by when superannuation was by invitation only and priorities were to purchase a house and not to think about retirement. For many people from that era it is too late to change the things they did not know. These people can not move backward to rework their lives and can not move forward to create a future, time does not allow them to right their wrongs in any other way other the through self employment, so the majority of this age group exist without a future.

The indications are that age is the contributing factor to not finding employment. Age has never been recognised by government departments as being detrimental to finding suitable employment. However, when this is indicated as a problem by organisations like the past Social Security and now Centrelink, then obviously age must have some bearing on the final decision for people to go into self employment

This is clearly indicated by the over 45's and many are looking at buying a job through self-employment, purchase of an existing business or a franchise. The following information has been accumulated since 1994 by myself, in the process of gathering statistics for DEETYA and has not altered a great deal since then.

- Lack of employment opportunities for people over 45. It was suggested by Social Security system that the unemployable age was more like 38 years.
- The average age of unemployed applicants successful at obtaining NEIS support in 1996 –97 was 37.5 years
- Reluctance of employers to interview older applicants
- Down sizing was the main cause instrumental to the unemployment of this group

Down sizing and multi - skilling has left a gap in the middle management sector that will never be filled again.

Proposed Recommendations

1. Requiring potential business owners to undergo some form of business management training and providing a business plan before the issuing of Business Registration Certificates.
2. Certificates should be issued on the merit of the business plan much like the requirement for bank loans, this will ensure the business has a reasonable chance of success.
3. Assessments of the business plan to be carried out by a panel much like the NEIS Advisory Committee, comprising of one accountant, one government representative (possibly a Business Enterprise Centre) and one small business owner.
4. That small business registration numbers should act in the same manner as ACN numbers. They should appear on all documentation and should not be discriminated against for government contracts or tenders
5. A complete overhaul of the selection process and eligibility criteria of the NEIS program
6. Include categories, 1.Feasible Business Idea, Starting a New Business, Purchasing a Franchise or Buying an Existing Business.
7. Offer all new small businesses some form of business support for 12 months following the New Enterprise Incentive Scheme (NEIS) criteria of payment. Not to be penalised for earnings in the first year for new business start-ups, alternatively mentor support for purchasing a franchise or existing business on a monthly basis.
8. Funding opportunities available to those who have not been actively involved in their business for a period of twelve months due to employment, although the business has been registered.
9. NEIS funding opportunities for those who have not generated an income in twelve months over that paid by unemployment benefits without any form of business support
10. Business Planning assistance for anyone employing under five people that do not have a written business plan, plan future employment needs.
11. Notification to Centrelink *after* receipt of payment. Payments deducted the fortnight they are received rather than when the work was carried out.

The recommendations have been listed in order of priority .

Summary:

These recommendations will achieve numbers required and ensure the majority of participants on the NEIS scheme are there because of business feasibility or viability and not using it merely as an escape from job search activities or to make up numbers.

In many instances they will assist existing micro businesses to develop a business plan to encourage growth and assess future employment needs.

The social issues

The social issues directly attributed to unemployment in over 45's, is completely different to those of the young unemployed and this must be recognised by both government and society. Many of this group of people throughout their childhood, saw the male as the head of the house, the breadwinner and looked up to them with respect. Women were relegated to the kitchen and to look after the children.

For men it was not considered a necessary requirement to fill the female role as they do today. This 45+ age comes from a different time and many from both sexes had to reinvent themselves to adapt to this new awareness. For some, it came easy but for most, they came around struggling and kicking along the way. Unfortunately for many, they still see life through their father's or mother's eyes.

They were as children, instructed to go into a profession, learn a trade, buy a house, get married, raise a family, work hard and live for today. For many they started work from as young as fourteen years old and stayed in the same job for many years and retired.

They were invited to join a superannuation fund after five years of loyal service and depending on their circumstances either accepted or declined this offer. The invitation to join super was held in high regard and merely being asked to join was an achievement.

From this background many of the over 45's are now facing unemployment. They find it difficult to accept being placed on the scrap heap and are embarrassed to queue up for 'Dole' payments. They resent being questioned by someone half their age and they detest being patronised. They feel unworthy; they have lost their own self-respect and feel they have lost the respect of their families. Many would give anything just to be able to earn a full week's wage and go back to what they came from.

