



# **NEW SOUTH WALES GOVERNMENT SUBMISSION**

to

**Commonwealth House of Representatives Standing Committee on  
Employment, Education and Workplace Relations**

**Inquiry into**

**Issues specific to older workers seeking employment, or establishing a business,  
following unemployment.**

**June 1999**

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### ***Publications:***

- *Over the Hill or Flying High: An Analysis of Age Discrimination Complaints*  
Sol Encel, Helen Studencki, Social Policy Research Centre, UNSW, August 1998  
(commissioned by NSW Committee on Ageing and Anti Discrimination Board)
- *NSW Government Mature Workforce: Policy and Guidelines*  
NSW Premier's Department, August 1998
- *Gendered Ageism: Job Search Experiences of Older Women*  
Sol Encel, Helen Studencki, UNSW, 1997 (commissioned by the NSW Department for Women, NSW Committee on Ageing)

## INTRODUCTION

The impact of unemployment among older workers is an issue of increasing importance to Australian Governments. The New South Wales Government supports the continued participation and involvement of older workers in the labour market, and welcomes the opportunity to provide input to an inquiry on this issue.

New South Wales has provided a clear direction in formulating and implementing legislation, policies and programs to ensure that mature age people have the opportunity to continue to play an active and productive role in the workforce. Initiatives introduced over the past ten years include:

- the *Mature Workers Program* - the first labour market program specifically designed to meet the needs of older unemployed people;
- abolition of compulsory retirement;
- protection against age discrimination through the *Anti-Discrimination Act 1977*;
- development of a *Mature Workforce Policy and Guidelines* to assist managers in the NSW public service to develop Mature Workforce Programs;
- research undertaken on job search experiences, recruitment methods, productivity of older workers, occupational health and safety of older workers;
- information for employers on effective strategies for the recruitment, management and training of older workers;
- information for older people on job search techniques;
- assistance and advice for older people seeking to establish businesses.

This submission outlines in brief relevant labour force trends, barriers to employment for older workers, and New South Wales programs and policies which provide a model for further action at Commonwealth and State and Territory level.

There remains a need for a consistent, funded approach by the Commonwealth, to support training options and outcomes for older people seeking to enter the workforce, or establish a business, after a period of unemployment.

The New South Wales Government supports this Inquiry as a positive step in informing the community at large of the issues and policy needs, and options for change. It is hoped that a commitment to funding and joint planning, taking account of the significant work undertaken by States and Territories, and the need for Commonwealth funding and action, will be an outcome of Inquiry.

This submission draws on input from a number of NSW Government agencies: principally, the NSW Ageing and Disability Department, the NSW Department of Education and Training, the NSW Anti-Discrimination Board, the NSW Department of Industrial Relations, the NSW Department of State and Regional Development, and Premier's Department. Should the Committee wish to explore issues covered in the submission, further information can be provided on request.

## **OLDER WORKERS: THE ISSUES IN CONTEXT**

### **1. Overview**

There were 2,730,000 people (1,627,000 males and 1,103,000 females) aged 45 years or more who were employed, either full-time or part-time, in Australia in March 1999. At the same time, there were 146,700 people (91,800 men and 54,900 women) aged 45 years or more who were unemployed. It is estimated that an additional 69,600 people aged 45 years and over are “discouraged” job-seekers (people who want to work, but have given up looking).

Australian Bureau of Statistics labour force data for March 1999 shows national unemployment numbers for men over 45 years were about 65 per cent higher than that of women in the same age group, and NSW figures reflect a similar pattern. It is noted that mature women seeking to re-enter the workforce face particular problems, frequently associated with family responsibilities and sexual discrimination.

While unemployment rates are higher among younger age groups, older workers tend to be out of work for longer periods. The average period of unemployment for an unemployed person aged 45-64 years and living in NSW is 89 weeks, whereas an unemployed person aged 15-19 years is on average unemployed for 19 weeks. The incidence of long-term unemployment among older workers in NSW is demonstrated by the fact that almost 48% of unemployed people aged 45-64 years have been unemployed for 12 months or more, compared to only 32% for the whole working age population.

62% of unemployed people over 55 years Australia-wide surveyed in July 1998 said their main difficulty in finding work was that that they were considered too old by employers. Older workers are also less likely than other age groups to have post-school qualifications. In 1995, over 46% of the 45-64 years age group Australia-wide had less than upper secondary qualifications.

