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Targeted approaches to increasing employment

- 5.1 Throughout this report targeted approaches to assisting Australians increase their participation in paid work have been recommended. Identifying strategies to assist the long-term unemployed, mature age workers, parents and carers, Indigenous Australians, people with a disability, migrants, and young people is the focus of this section.
- 5.2 In considering strategies to assist disadvantaged groups the Committee is aware that there are deficiencies in current definitions; specifically some definitions do not take into account changes in the workforce, participation trends and new employment arrangements. Examples include the exclusion of mature age people from the definition of those attending school and the exclusion of those aged 65 and over from the definition of mature age workers.
- 5.3 The Committee recommends additional data collection which would address these deficiencies and provide a more comprehensive overview of current labour market and workforce participation characteristics.

Recommendation 5

The Committee recommends that the Australian Government undertake additional data collection to address deficiencies in definitions, which will provide a more comprehensive overview of current labour market and workforce participation characteristics.

Long-term unemployed

- 5.4 Evidence to the Committee expressed concerns that the number of people who have been unemployed for two or more years is growing as a proportion of both the unemployed and the labour force, and the period of their unemployment.¹ Although there were various interpretations of the available data, there is agreement that a substantial proportion are remaining on unemployment payments for long periods.
- 5.5 The decrease in the number of long-term unemployed has been at a slower rate than for the short-term unemployed, and there has been a 40 per cent increase in the number of people in this category who have been on income support for more than five years.² Given that it is more difficult to enter the workforce after extended periods on income support, this issue is of concern.
- 5.6 FaCS acknowledges the use of time limits as an incentive. However, in most countries which are said to have time limits they are limits on unemployment insurance benefits, after which the person reverts to unemployment assistance benefits (comparable to Newstart Allowance) which are not time limited.³
- 5.7 People on Newstart Allowance for more than two years are described as having specific needs that require addressing before achieving sustainable employment. ACOSS advocates substantially greater assistance than is currently provided in the Active Participation Model.⁴
- 5.8 Focussing on local communities, BSL has trialled an integrated approach of assistance for long-term unemployed people in Victoria.⁵ The

1 See Dr Elizabeth Webster, Senior Research Fellow, Melbourne Institute of Applied Economic and Social Research, University of Melbourne, *Transcript of Evidence*, 24 March 2004, p. 12; Ms Sally Cowling, Research Fellow, Centre of Full Employment and Equity, University of Newcastle, *Transcript of Evidence*, 12 March 2004, p. 1; Department of Family and Community Services, *Submission No. 99*, pp. 13-14; Queensland Government, *Submission No. 87*, p. 7; Senator the Hon Kay Patterson, Minister for Family and Community Services, 2004, 'Long term unemployment falls under coalition', *Media Release*, 1 July 2004, in response to Garnaut J, *Sydney Morning Herald*, 'Long-term unemployment up by two-thirds in five years', 1 July 2004, p. 2.

2 Department of Family and Community Services, *Submission No. 99*, p. 14. FaCS notes that these figures are difficult to interpret as unemployed income recipients can have periods of up to 25 weeks where they do not receive income support but remain as unemployed within the system for administrative purposes.

3 Department of Family and Community Services, *Submission No. 99*, p. 30.

4 Australian Council of Social Service, *Submission No. 74*, p. 34.

5 Brotherhood of St Laurence, *Submission No. 81a*, p. 1.

Committee visited Atherton Gardens Public Housing Estate where 95 per cent of residents were on income support, one quarter are single parents, it is an ethnically diverse community with over 60 per cent of residents are of NESB. The crucial aspects of service delivery specified by BSL to assist people who have been unemployed for two years or more include:

- *community engagement* - identifying community needs;
- *intensive support* - providing support workers to assist with personal issues as well as work skill development;
- *pre-vocational training* - developing a combination of work skills and personal development skills to manage the transition from unemployment to sustainable employment;
- *work experience* - providing opportunities to learn-on-the-job and re-acquaint with a daily work routine;
- *traineeships* - promoting national certificates and qualifications to provide support for people to look beyond entry level jobs;
- *post-placement support* - continuing support to aid in the transition when dealing with the costs of travel, clothing, childcare and changes to income support arrangements, and early work issues; and
- *whole of government approach* - working collaboratively between tiers of government to make the most of funding streams and programs.⁶

5.9 BSL argued that the four main principles for success with this approach involve the use of intermediate labour markets to enable the development of work skills to then allow assisted workers to enter the open labour market. Secondly, moving people from long-term unemployment to sustainable employment takes time for them to adjust to new work environments. There is a need to invest in such programs, as moving people from income support to sustainable employment is beneficial economically and socially. Finally, there is an advantage to implementing greater coordination between services to support long-term unemployed people who may require multiple and simultaneous forms of assistance.⁷

5.10 Dr Elizabeth Webster from the Melbourne Institute of Applied Economic and Social Research made the point that if the long-term unemployed have major health, social, education or language problems, it will take a long time to get them into the workforce and they 'probably need a soft entry'.

6 Brotherhood of St Laurence, *Submission No. 81a*, pp. 4-6.

7 Brotherhood of St Laurence, *Submission No. 81a*, p. 11.

According to Dr Webster, the six months work under the Working Nation package may not be long enough and people have returned to unemployment. Dr Webster added that there have also been difficulties with the European schemes where these are ongoing jobs.⁸

- 5.11 BSL highlighted the need to bring the key stakeholders together in a concentrated approach to best assist individuals. BSL has implemented tailor made pre-employment programs and traineeships within government, business and not for profit organisations, with 103 people over the past 18 months. Seventy-five per cent of these have been out of work for more than two years. BSL added that effective programs will be the ones that lead to a job.⁹

... it is not rocket science. In some ways, it is a very simplistic model. It is about that [support] person being a trusted, embedded catalyst, which goes back to services inserting themselves back into the community.¹⁰

- 5.12 A holistic approach is one which potentially involves all levels of government, industry and businesses, and community organisations in a coordinated approach to address multifaceted complex issues. The holistic approach used by BSL includes engaging the community to identify needs, providing intensive support to program participants, enabling the development of pre-vocational skills, access to work experience and post-placement support to assist in the transition.

Recommendation 6

The Committee recommends that the Australian Government work with local, State and Territory governments, business, union and community organisations to invest in more holistic pilot projects which combine personal support, paid work experience, pre-vocational training, employment assistance, traineeships and post-placement support for the long-term unemployed.

8 Dr Elizabeth Webster, Senior Research Fellow, Melbourne Institute of Applied Economic and Social Research, University of Melbourne, *Transcript of Evidence*, 24 March 2004, p. 18.

9 Brotherhood of St Laurence, *Submission 81a*, p. 3.

10 Mr George Housakas, Enterprise Development Officer, Brotherhood of St Laurence, *Transcript of Evidence*, 19 March 2004, p. 36.

Recommendation 7

The Committee recommends that the Australian Government initiate further cross portfolio coordination to increase the provision of places in holistic type projects (through the Personal Support Program, Green Corps and traineeship programs) which assist the long-term unemployed enter the labour force, and in particular seek to address skills shortages in rural and regional areas.

Mature age workers

- 5.13 In Australia there has been an increasing expectation of an early retirement. In recent years the Treasurer has emphasised that it is important that the retirement income system does not encourage people to leave the workforce prematurely, particularly if the major part of retirement is to be funded by taxpayers. Preservation rules allowing early access to superannuation can encourage this.¹¹
- 5.14 There are complex barriers for mature age people wishing to enter or re-enter the workforce, and those listed in various submissions included:
- lack of appropriate skills and training for employment in the new economy and a need for training and support to enable them to continue participating;
 - social security and tax disincentive effects;
 - changing labour market dynamics which have resulted in disruption to traditional work options and employment patterns for many people;
 - the widespread use of retrenchment processes and severance payments, with those who have been unemployed a long time facing considerable difficulty in becoming re-employed, and discrimination in terms of recruitment and retrenchment;
 - employer perceptions that surround mature age workers such as low levels of productivity and inability to adapt to technological change;

¹¹ Address by the Hon Peter Costello MP Treasurer, *Australia's Demographic Challenges*, 25 February 2004, pp. 5- 6.

- mature age unemployment tends to be long-term, bringing with it considerable financial and psychological difficulties and this has an adverse effect in terms of re-entry to the workforce;
 - mature age jobseekers remain largely hidden during discussions about unemployment, in part due to the significant numbers of people who decide to retire upon becoming unemployed;
 - lack of jobs in particular regions and locations;
 - where there are labour shortages retraining will be needed for experienced workers returning to the workforce;
 - people responsible for recruiting workers need to be made aware of the value of mature age workers;
 - the mode of delivery of education or training, fear of learning particularly for those who have previous negative experiences of education, motivation, lack of financial resources, lack of support from family and employers.¹²
- 5.15 With improved living conditions and healthy ageing trends people have the ability to work longer and should not be expected to retire at 65 years of age. Legislation needs to support the active participation of older people in the paid workforce.¹³
- 5.16 There is support for current initiatives in the Australians Working Together package for mature age workers. For example, Mission Australia indicates that Personal Advisors based in Centrelink, priority placements in appropriate services and programs, and training credits will assist mature age workers to re-enter the workforce. The earlier the assistance can be provided for mature age workers who have been made unemployed or are facing retrenchment, the better chance they have of regaining employment and the less likely they will be at risk of long-term unemployment or opt for early retirement.¹⁴ COTA NSP said that this service also needs to be improved to be more amenable to mature age people.¹⁵

12 See Council on the Ageing National Seniors Partnership, *Submission No. 86*, p. 3; Tasmanian Government, *Submission No. 102*, p. 13; and Department of Education, Science and Training, *Submission No. 93*, p. 22.

13 See Council on the Ageing National Seniors Partnership, *Submission No. 86*, p. 3 and Tasmanian Government, *Submission No. 102*, p. 13; Department of Education, Science and Training, *Submission No. 93*, p. 22.

14 Mission Australia, *Submission No. 104*, p. 14.

15 Council on the Ageing National Seniors Partnership, *Submission No. 86*, p. 6.

- 5.17 Australian research found that males mainly aged over 50 with an ongoing medical condition were the most likely not to participate in economic or social activity. Poor health and older age are two factors that restrict the ability or willingness to participate.¹⁶
- 5.18 Mission Australia supports assistance also being made available to people not receiving income support payments. Other suggestions include:
- expanding the target market for the New Enterprise Incentive Scheme to include all 50 year olds, not just those on income support; and
 - “one-off” wage support incentives for employers who employ a mature age worker for more than six months.¹⁷

Retaining older workers

- 5.19 The Australian Government’s retirement income policy is designed to provide incentives, flexibility and security which support a wide range of choices for people.¹⁸ The superannuation system and preservation age may affect the retention of mature age workers in employment as well as a culture of early retirement in Australia, but retirement is not always by choice.
- 5.20 Treasury made the point that while self-funded retirees will not add to the cost of aged pensions, there is a cost in terms of the up front tax concessions for superannuation, which is foregone revenue.¹⁹ In February 2004, the Treasurer also announced measures to broaden the availability of superannuation and make it more adaptable to changing work arrangements, provide more choices in financing retirement income and improve the integrity of the system:
- ... to allow people to access their superannuation from preservation age as an income stream. This will allow people to take advantage of opportunities to work part time and supplement their income with their superannuation.²⁰

16 Department of Family and Community Services (2003) *Patterns of economic and social participation among FaCS customers*, prepared by Saunders P, Brown J & Eardley T, Social Policy Research Centre, University of NSW; Policy Research Paper No. 19, p. viii.

17 Mission Australia, *Submission No. 104*, pp. 14-15.

18 Australian Government, 2004, *A more flexible and adaptable retirement income system* Released by The Treasurer on 25 February 2004

19 Mr David Tune, General Manager, Social Policy Division, Treasury, *Transcript of Evidence*, 8 October 2003, p. 7.

20 Address by the Hon Peter Costello MP Treasurer, *Australia’s Demographic Challenges*, 25 February 2004, pp. 6-7.

5.21 FaCS stressed that Australia is having difficulty in retaining people in the workforce until retirement age and that this is perhaps a more urgent problem than what happens to people who are over the retirement age.²¹ Mature age people who go onto income support very quickly undergo an attitudinal change to believe that they have taken early retirement on income support.²² Treasury commented that:

OECD research has shown that it is more difficult to reverse retirement decisions, once taken, than it is to encourage people still in employment to delay retirement (OECD 2003). Those most weakly 'attached' to the labour force tend to be more likely to initiate early retirement before age 65.²³

5.22 Treasury suggested that if the workplace relations system provides more flexibility, mature age workers will have an option of staying in the labour force longer and being able to work part-time before retiring.²⁴ The Pension Bonus Scheme has been introduced as an incentive for those who delay their retirement beyond the age of 65. Up until 31 December 2003, 60 509 people had registered for this scheme.²⁵ The Queensland Government stated that flexible work arrangements (such as flexible work hours, part-time employment, leave purchasing and part-year employment) and access to gradual exit from paid work are important to retaining older workers.²⁶

5.23 There are a number of strategies in various submissions that may assist in encouraging mature age workers to remain in the workforce and these have been combined in the following list:

- greater flexibility in the choice of work options. This may include flexibility in hours of work and modification of work environments and tasks to be more responsive to the needs of older workers;
- greater utilisation of the experience and skills of older workers' mentoring or supervisory role, with less physical tasks and succession planning;
- addressing internal cultural barriers to older workers;

21 Dr Pamela Kinnear, Acting Director, Coordination and Research, Department of Family and Community Services, *Transcript of Evidence*, 26 November 2003, p. 14.