Some turn to Self Employment

Age

Statistics gathered by a Managing Agent for the New Enterprise Incentive Scheme (NEIS) from 1996 to 1997

Age Group – NEIS Participants counted 210

18 – 20	6
21 – 30	56
31 – 40	64
41 – 50	49
51 – 60	33
61+	2

Average Age 37.5 years

1. Age was the contributing factor to not finding employment as indicated by this group.
2. Many were looking at buying a job through self-employment, rather than developing a business.

Age is never been recognised by Government Departments as being detrimental to finding suitable employment. However, when this is indicated, as a problem by organisations like the past Social Security and now Centrelink then obviously age must have some bearing on the final decision in the selection of suitable applicants for employment.

If after lodging, many job applications both below and above the abilities of an applicant and able to secure only one appointment in twelve months, (in particular, when requests are made for photos rather than one-on-one interviews by potential employers), the question must be asked “what is the criteria for selection?”

The final indignation for this age group must be when young employees of Government organisations such as past Social Security and now Centrelink suggest such activities as listed below:

Employment Opportunities

- Joining a church for the purpose of networking for a job
- Child minding, suggested to a male over 50
- Over 50 male recommended to take up house cleaning for working couple
- Suggestion that if the work is satisfactory added benefits may be clothing and other items handed down to cleaners by house owners
- Insisting that work regardless of how many hours must be taken by the unemployed. (to be further discussed in the next chapter)

Personal Indignities

- Over 50's referred to organisations to teach them how to present themselves at a job interview, how to dress and how to conduct themselves when in fact the Government employee half that age, carrying out the assessment for continuance of benefits was in desperate need of personal development and presentation skills.
- After 30 or 35 years of employment, the embarrassment of having to discuss very personal issues with complete strangers.
- Only offer of employment in twelve years as Father Christmas for four weeks casual work over the Christmas period last year.

Confidentiality

- How many CV's or resumes with very personal details must be sent to how many people from unknown backgrounds?
- Who questions the potential employers' backgrounds and credibility?
- How is it known this information is not circulated to other people for the purpose of mailing lists etc?
- Government Departments ensure confidentiality, who ensures this in the private sector?

Economic Issues

How does unemployment effect this age group economically?

The industrial face of the world is changing at an alarming rate; robots are doing the work that was once carried out by humans. By downsizing, technological advances and requiring people to be multi-skilled, there is an increasing drop in the need for manual labour in industry and commerce, reducing the dependency on the human race to fill employment vacancies.

In the mean time the income that now no long exists cannot circulated via retail goods and services etc, hence the economy breaks down, taxes increase to cover the extra benefits paid out and the vicious circle continues.

These people whose only course of action is self-employment.

In some instances the now unemployed middle manager has taken a reasonable redundancy pay-out and is looking at self-employment as an alternative. The money is invested in a small business or franchise. Due to inexperience, this money is handed over in the hope that it will secure a lifetime of income to live on in retirement, only to discover that the business was not turning over what was stated, or the skills did not exist to understand what was involved in the commitment and so within a year the pay-out has disappeared and the situation has become desperate.

Worst Case Scenario

It is a well-known fact that most people live above their means with little if any savings. They spend as much and usually more that they earn with little concern for future commitments. Yet, if it is looked at in an honest way who does live within their means?

At 45, most people will still be paying a mortgage on their house. Perhaps not a large one if they haven't improved their living standard and resisted the desire for a new or more modern home or car or both. They purchase houses and cars and calculate that at the current salary, the debt would be discharged within 5 to perhaps 20 years and then all would be well.

Within six months of signing the contract they lose their jobs, income is cut by two thirds and debts have escalated due to increases in bank charges, council rates, school fees and

other every day needs. To make ends meet they start dipping into their savings. Within a very short time there are no savings and it becomes exceedingly difficult to make ends meet.

Before long the strain begins to show on the couples' relationships and signs of cracking appear, there is never enough money to cover everything, Children's demands increase the mortgage doesn't get paid, the marriage breaks down and there is a divorce. From there, the circle begins again with new partners, with the purchase of new houses at higher prices etc: etc.