### **2. Structural Change and Labour Force Trends**

Like the population as a whole, the workforce is ageing. The proportion of workers aged 45-64 is expected to rise to 34% by 2011, with the highest growth rate in the 55-64 year age group. At the same time, the proportion of younger workers (aged 15-24) in the labour force will decline (from 22% in 1993 to 18% in 2011).

This is occurring at the same time as Australia has a growing demand for a highly skilled, flexible workforce. The position of mature-age people in the labour market – particularly over the past decade - must be seen within the context of the prevailing economic climate. Since the early 1980's Australia's economic outlook has been transformed by significant structural changes. During this time, however, unemployment has continued at high levels. Older workers have generally fared poorly in times of major restructuring. While proportionally, people aged 20-24 have high unemployment levels, unemployed people over 45 are at a higher risk of long

term unemployment, and have difficulty in re-entering the job market. This trend, exacerbated for men over 55 years of age, is demonstrated nationally.<sup>1</sup>

Australian research confirms these patterns..<sup>2</sup> The 45-64 year age group has fared significantly worse than the working age population as a whole since the mid-80's, in terms of employment growth.

Retrenchments have been a by product of economic changes, associated with fluctuations of the business cycle. Job creation which has occurred has been in new and growing areas of the economy, for example, the financial and community sectors, and information technology. A mismatch of skills has placed older displaced workers at a greater risk of long term unemployment.

"Early retirement", as opposed to redundancy, also contributes to these trends. Society's attitude that early retirement is desirable (and even an entitlement) has further reinforced the perception that the productive activity of older workers is no longer needed. Perhaps as a result, Australia has one of the lowest rates of any OECD country for the participation of workers over 55<sup>3</sup>.

Since the 1970's there had been a shift in the policy framework promoted by Government and employer bodies, with older people now encouraged to maintain employment or retrain themselves if they are unemployed. Yet, they still face discrimination because of their age.<sup>4</sup>

The result of these trends is that people over 45 years who become unemployed may be facing a 30 to 40 year period of inactivity, with uncertain economic conditions. The challenge this issue presents to policy makers requires an approach which takes account of both the impediments to employment for workers over 45, and the opportunities for Government to promote and support employment and entrepreneurial activity.

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<sup>1</sup> ABS and Social Policy Directorate of NSW: Older People In NSW: A Profile, Sydney, March 1995

<sup>2</sup> Remenyi Andrew Safeguarding the employability of older workers: issues and perspectives, Lincoln Papers in Gerontology, La Trobe University, Melbourne, December 1994

<sup>3</sup> OECD, The Transition from Work to Retirement, Social Policy Studies No. 16, 1995.

<sup>4</sup> Kendig, Hal. "Ageing, Policies and Politics", in Kendig, H. and McCallum, J (eds) Grey Policy: Australian Politics for an Ageing Society, Allen and Unwin, Sydney, 1990

Lazcko, Frank and Phillipson, Chris. Changing Work and Retirement OUP, Milton Keynes, 1991;

### 3. BARRIERS TO EMPLOYMENT FOR OLDER WORKERS

Older people seeking to re-enter the workforce, or establish businesses, face a range of barriers which do not affect younger unemployed workers. Policies relating to older workers, and programs aimed at facilitating continued participation in the workforce, must take account of the challenges which these issues present.

#### 3.1 Attitudes Towards Older Workers

Age discrimination and negative stereotypes prevent many people from obtaining employment, particularly those over 50. A number of surveys conducted during the 1990s have found employers' attitudes to older workers were influenced by negative stereotypes, with older workers generally perceived as being resistant to change, unable or unwilling to be trained and less willing to embrace new technology.<sup>5</sup>

In 1994 the NSW Office on Ageing commissioned Reark Research to canvas employer's attitudes towards older workers. Many of the employer's workforces had sharp declines in the number of workers aged over 40 years. Many businesses had "benchmarks" for what constitutes an older worker - age 40 and age 50. Unskilled and skilled blue collar workers were considered to be older at a "younger age"<sup>6</sup>.

