COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON EMPLOYMENT, EDUCATION AND WORKPLACE RELATIONS

Reference: Issues specific to older workers seeking employment, or undertaking a business, following unemployment

WEDNESDAY, 15 SEPTEMBER 1999

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HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON EMPLOYMENT, EDUCATION AND WORKPLACE RELATIONS

Wednesday, 15 September 1999

Members: Dr Nelson *(Chair)*, Mr Barresi, Mr Bartlett, Dr Emerson, Ms Gambaro, Mrs Gash, Ms Gillard, Mr Katter, Mr Sawford and Mr Wilkie

Members in attendance: Ms Gambaro, Dr Nelson and Mr Sawford

Terms of reference for the inquiry:

Inquire into and report on the social, economic and industrial issues specific to workers over 45 years of age seeking employment, or establishing a business, following unemployment.

WITNESSES

Committee met at 8.32 a.m.

DAVIES, Mr Lawrence Bryan, Executive Director, Employment Initiatives Division, Department of Training and Employment

CHAIR—I declare open this public hearing of the inquiry into mature age unemployed people and welcome the witnesses and others in attendance. We will be taking evidence today from a number of witnesses. The purpose of this inquiry is to identify the social, economic and industrial issues specific to workers over 45 years of age who are seeking employment or establishing a business following unemployment, and to assess the impact of these issues on the economy. We are keen to explore ways to help individuals as well as to address the loss of skills and experience in organisations.

I now call on Mr Lawrence Davies. I remind you that the proceedings here today are legal proceedings of the parliament and warrant the same respect as proceedings in the House itself. The deliberate misleading of the committee may be regarded as a contempt of the parliament. The committee prefers that all evidence be given in public, but if at any stage you want to give anything in private, just indicate that that is the case and we will consider your request.

Teresa Gambaro is the member for Petrie in metropolitan Brisbane and represents the Liberal Party. Rod Sawford, a good guy, is the member for Port Adelaide, in South Australia obviously, and deputy chairman, and a representative of the Labor Party. I represent the electorate of Bradfield in metropolitan Sydney. Perhaps, Mr Davies, you could give us a precis of the department's submission and then we will discuss it, and conclude at 9.45.

Mr Davies—The department's submission highlights a number of the issues that I think we are all aware face the mature unemployed, particularly the fact that all of a sudden we found we did have a problem with the number of mature unemployed in this state. We had been focusing on young people, as we probably had across the country, and we suddenly found there was a larger, more mature age group appearing. A number of reasons have been given for that. One is the downsizing of organisations and just a change in the nature of work, which is affecting not only the mature unemployed but the whole labour market.

A key issue, I suppose, is the difficulty of breaking out and changing people's attitudes. People tend to get a mind-set about the jobs they are in, where they are working. The example we are dealing with at the moment is with the timber industry, where there is a lot of restructuring because of the RFA—the Regional Forest Agreement—down in the south-west of WA. There are jobs on offer but local people are not applying for them because they are not in the timber industry, and that is where they see their options; that is where their livelihoods have been—for generations in many cases.

Our experience, both with young people and with older people, is that you have to intervene early. Leaving it for 12 months means that people are entrenched there. The way of looking at things becomes entrenched and it becomes far more difficult and more expensive to deal with the issues. So we have always opted for early intervention in this state. Our Job Link projects, which are an employment generation agency through community organisations around the state, have always been given the charter of early

intervention and being flexible and responsive. Across a state like WA, what works in Halls Creek will not work in Bunbury. They are just totally different parts of the country—different environments and different needs of those people.

With the people in the south-west at the moment, we have introduced what we have called mature age liaison officers who are working one to one with the people who have been displaced. I must add that they are not just older people but there are a lot of older people in that group, particularly coming out of Whittakers sawmill. We work one to one with them and talk through and try to identify the skills they have. Those skills are transferable. We are now starting to see some movement in the group to place them into jobs elsewhere. We are also providing a training fund so that there is money there for them to retrain immediately.

So that is the state government's initiative, to put about $3½ million into a program specifically for the mature unemployed, and it will all be based on that early intervention. We must make sure there are funds there. The funds for retraining are not necessarily large amounts but they are to target specific needs, once we identify the skills people have, and where there might be deficiencies. We had mature people becoming unemployed from a meatworks recently and Internet access, use of computers—just short courses—suddenly made them far more employable and gave them more confidence to go into other types of work in shire offices and things that were available in that region outside the meatworks.

One of the other problems we have identified that we are struggling with is the changing nature of the workplace that is affecting everything. One of the problems with mature age people coming out of the workplace is that a lot of them have come out of the middle management levels, and that is having a fairly marked effect on our apprenticeship intake because they were the people who used to do the training. They had the time to do the training, they had the positions in the organisations to do the training and, as you make the organisations meaner and leaner, it tends to be those sorts of jobs that go. So we have got the people with the skills sitting on the outside of the organisation and no-one doing the training inside. That is a fairly major concern for us. It requires a rethinking of the way we train people and the way we use those sorts of skills that are sitting outside the work force. We do not have an answer for that, unfortunately.

We are also doing some research which may yet be done jointly with Queensland—we are not sure. We want to look at why old people would go into a traineeship, and what we need to do to traineeships and other forms of retraining to make them more appealing to older people. The last thing they want to do is go and sit with a group of 20-year-olds and be put through a course or a set of competencies that are geared to that age group, or to have to go and do life skills and things that they have been doing over the years and certainly do not need. The training system should be flexible enough to accommodate them.

Getting them to actually do it is part of the problem. We are trying to identify some of the things we would need to do to make it more appealing to older people to go into traineeships or other forms of training. Traineeships are not just in the traditional sense of basic entry level training. We now have people looking at training in that sort of integrated on and off job training format at AQF level 5 and thereabouts. It is slowly starting to happen but how you can market that to older people is an issue for us.

One other important issue has been that a lot of people come out of retrenchment, et cetera, and if they get a payout of any sort they suddenly want to start their own business. How do you manage that, and how do you stop them leaping in without adequate support and without having thought it through properly, and investing their money somewhere where it is not appropriate? It seems to us that the largest growth in small business is actually home based business, which is a less risky option, because the money is not going into rents and long-term leases and that sort of thing. You can start on a small scale, you can start just building it up slowly. We have done some research into home based businesses around the metropolitan area. It does tend to be more mature people—and the growth tends to be predominantly female—who take up that option.

We are providing some assistance to home based businesses, for them to actually start to employ more people, because it is a growth area. We think that if you are going to get employment growth, it is not necessarily through the large companies. They are the ones who are downsizing. It is probably going to be the home based businesses that are going to grow the employment market. We did a specific survey in Mandurah, which is just to the south of Perth—it is almost connected to the metropolitan area now but not quite—where both the state funded and Commonwealth funded employment agencies focused on home based business for three months. They were very surprised that they were able to get 120 people into jobs in those businesses. They were not all mature age people but obviously it can be easier to work with a mature age person in a home based business than a young person because of all the problems you have with bringing a young person into your home. I think they are probably some of the key issues.

Mr SAWFORD—We say 'jobs' loosely these days. When you talk about those 120 jobs, what are we actually talking about in terms of remuneration and in terms of hours worked per week?

Mr Davies—That fluctuates, obviously. Some of them are part time, some of them are full time. I do not have an exact analysis yet of what exact hours they are. One of the things we are working on with younger people is how you package a range of part-time jobs to build the skills you need to move on. It is a different issue with mature age people. How do you get them to use their skills in a number of places? That is one of the things I know DOME is working on, who are coming in to talk to you later today. That is a program we have been funding for 10 or more years, and they have been working with mature age people for that length of time.

Mr SAWFORD—The hours vary. What about the remuneration?

Mr Davies—Most of them are paid. Generally, the remuneration is in line with awards. That is the advice that we have given people: if they take on trainees, we advise them to use the national training wage award if there is no industry coverage. The advice we are also giving those home based businesses is that they need to sign up workplace agreements if they have no award, or a contract of some sort, and that has to go through the Workplace Agreements Commissioner. What we do not want to see is people just going on with no contract. That is part of what we have been advising people. One of the things that has stopped people taking on more people in those sorts of places is that they do not know how. So we are providing them with a resource that says, 'Here is an easy to manage way to go

about it.' That includes advice on making sure that the industrial relations arrangements are in place. I cannot guarantee that they all are, but we are certainly keen to make sure they are.

CHAIR—Last week in Melbourne, Mission Australia told us—they did not present evidence to support this—that because of concern about unfair dismissal provisions a lot of employers were putting employees on a casual or possibly even a part-time basis to get a feel for them before deciding whether they would employ them on a full-time basis, but that because the older unemployed in particular were much more interested in a real job, a full-time job, they felt there were opportunities being missed by older people because they were not prepared to have a portfolio package where they have got a day and a half here, half a day there and two days there. Have you got any comment on or any experience with that?

Mr Davies—I think people do have to produce portfolios. I have been criticised for supporting part-time employment, or being seen to, by the fact that we are providing information about how to manage a number of part-time jobs. That does not mean that we are supporting the loss of full-time jobs. It is just the way the world is going. Some of the large supermarkets put young people and older people on part-time arrangements. They keep young people on and give them enough hours to keep them interested, almost on a promise of getting more work, but you get the feeling that part of the agenda is to keep them at home because they are more stable at home. It is these different employment practices that are coming in that are quite unusual.

Judging from the selection processes used in some of our catering industries it seems what they really want is a pool of people who are going to manage their own arrangements. They will not employ one person, they want to employ a group of six, and if one of them cannot make it that night they will do their own arrangements internally so that the catering firm does not have to worry about it; someone will be there because they will keep this group going around and around. This becomes very tricky to manage. It is okay if you are a full-time student or you are only wanting to work part time, but if you are wanting to earn a full-time living, that is where it becomes very tricky to manage those arrangements. Quite often the employers are wanting such flexibility. Each of the employers you are working for wants you to be flexible and shift around whenever they feel like it. So how do you manage to go and work for this person when that person wants you? That is where it gets very hard. To find a number of part-time jobs that are compatible can be quite difficult in some industries.

CHAIR—Do you have experience, though, with mature age workers who do get a casual job and then three months later the employer turns it into a full-time job? Or is there not a trend in that direction?