Case Study 1

Couple on unemployment benefits, Male is 60 years of age, has acute arthritis and is waiting for knee replacement surgery. He is on twelve-week benefit form lodgement and required to approach two employers for work every twelve weeks. Female is 54 years old, made redundant from her last position of employment, lodges her form, must apply for two jobs a fortnight, and is required to take any position regardless of hours. They have no savings due to circumstance that are not relevant to this case study apart from the fact that their commitments take the major part of their Social Security payments, leaving little if anything for the very basic necessities of life. They feel their commitment is to paying debts incurred in the good times, at the expense of a meal.

Calculation on taking a part-time position

Despite continued attempts at finding employment the only choices were short-term contracts for 30 hours or less, on an as needs basis.

(Deduction figures may not be exact however, they are reasonably close to those estimated for the purpose of this example).

Couples combined Social Security payment per week		\$293	
12 month contract position becomes available for 30 hours per week	\$32,000		
Salary paid on a pro-rata basis	\$25,600	\$492	per week
Less Tax Deduction @ 36c in the \$		<u>\$177.12</u>	per week
		\$314.88	per week
Superannuation @ 7%		\$43.00	per week
Extra expenses, petrol, clothing, and personal needs		<u>\$ 50.00</u>	per week
		\$221.88	per week

Who is able to cover commitments and live on this income?

The concerns are

- Supporting two people on this income
- Pressure placed on the older female to continue working to support both people
- No accumulated sick leave (age group higher risk of illness, longer recuperation period)
- Retention of one or more week's wages by new employer
- No work over the Christmas period, length of employment does not provide adequate annual leave payments

Case Study 2 – Younger families

The issues above do not only apply to older people; young people with families also face a new way of approaching employment.

- Person of 32 years of age
- Reasonably well educated
- Married with two young children
- Purchasing a house

must plan while employed, not for the future and retirement but, for the next time unemployment looms at the end of a short-term contract (six months). The questions this group asks is not “can we go on a holiday?” but “we must save to manage on benefits when the contract is finished?”

Industrial

Down sizing and multi - skilling has left a gap in the middle management sector that will never be filled again. This is the middle management area, 45+ age group who have developed years of experience and skills. It must be recognised that if they are made redundant from the sector that is downsizing and multi-skilling then where are they to find employment in their area of expertise. If one company is downsizing then it is inevitable that another company will be doing exactly the same. So, where are these people sometimes one member of the family and at times both, going to find work so that they can generate an income and live at a reasonable standard?

In the 1980's, apprenticeships were declared as outdated. Many tradesmen at the time bemoaned the fact that there would be a great shortage of skills in the future if this issue was not addressed. Today's tradesmen are old tradesmen, the need for skilled labour still exists and traineeship and apprenticeships are now considered the great hope for our future young people.

Is this the direction our middle management will take? Will we see a future need for the very skills we are throwing away today?

Teams

The big push and drive is working in teams with each individual having some say in the overall direction of the company or government department. With every team member taking responsibility the need for middle management no longer exists.

Long Term Effects

But what are the long term effects of short contract work with teams in place that barely get to know each other before the team is broken up again. Or decisions made by one team only to be pulled apart by another and who takes that final responsibility?

These questions must be asked

- What continuity is there within these teams?, either in industry or the corporate sector
- Who takes responsibility for short-term decisions started by one team and completed by another?
- How can any one person be trained in a position that is constantly changing?
- Who trains the teams?

- Is it the 'academics' or the old team members if they are available or are they busy undergoing their own new team training?

Tenders

The trend is to tender out short term contracts. Every new tender released will require some organisation or individual to either have the skill to carry out that task or learn the system very quickly. The cost to industry and the government of constantly changing, learning and training is and will be astronomical.

Self Employment

It is recognised that in the US more than one in seven adults are currently self employed. It is estimated that there will be 30 million enterprises (from one-person operations up) in the US by the year 2000 and it is not unrealistic to assume that this trend will extend to Australia.

All indications are that there will be a few major (estimate around 6) companies controlling everything that is happening in industry in the future and work will be contracted out to individuals working from home offices either employed by the company or self employed.

It is also not unrealistic to estimate that with the current upsurge in technology that many small businesses will not be restricted to working in Australia alone, many will be working on contracts throughout the world via the Internet, from their home offices.