Respondents indicated a strong pressure to ensure that worker's increased their productivity, with a premium on a worker's ability to adjust to new technology. Respondents also stressed the importance of "fit" between the culture of the organisation and the worker. Older workers were not seen as having as natural a fit as did younger employees with the desire to convey a young, dynamic image which was seen as necessary for business survival<sup>7</sup>.

**Table 1: frequent negative and positive age stereotypes proposed by employers**

Negative employer age stereotypes	Positive employer age stereotypes
1. Unable to change/ inflexible	1. Experience
2. Less energetic/ enthusiastic	2. Knowledge/ wisdom
3. Unable to cope with new technologies/ computers	3. Stability
4. Slow	4. Strong work ethic
5. Difficult to retrain	5. Reliability

While this research may now be some years old, reports from workers associated with the NSW Mature Workers Program indicate that attitudes have not undergone substantive change in intervening years. For older people seeking to establish businesses, negative stereotypes may also influence decisions on partnerships and financing.

<sup>5</sup> Falconer K. Rothman J. Attitudes of Employers Towards Older Workers 1994, Reark Research Pickersgill, R., Briggs C. et al Productivity of Older Workers: Employers Attitudes and Experiences, 1995, Australian Centre for Industry Relations, Research and Teaching

<sup>6</sup> Reark Research, Attitudes of Employers Towards Older Workers, Prepared for the Office on Ageing, Social Policy Directorate NSW, July 1994: p.18-20

<sup>7</sup> Ibid: p. 24

### 3.2 Multiple Disadvantage

Older workers are not an homogenous group. The segmented nature of the mature-age labour market poses many challenges for policy makers.

Outcome data for the Mature Workers Program indicates extreme difficulty for clients obtaining employment or entering further training. In 1998, only 11.4 per cent of successful program outcomes were people from non-English speaking backgrounds despite widespread assistance provided through the program.

The generally high rates of unemployment experienced by Aboriginal people of all ages are just as prevalent among older Aboriginal workers, although in NSW, Aboriginal people tend to use the New Careers for Aboriginal People (NCAP) program, rather than the Mature Workers Program.

Literacy and numeracy problems may be evident among older workers of all backgrounds, but particularly among those from non-English speaking and Aboriginal backgrounds, as well as for those who had incomplete schooling.

Employment experiences of older women have received disproportionately little attention in literature of ageing and employment. Work undertaken to date suggests a “double edged sword” of discrimination, where ageism and sexism combine to create vulnerable workers.<sup>8</sup> Research conducted for the Department of Employment, Education and Training in 1996 found a hierarchy of racial origin, gender and age combined to limit progress for older women workers. Family responsibilities added to barriers which women felt disadvantaged them in the workplace.<sup>9</sup>

In 1996 the NSW Department for Women, and the NSW Committee on Ageing, commissioned research on the job search experiences of older women in NSW. A copy of the report is attached for the Committee's reference.

### 3.3 Disparity in skills and demand

Policy emphasis, at both State and Commonwealth levels, on increasing school retention rates, provision of entry-level training including through such initiatives as VET-in-school programs, Jobs Pathways, apprenticeships and traineeships and the new NSW Ready for Work Plan is producing a new generation of skilled Australian workers. However, this policy emphasis will also serve to highlight the disparity of inter-generational training evident in the Australian labour market.

For workers who may have left school in the 60's and 70's school completion rates of approximately 30 per cent were the norm. An evaluation of the Mature Workers

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<sup>8</sup> Nuccio, K. *The Double Standard of Ageing and Older Women's Employment*, in Garner, J. and Mercer, S. (eds) *Women as They Age* Haworth Press, New York, quoted in Encel and Studencki *Gendered Ageism: Job Search Experiences of Older Women*, NSW Dept for Women, NSW Cttee on Ageing, 1997

<sup>9</sup> Reed, R. *The Invisibility of Older Workers*, prepared for DEET, Canberra, AGPS, 1996

Program conducted in 1994<sup>10</sup> revealed that over 70% of people assisted through the program had only to Year 10 or equivalent education. Compare this with rates of over 70% completion of Year 12 for the past decade, coupled with a strong policy push for post-school vocational and tertiary training for current school leavers, and the differences between the generations of workers becomes clear.