Mr Davies—I think there is more trialling going on. I am not aware of it with mature age people. We find sometimes people going for the work experience option. We find with older people from non-English backgrounds that some employers will want them to come on as a work experience placement. That needs to be watched very carefully, to make sure the employer does not keep pushing that further and further. Most mature age people that I have come across are not as likely to walk into that sort of arrangement and let it go on. They seem to be a little more wise about the ways of the world and they do not get caught as

often. It is more of a problem for mature age people from non-English speaking backgrounds who are more recent arrivals in the country.

CHAIR—One of the problems we have identified which you refer to in your submission—and there are a number of issues here—is firstly the person who takes a redundancy package and there is little, if any, counselling given to them about how to manage that money wisely. One of the manifestations of that is where they want to go and buy a business or a franchise or something like that. We have been wondering how that 244 could be improved and whether there ought be requirements on employers making people redundant to actually get them access to that sort of advice. Have you got any thoughts on that?

Mr Davies—We have certainly done that in the south-west, and where there have been major redundancies around the state we have made sure that that counselling is available. We use the business enterprise centres which the government funds around the state, which are part of the Small Business Development Corporation's network of advice. So that sort of service is available but not a lot of people know about it.

CHAIR—Who ideally should provide it? The way I look at it fairly simply is that you are making someone redundant, so you have got a checklist: these are things you have a statutory obligation to do. Perhaps one of them should be that they are funded to provide financial counselling.

Mr Davies—Certainly, the good companies would do that, but some obviously do not.

CHAIR—Do you think that would be workable and a good idea?

Mr Davies—I am sure it is workable but I am not sure how you would police it. That would be the issue.

Mr SAWFORD—It becomes very dangerous. I can remember a very big firm in South Australia—I will not name them—that went through a redundancy program and they advised workers—this is many years ago now—to put their money with that Geelong banking institution.

Mr Davies—Giving advice on that has to be done fairly carefully.

Mr SAWFORD—That is right. You need very independent advice.

CHAIR—We have had people who have also said to us, in relation to the Job Network and the way it works, 'Look, mature age unemployed people should be able to access FLEX 3 immediately.' It is hard to imagine that is going to happen, but one of the phenomena seems to be that you get the person who loses his or her job at the age of 50, they are ashamed to be unemployed, they are living on their savings, they are running down whatever they have got and they do not even register and then, because they have delayed registering for six months or a year or 18 months, it takes them that much longer before they can access the high levels of intervention from the Job Network.

Mr Davies—Yes. The Job Network providers as a whole tend not to see them as good economic outcomes. They do not see it necessarily as potentially good to place mature people into work. An economic decision has to be made because of the way the funding is provided. In some areas of WA you will not get much service at all because, being so remote, we do not get a good coverage of the Job Network system, and it is certainly the same with new apprenticeship centres. You might as well forget it if you are in the Kimberley or the Pilbara, particularly the Kimberley. I am not sure how they want to handle that end of the FLEX process.

The problem with making blanket decisions about a group of people is that it does not apply to everybody. There are some mature unemployed people who really should be relatively easy to place with some good targeted counselling. But to say, 'Well, because you're this age you automatically qualify for this provision' tends to lock us into this mind-set that everyone is the same. I think one of the benefits of our Job Link network is that it is horses for courses. We do not prescribe what sort of service they provide. They need to talk to the people and work out what is required for them. Personalising the service is critical.

One of the problems with the new apprenticeship centres, probably more than the FLEX providers, is that you move the goalposts and you watch the system shift, and then you say, 'Oh, well, we didn't expect that,' so we move the goalposts again and the system shifts again. The end product is that no-one really knows how it is working. It needs to be thought through fairly carefully about what will happen when you shift the goalposts on those sorts of eligibility requirements.

CHAIR—You refer to research—employers, I think it was—indicating that stereotypical views of the older workers are not typical. Can you tell us about that research, Larry? Who did it?

Mr Davies—To tell you the truth, I am not sure who did it.

CHAIR—It is on page 3 of your submission:

A problem experienced not only in WA but throughout all of Australia is in trying to change community stereotyping concerning mature aged workers partially in regards to the industrial relations perceived lack of contemporary based knowledge and dated operational styles.

Mr Davies—I think it was Flinders.

Ms GAMBARO—You are just continuing on from Flinders.

CHAIR—If you do not have a detailed knowledge of it, do not worry about it. That seems to be one of the major problems which, again, you and everybody else have identified. There is a culture amongst employers that says older workers are going to have more sick leave, they are not going to stay in the work force for that long, they do not adapt as easily. In fact, last Friday I had a meeting with the CEO of one of the biggest IT companies in the country to talk about something quite unrelated, and I mentioned I was chairing this inquiry with my colleagues here and he said, 'Oh, I'd never employ anybody over 35.' I said, 'Why is that?' and he said, 'The younger ones can work longer hours. They don't get tired so easily. They're more energetic.'

Mr Davies—There certainly is a lot of stereotyping in the labour market. Part of it comes from the fact that the world of work has shifted but we have not thought about how we can creatively use the skills that people have. If I design a webpage, I am probably going to go to someone young who does not need any guidance. They seem to be able to do it. They seem to have a knack of working through the new packages. I have to read a manual and by then it is out of date. You need a different process of learning to be able to access those things easily. The workplace has shifted. We have downsized, we have outsourced, we have done all these wonderful things, and then we start to think, 'Where do you get this expertise? Where do you get the corporate knowledge that you've suddenly lost?' People are starting to move back, but I do not think we really thought through very carefully about the different roles that different parts of the organisation used to play and how that would be replaced. You cannot outsource it, because it has gone and you will not buy it back.

Mr SAWFORD—You often hear the equation in this country of 700,000 unemployed, 700,000 underemployed, 700,000 hidden unemployed and 70,000 job vacancies advertised. It is not a great equation. You are an executive director of an employment initiatives division. Do you feel you have got the data and the analysis available in order to really meet the needs of clients, whether they be young or old, who are unemployed? We get the impression on this inquiry that there is a lot of serial data; there is a bit of a research program done and then two years later there is another one, sometimes very similar. There are no longitudinal studies. I do not think we have had one example of a longitudinal study taken in Australia on unemployment. The data seems one-off all the time.

Perhaps a particular university will get a research grant and do something and it may come up with something quite valuable, but then its recommendations will get lost in the ether, and a couple of years later another university will have a similar sort of grant, but there is no comparative data, there is no longitudinal data. We are now a generation—25 years—into endemic unemployment, not only in Australia, but in the world. You mentioned analysis in part of your introduction earlier. Do you feel you have got enough information to make decisions?

Mr Davies—No. I do not think we know enough about the way the labour market is working. We have the unemployment statistics, but they are cold and hard and they do not tell us a lot about what else is happening. As you said, underemployment and hidden unemployment are important and we do not have a lot of information about those issues. We have been focusing more on young people. We have certainly got very good information on our school leavers in WA because that was a focus. We gathered information about all school leavers' intentions and where they ended up so we could then contact them and say, 'Well, you haven't got placed. We can help you. What help do you need?' and we could actually offer a service. Now, we have not done that for the mature age group and, obviously, we have not got a captive audience like you have in a school, so they are far more difficult to get a handle on. But, no, I do not think there is sufficient research being done. We base a lot of our responses on feedback from people like DOME and our other community networks. I have a staff member in each region of WA, which leaves them covering some pretty big areas—it is only one person—but they do at least give some feedback on what is happening out in the field, what they hear, what people are feeling about those sorts of issues. There are certainly no longitudinal studies that I know of, on particularly the harder things to tackle like hidden unemployment. There is not anything.

Mr SAWFORD—Does your organisation have any ability to initiate research?

Mr Davies—Within our limited budgets, yes. We have identified that the training being provided in things like traineeships is not meeting the needs of mature age people, so we will do some research and try and work out how we can adjust what we are providing, but we do not have the capacity to undertake large longitudinal research studies.

Mr SAWFORD—What about in cooperation with Western Australian universities? Do you have any linkages there?

Mr Davies—We fund the Centre for Labour Market Research, which does do some work but, again, they have tended to focus on industry type activities. There certainly has not been a focus on the sorts of issues that you are raising.

Mr SAWFORD—It is a bit frightening, isn't it, when you think it is almost like the blind leading the blind in terms of trying to find opportunities for a very key group of people in this country? I am not trying to allocate blame on this. It just seems to be symptomatic right across Australia.

Mr Davies—The state government here has produced a strategy called 'Time on our side', which is a five-year strategy for the maturing population. I think that is a start. People are starting to say, 'Well, this is an issue. We do need to look at the maturing population.' It is hitting in some European countries a lot faster than it is here, but with an ageing population there are a whole lot of things that are going to change. Youth unemployment in some countries is hardly a problem at all now. It is now, 'Where do you find the young people?' because they are not there, they are not coming through. The age cohort is such that it is shrinking at the younger end. We have not really done a lot in preparing for the changing demographics of the population. We seem to wait until it hits and then think, 'Oh, we'd better do something.'

Mr SAWFORD—We have been waiting now for 20 years. This started in 1979.

Ms GAMBARO—Brendan spoke about the people in a redundancy situation who have an outplacement service provided. From my experience that outplacement service tends to concentrate on financial advice on how to spend their redundancy and save for a nest egg. There seems to me to be a gap between NEIS, where people go into and start their own business and have very little seed capital, and providing some sort of business advice to people who have the money—for example, a redundancy—and want to put it into a small business or a franchise.

I was a marketing manager for the Queensland division of the Australian Franchisors Association. One of the things that used to drive me to distraction occurred when people would come to me for advice, wanting to put their money into a business, and we had a $10 booklet that described what a franchise agreement was, and included their obligations, what they had to do, the fact that they needed to do their business plan, et cetera, and they would not buy a $10 book, yet they were willing to invest $300,000 or $200,000.

I just want to refer again to the outplacement service that some companies provide. I think Brendan spoke about the employers doing some sort of a business training course. Is there a gap in the market to cater for people who want to start their own business and need to learn what a business plan is? NEIS is not exactly filling that type of need.

Mr Davies—I do not believe there is a gap in Western Australia. There might be a gap in people knowing about it and accessing it, and in convincing people they should access it, but the business enterprise centres around Western Australia have access to what we call the Smart Start Program, which is basically the training course that sits under NEIS but is delivered on an individual basis. They are funded to do that. If they work through and do their business plan and work it all out, the business enterprise centre is paid for the time they put into it. That assistance is there. Whether it is accessed or not is another issue.