22 Mr Bruce Smith, Assistant Secretary, Welfare Reform Task Force, Department of Family and Community Services, *Transcript of Evidence*, 26 November 2003, p. 14

23 Treasury, *Submission No. 73*, p. 4 citing OECD, 2003, *Employment Outlook 2003*, Paris.

24 Treasury, *Submission No. 73*, p. 10.

25 Department of Family and Community Services, *Supplementary Submission No. 99b*, p. 1.

26 Queensland Government, *Submission No. 87*, p. 19.

- publishing benefits and success stories;
 - addressing disincentives such as superannuation, age pension and taxation arrangements; improved redundancy payments and protection of employee entitlements;
 - transition processes from full-time employment to retirement, or employment services;
 - removing barriers to the employment of part-time and casual workers from industrial awards and arrangements;
 - an education campaign to change community attitudes; and
 - access to guidance about retraining needs and options, and vocational education.²⁷
- 5.24 In order to highlight the benefits to the individual and the economy, the *A more flexible and adaptable retirement income system* publication in 2004 outlined the impact of increased workforce participation on retirement incomes. Treasury also commented on the costs to the Government in terms of tax concessions for superannuation and through aged pensions.²⁸
- 5.25 In situations where a worker develops an age related illness and cannot undertake a full range of duties, there could be a register of workers which records their particular skills, and jobs that might provide alternative positions for those who need to change to a different type of role to assist in making a skills match.²⁹
- 5.26 Council on the Ageing (NSW) (COTA NSW) would like to see the introduction of services to people in mid-life similar to those provided by the Pre-Retirement Association in the United Kingdom.³⁰ These include financial planning, professional training, business services, research advocacy and a focus on literacy and numeracy skills and retraining for mature age people seeking employment.³¹

27 Australian Industry Group, *Submission No. 64*, p. 2; Australia Council of Trade Unions, *Submission No. 69*, pp. 14-15; Ms Colleen Cartwright, Senior Research Fellow, Australasian Centre on Ageing, University of Queensland, *Transcript of Evidence*, 6 February 2004, p. 42; Central Western Regional Development Board, *Submission No. 46*, pp. 4-5; Australasian Centre on Ageing, *Submission No. 91*, p. 2; Tasmanian Government, *Submission No. 102*, p. 14; Thuringowa City Council, *Submission No. 83*, p. 3.

28 Mr David Tune, General Manager, Social Policy Division, Treasury, *Transcript of Evidence*, 8 October 2003, p. 3.

29 Ms M Mulheran *Submission No. 11*, pp. 1-2

30 Council on the Ageing (NSW), *Submission No. 38*, p. 1.

31 Council on the Ageing (NSW), *Submission No. 38*, p. 1.

5.27 COTA NSP called for assistance for mature age people who have been retrenched but do not qualify for Australian Government assistance. These people may have had one job for many years or may have been absent from the labour market in caring roles and may be unaware of the recruitment process.³² Further, COTA NSP believes that:

Job Network could offer a better and more relevant service to mature age job seekers if there was better understanding of the characteristics and needs of this group including the diversity of needs and circumstances of people within it. A service environment in Job Network which was more in tune with the needs of an ageing workforce could assist in improving confidence in the service and usage rates. This in turn could assist in preventing long term unemployment and improving mature age labour force participation.³³

5.28 The Committee notes the evidence that indicates the earlier that assistance can be provided to mature age workers, the better the chance of re-entering the workforce, for example after redundancy. Job Search training and programs within Intensive Support that address language and literacy, or personal obstacles could be of significant value as soon as mature age workers register as job seekers. This would reduce the likelihood that they would then require income support.

Recommendation 8

The Committee recommends that the Australian Government extend eligibility for Intensive Support assistance to mature age workers (who are not on income support and who meet the asset and income tests) who are assessed as being at risk of long-term unemployment.

5.29 Allowing phased-in retirement or gradual exit from paid work may give mature age workers the option for staying in the labour force longer. Ensuring that superannuation and other industrial arrangements, such as awards, support part-time and casual employment would benefit mature age workers. This would also support others wishing to enter the labour force on a less than permanent or full-time basis.

32 Council on the Ageing National Seniors Partnership, *Submission No. 86*, p. 10.

33 Council on the Ageing National Seniors Partnership, *Submission No. 86*, p. 11.

- 5.30 Some evidence was received around constraints in industrial awards to part-time and casual employment. The Committee notes the diversity of views in the area of industrial relations reform, and dissented along party lines to proposed changes to awards.

Recommendation 9

The Committee recommends that the Australian Government examine mechanisms to remove barriers to the employment of part-time and casual employment in industrial awards and other industrial arrangements.

Changing attitudes around mature age workers

- 5.31 Studies have shown that age discrimination is a primary factor in the limitation of employment, training opportunities and conditions of employment of mature age workers.³⁴ A number of submissions referred to the need to change the attitudes in both the workplace and the community and information on the benefits of employing mature age job seekers.³⁵
- 5.32 The experience of COTA NSW was that there was little information in the workforce and in industry about the issues related to the ageing of the population.³⁶ COTA (NSW) would also like to see the introduction of forums to educate employers on population ageing, age discrimination and human resource issues that are relevant to mature age workers.³⁷
- 5.33 COTA (NSW) called for effective, meaningful legislation against age discrimination.³⁸ The ACTU and the Queensland Government suggested

34 Socially Sustainable Health Research Centre, University of Adelaide, *Submission No. 22*, p. 3; Newell S and Robinson D (1999) *Age Matters? A discussion paper on age discrimination*, Human Rights and Equal Opportunity Commission, Sydney.

35 Australasian Centre on Ageing, *Submission No. 91*, p. 3; Professor Helen Bartlett, Director, Australasian Centre on Ageing, University of Queensland, *Transcript of Evidence*, 6 February 2004, p. 36; Business Council of Australia, *Submission No. 54*, p. 1; Mission Australia, *Submission No. 104*, p. 15; Mr David Deans, Joint Chief Executive, Councils on the Ageing National Seniors Partnership, *Transcript of Evidence*, 19 March 2004, p. 21.

36 Mr David Deans, Joint Chief Executive, Councils on the Ageing National Seniors Partnership, *Transcript of Evidence*, 19 March 2004, p. 22.

37 Council on the Ageing (NSW), *Submission No. 38*, p. 2.

38 Council on the Ageing (NSW), *Submission No. 38*, p. 1.

that a public education campaign should be introduced to increase awareness of the Commonwealth Age Discrimination legislation.³⁹ The Queensland Government added that there needs to be a proactive monitoring of discrimination as legislation has a minimal impact on employer attitudes.⁴⁰ It was also suggested that the legislation may promote 'covert and insidious' discrimination if not adequately supported with other strategies.⁴¹

- 5.34 COTA (NSW) suggested the Employers Forum on Age in the United Kingdom as a model for Australian employer groups in supporting member organisations in the management of skills and age mixes of the workforce. This would assist in the removal of barriers to achieving an age-balanced workforce and provide information to employers on the benefits of a mixed age workforce.⁴²
- 5.35 The Australasian Centre on Ageing is looking at community development approaches which help to increase the knowledge and understanding of key leaders in the community of ageing issues.⁴³ DEST has been working with industry groups on targeting mature age workers as a potential workforce given the demographics.⁴⁴
- 5.36 Certainly employers in business have a role to play in that as well in rethinking their approaches to their older workforce and not seeing them as being of less worth than people of younger ages. Many of the business peak groups are now beginning to activate around this issue. They recognise the challenge they will face with a reducing labour supply. Those that are better able to cope with the diversity of their labour forces will be those that are more successful in the medium term.⁴⁵
- 5.37 Dr Kay Price stated that:

Participation in paid work relates not only to the individual whom we are trying to get participating but also to how ageing is valued

39 Australia Council of Trade Unions, *Submission No. 69*, p. 14.

40 Queensland Government, *Submission No. 87*, p. 19.

41 Socially Sustainable Health Research Centre, University of Adelaide, *Submission No. 22*, p. 4; Council on the Ageing (1999) *Age Discrimination: Response to the Human Rights and Equal Opportunity Commission Age Matters? A Discussion Paper on Age Discrimination*, COTA.

42 Council on the Ageing (NSW), *Submission No. 38*, p. 1.

43 Professor Helen Bartlett, Director, Australasian Centre on Ageing, University of Queensland, *Transcript of Evidence*, 6 February 2004, p. 41.

44 Ms Mary Johnston, Branch Manager, Industry Training Branch, Department of Education, Science and Training, *Transcript of Evidence*, 11 February 2004, p. 8.

45 Ms Serena Wilson, Executive Director, Welfare Reform, Department of Family and Community Services, *Transcript of Evidence*, 26 November 2003, p. 14.

in our society. We are talking here about mature age people who are unemployed and whom we are trying to get back into the work force. Acts and legislation have actually been set up with an ageist attitude - not knowingly or purposely - which has created an ageist response to encouraging people who are older to work and to getting them into paid employment.⁴⁶

- 5.38 An attitudinal change is necessary, which can only be achieved through informed discussion with and education of the public. Even in situations where a mature aged person is qualified, depending on the type of work being done, the occupational health and safety acts can work against them.⁴⁷
- 5.39 Dr Price believes that the problem is the way that the legislation is read. The requirement is that the employer cannot put someone at risk in a position where there is a likelihood of an injury. The perception in society is that people functionally decline as they age, which may mean that the legislation is read in an ageist way. It is the way that it is interpreted rather than the way it is written which is creating an ageist outcome. Some employers have addressed the issue by making different insurance arrangement such as personal insurance.⁴⁸

Employer's perspective

- 5.40 While research has shown that there is not a link between age and declining job performance, there is a common employer perception that older workers are less productive than younger workers.⁴⁹ Figure 5.1 indicates the preferred age group when recruiting employees. Employers still hold negative stereotypes of older employees in relation to illness and injury, their lack of computer skills, poor workplace culture fit, poor interview skills, inadequate personal skills and poor presentation skills, deteriorating mental and physical abilities, unwillingness to retrain, and lack of flexibility. In addition, many employees believe older workers should retire to make way for younger workers.⁵⁰

46 Dr Kay Price, Key Research, Senior Lecturer, School of Nursing and Midwifery, University of South Australia, *Transcript of Evidence*, 18 March 2004, p. 12.

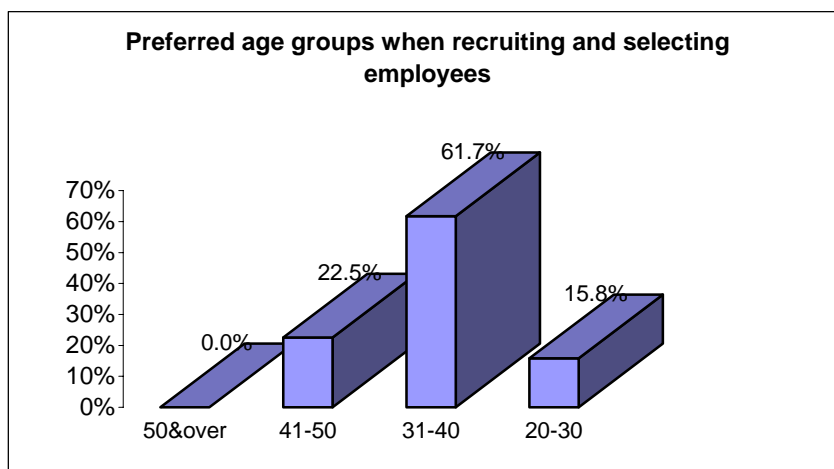
47 Dr Kay Price, Key Research, Senior Lecturer, School of Nursing and Midwifery, University of South Australia, *Transcript of Evidence*, 18 March 2004, pp. 12, 17.

48 Dr Kay Price, Key Research, Senior Lecturer, School of Nursing and Midwifery, University of South Australia, *Transcript of Evidence*, 18 March 2004, pp. 14-15.

49 Council on the Ageing National Seniors Partnership, *Submission No. 86*, p. 5.

50 Recruitment and Consulting Services Association Ltd, *Submission No. 31*, p. 9; Cameron F, 'Half Full?', *HR Monthly*, June 2002, pp. 17-21.

Figure 5.1 Preferred age group when recruiting and selecting employees



Source Drake Personnel Limited, 1999 *Age Discrimination is alive and well*, Submission to the House of Representatives Standing Committee on Employment Education and Workplace Relations Inquiry into issues specific to workers over 45 years, *Submission 165*, pp. 2-3.

5.41 A study by Drake Personnel also showed that in recent decades, retrenchments have largely been in the 50 and over age group.⁵¹ SDAEA commented that employers need to be encouraged to be more open to the employment of mature age workers, as many older people wish to continue working and need to be able to find rewarding employment.⁵²

Companies have gone from problems of not being able to get rid of older workers because of changes to discrimination laws to now being confronted by the issue that they need to harness them better.⁵³

5.42 ACCI agreed that there are attitudinal issues within the employer community that need to be addressed.⁵⁴ RCSA suggested an information campaign for employers on the value and importance of employing mature age workers.⁵⁵ ACCI added that the situation has improved and

51 Drake Personnel Limited (1999) *Age Discrimination is alive and well*, Submission to the House of Representatives Standing Committee on Employment Education and Workplace Relations Inquiry into issues specific to workers over 45 years, *Submission 165*, pp. 2-3.

52 Shop Distributive and Allied Employee's Association, *Submission No. 79*, p. 67.

53 Mrs Heather Ridout, Deputy Chief Executive Officer, Australian Industry Group, *Transcript of Evidence*, 27 January 2004, p. 11.

54 Mr Peter Anderson, Director, Workplace Policy, Australian Chamber of Commerce and Industry, *Transcript of Evidence*, 5 November 2003, p. 6; see also Ms M Mulheran *Submission No. 11*, p. 1; Mr Geoff Cripps, *Submission No. 5*, p. 2.

55 Recruitment and Consulting Services Association Ltd, *Submission No. 31*, p. 9.

more mature age people are staying in the workforce, but that more can be done.

The approaches and attitudes that you find in employers that may present some barriers to people coming into or remaining in the work force for longer are reflective of some of the approaches in our community generally towards ageing and the aged.⁵⁶

5.43 COTA NSP believes that:

... there are no certainties for the future in regard to an improvement in employment opportunities for older workers. Stereotypical attitudes and discriminatory practices are likely to persist for many years. In addition, ongoing economic restructuring will continue to pose very significant challenges for older workers.⁵⁷

5.44 Further, older workers can tend to draw attention to their real or perceived weaknesses associated with ageing and therefore tend to self-discriminate.⁵⁸

Training

5.45 Australia has relatively high levels of people in the over 40 age group who are participating in training relative to other OECD countries.⁵⁹ COTA NSP added that an investment in training lasts six years and that it is better for the employer to train the 55 year old who is going to stay in the workforce until age 65 years than a young person who will leave within 2 years.⁶⁰

5.46 Westpac noted that mature age workers' training is effective if appropriately designed for the individual.⁶¹ This is a diverse group and many program options are needed to engage the target group in learning.