Those who become unemployed at an older age stay unemployed longer if they have low levels of formal training. Older people can be hindered in efforts to accessing formal training due to:

- *A lack of previous formal training*

For people who finished their education during the 1960s and 1970s, immediate employment often followed school. Few (as low as 5%) completed tertiary training.

- *Training vs skills*

Older workers may feel that the skills and experiences of decades of work should be transferable from one job to another. While short courses targeting vocational skills to permit older workers to complete formal training in an accelerated time are favoured, being a 50 year old “trainee” may deter many from a traineeship. Recognition of prior learning is a concept that has been embraced by both State and Federal governments in a policy context in recent years. However, translation of the policy into practical terms has been slow and difficult and the processes involved in having their skills recognised has proven unappealing to many older people.

- *The cost of training courses*

Unemployed people who seek to be retrained or to upgrade existing skills often face barriers associated with the cost of training courses. Increasingly, competition for vocational courses has meant that course places may be linked to current employment in a related industry. The abolition of short training courses such as those provided through the **Commonwealth Skillshare** program has created a further hurdle for older workers accessing training necessary to upgrade their skills.

- *Resistance to training with younger people*

Mature Workers Program project workers report a high demand for short courses targeted at older participants. Program participants exhibit considerable reluctance to train along side much younger people who have a more recent learning ethos. They express fears of being thought to be “stupid” if they display evidence of being “out of practice” at learning. Thus the current emphasis on mainstream training aimed at entry-level courses for those under 25 may underplay the needs of an ageing workforce for targeted training courses for the 40/45 plus age cohorts.

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<sup>10</sup> Funnell, S., “*Somebody Listened, Somebody Care and Somebody did Something About it: or What makes the Mature Workers Program successful*”, 1994 - an independent evaluation prepared for the Department of Industrial Relations, Employment, Training and Further Education



## NEW SOUTH WALES GOVERNMENT POLICIES AND PROGRAMS

NSW has led the nation in formulating and implementing policies and programs to ensure that mature age people continue to play an active and productive role. This section highlights examples of the range of programs which the NSW Government has put in place to meet the social, economic and industrial relations needs of workers aged over 45 seeking to start a business or return to the workforce.

### **4.1 NSW Anti Discrimination Legislation**

The development of anti-discrimination provisions relating to age are an important component of the Government's strategy. The Anti-Discrimination Board administers the *Anti-Discrimination Act 1977 (NSW)*. The Act, as amended, establishes that in NSW it is against the law to discriminate against someone, or harass them because of their, or any of their relatives or associates, age.<sup>11</sup> The legislation has two components:

- the removal of compulsory retirement; and
- provisions to make acts of discrimination on the basis of age illegal.

Compulsory retirement was abolished with the *Anti-Discrimination (Compulsory Retirement) Amendment Act* in NSW in 1990, with a staged three year introduction. NSW public sector employees were covered against compulsory retirement from 1 January 1991, employees of county councils and local government from 1 January 1992, and all other employees from 1 January 1993. The age discrimination provisions in NSW legislation came into force on 1 July 1994.

While it is unlawful to discriminate against someone because of their age, it is only unlawful in certain areas of public life (for example, employment, goods and services, accommodation, state education and registered clubs). Any person who feels they may have been discriminated against on the basis of age in an area covered by the Act can make a complaint. The onus is on the individual to show age was used against them unlawfully.

### ***4.2 Complaints received by the Anti Discrimination Board***

The ADB received 19,587 inquiries and 1,312 complaints in the year 1997-98. Of these, 1,374 inquiries were about age discrimination and 102 age discrimination complaints. 56% of age discrimination complaints related to employment.

Employers are often not explicit in culling of applicants. It may be difficult to prove a complaint of age discrimination against an employer who culls applicants on age. The NSW Anti Discrimination Board is aware of a number of cases where older workers have been informed by employers that they were "too old" for jobs, however, no case along these lines has been heard at the Equal Opportunity Division of the Administrative Appeals Tribunal in NSW.

A recent Queensland case, *Tully v McIntyre and Manmac Holdings Pty Ltd* (Anti Discrimination Tribunal of Queensland) awarded the plaintiff \$11,000 for loss of

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<sup>11</sup> Age is one of several grounds under the Act. Also included are sex (including pregnancy and sexual harassment), race, marital status, disability, homosexuality, and transgender status.

opportunity and for "offence, embarrassment and humiliation" when the employer used his age to cull him from interviews.