Ms GAMBARO—I have people coming to me in my office, wanting to start businesses but having no idea where to start. Maybe there needs to be a public education process to tell people that there is NEIS. Perhaps we need to work on that a little better.

Mr Davies—We used to run a program called the New Enterprise Scheme, which was the precursor to NEIS in Western Australia. One of the performance indicators we had for it was the number of people we stopped going into business because they were not suited. These were people who decided along the way, 'I can actually work in this business without starting it myself,' and went off to do that, or they decided that it was not going to work because, as they did the market research, they found there was no market for their product. I agree with what you said. We get very large numbers coming through and if you advertise it, people will come.

Maybe what we need is a shorter program instead of saying, 'Here's the whole thing and you've got to fund it.' It becomes expensive to fund large-scale training courses when people are dropping out, which is what you want them to do in some cases. What is important is the initial couple of sessions where they are told about what the business really means and how to go about doing some market research to test their ideas. Once they start testing it, they start to get feedback and say, 'I thought it was great but no-one else would buy it.'

Ms GAMBARO—People will go to individual franchisors if they are interested, for example, in starting up a Baskin-Robbins franchise. There are some franchisors who do this very well. They go through a selection process and they will actively not take people they feel are not suited to the franchising business. Do you see some sort of business training that could be done with, say, the franchising association? It would not necessarily focus on each individual franchised operation but would be an overall business training program. People could then look at the franchises they are interested in. It seems that they just fly into the franchises. You have someone who has worked in a public department, for example, and then decides that they want to go into business. It is not always a smooth transition.

Mr Davies—I agree with you. One of our priorities is to put small business training online. We want to make it more accessible, particularly across rural Western Australia. We are trying to provide it but there is an inherent problem with people who do not think things through. That is why there are scams happening all around the place, such as people buying into a travel club that goes broke. They just do not think it through. They think it sounds

like a great idea, hand over the money and it has gone. It is the same process. They need to think, 'Is this going to be worth it for me? What's the organisation I'm getting involved in?' No matter how much you provide, you are still going to have people who blithely go along and do not think it through.

Ms GAMBARO—That is true. A lot of it could be counselling of a personal nature. It is no good if someone who has worked as a public servant for 40 years and hates children then buys a Baskin-Robbins franchise, when all day long kids are going to spill ice-cream all over his car. He is going to have to wipe it off every day. People do not think things through. I have seen lots of disasters.

I now want to talk to you about flexible attitudes to work, and part-time work versus casual work. Do you have any information that shows whether or not women are much more flexible than men when it comes to the prospects of working on a part-time or casual basis? Are women like that because they have gone through a life cycle curve where they have had a full-time job, had a family, then had to go back into the work force and so are more psychologically suited to part-time or casual work? Could you shed some light on that?

Mr Davies—I have certainly found that women are more flexible. They tend to adapt more quickly than men do, particularly men who have been in jobs where it has been a traditional male situation, where they have all worked in the same industry over the years. They expect to stay there and expect their kids to go into that industry. I do not know the entire reason but the things you have suggested are certainly part of the reason. Perhaps it is because women are naturally more intuitive and mentally able to move around a bit more.

Ms GAMBARO—I am not a psychologist but is it because women are able to be more flexible in the choice of work they do, as you have said? Or is it a lifestyle thing? Is it because women are used to doing part-time work?

Mr Davies—I do not think they have been stuck in as many stereotypes. That sounds odd because being in the kitchen is a bit of a stereotype, but when women have wanted to go out to work, as they have done increasingly in recent times, they are not told, 'You've got to go into this job.' Apart from hairdressing, nursing and child care, maybe, the options are more open. There is less expectation that they will go into one of these set types of careers. The whole notion of a career for life is not always locked in as much with women.

Ms GAMBARO—I asked a group that presented to us if outsourcing presented more opportunities for mature age people because there would be more contract work. Are you finding that? Or are you finding the opposite is occurring when companies outsource?

Mr Davies—It seems to be a real mixture, from what I have seen. The labour market changes at a rapid rate these days. We have just had people from the IT industry, such as recruiting agencies and Internet servers, in to talk about their training needs. The IT industry currently has people answering phones and giving absolutely no customer service. So they are now actively recruiting people from hospitality to come into the IT industry to fill the customer service role. We will see it happen again. The biotech industry will take off, we will have people going down that track, and suddenly they will realise they have left half the

equation out, so they will move. It has become far more dynamic. The shifts are happening and we do not even notice them.

I was staggered when I looked at some of the youth employment stats in Western Australia. Forty-five per cent of people aged 19 and under who are in jobs are in retail. I know part of that is because the retailers like them and can pay lower wages, but it is not just that. It is because a lot of the other industries were not recruiting people until they had proved themselves at McDonald's, Hungry Jacks, Coles and Woolworths or whatever. They proved in the retail sector that they had a work ethic, then these other industries were prepared to take them on. It was a complete shift in the way they were recruiting. It took us ages to work that one out.

Ms GAMBARO—That is incredible.

Mr Davies—That is what happens and I think it is happening in a lot of other areas. The recruitment patterns and the sort of skills people are looking for are not clearly articulated, but it is happening and we have to pick up on it.

Ms GAMBARO—It is not said and it is not clear cut. In your submission you spoke about the fact that people who are good at training are being lost from organisations. Six years ago I was working for a personnel company. I found my job rather odd at the time. Companies like Telstra were retrenching people and it was my job to put them back on the books after they had served the obligatory one-year period following redundancy because the company then had a skill shortage. Do you see this becoming more prevalent when companies downsize and the maturity and experience you spoke about is no longer there? Young people with degrees might be fine but they are not going to make up for other things that are missing from an organisation.

Mr Davies—The Telstra example is fairly telling. They were laying people off but at the same time screaming about skill shortages and how they could not get people. One of the problems is a perception issue but there is also a training issue. We are not keeping up to date with the rapid change in technology. Another issue is globalisation, because America is acting as a huge black hole for IT personnel, just sucking them in from all around the world. How do we cope with that? Do we train more and more so that more and more leave, or do we have to restructure our industries? I am not really sure. Industries thought they were doing a wonderful job looking at the bottom line but they looked at the bottom line in a very short-term time frame when they were outsourcing a lot of things. They suddenly found they did not have the corporate knowledge and the things that kept the company working and able to adapt. Young people are very good at adapting to some things but they are not always strategic thinkers. They come out of university and know everything; no-one else knows a bloody thing.

CHAIR—The markets and their analysts seem to, obviously. The company cuts the size of the work force but does not actually look at what has been cut; if they cut the total size, they increase the value of the company.

Mr Davies—It is progressions within companies as well. How do you then give people incentives? You have to change the way you structure salary packages and all sorts of other

things to give people some idea that they have some worth in the organisation, that they are going to move somewhere and they have a future. Do you just accept that they are going to come and go?

CHAIR—We are looking at some aspects of that in another inquiry. Can you tell us about the Access and Participation Directorate?

Mr Davies—The main focus of our Access and Participation Directorate has been on making sure that people from all areas of the community have good access to training.

CHAIR—How does that work? It sounds good, but how does it work?

Mr Davies—For example, one of the key issues for our TAFE colleges is how you provide for people with disabilities or who are vision impaired or hearing impaired and make sure that the support services are in the training system to allow them to participate.

CHAIR—It sounds like you have part of your bureaucracy doing this. Is that right? Or is it just a bit of padding in the submission?

Mr Davies—No, it would not be padding in the submission. Originally, it was quite large, but we have outsourced, made autonomous, the TAFE colleges. That unit is looking more at policy issues and providing incentives to the TAFE colleges to provide access. They will fund some programs but they will also provide support.

CHAIR—It is not a service desk for an unemployed person.

Mr Davies—No.

CHAIR—How does the chat line forum work? How many mature age people are accessing it? If I were to think of your timber workers, a lot of whom I suspect may not even know how to turn a computer on, is a chat line forum something that is of use here?

Mr Davies—It is increasing. I do not have figures on how many mature age people are accessing the chat line at the moment, but we are doing a lot of work with the telecentre network in the wheatbelt to set up a virtual Job Link, a cyber Job Link. Because we cannot afford to have one-on-one services in all the small towns throughout the wheat belt area, we are using the telecentres as a point of contact. Then they can get some support and get into the various Internet sites. The telecentre has that expertise and has the capability.

That is being used fairly extensively in some of our rural communities. I was at the Adult Education Achievement Awards a couple of weeks ago and saw a number of 85-year-olds sitting there on the Internet, learning different languages so they can communicate more effectively with their friends back in Holland or whatever. Yes, it is growing. The chat line itself I do not think is something that older people as a whole are comfortable with yet, but we use the Internet quite a bit.

CHAIR—So it is mainly in regional and isolated areas that you are using it?

Mr Davies—It will spread through. Young people are accessing the chat line that we have. But it will be slower getting that to happen, I think in the metro area in particular, because it is just—

CHAIR—Perhaps you are the wrong guy to ask, but if I am 50 and I lose my job, how does this help me find another job?

Mr Davies—What we are trying to do is get people thinking about the fact that the world of work has changed. We have done a number of things. One is that we ran an Employment Futures Conference nearly two years ago where we brought in people like Peter Ellyard and Phil Rithvern, and Ed Shand came over from Access Economics—a whole range of people with completely different views. A guy from the Evatt Foundation came over. We deliberately went out for a whole range of views about the world of work and where it was going. The idea was to start the discussion about the fact that you have to look at work differently.

That is what we are trying to do with the chat line at the moment, just to get discussion going. We are trying to go out and speak to Rotary clubs and go into schools and go to parents and citizens meetings. We have provided comprehensive speech notes so that other people can do it and just get the discussion going about the fact that the world of work has changed. That is what we have been trying to do with this.

Once GET ACCESS is launched fully, which will probably be in November this year, it will also have a terrific career education package, and assistance for people to be able to work through what it is that they might want to do and then look at how you go about getting those sorts of jobs. It is something that is sadly lacking in Australia as a whole. It has sort of dropped out. TAFE colleges used to do it. Schools used to do it. The CES used to have a career education service. It has just gone.

