

## OPENING STATEMENT TO HOUSE OF REPRESENTATIVES INQUIRY

30 SEPTEMBER 1999

MY NAME IS RON JENKINS. I AM A MEMBER OF THE MATURE WORKERS SUB-COMMITTEE OF THE ALBURY WODONGA AREA CONSULTATIVE COMMITTEE. I AM ALSO A MEMBER OF THE COMMITTEE OF MANAGEMENT OF THE ALBURY WODONGA BUSINESS ENTERPRISE CENTRE AND I RUN THE MATURE WORKERS PROGRAM IN ALBURY WHICH IS FUNDED BY THE NSW DEPARTMENT OF EDUCATION AND TRAINING.

IN OUR REPORT TO YOU THERE IS THE NEED TO MAKE TWO CORRECTIONS. ONE IS ON PAGE 15, IN THE BOTTOM LINE. THE PERCENTAGE OF BUSINESS FAILURES THROUGH LACK OF APPROPRIATE MANAGEMENT SKILLS NEEDED FOR THE BUSINESS SHOULD READ 51% NOT 1%.

SINCE WRITING OUR REPORT, WE HAVE BEEN PROVIDED WITH MORE ACCURATE STATISTICS FROM CENTRELINK IN RELATION TO LOCAL UNEMPLOYMENT. A COPY IS TABLED FOR YOUR REFERENCE AND I WILL REFER TO THEM AT THE END OF THIS SHORT PRESENTATION.

IN ADDRESSING THE SOCIAL, ECONOMIC AND INDUSTRIAL ISSUES UNDER THE TERMS OF REFERENCE FOR THIS INQUIRY, WE BELIEVE THAT THE FOLLOWING POINTS NEED TO BE MADE.

### SOCIAL:

REDUNDANCY PROGRAMS, THE CAUSE OF MOST UNEMPLOYMENT, ARE, IN FACT, AN UNPLANNED RETIREMENT AND CONSEQUENTLY MOST PEOPLE MADE REDUNDANT ARE NOT READY FOR THE HUGE CHANGE WHICH WILL TAKE PLACE IN THEIR LIFESTYLE.

THE SHORTAGE OF LOCAL EMPLOYMENT OPPORTUNITIES FOR THE MATURE AGED HAS ITS EFFECT ON RELATIONSHIPS AND IS CONFIRMED ON A DAILY BASIS AS NEW CLIENTS REGISTER LOOKING FOR WORK. THIS HAS COME ABOUT BECAUSE ONE OF THE PARTNERS HAS LOST THEIR JOB AND NOW BOTH HAVE TO SEEK EMPLOYMENT.

WHERE A SUBSTANTIAL PAYOUT HAS OCCURRED THE LIFESTYLE CHANGE IS TAKEN ON BOARD MUCH EASIER THAN ONE WHERE THERE IS A SMALL PAYOUT OR THE RECIPIENT IS UNDER 55. HOWEVER AS THE AVERAGE PAYOUT APPEARS TO BE NO MORE THAN THREE YEARS SALARY, MANY PEOPLE IN THE MATURE AGE BRACKET HAVE GRAVE DOUBTS ABOUT THEIR ABILITY TO SUPPORT THEIR FAMILIES.

DEPRESSION AND LOSS OF SELF ESTEEM ARE HIGH AND MANY CLIENTS ARE ENTERING A NEW WORLD AS FAR AS SEEKING EMPLOYMENT. MANY HAVE NEVER BEFORE REQUIRED A RESUME OR TO ATTEND AN INDEPTH INTERVIEW.

A MOVE TO MELBOURNE OR SYDNEY WHERE EMPLOYMENT IS IN GREATER ABUNDANCE IS TEMPERED BY THE HIGHER COST OF HOUSING AND LIVING.

IN FACT THE REVERSE APPLIES AS WE SEE A NUMBER OF CLIENTS MOVING FROM MELBOURNE OR SYDNEY. THEY ARE A MIX OF PEOPLE WHO HAVE BEEN MADE REDUNDANT TO SEPARATED WIVES MOVING AWAY FROM FROM EX-HUSBANDS. WITH HOUSING COSTS AROUND 550,000 LESS IN ALBURY WODONGA THAN IN THE CAPITAL CITIES, SOME ARE ABLE TO OBTAIN AN INSTANT CASH FLOW TO SEE THEM THROUGH. THE CHANGE IN THESE

DEMOGRAPHICS WAS SEEN IN THE CHANGE OF VOTING PATTERNS IN THE RECENT VICTORIAN ELECTION.

ECONOMIC:

A TOUR OF ALBURY WODONGA WILL HIGHLIGHT THE LARGE NUMBER OF VACANT RETAIL PREMISES. GROWTH INDUSTRIES ARE HOSPITALITY AND ENTERTAINMENT SUCH AS SERVICE CLUBS AND CINEMAS. A PSYCHOLOGIST MAY SEE THIS GROWTH AREA AS PART OF THE ESCAPISM THAT SOME PEOPLE SEEK IN ATTEMPT TO RAISE THEIR SPIRITS.