The Board's approach with employers is to encourage them to comply with the letter as well as the spirit of the law. For example, the Board advises employers that employment applications should be confined to the relevant details which assess an applicant's suitability for employment. In relation to age or date of birth, the Board recommends that these questions be removed from the recruitment process, and obtained from the successful applicant where required for superannuation purposes.

The Anti-Discrimination Board offers training and education programs to employers emphasising the application of the merit principle, limiting criteria and questions relevant to assessing an applicant's suitability to a particular position.

### **4.3 Exemption to the Anti-Discrimination Act for older workers**

As an acknowledgment of the increased difficulties older workers face in securing employment after a redundancy, the Board has provided an exemption from the Act relating to redundancy payments for workers over 45 years of age.<sup>12</sup>

The exemption applies to all relevant industrial instruments, and enables specific provisions in industrial agreements, including industrial awards and enterprise agreements, which entitles employees aged over 45 years who become compulsory redundant to receive an additional severance pay loading of 25%, plus one week's additional notice of redundancy.

### **4.4 Adequacy of Federal Laws**

The NSW Anti-Discrimination Board is of the view that without incentives to protect superannuation and retirement incomes, and Federal laws to deal with compulsory retirement and age discrimination (coordinated with State laws), an older worker's prospects of maintaining employment will not improve.

The Anti-Discrimination Board has noted the Human Rights and Equal Opportunity Commission discussion paper entitled Age Matters: a discussion paper on age discrimination produced in April 1999. HREOC has argued for Federal age discrimination laws to address issues in a comprehensive way. The Anti-Discrimination Board supports the development of such legislation.

NSW supports consideration by the Commonwealth Government of the need for Federal legislation making age discrimination, including discrimination in employment, unlawful.

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<sup>12</sup> Section 126 of the Anti Discrimination Act allows the Attorney General, on the recommendation of the Board, to grant exemptions from the application of provisions of the Act.

## **NSW Government Programs to Assist Older Workers**

### **5.1 The NSW Mature Workers Project**

The Mature Workers Program was developed to meet the needs of an ageing workforce. The program has operated since 1989 and is funded and managed by the NSW Department of Education and Training.

The Mature Workers Program was developed to meet the needs of an ageing workforce and has been in operation since 1989. People over 40 who are unemployed, those interested in new careers and those entering the labour market for the first time or after a long interval, are able to receive assistance and support from local community organisations. Funding is provided by the Department of Education Training.

Some 4,500 clients are placed into employment or accredited training positions annually through the program – upwards of 35,000 since inception. Currently, 48 projects have been contracted throughout New South Wales to provide Strand 1 services and an initial 17 Strand 2 projects have been funded in 1998-99.

Appendix A provides a detailed outline of the program, an innovative model for labour market programs for older workers.

### **5.2 Business Assistance and Support**

The NSW Government provides a range of services to facilitate and support people seeking to acquire entrepreneurial skills and establishing businesses. These include development of the necessary skills, assistance in financing and advice to ensure that people seeking to establish businesses do not risk their financial security or limited resources (for example retrenchment packages) without sufficient information. Examples of particular programs which cater to the needs of older people seeking to establish their own businesses are outlined below.

#### ***Business Enterprise Centres***

The Department of State and Regional Development supports small business advisory services across the State, through funding to a network of 49 Business Enterprise Centres (BECs) and other organisations (Small Business Service Providers). The Government contracts BECs to provide free and confidential business counselling and training to existing and potential small business operators.

#### ***Women in Business Mentor Program***

This program aims to improve the success of businesses by providing mentoring and support to women who own small businesses. The program links emerging business women with experienced women operators. The program is currently in Sydney, Greater Western Sydney, Lismore, Tamworth and the Hunter. Since its inception in 1995 over 420 women have participated in the workplace.

#### ***NSW Small Business Website***

A website has been developed to meet the needs of start-up and existing small business people. The NSW Small Business Website - [www.smallbiz.nsw.gov.au](http://www.smallbiz.nsw.gov.au) - provides reliable and ready to use information for people who are starting or managing one of the 310,600 plus small business firms throughout NSW.