CHAIR—We might have to put it again in this inquiry, but in our last inquiry into TAFEs we recommended a universal careers guidance office so that whether you are 15 or 50 you have a national resource which is giving people good, well-informed advice on career choices. Anyway, how have you gone with the best practice award? Is that having a positive impact, trying to recognise and reward employers that are perhaps doing the right thing?

Mr Davies—We have not done it yet.

Ms GAMBARO—It is just an idea, isn't it?

Mr Davies—We are developing it.

Mr SAWFORD—You mentioned the high-tech people who are just being sucked into the United States, in particular, and also Europe.

Mr Davies—Yes.

Mr SAWFORD—I think there was some reference to 1,500 a year going out of Australia, which is a significant and growing number, particularly when you add it to

academics, who are also being sucked out as well. When you mentioned Peter Ellyard and those other people, I can remember 20 years ago conferences about the changing nature of work which those people attended. I am not too sure we have actually advanced the arguments terribly thus far. Do you think sometimes we delude ourselves with the nature of work and that question? Has work really changed that much? An example often given is the finance industry. The means of work has changed. The work itself has not changed at all. The only thing that has changed is the means of actually operating.

Mr Davies—Yes.

Mr SAWFORD—Do you think we put too much emphasis on that? My question, in terms of mature age people, is that we actually inadvertently put up barriers: 'This is a dramatic change, and you've been in an industry for 30 or 40 years but there's no way that you can adapt because the nature of work has changed dramatically.' My own view is that it has not changed a great deal at all and that we delude ourselves with current technological skills which are not that flash, really. You can teach someone to use a computer very quickly. It is no big deal. The information is static.

Ms GAMBARO—You can teach me.

CHAIR—Here's a challenge for you—teach me!

Mr SAWFORD—It is not a big deal.

Mr Davies—I think you make a very good point, that the work itself has not changed. The way it gets done and some of the things around it, the way it is packaged, has changed. I guess the two things we are trying to do is get a message out to people that you need to look at things differently because the arrangements are changing and you need to get out of the very blinkered view that, 'If I can't go to the newspaper, apply for this job, get this job that says you work from nine to five'—and that is what it is. Some of those things are changing; those parameters around the way it is packaged and put together, so we are trying to get people out of that mind-set. But at the same time, when we provide services we do it on a one-to-one basis so that you can sit down and talk to people about what their skills are and remind them that they have enormous skills.

Mr SAWFORD—That is the basic learning paradigm, isn't it—mind on mind?

Mr Davies—Yes.

Mr SAWFORD—Not mind on screen.

Mr Davies—Yes. And people need to be aware that those skills they have are very transferable. Once they start to see that and see how they can apply it into a different setting, the skills are not any different, you are quite right there. The communication skills, the ability to liaise, to negotiate and to work with people, work in teams, is no different from one industry to the next. You can take that skill and you can move it over there. But to convince people that they have that skill can often be very difficult.

Ms GAMBARO—Are there any changes that you could suggest to the committee that could be made to NEIS to make it work more effectively?

Mr Davies—I think the way it used to work was more effective than the way it is currently operating. Certainly, in WA it seems to have gone into a bit of a decline. I think the numbers have been cut.

Ms GAMBARO—Do you mean the number of places?

Mr Davies—The number of places, yes. It just seems to have got bogged down in a bit too much bureaucracy.

CHAIR—When you say the way it used to work, what do you mean by that, Lawrie?

Mr Davies—It used to be a bit more open. It seemed to have more flexibility about it than it has now. I should preface that by saying that I am not intimately involved in it any more, as much as I used to be. I think it is a very good scheme but—

Ms GAMBARO—Are there more criteria now than there used to be?

Mr Davies—Yes. A lot fewer people can access it. It was probably a scheme that did a lot of good things and provided people with the opportunity to go and explore the chances of going into their own business with some sort of backup; they knew that if they were going to have a go at it, they had something there to support them. But it just does not seem to be as accessible as it used to be.

Ms GAMBARO—I have been approached in my home state regarding the take-up of places and my information agrees exactly with what you've said here today. I have written to relevant ministers about that.

CHAIR—Some people have suggested that instead of NEIS just encouraging what are often undercapitalised microbusinesses, perhaps NEIS could also be used—or should also be used—to help people buy established businesses. So instead of starting up your own dog washing business or handmade chocolates or whatever, if you want to buy an established, successful, 10-year-old carpet cleaning business, for example, you should be able to access NEIS to help you get into that. Have you given any thought to that?

Mr Davies—Not a great deal. It is possible, but I do not know what—

Mr SAWFORD—You pick winners, don't you, then?

CHAIR—Yes. It is just that if something is established and if you had obviously an independent valuation of it, it may be—and I am just thinking on the run—you could have a HECS style plan. So if NEIS is used to help you buy a business which is successful and has been independently audited and all the rest of it, then you have a sort of payback system or something.

Mr SAWFORD—I think the point that Teresa made about the gap between NEIS and nothing is a good one. There ought to be something in between.

Mr Davies—That is right.

Mr SAWFORD—That is probably the point you are drifting along to as well.

Mr Davies—Yes. It is like indigenous employment where we are trying to help Aboriginal people get into business. That is great, but this NEIS thing just seems too inflexible and I think it is moving in the wrong direction, becoming more inflexible. It has never been used for buying established businesses, but maybe it should. I have not thought about how that would impact. One of the usual cries is, 'Oh, you're getting government funds to compete with us and therefore it's not a level playing field.' That issue needs to be worked through.

CHAIR—Yes, but it applies to education. At a younger age especially, if you go and get a tertiary education from which you are ultimately the primary beneficiary—and so is society—you end up paying that back, to some extent at least—about a quarter of it, I think. Anyway, it is just a thought. Teresa, sorry. Go on.

Ms GAMBARO—Just on that, I went to my niece's graduation ceremony last week, and one of the fellows graduating was going to be a grave cleaner. Now, I commend him on that, but I do not know how he is going to be able to charge people $500.

Mr Davies—It has been tried here a few times.

Ms GAMBARO—There might be a big take-up with Italian families, for example.

Mr Davies—None of them are still going here.

Ms GAMBARO—I suppose it was innovative, but you have to look at that and think, 'How successful is that really going to be?' whereas if he had gone into an existing business with some sort of add-on service that funeral directors provide—they take care of them on the day and then you look after the follow-up service at the grave site and he works in conjunction with an existing business—then he might have had more success, rather than going out on his own in a grave-cleaning business. Anyway, that is just a thought.

Do you have any thoughts on early intervention and a national training approach to early invention? From what we have been told, people who are made redundant or lose their jobs seek help too late. How can we get help to them earlier?

Mr Davies—Our view is clearly that we use the Job Links to do that. We try and make sure that that is available across the state so that we can get there as quickly as possible. For instance, when the potato factory down in Manjimup closed, once the company agreed—which they fortunately in this case did fairly quickly—we had someone into that company site before they had actually closed the doors so that they were getting that advice straightaway.

CHAIR—That should be the norm, shouldn't it?

Mr Davies—Yes. There is a lot of anger to deal with and all of those sorts of things, but if you can get in early you have a chance to move people.

Ms GAMBARO—That is great for—well, it is not great when any company closes down en masse, but for individual employers, if there are, say, five redundancies from a company, how can you get information on the small scale to them?

Mr Davies—We rely on our local networks to pick up people and to be visible enough so that people will go and seek help. That is a major problem, trying to get people to go and get help straightaway, because people all have different reactions to being made redundant. Some of them will just go and sit for ages and think about it.

Ms GAMBARO—A lot of the older people I have spoken to individually and also through the committee get very upset about the fact that their prior training or their work experience counts for nothing; it is thrown out the window, nobody cares. How do we recognise that and give that some sort of worth? A lot of this lack of self-worth is because what they have done for 20 years or whatever has gone, it counts for nothing. Is there any way that we can enhance that?

Mr Davies—The training system has the capacity to provide recognition of prior learning and to assess people's competencies and issue certificates based on those competencies. We are doing bits of it but not as much as we could do. There is an industry that wants us to provide assessments for all of their workers so that they can then pick up and provide the training so that they can build up their competencies to a level where they will get a recognised certificate, an accredited certificate. So that process can happen but, again, it tends to be a few companies who are committed to doing that for their workers. As for doing it across the board, we are looking at trialling it in an industry area to get a number of smaller employers working with a large training provider. The training provider will go in and offer a service to the whole industry, which is generally smaller employers. I am not sure how it will work but we are going to give it a go.

Ms GAMBARO—And that is one way you can overcome those kinds of problems.

Mr Davies—Yes, it is one way, so that if something does happen and those industries close, they at least have something that says, 'You do have this set of skills,' otherwise you have to try and catch them afterwards and convince them that they have the skills.

Ms GAMBARO—That is good. Thank you very much.

CHAIR—One of the things that we are really looking at is the whole way in which redundancies and dismissals are handled. In some cases they are handled very well, but in most cases very badly. To what extent do they contribute to the problems? How can we improve it in some way? There have been suggestions of mentoring so that you have a person who is still in that workplace but they are actually being helped in transition into another job at that time. There have also been suggestions that there should be some kind of code of conduct which guides employers in how to manage the whole process so that

agencies like some of yours, and others, are involved in that whole process. But as other people have pointed out to us also, these people are in shock, they have a grieving process to go through, and some of them will not be ready to talk to anybody for three or four months.

Mr Davies—That is true.

Mr SAWFORD—I want to finish off where I started. Go back to the equation: 700,000 unemployed, 700,000 underemployed, 700,000 hidden unemployed, 70,000 job vacancies. Do you think in the way in which government agencies deal with unemployment we are leading people up the garden path, that we ought to be a little bit more honest?

Mr Davies—I think we need to be honest with ourselves. I am not sure that we need to send a message of doom and gloom. One of the things that we are trying to do in WA is actually tell people there are opportunities out there, particularly young people, because it becomes so depressing, and then we have other social problems that attach to that. If you tell everyone it is doom and gloom, that becomes a self-fulfilling prophesy, and I do not think we want to do that. But I think we need to be realistic in government about what the magnitude of the problem is.

Mr SAWFORD—We have now entrenched, endemic 10 per cent unemployment. That is what people admit to. If you add the hidden and the underemployment, you would probably double those figures. At least France and Portugal admit to 15 to 20 per cent unemployment, because they use the pre-1990 OECD criteria, which everyone else has changed. Brendan made mention of the chief executive officer who would not employ anyone over 35 because he knows these people will work 16 or 18 hours a day when they are only being paid for eight, and that they are manipulated easily. They might be so conservative they have nothing else to do in their spare time, I do not know. I do not know how you keep people going in that particular way. We have in this country 20 million hours of paid and unpaid overtime that is operating. There are 500,000 jobs there.