56 Mr Peter Anderson, Director, Workplace Policy, Australian Chamber of Commerce and Industry, *Transcript of Evidence*, 5 November 2003, p. 6.

57 Council on the Ageing National Seniors Partnership, *Submission No. 86*, pp. 3-4.

58 Recruitment and Consulting Services Association Ltd, *Submission No. 31*, p. 9; Equal Opportunity Commissions of Victoria *et al* (2000) *Age Limits: Age-related Discrimination in Employment Affecting Workers over 45*.

59 Ms Jessie Borthwick, Group Manager, Department of Education, Science and Training, *Transcript of Evidence*, 11 February 2004, p. 17.

60 Mr David Deans, Joint Chief Executive, Councils on the Ageing National Seniors Partnership, *Transcript of Evidence*, 19 March 2004, pp. 24-25.

61 Westpac Banking Corporation, *Submission No. 97*, p. 7.

Many in the target group may need personalised support to overcome barriers to learning initially.⁶²

- 5.47 COTA NSP referred to the mismatch between skills and available employment that has occurred with the economic restructuring across Australia.

Training and skill development are rated very highly by mature age people in terms of what they believe would help them most get a job. However, affordability and availability of courses as well as linkages to real job opportunities are the issues for many people. Flexibility and articulation into the national training system are critical.⁶³

- 5.48 Westpac commented that the classroom scenario may not be suited to mature age workers and there is a need to look at what sort of development is appropriate and how this can be delivered.⁶⁴

- 5.49 ACCI commented that:

...policy makers need to ensure that there are structures in place for re-skilling and retraining so that people who are displaced in the labour market at a relatively middle or mature age have the capacity to come back into the labour market. It is not realistic to think that in a dynamic labour market people can move back into the same job that they had previously, but there is great productive capacity remaining in people if they are moved quickly into programs of assistance that will help improve and increase skills.⁶⁵

- 5.50 There has been a substantial increase in the number of people over the age of 40 who are unemployed, looking for career changes and enrolling in university. This has had an impact on the educational strategies used to ensure that flexible approaches to learning are continuously developed.⁶⁶

62 Gelade S, Catts R and Gerber R, 2003 *Securing Success Good practice in training people aged 45 and over who are disadvantaged in the labour market*, Prepared by the Workplace Education Research Consortium, University of New England, Armidale for the Australian Government Department of Education, Science and Training, p. ix.

63 Council on the Ageing National Seniors Partnership, *Submission No. 86*, p. 7.

64 Ms Ilana Atlas, Group Executive, People and Performance, Westpac Banking Corporation, *Transcript of Evidence*, 3 March 2004, p. 3.

65 Mr Peter Anderson, Director, Workplace Policy, Australian Chamber of Commerce and Industry, *Transcript of Evidence*, 5 November 2003, p. 6.

66 Professor Helen Bartlett, Director, Australasian Centre on Ageing, University of Queensland, *Transcript of Evidence*, 6 February 2004, p. 35; and Socially Sustainable Health Research Centre, University of Adelaide, *Submission No. 22*, p. 5.

- 5.51 On the other hand, the cost and time associated with undertaking a VET course and the anticipated length of working life were also issues and was perceived as an unattainable goal for mature age people. Mature age workers expressed concern over the need to attain formal qualifications and many were suspicious of the extent to which employers valued qualifications.⁶⁷ Mature age people will need a guarantee of employment to make the investment in retraining.⁶⁸
- 5.52 ACTU supports a campaign on the benefits of retraining and employing workers over 45 years and supports life long learning to keep skills up to date.⁶⁹ There are also issues for mature age workers in financing their VET, particularly those who are unemployed or marginally attached to the labour force.⁷⁰
- 5.53 Dr Kay Price found that for unemployed people the cost of undertaking VET courses was an impediment, while Higher Education Contribution Scheme (HECS) fees for university can be payed off at the completion of the course when a certain income is reached.⁷¹
- 5.54 In situations where the occupational health and safety legislation requires specific qualifications to ensure adequate skills levels, the costs of undertaking a VET course can preclude people from that position.
- Up front fee regimes in Australian VET are poor policy, for both economic and social reasons. Attention should be given to moving VET charging mechanisms more towards income-contingent repayment, which means centralizing the collection of charges through the Australian Taxation Office.⁷²
- 5.55 Mature age people may need smaller steps as they may not have the self-confidence to go to university. There is also a linear perspective where mature age people believe that because they have a university degree, to undertake VET courses is going back.⁷³

67 Socially Sustainable Health Research Centre, University of Adelaide, *Submission No. 22*, pp. 3-4.

68 Ms Patricia Reeve, Director, National Policy Secretariat, Councils on the Ageing National Seniors Partnership, *Transcript of Evidence*, 19 March 2004, p. 29.

69 Australia Council of Trade Unions, *Submission No. 69*, p. 14.

70 Socially Sustainable Health Research Centre, University of Adelaide, *Submission No. 22*, p. 5.

71 Dr Kay Price, Key Research, Senior Lecturer, School of Nursing and Midwifery, University of South Australia, *Transcript of Evidence*, 18 March 2004, p. 14.

72 Chapman B (1998) 'An economic primer to government's role in VET', in *The market for vocational education and training*, C Robinson and R Kenyon (eds), National Centre for Vocational Research, pp. 35-41, 47.

73 Dr Kay Price, Key Research, Senior Lecturer, School of Nursing and Midwifery, University of South Australia, *Transcript of Evidence*, 18 March 2004, p. 15.

- 5.56 COTA NSP referred to the mismatch of skills and employment opportunities that has occurred with the economic restructuring across Australia.⁷⁴ COTA NSP listed a number of strategies to match skills to job opportunities for mature age people including:
- Flexible subsidies for mature age people to take up relevant training for local job opportunities;
 - Training needs to articulate with and accredited into the national training system;
 - Support for a culture of lifelong learning in Australia to encompass people in work;
 - ⇒ Developing an explicit policy of education for older adults;
 - ⇒ Reducing barriers to existing education and training opportunities for older adults such as costs, time and location;
 - ⇒ Providing incentives for the education and training of older adults in the workplace;
 - ⇒ Extending community and internet-based learning options;
 - ⇒ Fostering the development of methodologies for the learning of older adults;
 - ⇒ A national policy framework for adult learning as recommended by Adult Learning Australia; and
 - The Basic IT Enabling Skills program (BITES) for older workers be extended to any job seeker over the age of 45 whether on benefits or not.⁷⁵
- 5.57 The Tasmanian Government added that implementing a lifelong learning policy is practical and beneficial.⁷⁶ People need to be made aware that they may have more than one career path before retirement and should undertake ongoing re-education and re-skilling in their working lifetimes.⁷⁷
- 5.58 Some of the evidence stated discussed discrimination against older workers by younger recruitment consultants. RCSA stated:
- ... educating our industry and consultants regarding the capabilities and value of mature employees is considered an essential part of our ongoing information and training program

74 Council on the Ageing National Seniors Partnership, *Submission No. 86*, p. 7.

75 Council on the Ageing National Seniors Partnership, *Submission No. 86*, p. 8; <<http://www.det.nse.edu.au/bites/welcome.htm>>

76 Tasmanian Government, *Submission No. 102*, p. 16.

77 Mr J Cleary, *Submission No. 26*, p. 2.

[for members of the association responsible for onhire, recruitment and consulting services].⁷⁸

5.59 RCSA added that

... a number of our [association] members are ensuring they are re-engaging older consultants to [assess job seekers].⁷⁹

5.60 RCSA also explained that the fourth arm of the association – career transition employment consultants – is working to develop better models to identify skills, and putting people with those skills in the right context for moving forward.⁸⁰

5.61 The Transition to Work program provides assistance to the individuals to enter paid employment and is used by parents, mature age people and carers. The Transition to Work program provides assistance to the individual to build self-esteem and confidence and improve the prospects of entering paid employment through assessment, skills training and support.⁸¹ It was suggested that this program should be extended.⁸²

5.62 The Transition to Work program is mainly available to job seekers who are starting work for the first time, or have been out of the workforce for over two years, and are generally not receiving income support. The Committee notes the possible benefits of this program for those that may have been out of the workforce for a shorter time and experience specific disadvantages.

Recommendation 10

The Committee recommends that the Australian Government extend the Transition to Work Program to those who have been out of work for less than 2 years, where they are deemed to face special disadvantage and it is considered that this program could be beneficial to the facilitation of their return to paid work.

78 Recruitment and Consulting Services Association, *Submission No. 31*, p. 10.

79 Ms Julie Mills, Chief Executive Officer, Recruitment and Consulting Services Association Ltd, *Transcript of Evidence*, 19 March 2004, p. 7.

80 Ms Julie Mills, Chief Executive Officer, Recruitment and Consulting Services Association Ltd, *Transcript of Evidence*, 19 March 2004, p. 8.

81 Department of Employment and Workplace Relations, *Submission No. 72*, p. 9.

82 Carers Australia, *Submission No. 30*, p. 7; see also Australian Council of Social Service, *Submission No. 74*, p. 5.

- 5.63 The Committee notes that mature age apprenticeships are an important strategy in increasing participation for older workers. Recognition of Prior Learning (RPL) and mature age apprenticeships are discussed further as part of the youth strategies and apprenticeships section later in this chapter.

Parents and carers

- 5.64 Supporting and encouraging parents to take up employment or return to work does not have a single solution. The barriers to employment faced by parents include financial disincentives, including the income support arrangements and the taxation system; the lack of family friendly work practices in some environments and the need for greater flexibility in workplace and work practices; improved childcare; and training opportunities.

Family friendly workplaces

- 5.65 Treasury believes that family friendly workplaces will have an impact on the participation levels of married women and sole parents.⁸³ There are benefits for employers in attracting and maintaining the participation of parents in the labour market, and some difficulties can be assisted by employers.⁸⁴ There are issues such as paid parental leave, the availability of quality childcare, after-school care and vacation care for older children which would be an impediment to sole parents' participation in the workforce.⁸⁵
- 5.66 AIG suggested that the current award provisions need to be reviewed to create more options for parents as part of the existing leave entitlements and by agreement with the employers.⁸⁶ ACCI made the point that these

83 Mr David Tune, General Manager, Social Policy Division, Treasury, *Transcript of Evidence*, 8 October 2003, p. 5. Includes those also in de-facto relationships.

84 Mr Peter Anderson, Director, Workplace Policy, Australian Chamber of Commerce and Industry, *Transcript of Evidence*, 5 November 2003, p. 10.

85 Mr David Thompson, Principal Policy Adviser, office of Employment, Education and Training, Australian Council of Social Service, *Transcript of Evidence*, 28 January 2004, p. 8.

86 Mrs Heather Ridout, Deputy Chief Executive Officer, Australian Industry Group, *Transcript of Evidence*, 27 January 2004, p. 8.

circumstances cannot be translated to all businesses and will not apply equally to others.

If you impose these types of obligations on employers on a one-size-fits-all basis, on an across-the-economy basis, you are going to increase labour costs in a way that is detrimental to the operation of the labour market.⁸⁷

- 5.67 AIG do not suggest that this be adopted as a universal approach but that the institutional constraints be removed so that the individual employer could bargain with their workforce.⁸⁸ For example, greater flexibility may mean more part-time workers for full-time equivalents and this may increase training and some labour costs.⁸⁹

Childcare

- 5.68 Treasury believes that participation by women may be assisted by adequate and affordable childcare.⁹⁰ In July 2000 the Child Care Benefit was introduced as part of the New Tax System and the Government is also looking at innovative childcare options for rural and regional communities where the usual models of care are not appropriate or unavailable.⁹¹ The Central Western Regional Development Board and Barossa Light Development Inc saw the high cost and limited availability of childcare facilities as a concern.⁹² There is a need to address the areas that are not attractive to private operators such as the care of very young children.⁹³
- 5.69 SDAEA argue that affordable, high quality childcare should be centre to family friendly policy.⁹⁴ Manpower Services Australia believes that the challenge is that the cost of childcare does not offset the reasons for taking

87 Mr Peter Anderson, Director, Workplace Policy, Australian Chamber of Commerce and Industry, *Transcript of Evidence*, 5 November 2003, p. 10.

88 Dr Peter Burn, Senior National Advisor, Economic and Industry Policy, Australian Industry Group, *Transcript of Evidence*, 27 January 2004, p. 11.

89 Mr Ross Miller, Business Unit Consultant, People and Performance, Westpac Banking Corporation, *Transcript of Evidence*, 3 March 2004, p. 6.

90 Mr David Tune, General Manager, Social Policy Division, Treasury, *Transcript of Evidence*, 8 October 2003, p. 5; see also Queensland Government, *Submission No. 87*, p. 14; St Vincent de Paul Society National Council, *Submission No. 98*, p. 16.

91 Department of Family and Community Services, *Submission No. 99*, p. 21.

92 Central Western Regional Development Board, *Submission No. 46*, p. 2; Barossa Light Development Inc, *Submission No. 49*, p. 2.

93 Ms Lyn Fraser, Research Officer, United Services Union, *Transcript of Evidence*, 12 March 2003, p. 40.

94 Shop Distributive and Allied Employee's Association, *Submission No. 79*, p. 5.

part-time employment.⁹⁵ Manpower suggests that fringe benefit tax exemptions should apply to all childcare and not only to employer owned childcare facilities.⁹⁶

5.70 ACOSS told the Committee that the childcare benefit has not kept pace with increases in childcare costs. The success of the job education training program for sole parents, which has a childcare subsidy component, was also noted.⁹⁷

5.71 The Committee notes the difficulties that many parents face in finding affordable, quality childcare, especially for very young children. The Committee recognizes changes to the childcare benefit that commenced on 1 January 2005, but still believes that other strategies need to be pursued to support parents and carers participating in the workforce. Additionally once children start school, outside school hours support is required.

Recommendation 11

The Committee recommends that the Australian Government report on opportunities for government and employers to expand and improve current childcare assistance provisions and facilities for After School Care and Holiday Care programs.