### ***Inventor/Innovator Service***

The NSW Innovation Service is designed to assist the inventor or innovator with the commercialisation of an invention. The service is provided through six NSW Innovation Advisory Centres located throughout the State. An On-line Innovation Service also provides innovators with advice on developments, contractual arrangements (including patent attorney contacts), information on marketers and investors, and a "virtual exhibition" centre where products can be displayed.

### ***Aboriginal Business Link Program***

Aboriginal businesses have traditionally found it difficult to access business services. To better target assistance to Aboriginal clients, the NSW Department of State and Regional Development, has pioneered the Aboriginal Business Link Program. Under the scheme Aboriginal people are supported in participating in trade shows and marketing, and receive assistance in linking to other business assistance programs.

## **5.3 Industrial Relations Programs**

The NSW Department of Industrial Relations provides a range of services relevant to workers over 45, seeking employment or establishing a business. These include active industry and employer education campaigns, employment practice guidelines, an accredited course titled "Introduction to NSW Industrial Relations and Workplace Reform", DIR contact centres and advice lines for employees and employers. A publications list is attached from which further advice can be obtained are attached to provide further examples of services offered.

## **5.4 NSW Public Sector Employment Practices**

In August 1998, the Premier released the ***NSW Government Mature Workforce Policy and Guidelines***. The policy proposes a range of strategies for the recruitment and training of older workers in the Government sector. The policy notes:

*The New South Wales Government is committed to the development of innovative and productive workplaces where the abilities and experience of mature-aged workers are acknowledged and utilised. In support of fair employment practises, and in response to legislative changes requiring the abolition of compulsory age retirement and age based discrimination, public agencies are encouraged to develop Mature Workforce Programs for their organisations.*

The policy sets out guidelines for public sector organisations in establishing mature workforce programs. A copy of the policy is attached for the Committee's reference.

## CONCLUSION

Experiences gained through New South Wales Government programs demonstrate a range of broader issues for older people in the Australian workforce. At a time of relative economic prosperity and general job growth, older unemployed people continue to be bypassed in favour of younger, more skilled workers. New South Wales programs, such as the innovative mature workers program, have worked for many years to respond to the particular problems faced by older workers when they become unemployed or leave the workforce.

There is a need, however, for a national policy emphasis on strategies and funding to assist older workers. The challenge is to find ways to reduce the involuntary exclusion of mature and older workers from the workforce, and to enhance the opportunities for their re-entry to the workforce, where favoured.

Discussions in Australia have focused on the effects that the ageing of the population will have on the nation's future prosperity - our ability to fund income support measures (such as the age pension and concessions), and on rising government spending on health care (particularly nursing homes and acute hospital services).

The nexus between increased pension and health care costs and employment has generally not been subject to detailed consideration. In fact, rather than providing for their own old age, many older people who leave or are forced to leave the workforce in their early- to mid-fifties may face 25-30 years dependent on support.

Based on the experience of NSW, the Committee may wish to consider opportunities for further work to implement older worker policies at a national level.

The use of employment incentives is an important component of any national strategy. Actions may include addressing age discrimination and the abolition of compulsory retirement legislation through Federal laws; dedicated funding and joint planning with States and Territories on older worker employment and training programs; review of Mature Age Allowance scheme and related programs.

Increased flexibility in retirement options may also require consideration. The Federal Government's pension deferral scheme is an example of this approach (other examples include the progressive raising of the pension age in countries such as the United States, Japan, Germany, and the United Kingdom).

Above all, consideration must be given at the national level to increasing the priority accorded to the employment and vocational training needs of older workers. In this way, the community at large, as well as employers, unions and older workers will know that this economic, social and human rights issue is being taken seriously.

The Commonwealth Government, through established consultative mechanisms, should consider dedicated resources and funding, in a joint planning process with States and Territories, to effect these changes in a national strategy.

## NSW MATURE WORKER'S PROGRAM

The **Mature Workers Program** was developed to meet the needs of an ageing workforce and operated since 1989. People over 40 who are unemployed, those interested in new careers and those entering the labour market for the first term or after a long interval, are able to receive assistance and support from community organisations. Funding is provided by the Department of Education Training.

Some 4,500 clients are placed into employment or accredited training positions annually through the program – upwards of 35,000 since inception. Currently, 48 projects have been contracted throughout New South Wales to provide Strand I services and an initial 17 Strand II projects have been funded in 1998-99.