Part of the unemployment problem is what we have chosen. We have chosen as a nation, as businesses, to have 10 per cent or 15 per cent unemployed. We have chosen to do that. I am not worried about doom and gloom. I agree with you about the self-fulfilling prophesy about doom and gloom. I am just trying to be honest. Government policies around the world, in the developed world, have deliberately created a minimum of 10 per cent endemic unemployment, where people are moving in and out of employment. That has been done deliberately. What is your response to that?

Mr Davies—I might pass on that!

Ms GAMBARO—That is a quick answer!

CHAIR—If we looked at market slack instead of vacancies and official unemployment, obviously the unemployment rate would be much higher. I think Rod is right to some extent, in that no matter who is in government or whatever policies are applied, there will continue to be a significant proportion of Australians unemployed. We would argue about certain workplace relations matters and all those sorts of things, but one of the questions, I suppose of a more ephemeral nature, is whether we should start to redefine our expectations in terms

of a nation. We define ourselves through our work, and people who do not work, whether they are unemployed or parenting or whatever they are doing, feel that they are of lesser value because they are not paid for what they do. The holy grail of 'a job' may be something that we need to start to re-examine in this country.

Mr Davies—I certainly would not disagree with that. That is a major problem. The social impact of people not having work is quite dramatic and expensive. It is a very costly thing that we do not cost out very well. When we start talking about new costing models that apportion costs to everything, the bits that are really critical we tend to leave off. We talk about return to investors, return to shareholders, yet the return to the community is never measured, and the community cost of a lot of issues is not measured. That is too hard, so therefore you run down the economic model and you forget the total picture, and I think that is important.

CHAIR—Thanks very much, Larry, for providing us with a submission and taking the time to come and talk to us about it. We very much appreciate it.

Mr Davies—A pleasure. One thing I did not mention that just struck me was that with some of the major redundancies—for instance, Kambalda had a major closure of some of its nickel processing—the people who get left out of that are the small businesses who sit around it.

Mr SAWFORD—That has been happening in country towns for 20 years and probably longer.

Mr Davies—Yes, that is right, and that is a concern for us.

[9.50 a.m.]

ANDERSON, Mr John, Chairman, DOME

REID, Mrs Lesley Ann, Manager, DOME

CHAIR—Welcome, and thank you both today for providing your submission and coming along to speak to us. My name is Brendan Nelson. I am the Chair of the House of Representatives Standing Committee on Employment, Education and Workplace Relations, and I represent a Sydney metropolitan seat for the government. Rod Sawford is the deputy chair and Labor member for Port Adelaide, and Teresa is the member for Petrie, the Liberal Party held seat at the moment in metropolitan Brisbane. Could you each introduce yourselves and tell us about the capacity in which you appear today, and perhaps give us a precis of your submission, and then we will have a chat about it.

Mrs Reid—I am the manager of DOME, which is a non-profit incorporated body. John Anderson can speak for himself. John is the chairman. As I mentioned in the submission, DOME is a non-profit, privately managed organisation with government funding. At the moment it relies on state government and Lotteries Commission money and money that we generate ourselves. We currently do not have any federal government money in the project. That is partly choice and partly because it did not fit with our current agenda and the way that we are going. It has operated for about 10 years, and the focus of DOME, as Lawrie from the Department of Training and Employment would have said earlier, is on early intervention.

We believe at the moment that if people want to come and talk to someone they should be able to come and talk with you. We see ourselves as a specialist organisation that is focused on the mature age, so our employers and our strategies are all geared towards the older worker rather than generically towards a range of unemployed people. We believe we have built strong links with business and to the best of our capacity we have a small but good reputation out there. We run a non-profit business arm, which is computer training and it is personalised training, and geared towards those that might be a little more unused to technology, and we have good results in bringing people up to speed with technology. We operate with a small staff of three, and balance that with bringing temporary contract staff when we need to.

We have simply tried to do, with the resources that we have, the best job possible and to try to promote to business the benefits of mature age. We certainly operate at a counselling level as well. I heard you talk about redundancies and it has been extremely difficult with the large numbers of mature age people coming out of larger business such as the banking and finance industry to somehow cope with some of those numbers. So given that we are a small organisation, we can only cope with certain numbers. In brief, that is who we are. I thought I would leave this session open to answer questions that you may have. You have our submission before you and I would have hoped that perhaps, rather than reinventing that, I could field questions from you. I am happy to do that.

CHAIR—Sure. You have got a pretty impressive success rate. From what I saw, you place about two-thirds of your clients in a year in employment.

Mrs Reid—Yes.

CHAIR—To what do you attribute that?

Mrs Reid—We certainly see more people than the official figures that go to the department. We have an official and unofficial record.

CHAIR—I presume you see more.

Mrs Reid—More than less—absolutely. One of the things we have done over 10 years is to build a legitimate reputation with small business. We do not really bother too much about bigger business. They do not seem to be too interested in our people, so we do not bother about marketing to them. We have built a placement service which is responsive to the needs of small business and getting their needs met in the earliest possible turnaround time.

Mr SAWFORD—In what areas of small business are you being most successful?

Mrs Reid—It is across the board. Like a number of employment organisations out there we are marketing. I would say we do larger placements with small manufacturers, even though Western Australia is not a large manufacturing state.

Mr SAWFORD—Like engineering firms or what?

Mrs Reid—No, it is really no one sector, Rod. It is really across the board. Of course, the more successes you have, the more people in business talk amongst themselves. Our marketing person belongs to the CCI and networks amongst those personnel. We also are starting to build a relationship with some of the agencies that are interested—not all are interested—and trying to get them to utilise our database or allow us to refer people to them for some of the jobs they may have. That is not always possible because the agencies are looking to make large profits.

Mr SAWFORD—What sort of people are being placed in these small manufacturing businesses? Are they ex-tradesmen? Who are they?

Mrs Reid—Certainly in relation to—and I think there was a graph put forward to you—our blue-collar people, we have a good turnaround with them. We can ring companies and ask if there are vacancies. We have a fairly good rapport with those businesses, and we can send people out that we believe are employable. So blue-collar is not so much the problem, it is the white-collar area where there have been large redundancies and people are perceived as being over qualified for many of the positions. You might read into that 'too old'. But in some cases it actually is a fear of that person being more qualified than the person who sits in the seat and that that person is going to have to command a higher salary than that business is prepared to pay. I think that is probably one of the catalysts for our development of this New World of Work in trying to encourage people.

I heard you mention mentoring. We do that in an informal way by those people who have been successful, I suppose, coming along to some of these workshops and talking about the way that they have mixed their income sources and that they are not relying totally on

the job. I think that as we move into this next millennium that is scary, but it is the reality of the way that we are going to have to work.

Mr SAWFORD—With respect to this 'over qualified' comment, which you hear over and over again, honestly, how real is that? It is a bit of an indictment on small business. If you have got someone smart coming along and they are smarter than you, I always thought a smart businessman would be smart and employ them, whatever the salary was.

Mrs Reid—You would think so, and some of them do, but it is still a difficulty.

Mr SAWFORD—Is this an excuse for something else? How real is it?

Mrs Reid—I don't know. It is something that comes up a lot.

Mr SAWFORD—Yes, I know it does, but how real is it? Human beings are interesting in that they do not necessarily attach the real reason to the real reason in order to maintain a behaviour. You said also that the 'over qualified' sometimes means they are too old.

Mrs Reid—Yes.

Mr SAWFORD—Or it may be a whole range of things: cannot be manipulated, is not going to be dudded on wages, is not going to accept being dudded on conditions. How much of that is the truth, rather than the 'over qualified' thing—which I take with a pinch of salt, to be quite honest—even though you keep hearing it all the time?

Mrs Reid—I am a hands-on manager, I do not have the ability to sit in an office and just let all this go by, I am doing the hands-on work. In my experience with the employers I am dealing with on a daily basis I would say with some of them it is the age; they do not see that that person is going to be part of their company for a long period of time and they may want that. But in other instances it really is that they do perceive this person is going to be bored in the position they have, and—let's face it—small business wants a lot out of the people they hire. They want them to be multifaceted, multiskilled, to do a range of things, and they see that if a person sometimes has come out of a large organisation with one focus, they may not fit their capacity. We encourage things like perhaps trialling this person on work experience. I have had white-collar workers go into a company—and I cover them with my workers compensation that the state government has provided—to just see how they like each other, and that sometimes works.

Mr SAWFORD—Where are you finding successful placements for white-collar workers? Is it still the small manufacturing business? What sort of occupations are you getting?

Mrs Reid—Let's give examples. I placed a guy that has been really working at getting a job for over 12 months who came out of the banking industry. He had had quite a high level position and had done some computer training with us. He was not reflected on any official stat. His wife was working, albeit part time. I placed him with Serco, which is an outsourcing organisation currently doing a range of tenders. He is now the contracts and administrative manager of a section for them. That suffered the 'over qualification' when I

first spoke to the employer but he was at least willing to see the person and talk with him, and he has given him an opportunity and I understand it is working. It is varied. I cannot say that there is any one area that is working.

Mr SAWFORD—So there is no pattern.

Mrs Reid—There is no pattern, no. I wish I could say there was.

Ms GAMBARO—Lesley, this is a bit of a strange question I am going to ask you: with women working full-time jobs and males being retrenched, has there been a trend of males who have been at home caring for young children coming to you, after a period of absence from the work force, say four or five years, for assistance to be placed back into positions when the children have gone to school? I have just seen, particularly in industries where they have been retrenched—often the full-time carer at home—the wife will go back to work full time. Have you seen that happening or is it too early?

Mrs Reid—When you say a trend—I guess we see a smattering of things, perhaps not so much with the younger children, but what we are seeing, though, is some men returning, having nursed their wives through long illnesses, and perhaps that partner has passed on. That is something I am seeing a little of. But I certainly think that the trend is male unemployment. My registrations clearly show—the graph, yes—very strongly that they are male.

Ms GAMBARO—You have said that is 8,700 males to 2,000.

Mrs Reid—They are the ABS stats.