OBVIOUSLY THE REDUCTION IN DISPOSABLE INCOME HAS EFFECTED THE VIABILITY OF A NUMBER OF BUSINESSES. SOME HAVE MOVED AWAY TO CHEAPER RENT AREAS BUT OF COURSE, THE PEDESTRIAN TRAFFIC FLOW IS MUCH LOWER TOO.

INDUSTRIAL:

AS STATED IN OUR REPORT, WHEN EVER A MAJOR CONSTRUCTION IS UNDERTAKEN, TENDERS USUALLY GO TO CONTRACTORS FROM OUT OF TOWN WHO HAVE THEIR OWN SUBIES TO CARRY OUT VARIOUS PARTS OF THE CONSTRUCTION. THIS PROCEDURE OBVIOUSLY ALLOWS FOR A CONSIDERABLE SUM OF MONEY NOT TO BE SPENT LOCALLY.

RECENT TAKEOVERS AND PRIVATISATION OF GOVERNMENT DEPARTMENTS HAVE RESULTED IN THE LOSS OF HUNDREDS OF POSITIONS AND THE RETRENCHMENT OF MANY MATURE AGED PEOPLE. THE STATE RAIL AUTHORITY IS ABOUT TO FURTHER REDUCE STAFF AT ALBURY RAILWAY STATION BY 16 PEOPLE, MOST OF WHOM RAVE IN EXCESS OF 20 YEARS SERVICE AND ARE IN THE OVER 45 BRACKET.

OTHER:

WHILST THIS INQUIRY HAS BEEN ASKED TO LOOK AT THE EFFECTS IN THE COMMUNITY OF UNEMPLOYMENT OF THE OVER 45's MAY I TAKE THE OPPORTUNITY TO POINT OUT THAT STATISTICS FROM THE NEW SOUTH WALES MATURE WORKERS PROGRAM SHOW THAT AROUND 27% OF CLIENTS ON CURRENT CASE LOADS OF PLACEMENT OFFICERS ARE BETWEEN 40 AND 45. TO BE UNEMPLOYED AT THIS AGE WITH LIMITED LOCAL OPPORTUNITIES CAN BE DEVASTATING TO A FAMILY.

STATISTICS:

CURRENT CENTRELINK FIGURES SHOW A TOTAL OF 6014 PEOPLE WHO ARE NSA OR YAL CLIENTS. THIS FIGURE DOES NOT INCLUDE OF COURSE THOSE PEOPLE WHO CHOOSE NOT TO REGISTER OR ARE NOT IN RECEIPT OF NSA OR YAL BENEFITS. OF THIS FIGURE 1368 OR 22% ARE OVER 40 YEARS OF AGE EMPHASISING THE HIGH LEVEL OF UNEMPLOYMENT IN THIS AGE GROUP. IT IS CLOSE TO THE YOUTH UNEMPLOYMENT LEVEL WHICH IS 27%, WHEN YOU TAKE OUT THOSE IN THE 15 TO 18 AGE GROUP WHO ARE STILL STUDYING. IT IS GENERALLY ACCEPTED AROUND THE LOCAL NETWORK THAT LOCAL UNEMPLOYMENT IS AROUND 10.5% WHICH IS WELL ABOVE THE NATIONAL AVERAGE OF 7.2%.

THANK YOU FOR THE OPPORTUNITY OF PRESENTING THIS REPORT.

NSA/YAL Clients by Postcode by Duration

Postcode	< 6 months		6 – 12 months		> 12 months		Total		
	YAL	NSA	YAL	NSA	YAL	NSA	YAL	NSA	
2640	225	370	558	259	12	548	795	1177	1972
2641	162	224	233	101	9	355	404	680	1084
2642	43	25	62	32	5	51	110	108	218
2643	11	21	24	16	1	38	36	75	111
2644	28	30	28	6	1	22	57	48	105
2645	2	9	3	2	0	9	5	20	25
2646	62	29	51	18	1	103	114	150	264
2647	9	15	19	12	1	36	29	63	
2648	22	63	31	29	6	51	59	143	
2650	408	522	852	295	23	710	1283	1527	
3690	208	322	526	185	11	683	873	1190	2063
3691	26	18	44	26	2	66	72	100	172
									<u>6014</u>

NSA/YAL Clients by Age Groups

(Includes YAL customers seeking work)

Postcode	15-19	20-24	25-34	35-44	45-54	55-59	60 >
2640	540	533	387	233	257	106	74
2641	313	253	208	142	165	76	51
2642	83	46	31	19	34	28	24
2643	22	19	28	10	32	14	16
2644	44	12	13	9	25	11	10
2645	5	4	6	4	3	5	0
2646	93	53	32	30	39	31	35
2647	19	16	15	11	29	17	14
2648	46	35	55	62	44	27	23
3690	633	519	379	242	283	144	83
3691	52	33	37	30	28	13	14

Linking Australian Government services

<http://www.centrelink.gov.au>

Further Tables have not been reproduced