5.72 There have been recent proposals to assist job seekers in relocating by using fringe benefit tax (FBT) exemptions. The Committee considers the use of FBT exemptions to enable parents to work should also be pursued, not only for when the employer organises the service on their business premises.⁹⁸

95 Ms Victoria Nock, General Manager, Marketing and Knowledge, Manpower Services Australia, *Transcript of Evidence*, 28 January 2004, p. 21.

96 Manpower Services (Australia) Pty Ltd, *Submission No. 78*, p. 7.

97 Mr Philip O'Donoghue, Acting Director, Australian Council of Social Service, *Transcript of Evidence*, 28 January 2004, p. 8.

98 Treasury, *Submission No. 73b*, p. 2.

Recommendation 12

The Committee recommends that the Australian Government introduce Fringe Benefits Tax exemption for childcare services.

5.73 Participation requirements have been introduced following Australians Working Together for parents with a child aged 13 or over, currently the high school age. Depending on the success of this initiative there may be scope to lower the age for participation. CIS advocated increasing the participation requirements for parents once their youngest child starts school.

Basically, on single parents the proposal is that we should follow almost the whole of the rest of the developed Western world and expect single parents to go to work part time once their youngest child goes to school, which is what virtually every other country does.⁹⁹

5.74 However, there is resistance to such an approach as the Women's Action Alliance indicated:

Sole parents and others who have disabilities, who are caring for young children or someone else who needs constant attention should not be expected to look for paid work. The degree to which their caring responsibilities reduce their availability for paid work must be recognised. Broadly we would say sole parents should not be required to seek paid employment while they have dependent children. As a minimum we would say while they have school aged children.¹⁰⁰

5.75 The introduction of participation requirements for parents with children over 13 years commenced late in 2003. Evaluation of the effectiveness of these measures would assist in determining the success of their application and for possible future broader implementation. DEWR advised the Committee that evaluations of the participation requirements were not complete, but early signs indicate a positive improvement.¹⁰¹

99 Professor Peter Saunders, Social Research Director, Centre for Independent Studies, *Transcript of Evidence*, 27 January 2004, p. 42.

100 Women's Action Alliance, *Submission No. 88*, p. 4.

101 Mr Chris Foster, Acting Group Manager, Research, Evaluation and Legislation Group, Department of Employment and Workplace Relations, *Transcript of Evidence*, 17 February 2005, p. 15.

Recommendation 13

The Committee recommends that the Australian Government review strategies for encouraging increased participation for Parenting Payment recipients.

5.76 Carers Australia commented on the need for the social security system to be tailored to support carers so that they can remain in the workforce. Carers payments are withdrawn if the carer undertakes more than 20 hours work or study and this can limit the options available for carers to participate. Carers Australia believes that the 20 hour restriction should be removed to encourage young people to combine study or paid work with their caring responsibilities to enhance their future employment prospects.¹⁰²

For young carers, who are aged 26 and under and comprise a particularly vulnerable group, the 20 hours per week limit is a strong deterrent in undertaking training or work. ABS statistics indicate that approximately 60 per cent of young primary carers 15-25 years are unemployed or not in the workforce and only 4 per cent are in school or training. They are often found in sole parent families and it appears they often provide care because they are the only ones available to fulfil this role at home and often have little choice.¹⁰³

5.77 Carers Australia argued that social security provision should include supplementary income support that enables the carers to be economically productive while maintaining their own wellbeing while they save the government and their families the costs of residential care and full income support payments. The main disincentive for carers seeking employment, however, is the lack of alternative care for the person needing care.¹⁰⁴

5.78 The Committee notes that carers have a clear need for greater access to respite care. Given the implications of the ageing population this is an area which has been the subject of a recent inquiry by the House of Representatives Standing Committee on Health and Ageing. The report *Future Ageing: Report on a draft report of the 40th Parliament: Inquiry into long-*

102 Carers Australia, *Submission No. 30*, pp. 5-7.

103 Carers Australia, *Submission No. 30*, p. 6.

104 Carers Australia, *Submission No. 30*, p. 6.

term strategies to address the ageing of the Australian population over the next 40 years was tabled in March 2005.

Indigenous Australians

5.79 The Productivity Commission report on the review of government service provision to Aboriginal and Torres Strait Islander peoples *Overcoming Indigenous Disadvantage: key indicators 2003* highlights the range of barriers and disadvantages that many Indigenous people face.¹⁰⁵ The report identifies strategic areas for action which have the potential to reduce Indigenous disadvantage. These areas are broad but have significant implications for the ability for Indigenous people to develop skills and capacity to participate economically. The areas of action include:

- early childhood development and growth;
- early school engagement and performance;
- positive childhood and transition to adulthood;
- reducing the incidence of substance abuse and misuse;
- functional and resilient families and communities;
- effective environmental health systems; and
- economic participation and development.¹⁰⁶

5.80 *Overcoming Indigenous Disadvantage* also identified the need for more comprehensive data on many of these areas. To assist with addressing employment participation there was a need to collect better income, education and employment data, including CDEP participation.¹⁰⁷ The *National and Aboriginal and Torres Strait Islander Social Survey 2002* (released in June 2004) goes some way to addressing the data deficiencies.¹⁰⁸

105 Steering Committee for the Review of Government Service Provision, 2003, *Overcoming Indigenous Disadvantage: key indicators 2003*, Productivity Commission, Canberra.

106 Steering Committee for the Review of Government Service Provision, 2003, *Overcoming Indigenous Disadvantage: key indicators 2003*, Productivity Commission, Canberra, pp. xxxiv-xxxv.

107 Steering Committee for the Review of Government Service Provision, 2003, *Overcoming Indigenous Disadvantage: key indicators 2003*, Productivity Commission, Canberra, p. iii.

108 Australian Bureau of Statistics, 2004, *National and Aboriginal and Torres Strait Islander Social Survey 2002* (Cat. No. 4714.0), p. 3.

- 5.81 Also in June 2004, the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs released a report entitled *Many Ways Forward: Report of the inquiry into capacity building and service delivery in Indigenous communities* which covers many of the barriers facing Indigenous people. The Committee refers the reader to that report and will not repeat the material in this report.
- 5.82 Examples of programs for Indigenous people that have been developed through coordinating Australian, State and Territory and local government authorities with communities include:
- Community Participation Agreements: It is intended that CPAs will operate in around 100 remote Indigenous communities and will involve the community in identifying practical ways people can contribute to their families and communities in return for their income support.¹⁰⁹
 - Reconnect: young Indigenous people's access to support programs to improve their educational and employment outcomes is required. The Reconnect Program is an early intervention program for young people aged 12-18 years who are homeless or at risk of homelessness, and their families, to improve the level of engagement of these young people with family, work, education, training and community. Fourteen of 98 services are Indigenous specific.¹¹⁰
- 5.83 FaCS also noted that complementary strategies which address structural or systemic issues such as low educational attainment, poor health, nutrition and housing standards and a lack of infrastructure such as banking, services, communication and transport are also necessary in addressing increasing participation in paid employment. These issues need new and innovative approaches to community capacity building. Some of the current FaCS initiatives which aim to address these issues include the Family Income Management project, a two year project based in three Cape York Indigenous communities, which attempts to maximise social and economic outcomes by improving management of family-group pooled income.¹¹¹
- 5.84 FaCS is also involved in the Indigenous Communities Coordination Taskforce. FaCS is working with DEWR and the Wadeye community to develop a 'local people for local jobs' employment strategy, and is also

109 Department of Family and Community Services, *Submission No. 99*, p. 25.

110 Department of Family and Community Services, *Submission No. 99a*, p. 4.

111 Department of Family and Community Services, *Submission No. 99*, p. 25.

working with other agencies to develop innovative participation pathways for Wadeye residents.¹¹²

- 5.85 The Committee notes that administration and policy responsibilities for Indigenous employment programs have been transferred to DEWR from December 2004.

Employment programs and projects

- 5.86 Structured Training and Employment Projects (STEP) is one of the components of the Indigenous Employment Policy that the Australian Government introduced in 1999. The major components of the policy were measures to improve the employment outcomes of Indigenous clients through Job Network, the Indigenous Employment Programme and the Indigenous Small Business Fund.¹¹³
- 5.87 STEP provides flexible financial funding for structured training and employment projects to Indigenous job seekers.¹¹⁴ Between July 1999 and 2003, nearly 19 000 Indigenous job seekers have gained access to accredited training and employment through STEP and the Corporate Leaders for Indigenous Employment Project.¹¹⁵ Funding for the self help program under STEP is being trialled in selected regions to promote self-employment.¹¹⁶
- 5.88 The Wages Assistance Program provides a wage subsidy to employers who employ eligible Indigenous job seekers and between July 1999 and 2003, has led over 8 600 Indigenous people into jobs.¹¹⁷
- 5.89 The Corporate Leaders for Indigenous Employment initiative is based on a partnership between the Australian Government and companies being

112 Department of Family and Community Services, *Submission No. 99*, p. 25.

113 Department of Employment and Workplace Relations, *Submission No. 72*, p. 13.

114 Department of Employment and Workplace Relations, *Submission No. 72*, p. 22.

115 Office of Aboriginal and Torres Strait Islander Affairs, 2003, 'Indigenous Employment and Economic Development', *Indigenous Issues, Fact Sheet Series, October 2003*, No. 9, p. 2, <<http://www.atsia.gov.au/atsia/facts/pdf/employment.pdf>>

116 Department of Employment and Workplace Relations, *Submission No. 72*, p. 22.

117 Office of Aboriginal and Torres Strait Islander Affairs, 2003, 'Indigenous Employment and Economic Development', *Indigenous Issues, Fact Sheet Series, October 2003*, No. 9, p. 2, <<http://www.atsia.gov.au/atsia/facts/pdf/employment.pdf>>

- encouraged to generating more jobs for Indigenous Australians.¹¹⁸ As at October 2003, 70 companies had signed up to this project.¹¹⁹
- 5.90 Indigenous Community Volunteers was established to assist Indigenous communities by supporting skills transfer projects such as business, finance and the trades that have lasting value.¹²⁰
- 5.91 The Indigenous Small Business Fund is to encourage the development of businesses owned, operated and managed by Indigenous Australians and to encourage sustained Indigenous employment opportunities.
- 5.92 In locations where the Active Participation Model does not apply, a fee-for-service model that is tailored to the needs of local communities and labour markets has been introduced. This model has particular application to remote areas where many Indigenous people live. An evaluation of the Indigenous Employment Policy highlighted the need for incentives to stimulate grassroots economic activity in those areas with limited employment opportunities. Both the Self-Help Programme (currently being trialled) and the Indigenous Capital Assistance Scheme (introduced in 2004), which include financial literacy and business skills training, are intended to promote business development and therefore increase employment opportunities.¹²¹
- 5.93 While significant numbers of Indigenous youth are being helped to gain employment through Job Network and the Indigenous Employment Programme, the evaluation found that more needs to be done to ensure they have the skills, job search techniques, confidence and motivation to benefit from strong economic growth. Initiatives to improve the school to work transition for Indigenous youth have been jointly developed and trialled with the Department of Education, Science and Training (DEST), including school-based traineeships and apprenticeships, allowing for the achievement of both academic and employment qualifications and linking Year 11 and 12 students to employment and further training and education.¹²²

118 Department of Employment and Workplace Relations, *Submission No. 72*, p. 22.

119 Office of Aboriginal and Torres Strait Islander Affairs, 2003, 'Indigenous Employment and Economic Development', *Indigenous Issues, Fact Sheet Series, October 2003*, No. 9, p. 2, <<http://www.atsia.gov.au/atsia/facts/pdf/employment.pdf>>

120 Department of Employment and Workplace Relations, *Submission No. 72*, p. 23.

121 Department of Employment and Workplace Relations, *Submission No. 72*, pp. 13-14. Refer to Attachment C of the DEWR submission for more detail on Indigenous programs.

122 Department of Employment and Workplace Relations, *Submission No. 72*, pp. 13-14.

5.94 The Australasian Institute of Mining and Metallurgy (AIMM) reported of the success in the Hamersley and Pilbara areas, in the iron ore areas of WA, of Indigenous training and employment programs by Rio Tinto. AIMM is working with the Indigenous community and local schools to encourage greater Indigenous participation in further training and apprenticeships:

... this very practical approach of encouraging Aboriginal school involvement through the high schools, and then training in apprenticeships and in professional areas was having some excellent effects.¹²³

Northern Australian programs

5.95 Other examples of government and community based programs to assist Indigenous people are the Indigenous Employment Policy for Queensland Government Building and Construction Contracts implemented by the Queensland Government in 2001. It is a direct response to the high unemployment rate of Indigenous Queenslanders and their comparatively low participation in VET, particularly in rural and remote locations.

The Policy applies to state government contracts for built and civil construction in the 32 Deed-of-Grant-in-Trust communities and the shires of Aurukun, Torres and Mornington. A minimum of 20 percent of the on-site construction labour force must comprise local Indigenous residents and half of this group must undertake approved training, which may include apprenticeships and traineeships.¹²⁴

5.96 Other Queensland initiatives include Indigenous Employment and Training Support Officers; the Aboriginal and Torres Strait Islander Public Sector Employment Development Unit, recruiting, training and retaining Indigenous staff in the Queensland public sector, the Community Jobs Plan and the Community Employment Assistance Program have had significant Indigenous involvement.¹²⁵

5.97 Mission Australia is supportive of increased education and training assistance through Australians Working Together. They commented that

123 Dr Ian Gould, President, Australasian Institute of Mining and Metallurgy, *Transcript of Evidence*, 19 March 2004, p. 12.