Ms GAMBARO—Only ABS. The previous studies that the previous gentlemen gave us show a larger number of mature age women, and I was quite puzzled by that.

Mrs Reid—Yes, I saw that study. My regional development officer showed me that and I was puzzled because it is not something I am seeing.

Ms GAMBARO—You are seeing more males.

Mrs Reid—Yes.

CHAIR—These are women who are participating in the labour market or people who are not participating? Throughout the course of the inquiry, certainly in terms of the discouraged job seeker or the hidden unemployed, the ratio of women to men has been about three to one.

Ms GAMBARO—Women not participating.

Mrs Reid—Three to one?

CHAIR—Yes, basically.

Mrs Reid—Female?

CHAIR—Yes, that is right—more female than male.

Mrs Reid—It is not my current finding.

CHAIR—We won't get hung up on it.

Mrs Reid—Perhaps DOME is better known to the male network and perhaps some of the other Job Links are reflecting that. Once we get under way this mature age program that Larry would have spoken to you about, we will have stats coming in from around the state and we will be in a better position to perhaps comment on that. DOME is part of 31 other Job Links and so we are just a small part of what is a statewide employment strategy at the moment. But the state is now going to be looking at a mature age employment strategy.

Ms GAMBARO—That is great.

Mrs Reid—It will not be a huge improvement but it will be an improvement. We get calls from interstate, we get calls from country areas, and we simply cannot respond.

Mr SAWFORD—How would you link into the government's mature age employment strategy?

Mrs Reid—We house the coordinator.

Mr SAWFORD—So it is really you?

Mrs Reid—No. It is a little complicated, as John, from a business perspective, has thought. Each of the Job Links in the regions where there is high unemployment will sponsor an access officer, so Midland, Kwinana, Joondalup, Stirling—areas where there are high levels of mature age people. Hopefully, we will work together. There are some strategies that we are thinking about: having a web site employment-wise so that we can more readily share experts; people who have Telstra backgrounds who are in that field of electronics, who have got all the contacts there. One of the access officers has that sort of background and we are certainly seeing at DOME there is going to be some growth, so we will perhaps be employing some training in that area. So we are looking at anywhere where there are opportunities.

Ms GAMBARO—With respect to the best practices and attitudes to older people—and you have had great success from what I have seen from your submission—how do we get over the stereotypes that employers have about mature age people? The department spoke about a best practices award being implemented to encourage—

Mrs Reid—I like that.

Ms GAMBARO—Just as at the moment the government is embarking on a strategy to encourage employers to give jobs to disabled people—not that mature age people are

disabled, but that is the sort of thing that has been put forward and I think it is a commendable idea. How would you see that developing nationally?

Mrs Reid—I certainly think there does need to be a campaign. The campaign that I saw in New South Wales—I think when Nick Greiner was in office—was 'age adds value'. It was a campaign that had a lot of funds and I thought it was commendable and it was certainly one of the case studies that I gave to this government to say, 'Look at this.' I think it is excellent. We need to raise awareness in the workplace that mature age people could in fact be utilised in different ways, rather than simply seeing it as an economic given that if they were earning a high salary they are then put out to pasture because economically it did not add up. Maybe they could be offered other alternatives within that company so that company retained the history, for example, and experience. There does not seem to be any of that creativity being looked at in large companies when they make this decision to downsize.

Ms GAMBARO—Do you think the person being retrenched or downsized would have a psychological problem with that?

Mrs Reid—Companies tend to suggest that—I tend to feel perhaps if it was done properly. People are moved sideways all the time in companies.

Ms GAMBARO—In our little business here, when someone has been a minister and, due to bad luck or circumstances—

Mrs Reid—In the wrong place.

Ms GAMBARO—is put back on the back bench, there is a grieving process that they go through and I see them going through that. It takes them a long time to adjust to that. The same would happen in a corporate situation.

Mrs Reid—Possibly.

Mr SAWFORD—They get deskilled, Teresa. That is what happens to them.

Mrs Reid—I am not sure, but I tend to think that we are on a certain track at the moment and companies are working in that lean and mean process and perhaps bringing in staff on a contract and consulting on an occasional basis. That is the way that we are working with clients at the moment, suggesting that, 'Stop looking at the full-time opportunity. Look at work. Rather than the job, look at work.'

Ms GAMBARO—It might be more successful, as you have said, to bring them back as contract consultants. 'Look, Fred Jones was fantastic. He's so good that we decided to retain him and have him come in on a contract basis,' so you do have that maturity and the skills. You have been going for 10 years?

Mrs Reid—10 years.

Ms GAMBARO—You have done a breakdown of people who have been unemployed for periods of four years or longer and what impediments they face compared to people who

have been out of the work force for lesser periods. If I said to you, 'Here is this young sales executive who has been at home raising children for four years,' what would you do with somebody like that? Are the psychological aspects going to be more of a focus than the reskilling type issues initially?

Mrs Reid—I would have thought we would have to assess that person. Remember that we are focused because of the government money on what skills that person has and, in terms of doing the assessment, you would need to look at what sort of skills the person has retained, whether, during the period of time that they have been out looking after children or caring and supporting, they have retained their technology skills, for example, and how the skills they currently have match the labour market. It may well be that person needs to retrain.

It is like a number of women who leave it too long before they build their skills and then land at our door and say, 'I want a job,' and we have to take them back several steps and say, 'That may be the goal but you'll need to do this, this and this before you're going to be labour market ready.' We have got a good understanding of the labour market and knowing that means that we can give reasonable advice on what that person needs to do and the steps they need to take. With some moneys being available now for people to retrain, perhaps the cost aspect is not going to be as great.

Mr SAWFORD—Can I just follow on from what Teresa was saying and what you said, Lesley, about the labour market. Have you available to your organisation where skill shortages exist in WA? Have you done anything to find out what they are?

Mrs Reid—Yes and no. When you talk about WA I currently know that the Kimberleys are short of staff in certain areas, and it is an area that I am going to be working closely with throughout New World workshops. We would be working with the Kimberleys REDO to have her print out the job vacancies so that people can use it as a possibility, if you like.
Mr SAWFORD—What are the skills shortages in the Kimberleys?

Mrs Reid—The department has skills shortages, the IETCs, for example. I am aware of those and, where I feel that a person may have a need for retraining in that area, I go back to the relevant IETC and find out what the labour market opportunities might be. I mentioned earlier that one of them was in the area of communications, cable areas. It would appear now that Telstra has allowed a lot of that to go out to tender. There are going to be different companies requiring cable jointers, people to install PABXs. So those areas for people who have the aptitude are things that we will be encouraging. I would have to say I do not tend to look at those official areas and say they have got all the answers for my clients. Those things are available to people to have a look at.

CHAIR—If you could have the Commonwealth government do anything that you thought you would want, what sort of things would you like to see the Commonwealth do to assist the people in this age group who are in transition and the organisation is trying to help them? Across that whole spectrum of employer attitudes—of labour market skills, training, NEIS, social security arrangements and tax laws—what are the things that the Commonwealth government could do that would help these people?

Mrs Reid—A wish list.

CHAIR—Yes.

Mrs Reid—A hobbyhorse of mine for a while when the federal government was running job clubs, for example, was that I felt there was a need for a specialist job club scenario that was aimed purely at mature age. I got feedback on a consistent basis that they did not want to be in a group with a number of younger people. They wanted to be in a mature age environment where they could almost have a support network, if you like. We are attempting that, albeit at a very minor level, with our New World workshops. They are only a day as opposed to two weeks.

When the job clubs first came out I thought they were absolutely excellent but, increasingly, what I saw was it was a caning mechanism to make sure that they got off the dole. Rather than a helping job club environment it was, 'How can we beat these unemployed over the head and make sure they get out to work?' and that was how they were being run. I did not like that and, consequently, I did not tender for them. That was one of them.

The other one certainly is, if we are talking about the new world of work and we are talking about people having to be more self-employed, more responsible for their own employment, the NEIS program is good but I think it is not available to people who are not eligible for unemployment benefit. A large percentage of our people are not eligible but could be at some point. If they go through all their savings they are ultimately going to be on benefits. I always like to be at the top of the mountain rather than at the bottom picking up the bodies. So I think early intervention is very important. That is one area where I certainly feel that if we are going to be encouraging people to be self-sufficient, what assistance in an early way is there going to be?

I have got case studies where people have come out of large companies. There is one example which sticks in my mind, I suppose, because I still network with this man now that he is okay. He came out of Tooheys and was made redundant. Immediately the knee-jerk reaction was 'buy a business'. Bought a business, lost all of his savings and then had to go the hard journey back into employment. It took him another 12 months. We happened to get him a job as an adviser with SBDC. He linked that with other consulting work and got back on his feet. I think in that early intervention someone should have said, 'That business is not right for you,' and some of those things that are happening in the business enterprise centres, Small Business Development, do provide some of that advice but I also think for some people maybe low interest loans, things like that, could be of use. I know they are difficult to administer but there was at one point early in my recollection of labour market programs, in fact, a small loans—I think it was state again—where people could in fact purchase—

CHAIR—With Lawrie and certainly a number of the other submissions we have had, people have suggested that NEIS should be available, not just for people who are registered as unemployed but, as you quite rightly say, before they lost all their money, and all the rest of it, which reminds me that some have also questioned the wisdom of the government's requirement for them to draw down their super. But they have said the NEIS program should also be available for them to buy an established business, not just establish, put together

really an undercapitalised microbusiness. And your low interest loan concept—I was thinking earlier this morning that we have a HECS program for education.

Mrs Reid—Yes, we do.

CHAIR—We have got indigenous business lending initiatives, which I strongly support, but whether there is some place, if you like, for some loan system for businesses that are established, that are analysed, that are basically considered to be minimal risk and then some sort of payback system. You wonder whether there might be a place for something like that. You can imagine some taxpayers would say, 'This is terrible. The government's helping some people and they're not helping others.' But if it helps them to help themselves and eventually there is maybe an interest-free loan payback like—

Mrs Reid—I can see all the ramifications of who gets it and who does not get it.

CHAIR—You have to pick winners. As we have heard, and as we also know, some people should be kept right away from running a business.