Over 45's have the practical knowledge and skills to take advantage of this massive change, many are extremely competent in working computers and confidently understand their way around the Internet. (This is certainly a skill that can be learned) Many have the self-discipline required to operate a home office and only need the opportunity to be able to become useful member of society once more. Unlike younger people, many older people have the discipline to work from home and are prepared to put in many extra hours because completing the job is paramount, the feeling of respect for themselves and others and payment for services is what it is all about.

This is what is being thrown away.

Volunteers

Today older people are placed in little boxes, they are greatly sort after as volunteers (these people are to be admired) for organisations that are usually cash - strapped or are not-for-profit organisations. The over 45 's can offer useful services provided they don't want to be paid but god forbid if they wanted wage.

Government departments and more and more not-for-profit organisations from florists to business management support and training, establishing themselves in direct competition with existing small businesses, and then set about recruiting volunteers to carry out the positions that would otherwise be paid employment available to older unemployed. It is becoming increasingly difficult for both small businesses to compete with these not-for-profit organisations and older people to find employment.

With Centrelink offering volunteer activities as an alternative to job search requirements for many, job placements will not be achieved. At least in the work-for-the dole situation young people are learning basic skills to assist them in securing a job. For older people the voluntary work given is based on their experience rather than re-training.

Certainly the volunteer organisation provide a worthwhile service and the criticism is not directed at them. However, there are a large number of over 45's that need to have gainful employment as volunteering will not pay the bills or put food on the table. Not every mature person comes under the heading of 'retiree with large super pay-out that has time on their hands to do volunteer work for the sake of the community'. For many of them, they want to be useful members of society without relying on handouts from the social security system, they don't want to retire early and they still have drive and ambitions, they have the skills and all they want is the opportunity to use those skills.

It must also stand to reason that if there are so many volunteer positions and work - for - the dole opportunities for the unemployed then why aren't these situations turned into so called 'real jobs'.

For an organisation to win a tender on a lower price, while making the assumption that they will find volunteers who will carry out some of the work at no cost, it must appear that the government is out to get the cheapest possible job done regardless of how many this move may effect or how professional these organisations really are.

1.Small Business Training - Business Development

It is often assumed that through employment the inner working of a business operation is automatically understood. However, a good employee does not necessarily make a good business owner. It is not enough to come as a past employee, from a particular business background or an industry area and believe all the pieces will fall into place.

For many potential business owners who came from an employment background they are merely looking to buy themselves a job and this is possibly the worst reason to go into business.

Through personal observation, despite what is generally thought, it takes small businesses approximately three years (there are exceptions to this) before sufficient cashflow is generated to allow business proprietors reasonable drawings or wages out of the business. The process follows along these lines although this is generalised for simplicity.

Small Business Growth Scenario

Year 1	spent almost entirely on marketing and establishing credibility, income may amount to equivalent to the unemployment payments
Year 2	earnings are re-invested into the business and the business may breakeven at the end of the year, drawings have still not exceeded unemployment benefits
Year 3	Business is making a small profit, re-investing in the business and drawings have increased to a more acceptable level.

The European Experience

In some European countries, in particular Germany it is a requirement that before the issuing of a Business Registration Certificate the potential business owner, regardless of background must undertake a basic business management course so they are armed with the knowledge of what is required in running a small business prior to commencement. This allows those who find that small business is not what they thought it to be, to pull out and seek employment. It will also determine those who are using the system to avoid employment.

Conclusion

Over 70% of small business owners fail to recognise the need for business management training. They believe they know enough about business and the time is better spent in developing their business. This is the case in the US and also in Australia and yet it is recognised that a similar amount of small businesses fail within the first year. This must suggest that there is an obvious relationship between the two.

It is a slow methodical growth that allows the business proprietor to grow in their understanding of their business. We would all like to see the rapid rise of a new business but too often following behind is also a rapid fall, particularly where there is a lack of understanding of how the business has developed and what the causes of both the peaks and troughs are.

Recommendation

Requiring potential business owners to undergo some form of business management training and providing a business plan before the issuing of Business Registration Certificates.

Certificates should be issued on the merit of the business plan much like the requirement for bank loans, this will ensure the business has a reasonable chance of success.

A panel much like the NEIS Advisory Committee, comprising of one accountant, one government representative (possibly Business Enterprise Centre) and one small business owner (paid) to carry out assessments of the business plan.