124 Queensland Government, *Submission No. 87*, pp. 12-13.

125 Queensland Government, *Submission No. 87*, p. 12.

the creation of Indigenous Employment Centres to offer work experience, job search support, access to job training and mentoring assistance is a positive development. Indigenous communities are recognising the leadership role they have in working towards economically sustainable business enterprises. Mission Australia strongly supports initiatives such as the Cape York Enterprise Partnership and would recommend the Australian Government foster further initiatives of this kind.¹²⁶

- 5.98 Under the Queensland Government's Indigenous Employment Policy, local Indigenous employees undertake 20 per cent of the labour hours in State Government Indigenous building and construction infrastructure projects in designated communities. Half of the local Indigenous employees recruited under this policy must undertake approved training, which may include apprenticeships and traineeships.¹²⁷
- 5.99 The Northern Territory Government also is developing an Indigenous Employment and Career Development Strategy. This strategy aims to address the under-representation of Aboriginal and Torres Strait Islander peoples currently employed in the Northern Territory Public Sector. The strategy seeks to provide appropriate recruitment, career development and retention initiatives.¹²⁸
- 5.100 ACTU also called for the establishment of Indigenous employment targets, which include effective education and training programs within these targets.¹²⁹
- 5.101 The Committee is encouraged by the broad range of these initiatives and the improvements in employment outcomes. However, given the demographic factors that were identified in earlier chapters significant focus is required to support and foster further increase in participation in paid work.

Community Development Employment Projects

- 5.102 CDEPs provide employment and training opportunities to over 34,000 Indigenous people in a range of activities that benefit themselves and their communities. In some remote and very remote areas of Australia it

126 Mission Australia, *Submission No. 104*, p. 16.

127 Queensland Government, *Submission No. 87*, pp. 10, 12.

128 Northern Territory Government, *Submission No. 68*, pp. 1-2.

129 ACTU, *Submission No. 69*, p. 15.

accounts for the majority of jobs.¹³⁰ However, CoffEE argued that CDEPs undertaken in metropolitan and outer metropolitan areas are those that would be undertaken by the private sector.¹³¹

- 5.103 The Indigenous Employment Centres were established to assist CDEP participants to find suitable mainstream employment outside CDEPs.¹³² Between April 2002 and 30 September 2003 centres had assisted over 1 700 CDEP participants and placed over 400 people into employment.¹³³ FaCS stated that the concepts of reciprocity and responsibility, community capacity building, improved and individualised service delivery associated with Welfare Reform are reflected in the Australian Government's approach to addressing Indigenous disadvantage.¹³⁴
- 5.104 The Committee notes the release of the discussion paper '*Building on Success: CDEP Discussion Paper 2005*' by the Minister for Employment and Workplace Relations on 22 February 2005. The paper aims to enhance the operation of CDEP to further improve participation by Indigenous peoples, particularly in remote areas.

People with a disability

- 5.105 Disability Action Inc summarised the situation as:

People with disabilities need adequate support in order to access job search, training and employment opportunities. This includes access to adequate personal assistance and care, to adequate accommodation, transport and access to buildings and other infrastructure, access to communication technologies and access to the community to maintain their social relationships, which often enable them to start work.¹³⁵

130 Department of Employment and Workplace Relations, *Submission No. 72*, p. 5 and Steering Committee for the Review of Government Services Provision 2003, *Overcoming Indigenous Disadvantage: Key Indicators 2003*, Productivity Commission, Canberra, pp. xlix, 11.9.

131 Ms Sally Cowling, Research Fellow, Centre of Full Employment and Equity, University of Newcastle, *Transcript of Evidence*, 12 March 2004, p. 9.

132 Department of Employment and Workplace Relations, *Submission No. 72*, p. 14.

133 Office of Aboriginal and Torres Strait Islander Affairs, 2003, 'Indigenous Employment and Economic Development', *Indigenous Issues, Fact Sheet Series, October 2003*, No. 9, p. 2, <<http://www.atsia.gov.au/atsia/facts/pdf/employment.pdf>>

134 Department of Family and Community Services, *Submission No. 99*, p. 25.

135 Disability Action Inc, *Submission No. 94*, p. 2.

- 5.106 This access to adequate support is required to counter the barriers faced by people with a disability. These barriers include:
- lack of culturally appropriate assistance, and inappropriate or inadequate assistance and support;
 - myths, misconceptions and negative stereotypes about disability and ethnicity in the community;
 - discrimination and prejudice against people with a disability;
 - emphasis on 'mainstreaming' without acknowledgement of the inequities that exist;
 - NESB people with a disability often do not understand concepts used to describe their situation;
 - ethnic communities often do not have the capacity to advocate for the needs of people with a disability;
 - lack of freely available information for employers on work adjustments for people with a disability;
 - lack of support for people with a disability participating in the recruitment process;
 - employers' lack of awareness of reasonable adjustment for people with a disability and availability of Government incentives, including subsidies to offset costs for modifications or adjustments to the work environment;
 - poor job design and inflexible working arrangements and inadequate support for the placement of these people by the recruitment industry;
 - incorrect perceptions that disability is linked to low performance, employers and businesses' perception that the employment of people with a disability is hard and time consuming; and
 - recruitment providers not skilled in disability and no guidelines or standards provided.¹³⁶
- 5.107 Other practical barriers faced by blind people include the lack of access to course materials for students and the incompatibility of new computerised

¹³⁶ Australian Council of Social Service, *Submission No. 74*, p. 32; National Ethnic Disability Alliance and the Physical Disability Council of Australia, *Submission No. 96*, pp. 9-10; Manpower Services (Australia) Pty Ltd, *Submission No. 78*, p. 8; Women With Disabilities in Australia, *Submission No. 17*, pp. 10-12.

equipment with screen readers.¹³⁷ The hearing impaired or deaf people also need Australian Sign Language (Auslan) interpreting for employment related activities including job interviews.¹³⁸

- 5.108 At the local level many services that have provided assistance have been de-funded or have moved to a 'user pays' service. The type of assistance must be tailored to the individual's circumstances and if it is available there are extensive waiting lists. This does not assist in gaining employment opportunities. Many of these services are the responsibility of the State or local Governments.¹³⁹

Growth in Disability Support Pension

- 5.109 As discussed in earlier chapters of this report, rates of Disability Support Pensions (DSP) receipt grew substantially between 1980 and 2000, particularly for females during the 1990s. In part this has been attributable to switching from other benefits such as the widow's pension, now removed, rather than an increase in welfare dependency.¹⁴⁰ Also, in the year to March 2003, 34 per cent of new entrants to the DSP had previously been on Newstart.¹⁴¹
- 5.110 The male DSP-recipient population has been getting younger in recent years, with 27 per cent being males aged less than 50 years.¹⁴² One significant difference between the DSP and Newstart is that the DSP does not have activity testing.

The number of males on DSP aged under 50 years has more than tripled in the last twenty years from 54,303 in 1982 to 178,206 in 2002. By comparison the number of males on DSP aged 50 years and over has more than doubled from 96,843 to 228,687 during the same period. Males on DSP aged less than 50 years accounted for 43.8 per cent of all male DSP recipients in 2002 compared with 35.9 per cent in 1982.¹⁴³

137 Blind Citizens Australia, *Submission No. 67*, p. 2.

138 Australian Federation of Deaf Societies, *Submission No. 103*, p. 1.

139 Women With Disabilities in Australia, *Submission No. 17*, p. 15; Mr Philip Starks, *Submission No. 13*, pp. 2-3.

140 Mr David Thompson, Principal Policy Adviser, Office of Employment, Education and Training, Australian Council of Social Service, *Transcript of Evidence*, 28 January 2004, p. 10.

141 Department of Employment and Workplace Relations, *Submission No. 72*, p. 4.

142 Wilkins R (2003) *Labour Market Outcomes and Welfare Dependence of Persons with Disabilities in Australia*, Melbourne Institute of Applied Economic and Social Research, The University of Melbourne, p. 5.

143 Department of Employment and Workplace Relations, *Submission No. 72b*, p. 4.

- 5.111 ACOSS reported that the growth rate in the number of those on DSPs in Australia is the highest in the OECD, and the proportion of these recipients participating in paid employment is the lowest in the OECD.¹⁴⁴ Therefore, the growth in this pension has been the subject of concern. For this reason there have been attempts to introduce participation requirements for more able recipients of the DSP.
- 5.112 In efforts to increase social and economic participation of people with disabilities and reduce the increase of recipients on the DSP, the Australian Government introduced the Family and Community Services Legislation Amendment (Disability Reform) Bill 2002. In part, the bill proposed changes to the DSP qualification criteria: the continuing inability to work test from a 30 hour a week test to a 15 hour a week test.¹⁴⁵
- 5.113 There was division in the Committee on party lines around a review of the eligibility criteria for the DSP.

Recommendation 14

The Committee recommends that the Australian Government introduce increased work capacity provisions in determining eligibility for those in receipt of the Disability Support Pension.

Employment strategies

- 5.114 Research reported in 2003 found that the adverse effects of disability in terms of participation in paid work appears to be worse for low-skilled, prime aged people.¹⁴⁶ Additionally, the adverse consequences for obtaining employment of profound and severe disability and multiple impairment types were greater in 1998 than in 1993.¹⁴⁷ This indicates that assistance and the removal of barriers is required to improve employment outcomes.

144 Mr David Thompson, Principal Policy Adviser, Office of Employment, Education and Training, Australian Council of Social Service, *Transcript of Evidence*, 28 January 2004, p. 10.

145 Department of Employment and Workplace Relations, *Submission No. 72*, p. 15; and *Family and Community Services Legislation Amendment (Disability Reform) Bill 2002*.

146 Dr Roger Wilkins, Research Fellow, Melbourne Institute of Applied Economic and Social Research, University of Melbourne, *Transcript of Evidence*, 19 March 2004, p. 52.

147 Wilkins R (2003) *Labour Market Outcomes and Welfare Dependence of Persons with Disabilities in Australia*, Melbourne Institute Working Paper No. 2/03, p. 5.

- 5.115 Strategies to assist people with disabilities include Centrelink streaming arrangements to refer people with moderate to severe disabilities to the Disability Employment Assistance Program (DEA) and those with mild to moderate disabilities to the Job Network system.¹⁴⁸ The DEA provides assistance to those with ongoing support needs and the CRS, for example, provides vocational rehabilitation to those who may otherwise not gain employment.¹⁴⁹
- 5.116 Job Network providers must be able to service all jobseekers and demonstrate their capacity to service people with disabilities among others. There are also specialist Job Network providers who provide services to people with different types of disabilities such as the symptoms of HIV-AIDS, vision impairment, hearing impairment and mental health issues. The ultimate test of a Job Network service provider is the level of jobs they get for people with a disability, and the results were reported as quite positive.¹⁵⁰
- ...around 54 to 58 per cent of people with disabilities who have been placed through the job matching service in the past have been in a job three months later – in employment or a full-time education course. For those who go through the more intensive services, 44 per cent are still in employment or long-term education three months later ... these providers also have the highest star ratings, typically. Those are objective measures of their performance.¹⁵¹
- 5.117 Strategies or interventions that assist people with disabilities to increase participation included vocational guidance, job search support and job placement. Younger people have been found to respond better to such assistance.¹⁵² Therefore the greatest potential success to encourage people with disabilities into employment is when they are younger.
- 5.118 NEDA and PDCA identified a need for more practical assistance to help NESB people and other people with disabilities to gain employment.

148 Mr Finn Pratt, Group Manager, Intensive Support Group, Department of Employment and Workplace Relations, *Transcript of Evidence*, 26 May 2004, pp. 8-9.

149 Mr Carl Princehorn, Director, Participation Strategies, Department of Family and Community Services, *Transcript of Evidence*, 26 May 2004, p. 9.

150 Mr Finn Pratt, Group Manager, Intensive Support Group, Department of Employment and Workplace Relations, *Transcript of Evidence*, 26 May 2004, p. 7.

151 Mr Finn Pratt, Group Manager, Intensive Support Group, Department of Employment and Workplace Relations, *Transcript of Evidence*, 26 May 2004, p. 8.

152 Department of Family and Community Services, *Assessment and Contestability Trial Evaluation Report*, Executive Summary, <http://www.facs.gov.au/disability/assess_contest/sec_01/01_01.htm>

Disability Action advocates that addressing barriers to employment and providing assistance rather than focussing on incentives and requirements will more likely lead to increased employment outcomes.¹⁵³ Examples of practical assistance listed by various disability organisations include:

- financial assistance to meet the costs of participation;
- creating opportunities for people to gain work experience;
- providing incentives for employers to hire people with a disability;
- providing re-training to people working in industries or positions that are declining;
- technical/equipment assistance;
- recognition of qualifications and experiences gained in other countries;
- ensuring that employment support policies assist in keeping people who acquire a disability in employment;
- providing culturally competent services to place people with disabilities in real jobs with meaningful outcomes and appropriate awards based wages;
- modifications to duty statements;
- making job advertisements inclusive and accessible;
- flexibility for those who experience fluctuating levels of health; and
- better promotion of the Workplace Modifications Program to both employers and employment service providers.¹⁵⁴

5.119 NEDA and PDCA consider that greater consultation is required to identify strategies to assist in the employment of people with disability. The establishment of the Australian Federation of Disability Organisations will provide opportunities for consultation with the department and have input into public policy.¹⁵⁵

5.120 Between December 2003 and June 2004, DEWR conducted a pilot program to explore strategies to engage DSP recipients with specialist Job Network

153 Ms Monika Baker, Disability Action, *Submission No. 94*, pp. 29, 37.

154 National Ethnic Disability Alliance and the Physical Disability Council of Australia, *Submission No. 96*, pp. 7, 9; Ms Lou-Anne Lind, Executive Director, National Ethnic Disability Alliance, *Transcript of Evidence*, 31 March 2004, pp. 1-2; Women With Disabilities in Australia, *Submission No. 17*, p. 9.

155 Mr Philip O'Donoghue, Acting Director, Australian Council of Social Service, *Transcript of Evidence*, 28 January 2004, p. 11.

disability employment services to help them find work. The pilot involved voluntary participation. Job seekers who had high level and ongoing support needs were not accepted into the pilot. Many of the services that have been identified in the paragraphs above were included or identified as necessary in the evaluation of the program.

5.121 A key finding was that many of the participants who wanted to work were not previously taking advantage of available assistance. At the end of the interim evaluation, forty four per cent of participants had found employment or were participating in educational outcomes. However, the cost of assistance for people with a disability was higher than for other job seekers. This may have budgetary implications for Job Network and specialist disability employment service providers.