Mrs Reid—That is crucial and that is why we tend to suggest to people little outlay: if they have reached 50, 53 or 55 years of age we do not want them to lose all their savings just to buy themselves a job. I know cooperatives are seen as left wing and all that, but in the United Kingdom and in America when there was the big downturn they did develop a cooperative and someone was actually running that. Not everybody is capable of being self-employed or running a business and it can be quite disastrous. But people want to work and unfailingly the people I see desperately want to work. Some of the voluntary work available is not terribly stimulating and not everybody wants to work with the elderly.

CHAIR—Volunteering and voluntary work has been another thematic suggestion. The Commonwealth department has currently commissioned three studies, one of which has unemployed older people working with kids on life skills education and that sort of stuff.

Mrs Reid—There are some excellent examples of people voluntarily inputting into the community.

CHAIR—If the activity tests were relaxed to encourage that more, would that help your people?

Mrs Reid—Possibly.

CHAIR—As you say, they want to get jobs anyway. This concept of most people being unemployed because they want to be and they are all bludgers is just nonsense.

Mrs Reid—In relation to a lot of the people I see, I fear they are going to go through all of their savings and move into retirement in not a very good position. That is a big issue for an ageing population. While it is a nice idea for people in a reasonable position to volunteer, if we are also encouraging people to look at being self-sufficient in retirement, they are not going to be so if they have had to prematurely retire.

CHAIR—I appreciate that. Have you found that it is easier to place someone in a job if they have done some voluntary work?

Mrs Reid—Yes. It is because of the mind-set. I think the negative attitude starts to trigger in at about three months. Up until then people are happy to do the house, do all the jobs and have a bit of a break because many people have been working in pressure positions. Then three months hits and the reality starts to set in. You have to keep people with that mentality from being depressed and having the feeling that they are never going to get a job.

Mr Anderson—And to lower their expectations a bit as well.

Mrs Reid—Yes. That is important.

CHAIR—When the government was consolidating finances with the deficit in 1996, you will remember one of the measures was that people had to draw on their superannuation before they were eligible for social security benefits. What impact is that having?

Mrs Reid—People complain about that.

CHAIR—As a government member I probably should not be even suggesting it to you, but is it a kind of false economy? Are we sucking their savings out of them then to set them up for a lifetime on the old age pension later on?

Mr SAWFORD—I think you have answered your own question.

Mrs Reid—Yes.

CHAIR—I understand the government's logic, and I have no problems with that, but I can also see that we might be drawing people's savings down, and then they get into employment assistance and social security and all the rest of it. They might end up with a job for another 10 years of a working life but then have no savings, basically, and end up on a pension anyway.

Mrs Reid—Yes. Many of the people I see are concerned that they are not going into retirement in a very healthy state. Ageing brings its own problems as well. People's health starts to fail. There are a whole range of things. Kids are staying at home for longer. All those things concern the mature aged and affect their self-esteem if they cannot, in their eyes, support their families. You could go on for a long time talking about the negatives. I am not sure what we do about the labour market. Whatever DOME does, it has to be responsive to the labour market. It cannot work in isolation. It cannot have the best self-esteem programs and everything else unless the labour market is going to respond and we are able to put people into jobs.

Mr Anderson—We are finding at the moment that the biggest problem is the white-collar middle management area. Teresa was saying that the main problem is with males. We find that females tend to keep up to scratch with study, whereas the male will go out and work. He will have a long-term position in a job but find himself retrenched after five to 10 years, and then he suddenly finds that he has to lower his expectations for another position.

Reskilling and retraining for those people is something that needs to be looked at, both inwardly and outwardly, for them to find some other positions.

Mr SAWFORD—Lesley, you made a point about job clubs in terms of support agencies for the mature age unemployed. You made mention of a successful job club and a second one which was very unsuccessful. From my experience there were three sorts of job clubs. There were those that were simply outcome driven, which dealt with the unemployed very cruelly. You used the word 'caning'.

Mrs Reid—It is a teacher's term—yes.

Mr SAWFORD—Yes—the outcome driven people, and they were highly unsuccessful. Then you had job clubs that were process driven and got lost as far as outcomes and purpose were concerned. Then you had a few which actually had the coherence of the three things: they had purpose, they had an appropriate process and they delivered outcomes. In all of the support agencies, such as job clubs and NEIS, you see continually examples of where the support agency is not coherent—in other words, it is either outcome driven on its own or just useless—yet we keep on doing this over and over again. What sort of qualities would you look at in terms of a support group for mature age people that could say to government, 'Here is an easy way to check whether in fact this organisation is meeting the criteria, meeting the three things: having purpose, having process, having outcome'?

Mrs Reid—An organisation that I look favourably on does work with its people. There are some very good trainers who really can get the best out of people. The training capacity is one of the things I want in my organisation now. The outcome aspect must be there for evaluation purposes, but it sometimes takes longer than a two-week or a three-week job club period to get a success. You cannot get an outcome immediately with a person of mature age. That was one of the problems in the models I saw. They could not get the outcome quickly enough because mature age people are not like young, unskilled workers who really just need to get out there and get into a job. You cannot poke mature age people into any old job. It has to be a process. The outcome driven mentality does not work with the mature aged, yet they desperately want to work. Sometimes you have to lead them into an intermediary situation.

Mr SAWFORD—Is there a contradiction because when they come there they are demanding outcomes when in actual fact they need the coherence of the three things? Do you come across that?

Mrs Reid—As I said to you, we are not running job clubs at the moment.

Mr SAWFORD—But when you did?

Mrs Reid—When DOME sponsored SkillShare they ran job clubs. We removed ourselves from sponsorship of SkillShare because we were too small to control them. I am talking about observation of people, feedback and evaluation of people's personal experience. I am not coming at it as an expert on job clubs, I am coming at it from what I would like to see as a mature age form of job club.

Mr SAWFORD—I have one last question about the rhetoric that often comes across from mature age people. Both you and other witnesses in this inquiry have used terms like 'access to web sites' or 'online'. It is only a process. It is not a purpose, it is not an idea. I often wonder why that is there. Is it a little bit of an appendage of what it is? And we keep hearing this 'lean and mean' stuff. That is really divorced from reality. The companies that are actually expanding are not lean and mean companies at all. The lean and mean companies are cutting costs and they are cutting salaries, but they are also cutting their market share. The companies that are expanding do not operate on lean and mean. They never have. They have never thought about downsizing. The companies that survived the recession throughout the world were companies that did not downsize at all. They now have bigger shares of the market. Sometimes we are repeating, in submissions and discussions on unemployment, a whole range of rhetoric which is no longer meaningful. I would like you to respond, if you could, to that.

Mrs Reid—I do not really want to respond to that because I am a practitioner in the employment field. In my position I really cannot change the mentality of the way companies operate.

Mr SAWFORD—No, but you are using the language. That is why I am finding there is a contradiction. You and everyone coming here are using the language. It is not the employers using that language, it is the people providing the services all the time. Is there something wrong there?

Mrs Reid—I was not aware that I was using that 'lean and mean'.

Mr SAWFORD—It is not a problem, everybody is doing it. I just wonder why we are doing this.

Mrs Reid—In the context of organisational structure?

Mr SAWFORD—This morning, if you go back and look at the *Hansard*, you will see you have used 'lean and mean'.

Mrs Reid—Right.

Mr SAWFORD—The previous witness this morning used 'lean and mean' and used examples of downsizing.

Mrs Reid—Perhaps in the context of what we are trying to understand and work with, the companies are in the main operating; what we are trying to do at the moment is to encourage people to look at work gaps rather than the jobs.

Mr SAWFORD—No. Can you see the contradiction? What I am saying is that the language that comes across to some of the clients is just so confusing. For example, we are talking about companies that are downsizing, but you are in employment and you should be talking about companies that are not doing that, that are actually expanding. Do you see the contradictions that come across?

Mr Anderson—We find that middle management is being replaced, either by technology or the principals, the managers, the higher management, are now talking to the ground floor, the production floor, whereas before they might have worked through a middle management line. That is what we are experiencing: we are having the most difficulty with the placement of the white-collar middle management professional worker.

Mrs Reid—So we have to look at creative ways.

CHAIR—The state government just gave you $50,000, I understand, for placement programs. How are you going to spend that?

Mrs Reid—At the moment we will certainly use some of it for marketing.

CHAIR—Marketing of the service?

Mrs Reid—Marketing of the service to employers. The other area was for an additional employment officer placement.

Ms GAMBARO—In your submission you were talking about two-day workshops—

Mrs Reid—The New World of Work, yes.

Ms GAMBARO—and how they are going to open up the job market. Can you briefly elaborate on that.

Mrs Reid—I am quite excited by the New World of Work workshops we are running. They are aimed at the middle management where many of our clients come from, and they are the people we are going to have to work creatively with to actually get them to understand that the New World of Work does not come in a nice neat job package and that they are going to have to look at mixing the sources of income, whether it be one day in a retail operation, one day as a consultant and two other days in an agency situation. There is a whole range of possibilities that we are promoting and using a kind of mentoring situation there.

Ms GAMBARO—Do you promote the positives of having, say, two or three portfolios?

Mrs Reid—Yes. I guess we are pushing it as an option for people who are having difficulty in getting a full-time job. We are saying, 'Well, have you looked at this alternative?' and we are going through the way the workplace has changed, and using all the expert information that is around. There are a lot of people actually writing quite good material.

Ms GAMBARO—Job-sharing is a thing I am very passionate about, not just for women, only because I have worked in a personnel environment and could not keep up with the demand for good 2½ day jobs. How can we change employer attitudes in regard to job-sharing, not just with respect to women?

Mrs Reid—I see that as something that could perhaps go back into the context of the perfect world that we might be establishing, and I think that has probably got to come from a government initiative to make something like that happen.

Ms GAMBARO—Just as with equal opportunities and affirmative action.

Mrs Reid—Yes, and it did make a difference.

Ms GAMBARO—Thank you very much.

CHAIR—Thank you very much, John and Lesley.

Mrs Reid—That is a pleasure.

[10.37 a.m.]

GRUMMELS, Mr Ben Herman (Private capacity)

CHAIR—Mr Grummels, thanks for taking the time to write to us and tell us about all the problems you have encountered.

Mr Grummels—That is part of the problem.

CHAIR—Yes. Could you tell us about the capacity in which you appear today, then tell us about your experiences, and then we will talk about them.

Mr Grummels—I appear as a concerned private individual. I am very sick today but I still think it is important that people like me do not fall through the net and end up in the welfare trap for too long.