2. Contracts of work for the government will not be given to small business owners other than those who have registered as a company – ACN number.

To successfully gain a contract of work from a government institution a business must be register as a company.

Does this then infer that the government is only recognising those businesses that are registered as corporations. This suggests discrimination against small businesses that are generally advised not to register as a corporation until they have generated a minimum of \$40,000 in turnover.

Does this requirement then suggest that corporations are more honest than small businesses, or are more likely to provide better services?

To employ small business owners on contract and then require them to be registered with the Taxation Department as a PAYEE regardless of duration of contract (it could be for as little time as two or three weeks) The question must be “is this the most cost effective and efficient system for the government to use?”

This directly effects the cashflow of the small business.

Extra expenses are incurred for the small business proprietor when considered as an employee, ie motor vehicle expenses, appropriate and necessary clothing, meals, lecture handouts and other incidentals. These would not be tax deductible under the PAYEE system yet as a small business proprietor some would be deductible items.

Where is the line drawn as to duration of a contract before it is recognised as a part of the business or as a job?

Does this suggest work contracted to an accountant for the preparation of a business plan or mentoring a client for three months will then be considered employment as a PAYEE or are they and other professionals set apart.

Conclusion

Therefore, if a business is not recognised as legitimate when it is registered and a government contract can not be given unless the business is registered as a company then why bother registering the business name in the first place. The registration fee would be better spent in marketing the business.

Recommendation

That small business registration numbers should act in the same manner as ACN numbers. They should appear on all documentation and should not be discriminated against for government contracts or tenders, these should be given out on merit and capability.

The New Enterprise Incentive Scheme (NEIS)

The Program

The purpose of the NEIS scheme is to offer assistance to unemployed people to start up in business by offering business management training, twelve months financial equivalent to the unemployment benefit and mentoring support. It is recognised that the NEIS scheme has over the years produced very successful businesses who have contributed to the economy by reducing unemployment through self employment and at times offering employment positions.

The concern is that there are many restrictions ie;

- Must have a new or different business idea or fulfil an unsatisfied demand
- Cannot have started up in business
- Cannot purchase an existing business or franchise
- Cannot directly compete with existing businesses
- Must be unemployed and in receipt of benefits
- Must be self supporting within twelve months

The system

NEIS places are filled by selected unemployed people who have:

- A feasible business idea
- Have been screened to ensure that they qualify.
- Are put through a business management training course
- Produce a business plan that is assessed by an advisory committee for funding approval.
- Are prepared to put a minimum of 20 hours into developing the business.

This is the selection process for funding approval, that is until numbers come into the equation. The selection process only works efficiently and effectively if applicants are selected on merit and not on numbers.

A Numbers Game

Selection on numbers results in failure to complete the full course, because of loosely based research. Alternately if pushed through by staff who at times almost write the entire business plan and manipulate it to meet the needs of the Advisory Committee (which is and always has been the result of achieving targets), only to find the plan rejected, amounts to disappointment, loss of confidence and at times extreme anger by participants. This selection method is setting people up to fail and it goes against all principles.

Conclusion

The current selection process comes down to numbers required, as are the approvals for funding. Past experience has shown that one third is selected through business feasibility, one third due to participant's determination and one third to make up numbers.

With the current small business failure rate at around seventy six percent (76%) after twelve months and almost ninety percent (90%) after five years it is obvious that more needs to be done in educating people before they enter the self employment market. (These statistics vary between information sources; however, this is the average suggested).

And if, as it is suggested by the Australian Bureau of Statistics only eighteen percent (18%) of small businesses have a written business plan and the remainder six percent (6% of the total 24% successful small businesses), are well enough organised to develop their businesses without a plan then the obvious scenario is to produce business plans for new businesses to become successful and eventually look at employing.

Recommendation

A complete overhaul of the selection process and eligibility criteria. The NEIS program should be made available to all people who are genuine in their desire to develop a small business and have a feasible business idea, regardless as to whether they are starting a new business, purchasing a franchise or buying an existing business. For the latter it may be in the form of twelve months business mentoring support

Available to those who have not been actively involved in their business for a period of twelve months, through employment, although the business has been registered. The business would have to appear feasible.