5.122 Six key areas were identified in the pilot to maximise the effectiveness of using Job Network:

- remove disincentives to participation for DSP recipients; such as insufficient pension suspension guarantees, and employer ignorance of disability issues and discrimination;
- increase DSP recipients' awareness of available employment services and promote best practice in engaging with interested job seekers at the local level;
- promote flexible servicing arrangements that currently exist within the Active Participation Model; such as use of the Job Seeker Account, and cross referrals;
- promote best practice, training and support mechanisms and tools for servicing DSP recipients; such as increasing general understanding of disability issues;
- streamline administrative systems and processes associated with servicing DSP recipients; and
- improve awareness in the labour market of the benefits of employing people with a disability.¹⁵⁶

¹⁵⁶ Mr Graham Carters, Group Manager, Working Age Policy Group, Department of Employment and Workplace Relations, *Transcript of Evidence*, 17 February 2005, pp. 6-13; DEWR, *Exhibit No. 96: Job Network Disability Support Pensions Pilot: Interim Evaluation Report*. (October 2004), Executive Summary, pp. 1-2.

Workplace Modification Scheme

- 5.123 NEDA and PDCA suggested that the Workplace Modifications Scheme be increased to cover part-time and casual positions and that the program be better promoted to employers and employment service providers.¹⁵⁷ Similarly, the Australian Federation of Deaf Societies suggested review of the Workplace Modification Scheme to include financial assistance costs associated with Auslan interpreting. Examples were provided of private businesses not wishing to meet the costs of Auslan interpreters for employment interviews nor for ongoing employment.¹⁵⁸
- 5.124 FaCS has also identified the need for greater promotion of government initiatives. The awareness of employers of the existence of the Employer Incentive Scheme, including workplace modifications, was low. Reviewing the flexibility of the scheme was important but employers also want one-stop assistance about how to go about employing and supporting employees with disabilities.¹⁵⁹ A disability portal, 'JobAble', that was launched in August 2004, is available to all employers, service providers and employees with a disability. It provides information in one place so that employers and job seekers know what assistance is available to them, who to contact for assistance and what issues have to be addressed to meet legislative requirements.
- 5.125 Additionally, to broaden the support to people with disabilities the Australian Government is also considering eligibility for the workplace modification scheme. The scheme is currently open to those job seekers who are engaged with Job Network Intensive Support customised assistance or with DEWR funded open employment service. The concern is that this limits the ability to support people who may be able to get a job and stay in a job without the need for those more intensive services but who may need some minor workplace modification.¹⁶⁰

157 National Ethnic Disability Alliance and the Physical Disability Council of Australia, *Submission No. 96*, pp. 4, 7, 11.

158 The Australian Federation of Deaf Societies, *Submission No. 103*, pp. 6-8.

159 Ms Serena Wilson, Executive Director, Department of Family and Community Services, *Transcript of Evidence*, 26 May 2004, p. 10; <<http://www.JobAble.gov.au>>.

160 Mr Carl Princehorn, Director, Participation Strategies, Department of Family and Community Services, *Transcript of Evidence*, 26 May 2004, p. 10; Department of Employment and Workplace Relations, Workplace Modifications Scheme Guidelines, <<http://www.jobable.gov.au/openemploymentproviders/workplacemodificationsshemeguidelines.asp>>

Recommendation 15

The Committee recommends that the Australian Government extend the eligibility criteria of the Workplace Modification Scheme to provide support for people with an assessed disability to enter the paid workforce where their capacity to work would be significantly improved by workplace modification.

Recommendation 16

The Committee recommends that the Australian Government conduct an awareness-raising program to promote the Workplace Modification Scheme to employers and employment services providers.

- 5.126 The Committee is particularly concerned about reports that deaf people are required to attend a job interview without an interpreter. It is the understanding of the Committee that funding can be provided through the Job Seeker accounts for this type of service.

Recommendation 17

The Committee recommends that the Australian Government ensure that all funded employment services are aware of the obligation to provide Auslan interpreters for deaf clients attending job interviews.

- 5.127 The Committee notes that the state-based Equipment Subsidy Scheme is generally highly regarded for the assistance it provides for people with a disability.¹⁶¹ The Australian Government Workplace Modification Scheme could be similarly enhanced to include changes to the eligibility criteria, the level of funding for equipment, the timeliness of receiving the

¹⁶¹ Mr Andrew Daly, Executive Director, Royal Society for the Blind of South Australia Inc, *Transcript of Evidence*, 18 March 2004, pp. 23, 33; Royal Society for the Blind of SA Inc, *Submission No. 47*, p. 2. This is a state-based scheme that could have broader applicability, such as the Australian Government's Workplace Modification Scheme. For a more comprehensive discussion of equipment schemes refer to Australian Institute of Health and Welfare, 2003, *Disability: the use of aids and the role of the environment*, <<http://www.aihw.gov.au/publications/dis/duare/>> accessed 25 February 2005.

equipment, a maintenance facility and the need for a loan pool to meet the short-term needs.

Recommendation 18

The Committee recommends that the Australian Government extend eligibility for the Workplace Modification Scheme to part-time and casual positions.

Changing attitudes

5.128 In some situations, the response by employers is not as positive as it could be and people with a disability:

... often experience discrimination in the workplace, ranging from being marginalised in relationships with fellow employees and managers, not being offered modified work conditions or hours of employment to accommodate their disabilities, or being forced to resign or sacked outright.¹⁶²

5.129 Employers need good-quality, practical and timely information that can help ensure that there are no barriers to people with a disability. EMAD would like to see a strategy implemented that would provide the appropriate information to employers, provide assistance and put a business case for the employment of people with a disability.¹⁶³

5.130 Very little information has been provided to employers about their obligations under the *Disability Discrimination Act 1992*.¹⁶⁴ MS Australia commented that employers are often uncomfortable with discussing workplace accommodation and accede from fear of allegations of discrimination rather than a desire to provide appropriate assistance in the workplace.¹⁶⁵

If employers could be given the kind of assistance that is available for work injuries to help them to manage a worker and a chronic illness, then significant community dollars would be saved in

¹⁶² MS Australia, *Submission No. 90*, p. 3.

¹⁶³ Employers Making a Difference, *Submission No. 70*, p. 5.

¹⁶⁴ Employers Making a Difference, *Submission No. 70*, p. 3.

¹⁶⁵ MS Australia, *Submission No. 90*, p. 11.

welfare and rehabilitation services and create additional retirement income for the employees concerned.¹⁶⁶

5.131 MS Australia referred to the Employer Forum on Disability established in the United Kingdom in which the employers:

... have taken the initiative to provide leadership to their members in promoting positive management solutions to issues of disability and chronic illness in the workplace.¹⁶⁷

5.132 EMAD commented that the government and community sectors need to engage the business sector to develop employment opportunities.¹⁶⁸ The reluctance by employers to employ people with disabilities has been attributed to perceptions of a higher risk of injury and lack of productivity and flexibility in the workplace.¹⁶⁹

5.133 RSB believes that there is a need for community education. RSB believes that you will not find better workers than blind people but this message needs to be taken out to the broader community.¹⁷⁰ Once in employment the retention level of employees with a disability is high.¹⁷¹

...we can spend millions of dollars and hundreds of thousands of service hours to make a client independent and to integrate into the community but, at the end of the day, if the community does not accept them, basically you have achieved nothing.¹⁷²

Continuity of employment

5.134 MS Australia commented that many people with MS felt that the disclosure of their degenerative condition to the employer had hastened the employer's wish for them to leave their job.¹⁷³ MS Australia

166 MS Australia, *Submission No. 90*, p. 13.

167 MS Australia, *Submission No. 90*, pp. 13-4.

168 Ms Suzanne Colbert, Chief Executive Officer, Employers Making a Difference, *Transcript of Evidence*, 27 January 2004, p. 28.

169 Mr Andrew Daly, Executive Director, Royal Society for the Blind of South Australia Inc, *Transcript of Evidence*, 18 March 2004, p. 22; see also Ms Monika Baker, Senior Systemic Advocate, Disability Action Inc, *Transcript of Evidence*, 18 March 2004, p. 39

170 Mr Andrew Daly, Executive Director, Royal Society for the Blind of South Australia Inc, *Transcript of Evidence*, 18 March 2004, p. 36.

171 Mr Peter Hall, Coordinator, Employment Services, Royal Society for the Blind of South Australia Inc, *Transcript of Evidence*, 18 March 2004, p. 30; Manpower Services (Australia) Pty Ltd, *Submission No. 78*, p. 8.

172 Mr Andrew Daly, Executive Director, Royal Society for the Blind of South Australia Inc, *Transcript of Evidence*, 18 March 2004, p. 35.

173 MS Australia, *Submission No. 90*, p. 4.

commented that the employer may have already made a substantial investment in that employee in terms of training and career development. With employers there is often a good deal of goodwill but a general ignorance.¹⁷⁴

- 5.135 Good information and planning can assist people with degenerative conditions before it is too late to save their job.¹⁷⁵ Support agencies need to be contacted before the relationship between the employer and the employee has deteriorated to a point where continued employment is not an option.¹⁷⁶ People need to be made aware of the availability of specialist service providers while they are still employed.¹⁷⁷
- 5.136 The 'Jobs in Jeopardy' program at CRS is available to assist people remain in employment. MS Australia commented that the Jobs in Jeopardy program is one of the few programs available for people with MS who are at risk of premature or unfair exit from employment.¹⁷⁸ However MS Australia notes that for someone facing discrimination the entry of the CRS can exacerbate matters and there needs to be a better way of handling these situations.¹⁷⁹
- 5.137 The Blind Citizens of Australia (BCA) believes that Jobs in Jeopardy should be bolstered and would like to see an increased focus on equipment provision and retraining.¹⁸⁰ The Jobs in Jeopardy program could provide more support to organisations and employers who are trying to do the right thing.¹⁸¹ The Jobs in Jeopardy program is a national program but is not well known and is hard to access.¹⁸²

174 Mr Andrew White, MS Australia, *Transcript of Evidence*, 20 February 2004, pp. 4, 6.

175 MS Australia, *Submission No. 90*, p.4.

176 Blind Citizens Australia, *Submission No. 67*, p. 13.

177 Mr Andrew Daly, Executive Director, Royal Society for the Blind of South Australia Inc, *Transcript of Evidence*, 18 March 2004, p. 22; Royal Society for the Blind of SA Inc, *Submission No. 47*, p. 2.

178 MS Australia, *Submission No. 90*, p. 14.

179 Mr Alan Blackwood, Manager, Policy and Community Partnerships, MS Australia, *Transcript of Evidence*, 20 February 2004, p. 2.

180 Blind Citizens Australia, *Submission No. 67*, p. 14.

181 Ms Collette O'Neill, National Policy Officer, Blind Citizens Australia, *Transcript of Evidence*, 19 March 2004, p. 49.

182 Mr Alan Blackwood, Manager, Policy and Community Partnerships, MS Australia, *Transcript of Evidence*, 20 February 2004, p. 2.

Recommendation 19

The Committee recommends that the Australian Government review the Jobs in Jeopardy program (to ensure improved access to this program), in terms of its use, eligibility criteria and effectiveness in assisting people with chronic illnesses to remain in employment.

Recruitment services for people with a disability

- 5.138 The Committee heard from a number of organisations that recruitment services do not have the skills to deal with people with a disability. The criticisms include discrimination by Job Network providers, staff who are not trained to deal with mental health problems, offices that are not accessible to wheelchairs and one case of someone who was deaf being sent for telephone marketing training.¹⁸³ It was also suggested that the Job Network employment system does not cater well for deaf people.¹⁸⁴
- 5.139 Positions advertised in newspapers require communication skills which are usually interpreted as oral communication skills, which can present an immediate barrier for deaf people.¹⁸⁵ There is a significant attitudinal barrier in both public and private sectors when trying to organise interviews for deaf clients.¹⁸⁶ There is a lack of awareness about the Workplace Modifications Scheme which could provide TTY (Teletypewriter) relay service, email, fax or SMS.¹⁸⁷
- 5.140 The disability employment service network is geared towards finding new jobs for people rather than providing support for people currently in the workforce, and these are often entry-level, first jobs for people with congenital disabilities. The network is not well equipped to deal with people with an acquired disability. People with a degenerative condition who have been previously employed may need professional input to job

183 Ms Monika Baker, Senior Systemic Advocate, Disability Action Inc, *Transcript of Evidence*, 18 March 2004, p. 45.

184 Ms Rebecca Ladd, Secretary/Treasurer, Australian Federation of Deaf Societies, *Transcript of Evidence*, 28 January 2004, p. 36.

185 Ms Rebecca Ladd, Secretary/Treasurer, Australian Federation of Deaf Societies, *Transcript of Evidence*, 28 January 2004, p. 38.

186 Mr Andrew Wiltshire, Community Liaison and Projects Officer, Australian Association of the Deaf, *Transcript of Evidence*, 28 January 2004, p. 37.

187 Australian Federation of Deaf Societies, *Submission No. 103*, p. 4.

design, while most people with a disability entering the labour market do not require the professional health layer.¹⁸⁸

- 5.141 PDCA commented that job placements for people with a disability can fail due to an employer's lack of planning and preparation before they commence work:

This sets the individual up with false expectations, which can result in loss of self-esteem and the willingness to pursue the employment market again.¹⁸⁹

- 5.142 EMAD believes that Australia's attitudes to encouraging people with a disability to participate in the workforce are getting better, but systems are getting worse. EMAD stated that there are organisations wishing to employ people with a disability, but that assessment strategies in the recruitment processes when outsourced are disadvantaging people who have a disability.¹⁹⁰ The Committee is concerned that in situations where recruitment is being outsourced, the human resource professionals are not providing greater opportunities for people with a disability to better access employment opportunities.

- 5.143 EMAD added that there is currently a diversity training module being developed that does not mention disability and that there is no regular training for professional development being offered by the Australian Human Resource Institute or the Recruitment and Consulting Services Association, and that this could be a fundamental part of bringing about change.¹⁹¹

Recommendation 20

The Committee recommends that the Australian Government, in consultation with the peak disability agencies, recruitment services and business and industry organisations, develop guidelines on appropriate criteria and protocols for the recruitment of people with a disability.

188 Mr Alan Blackwood, Manager, Policy and Community Partnerships, MS Australia, *Transcript of Evidence*, 20 February 2004, pp. 2, 9-10.

189 Physical Disability Council of Australia Ltd, Submission No. 76, p. 3.

190 Ms Suzanne Colbert, Chief Executive Officer, Employers Making a Difference, *Transcript of Evidence*, 27 January 2004, pp. 34-35.