### **Program Aim**

The Program aims to maximise retention of older workers in the workforce and to facilitate the entry of unemployed mature aged people into the workforce.

### **Objectives**

The following program objectives have been identified:

- To approve funding for community-based projects which will provide appropriate training and job placement opportunities.
- To encourage employers to create workplace opportunities.
- To achieve the placement of mature aged persons in either jobs and/or training/retraining courses.
- To increase the level of participation of mature aged people in the NSW labour force (as measured by the Australian bureau of Statistics)
- To provide participants with training and skills required for industries experiencing growth.

### **The target group**

The program is open to residents of NSW who are aged 40 years and over. Mature aged people who would be deemed eligible include those who:

- are currently unemployed;
- have recently been/about to be retrenched;
- have never worked;
- are mid-life career changers;
- are early/older retirees;
- are returning to the workforce.

People who have been referred by Centrelink to Jobs Network providers for Job Search Training (Flex 2) or Intensive Assistance (Flex 3) will be receiving similar assistance to that provided under the Mature Workers Program. Participation in this program is therefore be restricted to people aged 40 years and over and **NOT** receiving Flex 2 or Flex 3 services through the Commonwealth Jobs Network.

### **Program Delivery**

Assistance to mature aged people is provided under two Strands of the program:

*Strand I - Employment/training Placement*

Funding is provided to community-based organisations which can demonstrate an ability to assist mature aged people through:

- Job search skills
- Training
- Finding suitable vacancies
- Facilitating placement with employers
- Assessing training needs and facilitating training opportunities
- Organising work experience placements

The organisations recruit a placement officer for each project who works with program participants under a model which is similar to the case management model later introduced for Commonwealth labour market programs.

*Strand II - Training Provision*

Funding is provided to organisations which are registered providers with the Vocational Education and Training Accreditation Board (VETAB) which have the capacity to deliver specific accredited vocational training courses to:

- Upgrade the skills of mature aged workers who are unemployed/facing unemployment; and/or
- Retrain unemployed mature aged people in new skills in growth industries/occupations;
- Arrange work experience placements
- Facilitate placement with employers

**Program Model**

The case management model used in the program was replicated in programs introduced by the Commonwealth as part of the “Working Nation” 1994 initiatives.

The Mature Workers Program differed from other labour market programs at the time it was introduced because it accepted clients into the program as soon as they become unemployed, or even before they become retrenched. This early intervention model allows the program to assist clients *before* their motivation and self-confidence eroded, notwithstanding the barriers which face all older workers.

Project workers employed by program sponsors emphasise the importance of building self esteem and maintain motivation as critical factors in achieving positive employment outcomes among participants. This is particularly the case for blue collar male workers.

Often the project worker’s main task lies in assisting clients to market the skills they already have. An older worker who has a long and stable employment history may come to the program with no recent job seeking experience or understanding of the current labour market.

The development of a skills based resumé which “unpacks” decades of work experience and skill and repackages the worker in terms of what he/she knows and can do rather than the time spent with previous employers can be a critical factor in

assisting an older worker sell himself in the modern job market. Women re-entering the job market also rely on these skills based resumés.

**Program Outcomes**

In 1998, some 4620 people were clients placed into employment or accredited training positions annually through the program. With a program budget of \$3,069,000, this is an average placement cost of \$665. Slightly less than half (47%) of the placements were for people who were long term unemployed. Thus costs compare very favourably with payments being made under the Job Network system for long term unemployed people.

Client record data is collected by funded organisations. Projects are required to report monthly on successful outcomes obtained. Data reported to the Department of Education relates only to participants who were successful in gaining an employment or training place. A successful outcome is defined as:

*Employment Placement*

- Full-time work;
- Part-time work (greater than 12 hours per week); and
- Casual work is only approved as a placement where it is the predominant employment for that industry.

*Training Placement*

- A training placement may be defined as a placement that will provide skills required and recognised by industry, and in particular, growth industries. These placements may occur in the secondary school or higher education sector, or vocational education and training (VET) sector. VET placements must be accredited or achieve qualifications covered by the Australian Qualifications Framework (AQF), and may be either full-time or part-time. A training placement in the VET sector will be for vocational training courses of a duration of 150 hours or more.

