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The Secretary
House of Representatives Standing Committee
on Employment, Education and Workplace Relations
Suite R1 116, Parliament House
Canberra, ACT 2600

Dear Sir or Madam:

Kindly confirm receipt of this submission and provide any material published at the close of the Inquiry.

Enclosed are hard copy and disk (WP5.1) as per fax preceding this mailing.

Thankyou,
Mrs Diane Michel

SUBMISSION re ISSUES SPECIFIC TO WORKERS OVER 45 YEARS OF AGE
SEEKING EMPLOYMENT, OR ESTABLISHING A BUSINESS,
FOLLOWING UNEMPLOYMENT

I first wish to commend those responsible for initiating this Inquiry. The issues I will cite are not new or exclusive to the term of the current Government, but I have seen no previous opportunity under any Government to make comment which would elicit more than the usual two-line acknowledgment issued on behalf of a Local Member or Minister.

Due to the tardiness of my submission and to confidence that many of the "big issues" have been voiced eloquently by others, I am limiting my submission to a simple catalogue of events personally experienced by my husband or me.

1. REDUNDANCY

The survivors, i.e. personnel staff, in a NSW Government Authority undergoing a programme of mass redundancy in 1990 adopted the following routine, even in dealing with so-called voluntary redundancy:

(a) Individuals were rostered to attend the personnel office one at a time, and a security guard was posted to observe the interview "in case of trouble".

(b) The folder issued to each departing employee included - the necessary financial paperwork, a completed dole form with the address of the nearest CES office, a brochure promoting the services of a hospital specialising in alcohol and drug abuse.

The expectation appeared to be that a stable, long-serving employee was now rendered unemployable and likely to fall into the nearest gutter. One might assume that as a result of such rough-handling, some victims would be crushed sufficiently to

fulfil that prophecy.

2. SELF-EMPLOYMENT

A great many, useful and competent people with a strong work ethic are unsuited for self-employment. They may be self-motivated and quite capable of independent action, but not everyone can be, or should try to be, an entrepreneur.

'BUYING A JOB': Anyone who cares to notice has observed the ongoing tragedies of middle-aged people "buying a job", i.e. pouring one's super and savings into a franchise, lawn-mowing run, a backhoe for small excavation jobs, an "open all hours" shop, etc. etc. If the new enterprise works at all, the market is soon so overfull that price competition severely erodes profit.

FINANCE: New businesses almost always require borrowed money to prime the pump. Try getting a loan to start a small business "following unemployment", especially when you are "over 45 years of age".

BENEFITS AND SAFETY NETS: The very small business, particularly the one-man/woman band, marks the end of annual leave, weekend recreation and anything resembling standard working hours. Who can afford a day off, to say nothing of a week off? At least in the developed world, these amenities have long been considered not as luxuries but as necessities for physical and mental health.

INCOME ASSURANCE: By choice, I personally left my position in a large firm and entered self-employment in 1978 at the age of 36. I immediately enrolled in self-funded superannuation and in a personal incapacity insurance scheme which would provide some weeks of minimal income in the event of injury or illness which would prevent me from working. As it happened, I never claimed on the personal incapacity policy, despite occasional illnesses/accidental injuries which slowed me down but did not totally prevent my fairly sedentary form of freelance work.

A year or so ago when it was time to renew my personal incapacity policy, I was startled by a remarkable increase in the premium. When I did a quick ring around other insurers, the penny dropped. Insurers do not want to cover clients who reach about 55 years of age. My own agent subsequently confirmed that the first step is to discourage ageing clients by increasing the premium, and the second step is cancellation of the policy.

This is standard practice. Although one is capable of continuing work, and expected these days to "work until you drop", normal and responsible safeguards are whisked away when they are needed most.

3. CASUAL, CASUAL PART-TIME, OR PART-TIME EMPLOYMENT

The ageing job-hunter is far more likely to secure casual work than part-time work, and even the lucky ones who obtain "real" employment are more likely to be engaged on a permanent part-

time rather than on a full-time basis. The penalties for wanting/needing to work are as follow:-

PART-TIME: Underemployment, leave/sickness benefits reduced pro rata.

CASUAL: Underemployment, minimum pay rate, no annual leave or sickness benefits, no security/continuity of work, no protection from unfair dismissal.

CASUAL PART-TIME: As above but at an even lower income.

Since these arrangements usually do not produce a living wage, the underemployed and low-paid worker also is burdened with the expenses of: travel to multiple workplaces; private motor vehicle use (workplace locations and work times unlikely to permit travel by public transport); purchase of a variety of uniforms; engagement of accountant for a very messy tax return; maintenance of a variety of licences; certificates, etc requiring regular renewal.