191 Ms Suzanne Colbert, Chief Executive Officer, Employers Making a Difference, *Transcript of Evidence*, 27 January 2004, p. 35.

Training and education

- 5.144 NEDA and PDCA commented on the lack of access to education at all levels and added that few vocational training centres possess the expertise for the delivery of training courses for people with a disability.¹⁹²
- 5.145 PDCA commented that not all training programs are accessible for people with a disability and that there are very few vocational training centres with the expertise to deliver tailored training courses for people with a disability.¹⁹³ People with disabilities are under represented in the VET system and in apprenticeships or traineeships. Disability Action Inc suggested a review to investigate why people with a disability are not participating in these opportunities and steps taken to overcome these barriers.¹⁹⁴
- 5.146 Blind students are being advised not to enrol at universities because lecture material cannot be provided in a suitable format. This ignorance can be addressed by education, and BCA are attempting to establish an accredited training course. While DEST and ANTA support the idea, funding is not available.¹⁹⁵ BCA also called for greater availability of Braille literacy and numeracy courses for children and adults including those from NESB.¹⁹⁶ Further, BCA emphasised the importance of mentoring for blind people, as people in the school system may not be aware of the types of work they can do.¹⁹⁷
- 5.147 The Committee notes the range of issues that need to be addressed to support people with disabilities into employment. Strategies to improve the transition from education to work, such as in increased exposure to the workplace through work experience, would lead to improved outcomes. Additionally, strengthening the link between workplace coordinators in education providers, and disability employment services may provide greater continuity for people with a disability.

192 National Ethnic Disability Alliance and the Physical Disability Council of Australia, *Submission No. 96*, p. 10.

193 Physical Disability Council of Australia Ltd, *Submission No. 76*, p. 2.

194 Disability Action Inc, *Submission No. 94*, pp. 22-24; see also Australian National Training Authority, *Submission No. 107*, pp. 11-12, for a fuller discussion of the VET response to assist people with disabilities.

195 Ms Collette O'Neill, National Policy Officer, Blind Citizens Australia, *Transcript of Evidence*, 19 March 2004, pp. 47-48.

196 Blind Citizens Australia, *Submission No. 67*, p. 14.

197 Ms Maryanne Diamond, Executive Officer, Blind Citizens Australia, *Transcript of Evidence*, 19 March 2004, p. 45.

Recommendation 21

The Committee recommends that Commonwealth, State and Territory agencies improve the transition assistance available from education to work or to further training through more coordinated work placement support and the links between workplace coordinators and disability employment services.

Employment opportunities

Public sector employment

- 5.148 There has been a 20 per cent decline in the number of people with a disability employed in the Australian Public Service since 1997.¹⁹⁸ PDAC told the Committee that this has been attributed to a decline in jobs with low skills levels. PDAC argued that many people with a disability can use computers and that this demonstrates that people are not aware of the capabilities and the potential of people with a disability.¹⁹⁹
- 5.149 There were more opportunities in the public service but due to reductions at both the State and Commonwealth levels, where lower level positions are being outsourced, the potential employment market has probably decreased.²⁰⁰ People with a disability have been overrepresented in retrenchments from the public sector.²⁰¹ The Australian Federation of Deaf Societies told the Committee that he was not aware of people with disabilities being targeted for voluntary redundancies but people with a disability were often in positions that could be allocated to other areas.²⁰² However, it was noted that deaf people in the public service tend to remain in the lower levels.²⁰³

198 National Ethnic Disability Alliance and the Physical Disability Council of Australia, *Submission No. 96*, p. 6.

199 Ms Susan Egan, Executive Officer, Physical Disability Council of Australia, *Transcript of Evidence*, 31 March 2004, p. 8.

200 Mr Joe Sabolcec, Executive Officer, Australian Federation of Deaf Societies, *Transcript of Evidence*, 28 January 2004, p. 37.

201 Blind Citizens Australia, *Submission No. 67*, p. 9.

202 Mr Joe Sabolcec, Executive Officer, Australian Federation of Deaf Societies, *Transcript of Evidence*, 28 January 2004, p. 38.

203 Ms Rebecca Ladd, Secretary/Treasurer, Australian Federation of Deaf Societies, *Transcript of Evidence*, 28 January 2004, p. 38.

In Australia there are some excellent examples of private sector employers who bend over backwards to accommodate people with moderate to severe disabilities ... But the fact is that there are a number of other disabled people who cannot find job opportunities, which means that there are not enough of them.²⁰⁴

- 5.150 The Committee was also told that the Commonwealth Disability Strategy has achieved very little except a lot of rhetoric.²⁰⁵ BCA believes the excellent principles and obligations within the Commonwealth Disability Strategy have not been 'universally acknowledged, absorbed and implemented'.²⁰⁶ There needs to be a strengthening of the obligations under the strategy and training in disability awareness to all staff in all departments.²⁰⁷

Recommendation 22

The Committee recommends that the Australian Government develop a consistent and standardised reporting system to:

- **report on trend data for the number of people with a disability being employed by the Australian Public Service; and**
- **implement strategies to improve participation of people with disabilities in the Australian Public Service.**

Migrants

- 5.151 Migrants to Australia, often from humanitarian or family programs, may become reliant on income support. A range of assistance measures available for all Australians seeking work also assists migrants to Australia. FaCS through their Mentor Marketplace assists young people to age 25. The program aims to improve the outcomes for young people who are experiencing limited opportunities for participation in the social,

204 Professor William Mitchell, Professor of Economics and Director, Centre of Full Employment and Equity, University of Newcastle, *Transcript of Evidence*, 12 March 2004, p. 12.

205 Ms Susan Egan, Executive Officer, Physical Disability Council of Australia, *Transcript of Evidence*, 31 March 2004, p. 8.

206 Blind Citizens Australia, *Submission No. 67*, pp. 4-5.

207 Physical Disability Council of Australia Ltd, *Submission No. 76*, p. 1.

cultural or economic life of their community. This includes young people who are at risk, those who have had contact with juvenile justice, young people in care, migrants and refugees, Indigenous youth, boys without positive role models, and students experiencing difficulty remaining at school.²⁰⁸

- 5.152 Logan City Council and the Logan Employment Task Force have identified the difficulties of job seekers with diverse cultural and linguistic backgrounds who need to negotiate unfamiliar and complex employment and training systems and are confused by employer expectations.²⁰⁹ Also Manpower Services (Australia) suggested the need for government to educate employers about the importance of migrant workforce integration, emphasising the benefits this skills group has to offer business.
- 5.153 State programs such as Queensland's Community Jobs Plan includes NESB people such as newly arrived migrants, Temporary Protection Visa Holders and humanitarian refugees. The Community Jobs Plan gives priority to local community projects providing generic skills development that is transferable across industries and a diversity of work experiences rather than limited repetitive work skills.²¹⁰
- 5.154 ACCI commented on the benefits of an active program encouraging skilled migration, as this can help the economy grow and increase job opportunities.²¹¹ The Tasmanian Government also sees a role for skilled migration in removing the skill shortage barriers to economic growth.²¹²
- 5.155 USU commented that permanent business migrants have a positive impact on the economy through the establishment of new businesses, the generation of jobs and through expanding Australian exports.²¹³ Manpower Services (Australia) Pty Ltd also suggested a campaign to educate employers on the benefits this skills group has to offer business and the importance of migrant workforce integration.²¹⁴
- 5.156 The Tasmanian Government called for a review of existing programs in terms of:
- Increasing the level of the annual net migration;

208 Department of Family and Community Services, *Submission No. 99a*, p. 5.

209 Logan Employment Task Force, *Submission No. 34a*, pp. 1-5.

210 Queensland Government, *Submission No. 87*, Attachment 2, p. 2.

211 Mr Peter Anderson, Director, Workplace Policy, Australian Chamber of Commerce and Industry, *Transcript of Evidence*, 5 November 2003, p. 5.

212 Tasmanian Government, *Submission No. 102*, p. 21.

213 United Services Union, *Submission No. 85*, p. 5.

214 Manpower Services (Australia) Pty Ltd, *Submission No. 78*, p. 3.

- Whether State specific migration mechanisms could be expanded, with relaxed entry requirements offered to migrants who settle in defined areas/regions of Australia; and
 - As a corollary to the above point, the provision of appropriate “on the ground” resettlement support and assistance particularly in the absence of large ethnic communities.²¹⁵
- 5.157 Within 18 months of arriving in Australia the unemployment rate of skilled migrants is comparable to that of the general Australian population.²¹⁶ The *Intergenerational Report 2002-03* noted:
- Higher migration would tend to increase growth in the labour force and thus in GDP. The composition of the migrant intake also influences spending.²¹⁷
- 5.158 A significant barrier to employment for skilled migrants is a lack of recognition of former qualifications.²¹⁸ Research has shown that many migrants had no information about the complex assessment process prior to their arrival in Australia, and some had wrongly assumed that their qualifications had been recognised in the skilled migration application process.²¹⁹
- 5.159 The Joint Standing Committee on Migration (JSCM) noted that for some migrants who arrived in Australia under the family reunion or humanitarian arrangements, there was a mismatch between pre- and post-migration occupations which could mean that migrants were not using their qualifications to their best advantage or were experiencing difficulty in having their former qualifications recognised in Australia.²²⁰
- 5.160 Manpower Services (Australia) suggested that often, irrespective of the level of educational or vocational qualification, migrants experienced prejudice from potential employers. The lack of recognition of overseas

215 Tasmanian Government, *Submission No. 102*, p. 21.

216 Joint Standing Committee on Migration, 2004, *To make a contribution: Review of skilled labour migration programs 2004*, Canberra, p. 125.

217 Australian Government, 2002, *Budget Paper No. 5, Intergenerational Report, 2002-03*, p. 64. Note: The components of migration intake include skilled, family reunion or humanitarian.

218 Dockery, AM and Webster E, 2002, ‘Long-term unemployment and work deprived individuals: issues and policies’ in *Australian Journal of Labour Economics*, Vol. 5, No. 1, pp. 187-188, and Wagner, R (ed), 2003, *Recognition of Prior Learning in Higher Education and the Australian Labour Market – the case of skilled migrants and refugees*, University of Western Sydney, p. 25.

219 Wagner, R (ed), 2003. *Recognition of Prior Learning in Higher Education and the Australian Labour Market – the case of skilled migrants and refugees*, University of Western Sydney, pp. 25-6.

220 Joint Standing Committee on Migration, 2004, *To make a contribution: Review of skilled labour migration programs 2004*, Canberra, p. 131.

qualifications is a key factor in the inability to integrate into the workforce.²²¹

5.161 Manpower Services (Australia) believes that migrants who come through the family reunion category face a number of challenges when trying to enter into paid employment. These include limited English skills, little knowledge of Australian hiring processes and a lack of familiarity with labour hire and employment agencies.²²² In a study of RPL for skilled migrants and refugees, participants reported difficulties with employment agencies. Some of these difficulties were related to being unfamiliar with the private recruitment sector.²²³

5.162 DIMIA commented that there was a real need for more opportunities for new arrivals to gain work experience in the Australian labour market.²²⁴ JSCM heard that:

One in five skilled migrants arriving in 1999-2000 reported that the main difficulty in finding work in the first six months was insufficient local experience.²²⁵

5.163 It was the opinion of JSCM that local experience enhanced migrants' ability to realise optimum employment outcomes, benefiting both them and Australia. In addition, they believed that it should be clearly set out that there are:

... opportunities for intending migrants to gain local experience through temporary migration prior to taking the personally formidable step of permanently leaving home.²²⁶

5.164 JSCM recognised that while there are existing opportunities for newly arrived migrants to gain local experience, information about these opportunities was not readily accessible. It was JSCM's belief that skilled migrants who have English language skills:

221 Manpower Services (Australia), *Submission No. 78*, p. 2.

222 Manpower Services (Australia), *Submission No. 78*, p. 2.

223 Wagner, R (ed), 2003, *Recognition of Prior Learning in Higher Education and the Australian Labour Market – the case of skilled migrants and refugees*, University of Western Sydney, p.28.

224 Joint Standing Committee on Migration, 2004, *To make a contribution: Review of skilled labour migration programs 2004*, Canberra, p. 130.

225 Joint Standing Committee on Migration, 2004, *To make a contribution: Review of skilled labour migration programs 2004*, Canberra, p. 131.

226 Joint Standing Committee on Migration, 2004, *To make a contribution: Review of skilled labour migration programs 2004*, Canberra, p. 143.

... would be unlikely to guess that the Adult Migrant English Program or the Adult Multicultural Education Service would provide information about work experience opportunities.²²⁷

- 5.165 There are a number of older NESB people who have not recently arrived who are excluded from employment. The barriers to employment they are facing include lack of recognition of qualifications earned overseas, lack of local work experience and poor English skills. The Committee heard that English programs focus on new arrivals at the expense of earlier arrivals whose problems emerge when they are retrenched.²²⁸
- 5.166 Other difficulties experienced by migrants include a lack of understanding of the interview process and an inability to market themselves effectively to Australian employers. In addition, a number of cultural barriers were also identified, such as overcoming the negative stigma attached to casual and part-time employment in some countries of origin when this type of employment is culturally acceptable in Australia.²²⁹
- 5.167 Further there is a need to accommodate linguistic diversity in employment services. Eight per cent of FaCS customers were born in countries where a language other than English is spoken and six per cent of customers spoke a language other than English.²³⁰ According to PDCA and NEDA:
- Ethnic communities tend to be overlooked when considering the 'target group'.
 - Staff need continual accredited, quality training in cultural difference, diversity and disability, and in particular, the nature and reality of the person's experiences.
 - The disability services system has not adopted even the most basic mechanisms for people from NESB such as the use of interpreters or the publication of material in languages other than English. Poor language skills prevent carers from accessing services so they have less opportunity to develop their personal, social or professional capabilities.
 - There are insufficient strategies and practices to ensure that people from NESB with disability and their families and carers participate in decision-making.

227 Joint Standing Committee on Migration, 2004, *To make a contribution: Review of skilled labour migration programs 2004*, Canberra, p. 143.

228 Dockery, AM and E Webster, 2002, 'Long-term unemployment and work deprived individuals: issues and policies' in *Australian Journal of Labour Economics*, Vol. 5(1), pp. 187-188.