Who have not generated an income in twelve months over that paid by unemployment benefits, Some businesses take longer to establish particularly if on a part-time basis.

Anyone employing under five people and do not have a written business plan

This will give the numbers and will ensure that the majority of participants on the NEIS scheme are there because of business feasibility or viability and not using it merely as an escape from job search activities for the period of six weeks if selected for training and twelve months if successful in gaining support.

The Current System

The current system applies insurmountable obstacles for people whether under or over 45 if they are looking to go into business for themselves, unless it is possible to access the New Enterprise Incentive Scheme (NEIS). Self-employment for many with limited funds is not an option yet determination and sheer will power spur them on.

Some of these difficulties are listed below

1. Requirements to lodge all earnings on the benefit lodgement form when it occurs, regardless of whether payment has been made.

The primary areas of concern under this system, are

- the length of time between the lodgement of the taxation registration form with the Taxation Department by the employer
- Payments kept in leu by employers
- When the first actual payment (fortnightly or monthly) is made by the employer and
- the requirement to inform Centrelink of payment by the recipient regardless of whether money has changed hands or not.

In effect, new businesses are penalised before they have actually been paid.

Case Study 3

- Contract starts after the first week of a benefit paid on a fortnightly basis.
- Taxation Application form to fill in is not presented until the second week into a six week contract
- The employer, a government department, pays fortnightly and keeps one week in leu until completion of contract.

Conclusion

Five weeks without payment, in the event of an error in payment this can be drawn out for further period.

Recommendation

Offer small business 12 months' support following the New Enterprise Incentive Scheme (NEIS) criteria of payment. That is not to be penalised for earnings in the first year.

Case study 4

- Business is hired to provide a service to a non-Government company.
- Total payment due will cancel out any payment of benefits for that one-month period.
- Work is completed in the last week of the month when the payment is registered with Centrelink and benefits are withdrawn for that fortnight
- The invoice is lodged in the first week of the following month; however, payment is not forthcoming from the hiring company until the end of the month, depending on company policy.
- No money has come in either from benefits or payment for services for the period of four to five weeks, which leads to extreme hardship for the business proprietor.

Conclusion

It is recognised that businesses should have sufficient funds to cover these occurrences, however, the reality is that many new businesses live from one social security payment to the next and reinvest all monies earned back into the business. Lack of funds is one of the major causes of business bankruptcies but for many, particularly those in the over 45 age group, their own small business is the only way out of the cycle of unemployment. They are prepared to and in many cases do forgo everything including food in an attempt to pull themselves out of unemployment pit.

In the case of the provision of a product the costs involved in production must be paid up front and could lead to a long period where a new business proprietor is out of pocket for a considerable period of time.

Recommendation

Notification to Centrelink *after* receipt of payment. Payments deducted the fortnight they are received instead of when the work was carried out. Dates and earnings information would still apply. There would only be a slight disruption to the printing of the benefit forms. This would be a fairer system than the one that now exists and there would be less rorting of the system.

Summary

There is discrimination and it is rife in the area of employment. It is the silent discrimination of *age* and yet it is screaming out to be heard. This discrimination *is not* recognised by the government or their agents regardless of which party is in power and it is not acknowledge as the major reason for rejection of job applications.

The excuses for not employing this large group (almost the size of youth unemployed) are given as over qualified, under qualified, not enough education, too much education. When a person has consistently been told in letter after letter that they are unsuccessful, is there little wonder they see themselves as failures, not able to provide for their families. All the amount of training and support from what - ever organisation will not help over come the feeling of low self-esteem, the feeling of no self worth. Helping people to cold call, write resumes or CV's will not give them the self-respect they want and need to move forward.

To suggest the taking of any job is better than no job at all is not an answer, it is no more than 'cooking the books' to make it appear there is no problem. Reduction of unemployed may be the ultimate aim of the government but this cannot and must not be done through under - employment or placing people in voluntary positions. There are many people who would take the opportunity to go into self employment but the penalties and restrictions put on them are too high so in the end it is far easier to except defeat and hope it will all end soon.

Putting people in jobs that do not stimulate them, nor give them full employment or give the self respect that they, the over 45's so desperately need is a failure by society and the government to recognised plight of this large group of people.

The problems and issues of youth unemployment are important and are the focus of all and so it should be.

But not at the expense of the older person.