There is widespread knowledge of the confusion applying to superannuation for people in casual and disjointed employment. Some employers simply refuse to be involved in the "paperwork" required to transfer super to a fund of the casual employee's choice. Sometimes the employer gives the casual employee no opportunity to make personal employee contributions. At all times, there is little incentive for the underemployed to make such contributions.

An additional frustration for the casual or casual part-time worker is the expectation that the worker will remain continuously "on call", to attend on short notice whenever summoned. This literally means that the worker is expected to be on the job, or hovering near the phone for no income, at all times. Real-life examples:

(a) A Local Government Council in the Sydney metropolitan area, which sought to obtain the services of a fully trained, accredited and experienced Ordinance Inspector --- on a casual basis, on call, at short notice, for a few days during the year at any time when a relief was required for its employees.

(b) A contractor offering casual work at 6 hours per day, with a commitment to increase working time to 8 hours per day. Instead, time was reduced to 4 hours. When the casual employee stated that he would then be obliged to seek other, more profitable employment, the contractor protested, "but you shouldn't need more money at your age".

(c) A firm with a large pool of casual workers who were expected to ring daily and ask for work.

(d) A firm with a large casual pool which assigned workers to a location on a one-day basis, e.g. "Get into your uniform and drive at your own expense to a distant location for four hours' work".

(e) A Local Government Council in the Sydney metropolitan area, which proclaimed proudly that all staff were eligible (and obliged) to take a rostered day off each fortnight. A

casual doing the same job and working the same hours as two employees was accordingly receiving nine days' pay (and no annual leave) when his workmates received ten days' pay (and annual leave). The carrot offered in this case was that after a few months' probation, the position might be advertised and the casual would have the same right as anyone else to apply for it.

Yet another aspect of working life which can come as something of a shock to individuals who have spent two decades or more in the employ of reputable firms is the need to take work from whatever source is available --- shonks, fly-by-nights and opportunists included, e.g.

(a) The "positions vacant" columns are littered with promises to provide employment at completion of over-priced and frequently worthless "training programmes". In many cases, the employment is non-existent or short-term.

(b) The "public notices" section of the same newspapers often list the many prosecutions for firms which have failed to provide Workcover insurance.

(c) On a large infrastructure project of two years' duration, workers regularly were ordered to undertake work in unsafe conditions or work for which they were untrained and unqualified. Objections were met with the accurate statement that "if you don't like it, someone else will". The opinion that the conditions were unsafe is not subjective. Acting on advice of private citizens, the State WorkCover Authority, closed down operations and fined the employer several times. One worker was killed in an incident resulting in prosecution. Others were injured.

(d) "Cash-in-hand" casual work is rampant, and it is frequently suggested that workers should supplement their tax-free earnings with dole payments.

(e) Below-casual-award rates often are all that is available, and workers either collude with acceptance of a lower rate or lose the work to others who are more desperate. (Note that in some cases, a reputable employer genuinely is unable to offer adequate payment due to his/her struggle to survive in a small business.) The choice is no work or inadequate payment for work.

(f) An employer simply declined to provide the appropriate documentation to the Australian Taxation Office. In desperation, the casual employee obtained an ATO form from the Post office, filled in his section of the form and sent the form by registered mail to the employer. There were major difficulties in obtaining the company's name and mailing address from the employer. After several months, there still is no certainty that the ATO has received the form, or that the employer has contributed to a superannuation fund.

4. SEEKING EMPLOYMENT

What presents as a thankless effort for many unemployed of any age may often fall into the "cruel joke" category for the over-45s.

Some of the barriers are understandable and accordingly very difficult to overcome. Younger people may feel uncomfortable with the prospect of managing employees who are their seniors in age and sometimes also in experience.

Particularly in applying for specialised technical or trade-related employment, a suite of problems for the older applicant, observed repeatedly, occurs in larger or more structured organisations and government bodies in which:-

- * applications are first screened by "human resources" staff, and,
- * applicants selected for interview are confronted by a "selection committee".

THE HUMAN RESOURCES DEPARTMENT: Although trained in selection of personalities, it is unusual for 'Human Resources' to appreciate precisely what qualities, qualifications and experience may be useful for work which does not occur in an office environment. When efforts are made to specify requirements which are not fully understood, the 'Human Resources' person naturally relates to and/or calls on "contemporary" indicators, and on what appear on the surface to be reasonable assumptions.

With the best intentions, the person who reviews the applications or conducts the preliminary interviews may reject some of the most qualified applicants and experienced applicants. It is quite usual for the "first cull" of applicants to be made by a person who:

(a) does not understand the significance of an Intermediate or Leaving Certificate,

(b) does not accept that older people with less formal education than is usual today may be quite capable of meeting job requirements;

(c) is unfamiliar with the older, higher and more comprehensive training which has been superseded by the less demanding and limited standards of recently issued certificates of competency, eg.