229 Manpower Services (Australia), *Submission No. 78*, p. 2.

230 Department of Family and Community Services, 2004, *Australian Government Disability Services Census 2002*, p. 51.

- The myth of extended family support is still subscribed to by both service providers and funding bodies resulting in fewer services for NESB communities.²³¹

Regional migration

- 5.168 The JSCM report, *To make a contribution: Review of skilled labour migration* noted that of the 108 000 people who settled in Australia in 2002-03, four out of five opted to live in metropolitan areas. Skilled migrants tend to stay in the place they first settle and make the decision regarding where they are going to settle in Australia prior to arriving.²³²
- 5.169 DIMIA, in conjunction with State and Territory governments, operates a number of initiatives which aim to improve regional business's access to skilled migrants. These initiatives include the:
- Regional Sponsored Migration Scheme, which allows regional employers to fill full-time vacancies for at least two years' duration with skilled migrant labour.
 - Regional Established Business in Australia program, which facilitates permanent residency for business migrants on long-term business visas.
 - Skills Matching Database, which helps regional business find applicants for skilled vacancies who can then be sponsored through the Regional Sponsored Migration Scheme.²³³
- 5.170 DEWR maintains a 'Migration Occupations in Demand' List to assist the targeting of appropriate skilled migration. However, there is a lack of awareness of these schemes amongst regional businesses.²³⁴
- 5.171 A new arrangement was introduced on 1 July 2004, offering skilled migrants under the age of 45 a temporary three year visa if they undertook to live and work in a regional area. Migrants who did not remain in regional areas would have their visas revoked after three years. Those that

231 National Ethnic Disability Alliance and the Physical Disability Council of Australia, *Submission No. 96*, p. 12.

232 Joint Standing Committee on Migration, 2004, *To make a contribution: Review of skilled labour migration programs 2004*, Canberra, pp. 10-13.

233 Regional Business Development Analysis Panel, *Regional Business: A plan for action*, Exhibit No. 23, p. 40.

234 Regional Business Development Analysis Panel, *Regional Business: A plan for action*, Exhibit No. 23, p. 40.

remained in regional Australia will have the opportunity to apply for permanent residence after two years.²³⁵

- 5.172 The Rural Industry Working Group argued that the migrant and backpacker community is an 'important and valued supply of seasonal labour in the rural industry'. Horticulturalists have commented to the Rural Industry Working Group that if age restrictions and tax regulations associated with backpackers working visas could be relaxed then the backpacker labour force could be expanded.²³⁶ The Rural Industry Working Group have recommended that:

Training infrastructures, and deregulatory measures to extend the usefulness of the migrant and backpacker labour forces as a means of solving seasonal (harvest) labour shortages, are developed and promoted.²³⁷

- 5.173 NFF has suggested that a new tax zone scheme could act as an incentive for overseas migrants to settle in regional and rural Australia.²³⁸
- 5.174 DIMIA's *Report of the Review of Settlement Services for Migrants and Humanitarian Entrants, May 2003*, includes a recommendation to develop new service options for migrants and humanitarian entrants in relation to gaining work experience and endorses said recommendation.²³⁹

Young people

- 5.175 Mission Australia states that the needs of young people are not adequately being met. Preventing or reducing the need for young people to access income support would clearly be the ideal solution. There is a need to focus on early intervention to provide young people with the best opportunities and assistance to make the transition from school to work.²⁴⁰

235 Joint Standing Committee on Migration, 2004, *To make a contribution: Review of skilled labour migration programs 2004*, Canberra, p. 11.

236 Rural Industry Working Group, *Skill needs now and in the future in the rural industry*, Exhibit No. 26, p. 40.

237 Rural Industry Working Group, *Skill needs now and in the future in the rural industry*, Exhibit No. 26, p. 46.

238 National Farmers' Federation, *Taxation Zones and the City-Country Divide – A Discussion Paper*, Exhibit No. 72, p. 30.

239 Recommendation 10, DIMIA, *Report of the Review of Settlement Services for Migrants and Humanitarian Entrants, May 2003*, p. 124, <http://www.immi.gov.au/settle/settle_review>

240 Mission Australia, *Submission No. 104*, p. 4.

Two years ago, the Prime Minister's Youth Pathways Action Plan Taskforce identified a lack of integrated income support for young people, coupled with a low level of youth specific knowledge and service expertise among some Job Network providers as the key barriers to young people's participation in job search and employment (Footprints to the Future p. 73). Mission Australia is concerned that this issue does not seem to have been addressed in the *Australians Working Together* package.²⁴¹

5.176 Mission Australia supports and advocates:

- school based VET initiatives to enable Year 12 completion and structured work placements and school-based apprenticeships;
- intensive assistance through Job Network; and
- specialised assistance through the Job Placement, Employment and Training program.

5.177 However, there is a need for a more comprehensive national approach to strengthen pathways and provide early assistance. Additional strategies include:

- early Intervention Programs assistance targeting at risk students in primary and secondary schools;
- mentoring programs for young people at risk of early school leaving, or have already left school to reconnect them to employment, vocational training or back into education; and
- increased availability of holistic recovery programs which target severe cases of youth disconnection and provide integrated services such as drug and alcohol rehabilitation and counselling, vocational learning, and fostering longer term living and working environments.²⁴²

Apprenticeships

5.178 The Government has introduced a number of incentives to encourage employers to take on apprentices including an incentive for rural and regional employers in areas where there are skills shortages.²⁴³ An analysis conducted three years ago indicated that the new apprenticeship

241 Mission Australia, *Submission No. 104*, p. 19.

242 Mission Australia, *Submission No. 104*, p. 12. Please refer to Attachment 1 of Mission Australia's Submission for Mission Australia's programs for young people.

243 Mr Benjamin Johnson, Branch Manager, New Apprenticeships Branch, Department of Education, Science and Training, *Transcript of Evidence*, 11 February 2004, p. 5.

arrangements were successful in terms of further employment.²⁴⁴ There are some 407,000 Australians currently undertaking a New Apprenticeship.²⁴⁵ There has been an 18 per cent increase in the traditional trade apprenticeship positions from June 2003 to June 2004. The growth in the number of apprenticeships has been very high for mature age workers in recent years.²⁴⁶

- 5.179 The relevant Federal, State and Territory awards for particular industries deal with the wage arrangements for apprentices.²⁴⁷ Trainee wages are covered by the national training wage, which accommodates the employer's investment in training.²⁴⁸ An employer has the flexibility to offer higher remuneration and support to attract more highly skilled workers and some industry sectors have a specific adult apprenticeship award rate.²⁴⁹
- 5.180 East Coast Apprenticeships have introduced an apprenticeship scheme for industries with trades assistants and labourers and which includes RPL. This enables the apprentice to start perhaps at third year level and avoid most of the wages differential that would apply if commencing from the beginning. Other options that may assist in addressing the differential between the apprentice wages and adult wages, include the older person making some contribution or the unemployment benefit currently received could be used to offset the wage difference.²⁵⁰
- 5.181 RPL is something that needs attention.²⁵¹ There are different arrangements in each State and Territory for resourcing RPL for particular qualifications.

244 Ms Jessie Borthwick, Group Manager, Strategic, Analysis and Evaluation Group, Department of Education, Science and Training, *Transcript of Evidence*, 11 February 2004, p. 6.

245 Mr Benjamin Johnson, Branch Manager, New Apprenticeships Branch, Department of Education, Science and Training, *Transcript of Evidence*, 11 February 2004, p. 5.

246 Ms Jessie Borthwick, Group Manager, Strategic, Analysis and Evaluation Group, Department of Education, Science and Training, *Transcript of Evidence*, 11 February 2004, p. 8; Mr Benjamin Johnson, Branch Manager, New Apprenticeships Branch, Department of Education, Science and Training, *Transcript of Evidence*, 17 February 2005, p. 23.

247 Mr Benjamin Johnson, Branch Manager, New Apprenticeships Branch, Department of Education, Science and Training, *Transcript of Evidence*, 11 February 2004, p. 8.

248 Mr Benjamin Johnson, Branch Manager, New Apprenticeships Branch, Department of Education, Science and Training, *Transcript of Evidence*, 11 February 2004, p. 9.

249 Ms Mary Johnston, Branch Manager, Industry Training Branch, Department of Education, Science and Training, *Transcript of Evidence*, 26 May 2004, p. 20; Mr Benjamin Johnson, Branch Manager, New Apprenticeships Branch, Department of Education, Science and Training, *Transcript of Evidence*, 11 February 2004, pp. 9, 20.

250 Mr Alan Sparks, Chief Executive Officer, East Coast Apprenticeships, *Transcript of Evidence*, 6 February 2004, pp. 15, 18; East Coast Apprenticeships, *Submission No. 20*, p. 3.

251 Ms Colleen Cartwright, Senior Research Fellow, Australasian Centre on Ageing, University of Queensland, *Transcript of Evidence*, 6 February 2004, p. 45.

- The cost of the RPL may be equal to or more expensive than the training and individuals usually elect to undertake the full training.²⁵²
- 5.182 ANTA commissioned a report on RPL in the VET.²⁵³ DEST is also looking at ways of improving the RPL process to shorten apprenticeships, and this would be more attractive for mature age people. Some pilots are underway as part of the skills shortages strategy.²⁵⁴
- 5.183 The Victorian Automobile Chamber of Commerce is working with Kangan-Batman TAFE to encourage older workers with some relevant automotive experience into achieving national qualifications. RPL is used at the beginning of the process and then more individualised support is provided to gain, for example, a Certificate III in light vehicle, which is a service technician's apprenticeship. Instead of a four year apprenticeship this could be condensed into an 18 month to two year period.²⁵⁵
- 5.184 The Committee believes there should be a far more coordinated approach with the Commonwealth, States and Territories working cooperatively. The Committee notes that the issue of Recognition of Prior Learning is already on the training Ministerial Council agenda.²⁵⁶

252 Mr Benjamin Johnson, Branch Manager, New Apprenticeship Branch, Vocational Education and Training Group, Department of Education, Science and Training, *Transcript of Evidence*, 26 May 2004, p. 20; Mr Benjamin Johnson, Branch Manager, New Apprenticeships Branch, Department of Education Science and Training, *Transcript of Evidence*, 17 February 2005, p. 23.

253 Mr Benjamin Johnson, Branch Manager, New Apprenticeships Branch, Department of Education, Science and Training, *Transcript of Evidence*, 11 February 2004, p. 10.

254 Ms Mary Johnston, Branch Manager, Industry Training Branch, Department of Education, Science and Training, *Transcript of Evidence*, 26 May 2004, p. 21.

255 Ms Suzi Hewlett, Director, Industry Skills Section, Industry Training Branch, Department of Education, Science and Training, *Transcript of Evidence*, 17 February 2005, pp. 17-18.

256 Mr Benjamin Johnson, Branch Manager, New Apprenticeship Branch, Vocational Education and Training Group, Department of Education, Science and Training, *Transcript of Evidence*, 26 May 2004, p. 21.

Recommendation 23

The Committee recommends that the Australian Government, in cooperation with State and Territory Governments, industry, unions and educational bodies, review the Recognition of Prior Learning for school based and mature age apprenticeships programs to develop a standardised and coordinated approach that gives credit for and allows transference between all appropriate forms of curriculum and workplace training.

- 5.185 In 2001, the Prime Minister's Youth Pathways Action Plan Taskforce presented the *Footprints to the Future* report which provided a comprehensive overview of the issues facing young people and a way forward. The report identified the disconnection of young people from their families, schools and communities and recognised the need for a timely response to young people at risk. Of particular concern was the gap between the young people and the services supposed to help them and the needs for effective transitional programs. The report makes 23 recommendations including a national commitment to young people, and greater focus on career and vocational services.²⁵⁷
- 5.186 It was argued that training has different impacts on different target groups but has poor returns for young people. CIS commented that training schemes are also a waste of money for disillusioned teenagers who need work experience, not training, and suggested that this money could be more efficiently spent.²⁵⁸
- 5.187 In March 2004, the House of Representatives Standing Committee on Education and Training released a report entitled *Learning to Work: Report on the inquiry into vocational education in schools* which covers the barriers facing young people in accessing vocational education, including greater provision of work experience. Suggestions for improving employability skills, work placements and school-based new apprenticeships are some of the recommendations designed to improve the transition from school to work.²⁵⁹

257 Prime Minister's Youth Pathways Action Plan Taskforce, 2001, *Footprints to the Future*, Canberra, p. 217.

258 Professor Peter Saunders, Social Research Director, Centre for Independent Studies, *Transcript of Evidence*, 27 January 2004, p. 51.

259 Parliament of Australia, 2004, *Learning to Work: Report on the inquiry into vocational education in schools*, House of Representatives Standing Committee on Education and Training, Canberra.

5.188 Additionally, the Government is establishing 24 Technical Colleges for years 11 and 12 students. The College will focus on students enrolled in School-based New Apprenticeships as well as business and other academic studies. The Colleges, with the first to commence in 2006 and implemented across 24 regions by 2008, are to be based in regions with reported skill shortages, a strong industry base, and a significant youth population.²⁶⁰

In summary

5.189 The Committee considers that the approach taken by the BSL as a model for assisting long-term unemployed persons has broader applicability. In concert with active participation requirements, and specialised assistance for individual needs, providing this framework would prevent persons moving into long-term unemployment.

- community engagement;
- intensive support;
- pre-vocational training;
- work experience;
- vocational traineeships;
- post-placement support; and a
- whole of government approach.

5.190 The Committee acknowledges that many components of this type of service delivery are present in many government and non-government programs but it is the holistic nature that will result in the best outcomes.

5.191 This service delivery also needs to be combined with support for attitudinal change of employers to ensure that mature age workers, and people with a disability, as examples, have much to offer and much to gain through increased participation in paid work. Financial disincentives such as in superannuation and taxation arrangements also continue to require attention.

²⁶⁰ Ms Mary Johnston, Branch Manager, Australian Technical Colleges, Department of Education Science and Training, *Transcript of Evidence*, 17 February 2005, pp. 19-20; Department of Education, Science and Training; *Exhibit No. 97, Australian Technical Colleges, A Discussion Paper*.