Closer examination of general program participant characteristics is conducted periodically as part of Program Evaluations or Reviews. A major program evaluation was conducted in 1994. The program is currently being reviewed (1999).

The last full year for which client outcome data is available is 1998. A selection of characteristics of successful program participants is given below.

**(i) Age Profile**

- MWP is open to people over 40 years of age. Some 65% those who exit the program into employment or training are aged 45 and older, with most being between 45 and 55 years.

Program Outcomes by Age								
	<40 years	40-44	45-49	50-54	55-59	60-64	65 +	Total
Employment	9	1139	1009	798	310	77	13	3355



Training	9	431	394	274	119	33	3	1263
Total	18	1570	1403	1072	429	110	16	4618
	0.39%	34.00%	30.38%	23.21%	9.29%	2.38%	0.35%	100.00%

**(ii) Outcome by period of unemployment**

- Of the MWP clients who gained a successful outcome in 1998 some 52.7% were people who were unemployed for less than 12 months.
  - Some 55.7% or 1870, who gained an employment outcome in 1998 had been unemployed for less than 12 months.
  - 570 or 45.7% of training outcomes were people unemployed for less than 12 months prior to entering the program
- Thus, those who come to the program earlier in their periods of unemployment are able to be assisted more readily than those who wait. That most people leaving the program for employment are those who have most recent contact with the employment market indicates that early intervention can be a critical factor in assisting older workers overcome barriers associated with age.
- Those who enter the program when they are already long term unemployed are more likely to exit the program into a training course than directly into employment. In previous years, with the availability of Skillshare courses, this may have been because any courses were generally not accessible to people until they had been unemployed for more than 12 months. However in 1998 this factor no longer applies and a more likely explanation is that the longer a person is unemployed, the more likely it is that he/she will require retraining or refresher training to make them acceptable to employers.

	< 1 Yr U/e	> 1 Yr U/e	Total
Employment	1870 (55.7%)	1487 (44.3%)	3357 (100%)
Training	570 (45.1%)	693 (54.9%)	1263 (100%)
Total	2440 (52.8%)	2180 (47.2%)	4620 (100.0)

**(iii) Gender Balance**

Outcome data available for 1998 tends to confirm the anecdotal reports of Mature Workers project workers: that mature-aged women find employment at greater rates than males, and are more inclined to enter training courses than men.

	Females	Males	Total
Employment	1730 (51.5%)	1627 (48.5%)	3357 (100%)
Training	819 (64.8%)	444 (32.5%)	1263 (100%)

Total	2549 (55.2%)	2071 (45.8%)	4620 (100%)
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Data also confirms the view<sup>13</sup> that older women are more flexible when deciding what type of job they will look for, and almost twice as likely to participate in a training course to improve their employability. It also indicated that men more strongly identify with their former occupation than women. A man who loses his job often perceives that he has lost his identity as well and is thus harder to assist find a new (different) job. For example, project workers on the South Coast of NSW report that following a series of coal mine closures, the influx of former miners to the program saw many men who were unable to conceive of accepting any other position except another job as a miner.

<b>Placements by Gender, Duration Unemployed</b>					
	<b>Female</b>		<b>Male</b>		<b>Total</b>
	<12 mth	> 12mth	< 12 mth	>12 mth	
<b>Employment</b>	966	764	902	725	3357
<b>Training</b>	402	417	168	276	1263
<b>Total</b>	1368	1181	1070	1001	4620
	<b>Female</b>		<b>Male</b>		<b>Total</b>
	<12 mth	>12 mth	<12 mth	>12 mth	
<b>Employment</b>	28.8%	22.8%	26.9%	21.6%	100.0%
<b>Training</b>	31.8%	33.0%	13.3%	21.9%	100.0%
<b>Total</b>	30.1%	27.2%	22.4%	20.4%	100.0%

#### **(iv) Employment Status**

In the Australian labour market approximately 35 % of all employment is in part time positions. For those exiting the Mature Workers Program in 1998 to take up a job, some 53.7% went into full time work, 32.6% worked part time and another 12.7% took casual work.

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<sup>13</sup> See for example, "Evaluation of the Older Unemployed Labour Market and Income Support Strategy", 1992, Department of Employment, Education and Training and Department of Social Security,

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