--- In this week's metropolitan newspaper, a Local Council advertised for a "Bridge and Wharf Carpenter" (a traditional trade requiring a full range of skills including rigging, carpentry, proficiency in all equipment and techniques necessary for removing an old bridge or wharf and erecting a new one. The ad also specifies a TAFE certificate in chainsaw operation as an essential requirement. In other words, applicants with the full range of skills required for Bridge and Wharf Carpentry, including chainsaw operation, will be ranked below the poor soul whose only formal qualification is the certificate obtained from a short course in chainsaw

operation.

--- Commercial Diving is a trade which has been debased in general understanding by the popularity of sport diving. This demanding line of work requires expertise in many trades including welding, explosives, rigging, use of various tools, etc, all in a difficult, underwater environment. Try to explain that to a young lady who is interviewing a retired commercial diver for a position as general handyman and is searching for some qualification which clearly relates to odd-job building maintenance.

The younger interviewer also is likely to:-

(d) pass over applicants with years of practical experience in a line of work for which no "paper" qualifications were issued until recently. Gardening, lawnkeeping and parks/garden maintenance are examples. A person employed for many years in these and other pursuits is unlikely to have stopped work to obtain the kind of "work experience" certificate available in recent years.

(e) rely on formal academic qualifications which have little relevance to actual job requirements. An example is the large security company which expects all applicants for work transporting money by armoured car to successfully complete a general examination equivalent to the HSC. The supervisor states helplessly that he is unable to obtain a full complement of operatives; few who have the genuinely necessary skills, experience and attitudes also have the irrelevant proficiency in higher mathematics demanded by 'Human Resources'. (One applicant was selected by the supervisor on the basis of attitude, security experience, commonsense, physical fitness, security licence, licence to use firearms for security purposes, licence to operate heavy vehicles, and exceptional driving skills. This applicant had left school at an early age and had no knowledge of algebra. He accordingly failed to gain employment. Recent school-leavers hired from the same round of interviewing were involved in a widely televised incident when they failed to latch the back door of their armoured truck and did not realise that they left several thousand dollars worth of cash scattered in the street in their wake.)

In order to promote an appearance if not a reality of 'Equal Opportunity' hiring practice, it is common to subject the older applicant with excellent qualifications but no hope of employment to the full sequence of selection procedures - written application tailored to the one-off selection criteria, first interview, second interview and sometimes a third interview.

The effort, the cost and the time wasted in these fruitless applications is difficult to assess. It is painfully common for the older (and often better qualified) applicant to come second out of a large initial field --- again and again.

THE SELECTION COMMITTEE: In interviews for tradework, it is usual for two out of three committee members to be as unaware

of the real job requirements as is the struggling 'Human Resources' staff. The one member of the committee who is the prospective supervisor can be effectively outvoted by others with no understanding of the job requirements and much determination to support "disadvantaged" groups which do not include w.a.s.p. males aged 45 or older.

5. 'SKILLING UP', RE-TRAINING, ETC

THE TECHNOLOGY BARRIER: Technophobia jokes aside, it is necessary to remember that most people more than 45 years of age were born into a time when multi-media meant a "wireless" and a Saturday night at "the pictures". As recently as the 1960s when most of those people were entering the workforce, many middle-class Australian families still had no telephone or television in the home. Important and urgent communication was conducted by hand-delivered telegram. In the early 1970s, only large, progressive firms were installing (mainframe) computers, communicating (sparingly, still counting the words) with overseas contacts by telex, using a heat-sensitive ancestor of the photocopier to copy documents, and employing carbon paper to produce multiple copies of typewritten material generated within the office. The IBM golfball typewriter first appeared as a status symbol issued only to the private secretaries of senior executives, while manual machines were typically used in the typing pool.

No video equipment, no colour tv or remote control, no answering machine, no fax machine, no mobile phone, no microwave. No pc, laser printer, scanner, modem, internet, etc.

In other words, today's over-45s already have proven themselves more adaptable to technological change than any generation in history. If they appear behind-the-times to a twenty-something employment counsellor, their deficiencies are the simple result of:-

(a) no exposure to computers during school years.

(b) no opportunity to employ latest office technology --- a computer still has no real role in many trade applications.

(c) no need to employ latest office technology --- the changing technology in the outer office demanded little change among executives who relied on office staff to take dictation, type reports, prepare billings, and handle accounts.

(d) although computer literate, no opportunity (or reason) to become conversant with the full range of available systems, software and all their constant updates.

