

Attached is a submission in response to the inquiry into the **'Issues specific to workers over 45 years of age seeking employment, or establishing a business, following unemployment'**, prepared by the GROW Employment Council Inc.

We apologise for the late submission, and would be happy to discuss any of the identified issues in detail.

We also would welcome the opportunity to appear before the inquiry. The GROW Employment Council is interested in this topic, and is currently developing some projects to address some of the issues identified through the recent consultation process. Any feedback from the inquiry would be gladly received.

If you have any questions or comments please do not hesitate to contact myself on (02) 9890 7804.

Yours Sincerely

Tony Powers  
General Manage  
GROW Employment Council Inc

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

**Report to the House of Representatives Standing Committee on  
Employment Education and Workplace Relations**

**THE GROW EMPLOYMENT COUNCIL INC**

**INTRODUCTION**

The GROW Employment Council Inc is the Area Consultative Committee for Sydney and is funded by the Federal Government's Department of Employment, Workplace Relations and Small Business. GROW is a community driven organisation, that strives to maximise employment development opportunities in the Sydney region.

Membership comprises twenty-one community leaders, from the business, education and community sectors. The Sydney region encompasses a vast area ranging from Blackheath to Bondi, Berowra to Bowral, encompassing areas with significant unemployment (among some of the highest nationally), to areas of very low unemployment. To respond to such magnitude, GROW has established a network of 13 "Local Employment Development Teams". These teams bring together key stakeholders in their specific regions and have strong links with organisations on a local level that have an interest in employment development. The Local Employment Development Teams play a role in recognising opportunities and challenges in their region and identify projects for funding under the Regional Assistance Program.

**CONSULTATION PROCESS**

In response to the inquiry being conducted by the House of Representatives Standing Committee on Employment, Education and Workplace Relations, the GROW Employment Council held a workshop with key organisations and representatives throughout Sydney involved with the mature age unemployed. This consultation was held to determine the issues and gain knowledge of these issues.

It is proposed in the future that GROW develop some projects to be funded though the Regional Assistance Program that address the identified issues.

**THE ISSUES FACING MATURE AGE WORKERS**

In many cases unemployed or underemployed older persons have been retrenched or have taken early retirement. In general job loss has been a result of privatisation, plant closures, downsizing, company reorganisation and the flattening out of occupations such as management and administration.

Changes to the labour market have made it difficult for many mature age workers to re-enter the work force after job loss. Many older persons have worked in very few positions throughout their working life. In some cases these jobs are disappearing due to the changing nature of the workforce. With limited skills these people are finding it very difficult to find employment.

Many labour market policies and practices have tended to focus on youth unemployment, therefore not addressing the issues facing unemployed older persons.

## **A) DISCRIMINATION / ATTITUDINAL ISSUES**

Older persons face an age bias when looking for employment. These biases in some cases have resulted in retarded recruitment and training and hastened the exit of older workers from the workforce. Their age makes them unattractive to employers and easier to displace.

There is also the assumption throughout the work force that older workers can not be educated and are less adaptable, more costly and that productivity and mental capacity decline with age. The perception that older workers are unmotivated and inflexible has created additional barriers for those seeking employment.

There is also the assumption that older workers have outdated skills and experience. Older workers are assumed to have a shorter work life and thus produce a low return on career development investments. This is despite the trend away from long term employment with one employer and the fact that lower productivity, including higher turnover and absenteeism is more common among other age groups. The neglect of retraining contributes to the likelihood that older workers will be proportionately affected by downsizing.

## **B) EDUCATION AND TRAINING ISSUES**

Many older workers have lower educational qualifications than younger people. This is largely due to the fact that when they were in the education system, tertiary and vocational education were not encouraged. Also in a lot of cases many older workers are computer illiterate.

The learning style of older persons is often very different to that of younger people. They learn better on the job. There is the possibility of on the job traineeships to assist those who wish to get back into the work force, however in the past these have primarily targeted youth. The low wages of this type of retraining, may also make this option unattractive.

In some cases mature age workers have a lack of understanding of today's workforce. They do not understand the concept of part time and casual work.

It was suggested during the recent consultation process that short focussed courses need to be designed specifically for mature age persons. It was found that they are not especially interested in the longer more traditional courses.

Older persons also in many cases lack self esteem and do not know how to take the initiative and promote themselves to find employment. They need job finding skills support.

## **C) ECONOMIC ISSUES**

Many unemployed/underemployed older persons are not eligible for financial assistance because of spousal income, savings and assets. This suggests that the number of mature age unemployed, exceeds the reported figures.

Continual displacement of mature age persons has a number of associated costs. Many individuals are unable to sustain themselves financially into older age and are forced to draw on superannuation, savings and assets. In these cases resources may be depleted by the time individuals reach the dependency age of 65. As a result a significant burden is placed on a youthful minority in the work place.

Increased displacement of mature age workers prematurely from the work place is effectively destined to have serious implications to the national economy.

## **D) JOB NETWORK ISSUES**

The Social Security Act allows for reduced reporting times for older persons over 50, receiving social security benefits. This proposes difficulties for the Job Network to provide Case Management services to these unemployed people. As a result these job seekers are provided with limited assistance to find employment even if they are eligible for financial assistance.

The only funds available to the Job Network members for assisting mature age unemployed clients who are not eligible for Job Search Allowance, is through Job Matching. These payments are minimal, limiting the possibilities of training in interview techniques and resume preparation. As a result there is a gap in servicing these job seekers with the training and assistance they require to find employment.