No quick course in computer familiarisation is going to solve a problem which so often appears to have been manufactured by bureaucracies. The motivation could range from directives to call tenders for supply of hardware and software, to the not unknown desire to protect one's job by becoming a self-styled "expert". Whether intentionally or inadvertently, the result is the creation of unique technological environments which

disadvantage outsiders.

A general reading of "positions vacant" columns will illustrate the point, but the best example is government employment. At least in NSW, each department and authority appears to have selected its own suite(s) of software --- and to insist on previous experience in that particular combination of IBM or Mac hardware and a dazzling array of word-processing, spreadsheet and desktop publishing software.

The people comfortably installed in the office almost invariably receive paid, on-the-job training in whatever they are using and whatever updates become available.

The outsider attempting to join them would perhaps need to have found time, money and inclination to master a half-dozen combinations of hard and software in order to be certain of fitting in.

White-collar employment has become an exclusive club which effectively excludes outsiders (particularly over-45s who seek to update or expand their computer skills).

THE QUALIFICATIONS BARRIER: Needless to say, very many occupations require specialised training. Prospective employers obviously must refer to qualifications in such disciplines when hiring.

However, the over-45s frequently are bemused by hard-and-fast insistence on qualifications which have little if any relevance to the work requirements of the job. (The same barriers may confront and frustrate job applicants of any age, but they are more surprising to people who have spent their working lives in an environment where performance was the criterion for getting and holding a job.) Examples of these manufactured barriers follow:

--- to be employed as a municipal animal control officer (dog-catcher), a requirement was proven experience in accessing the particular computer listing of dog licence-holders used by that Local Council . . . although the required sequence of keystrokes could be demonstrated and learned in less than ten minutes.

--- to be employed in any number of unskilled or low-skilled manual occupations, a major asset is proof of participation in one of those "work experience" schemes where people work with great energy but learn little. (The older applicant already has experience of work, interaction with other workers, etc.)

--- if one has the time and inclination, it recently seems possible to acquire a "certificate" relating to almost any human activity. Possession of such certificates does not necessarily indicate proficiency. Not possessing such certificates does not necessarily indicate inability to perform the job. (Next time one of those up-beat "jobs, jobs, jobs" vignettes appears on television, watch the enthusiastic workers

clearing the bush with no idea how to wield a machete in safety or to use a shovel without spinal damage.)

--- a great many over-45s know how to do a great many things, because they learned them of necessity, through observation and experience. (No certificate was issued, but a job was held.)

6. GENERAL COMMENT

I wish to emphasise that this submission is not a complaint that some younger people, females, and people of non-English-speaking backgrounds may secure employment while some older people cannot.

A particular tragedy in the society we now inhabit is the wreckage of young people who have never experienced the responsibilities, security and satisfaction of a steady job. Another is the bitter disappointment of people who came to this country in the expectation of earning a living.

The plight of the unemployed or under-employed older than 45 years is simply another aspect of an immensely sad situation. I think that for them, the most damaging features of the "new" economy are the shame and bewilderment that these good workers feel at being unable to support themselves, and the frustration of finding that their hard-won and useful skills are no longer valued.

There are not enough jobs. There certainly are not enough jobs which offer sufficient working hours and wages to support an individual or a family. Jiggling the employment statistics and pretending that 20 hours a week counts as viable employment do nothing to change the reality.

A chilling recent news item suggests that the plight of the over-45s has now extended to the over-30s.

7. RECOMMENDATIONS

(1) Lead by Government example, to ensure that restructuring occurs without unwarranted and extreme damage to the confidence and re-employment prospects of those who are edged out of the organisation.

(2) Ensure that over-45s venturing into self-employment have access to normal business requirements such as modest seed-funding loans, bank overdrafts, and insurance, to be provided or subsidised by Government if not otherwise available.

(3) Recognise that irregular and part-time employment does not provide a "living".

(4) Explore means to reduce out-of-pocket expenses entailed in training and re-training, in job-hunting, and in participating in the part-time and casual workforce.

(5) Through specific programmes and possibly through

incentives, encourage employee selection personnel to be more accepting of both the over-45s' positive attributes and of their need for a reasonable amount of on-the-job training to enhance or broaden existing skills or acquire new skills.

(6) Sensitise employee selection personnel to the negative impact of falsely assuring an over-45 applicant that the job opportunity is genuine, and of using the over-45 applicant as the "second choice" throughout a process of multiple interviews.

(7) Promote an informal "grandfather clause", exempting job applicants who have the demonstrated skills from the need to obtain recently initiated certification which does not enhance those skills.

Mrs Diane Michel
7 May 1999