CHAIR—When you say 'sick today'—

Mr Grummels—Very sick.

CHAIR—I see you have got tissues, so I presume you have got a short-term flu or something, have you?

Mr Grummels—I have been diagnosed as having asthma, bronchitis and that kind of stuff. I spent last night coughing, vomiting and sweating—very sick.

I appreciate that the committee have taken the time to find out what is going wrong with mature employees hitting the wall at 45, so if you have taken the time to listen to the ordinary individual, I have done my bit by coming here. I have been an Australian volunteer in the past and volunteered for this and that, so if I can do my bit to describe to you from an individual's point of view what it is like to hit the unemployment wall, then fire away all the questions and I will provide as many answers as I can.

CHAIR—Sure. Can you tell us your story—what sort of work you had and what happened when you lost your job and what experience you have.

Mr Grummels—I have been a contract worker for a long time. I will try and make it as short as I can. I have worked in the Kimberleys, Perth, and the South Pacific islands for 10 years. After political trouble there, and despite the then Prime Minister of New Zealand, David Lange—who was one of my regular sailing friends—lobbying the new Prime Minister of the Cook Islands, I was still forced to leave. It made me very bitter. But I came back to Australia and started again, and lived in Kalgoorlie for a while, then Arabia. I worked there for a year as a contract worker, then in the Kimberleys. I managed a TAFE centre there. The funding ran out. I went to Laverton as manager of the Regional Development Association and the DEETYA funding ran out there as well. All the SkillShares were shut down around the country, so my position got chopped there.

Then I went to work in Bunbury as a contract worker again for six months at a school teaching programming and career education and CAD. In that typical case you have all the duties to perform as a regular teacher with instructions from your heads of department. I used to be a head of the department myself. So you have got pretty poor pay as a teacher plus all the responsibilities. But as soon as your contract finishes, which is at the end of the school year, that's it; there is no holiday pay for you or anything like that. So the expense of going down there, then packing up and coming back to Perth and setting up house again was enormous. It was a huge financial burden. We made no financial gain out of it whatsoever.

Then I started applying for lots and lots of jobs. I could not get anywhere. Maybe my CV was too long. I do not know what the problem was but it was just really tough. So I decided to set up my own business, an Internet service business. I do things like make web sites and submissions to search engines. I have all sorts of Internet services and training. I think it is a good idea, it is just that I have a real lot of trouble with my NEIS agent. He acts like God. He is condescending, arrogant and patronising. He says things like, 'You're a guy of high intelligence, you should be able to work out this business plan,' and I just hate that sort of assumption. Then you state all the things you think he needs, like how many people I contacted and then, of the number of people I contacted, how many ended up in actual results of work. I have done tables and charts and texts and everything, not only the names of the companies I got as successful clients but what services I gave to those companies in a clear to understand table form. 'Measure of Success' was the heading of one of the letters there. The guy still wrote back to me saying, 'You have only contacted 19 clients' and it is not that. I have not contacted 19; 19 were successful. and I have written clearly to him, and stated over the phone, 'I've contacted hundreds' and he admitted to me he had not read all of my NEIS submission.

What gets me about this guy is that he took over two weeks to write back—this is the letter—and in the last paragraph there he says, 'The places are running out' and I submitted my application over a month ago. I resent that. I reckon he has been tardy and possibly even deliberately tardy to just knock me out of the places. I have done my bit to submit the application. Plus he says there something about 'additional information,' and he has just got it all wrong. He does not see the whole picture. My responses to that letter are there. Anyway, that is my story.

CHAIR—So at this stage you have applied for about 250 jobs in the last six months.

Mr Grummels—Yes.

CHAIR—And you are currently 47 years of age.

Mr Grummels—Yes.

CHAIR—Of those 250-odd jobs that you applied for, how many employers actually acknowledged your application?

Mr Grummels—That is a good point. Most of them, at least 200, would have acknowledged my application. I have been on a few short lists, and I was offered one job as an online materials coordinator at the Geraldton College of TAFE. When you are living on

$30 a week it is a phenomenally large amount but out of my own expense I drove up to Geraldton to meet with them, after they offered me the job. I went up there and they showed me the office and all this kind of stuff. Then something happened. They said, 'We can relocate you there'—it was only a six month contract—'but we won't relocate you back to the point of hire.' I had never heard of anything like that. That is unheard of in contract work, that you have to find your own way back, especially for a short six month contract. You need to be paid a lot to be a contract worker. The way the world is, everyone is going towards contract work. But what corporations do not realise is they cannot control contract workers as easily as they can their own staff, and they really have some things to watch out for when there are too many contract workers in the organisation.

CHAIR—The average person who is looking for footy results in the *West Australian* today, having heard that story, would say, 'Well, this poor guy's situation is pretty desperate. If it's desperate enough you should be prepared to go there for six months and hopefully in that six months then having a job, you'd find it easier to perhaps find another job in Geraldton.'

Mr Grummels—And I cannot blame them.

CHAIR—I am only being a devil's advocate.

Mr Grummels—No, and I thought of that too and I cannot blame the taxpayer for insisting that you go where the work is. That is what I have done all my life. I have gone where the work is. I have gone to the Kimberleys, the Cook Islands, Arabia. I have not been one these dole bludgers who just sits on his arse collecting money wherever he is at, in a nice city or a coastal place. I have actually gone into the central Western Australian desert. I taught myself all that Internet stuff on the edge of the Great Sandy Desert between Broome and Port Hedland. No-one has helped, I taught myself. So I go where the work has been offered. It is just that with that last offer in Geraldton for six months, I remembered the last contract in Bunbury. That cost me a huge packet to go up there and back and I did not get anywhere financially.

Mr SAWFORD—You are a trained teacher?

Mr Grummels—No. I have a diploma in applied science. I majored in chemistry. It was the highest TAFE qualification you could get in those days, and I think it still is.

Mr SAWFORD—When you had your position at Bunbury, what position was that? Was that at TAFE?

Mr Grummels—No, that was at Bunbury Catholic College. That was teaching high school kids computer programming, career education, and CAD—computer aided design.

Mr SAWFORD—Have you made application to the state education department here in WA?

Mr Grummels—Yes.

Mr SAWFORD—What was their response to you?

Mr Grummels—They only want qualified teachers. Just in the last six months I saw an ad in the paper from the West Australian department of training. They wanted teachers, especially to go to the remote regional places, which I am quite happy to do. They advertised for administrators and teachers, et cetera. I know that they do not take non-qualified teachers, so I thought I would apply for the administrator's position. They did not even bother to write back. Then I applied a second time, pointing out, 'Look, the ad said administrators,' and they said, 'No, we want qualified teachers.'

Yet I have had a teaching career of something like 18 years—head of science department in private schools in Western Australia and in government schools in Polynesia, in the Cook Islands—and I have had qualified teaching staff work under me. Some of them have come out of four years of hard study at teachers training college and just have broken up—they could not handle the teaching—and packed it in, and I thought, 'What a waste of time going to teachers training college.' It is within your character if you are going to be a good teacher or not; it is not what they teach you at teachers training college. I must say, it would help, but I do not have four years to go back to teachers training college.

Mr SAWFORD—You would not need to do four years, would you?

Mr Grummels—I do not know.

Mr SAWFORD—Have you investigated the possibility of doing a Dip. Ed?

Ms GAMBARO—Yes.

Mr SAWFORD—A year's course?

Ms GAMBARO—Yes.

Mr SAWFORD—And that would give you a qualification. Has anyone given you that advice? I do not know whether that is correct here in WA, but I would think so.

Mr Grummels—I do not know. If it was only a year, I could do that, but I suspect it would be more than a year. No-one has given me any advice on that, no. As I understand it, if you are studying under Austudy you get a little bit less than the dole. I would be happy to do that. But I have great faith in my business. Even without any support it is really picking up, and one thing about teachers is, whilst it is a dedicated, honourable career, it is really a poorly paid career and so I do not know whether I want to keep earning peanuts for the rest of my life. I have in the past.

As I say, I have been a volunteer with Australian Volunteers Abroad. I had a two-year contract in the Cook Islands with the Overseas Service Bureau and then I extended that for another two years, which was the limit that people do. Then I had another year as a private citizen with the Cook Islands education department, and then I had this private business. It was a water sports business, on weekends and holidays. The demand got so big that I used to be embarrassed by tourists coming and knocking on the laboratory door while I was

teaching, saying, 'Please can you take me sailing after work.' The demand just got so big, so I quit the teaching then and went into this really fun, profitable business. It was not just sailing. It was the biggest game fishing boat on the island, a fleet of yachts, a number of Polynesian captains working for me, and I set up this four-wheel hire car business for my wife, importing apparel and all sorts of stuff.

The business really went well until maybe jealousy, 'cut down the tall poppy' syndrome, started to take effect. The new Prime Minister rode in on a wave of nationalism, 'Kick out the foreign investor' type of thing, so I was a target. Sure enough, soon after he got in, I got kicked out. I lost everything, because to try and sell a specialised water sports business on a small South Pacific island is really difficult. Even though it was difficult, I did find a Canadian buyer, but my lawyer advised me, 'If you sell the business as a whole, you'll never be able to come back to the Cook Islands.' I listened to bad legal advice and lost everything. I came back to Australia in 1990, completely broke and started all over again. And now I am completely broke again.

Ms GAMBARO—You were speaking about your teaching background, and you are a very good communicator from just the short time that you have had with us. Have you thought of getting into some other areas? For example, new teachers are used in private businesses for training.

Mr Grummels—That is right.

Ms GAMBARO—And training will still be training.

Mr Grummels—Yes. I have applied for lots of those jobs.

Ms GAMBARO—And how have you gone with those positions?

Mr Grummels—I have come close but not got there. There was a manager's position at Phosphate Iron, a company on Christmas Island. I was short-listed out of hundreds. There were five people short-listed and I was short-listed for that, so I came close there, because I have had some financial experience and background. I have been in tourism; I have been in the mining and minerals business; I have been in the oil and gas business; I have been into the IT business; I have been into training, vocational education; I have taught bookkeeping at night classes for adults. I have done all sorts of things.

Ms GAMBARO—You have had a wide range of careers.

Mr Grummels—Yes.

Ms GAMBARO—Which would make you more flexible. You have a wide range of skills.

Mr Grummels—Try and tell employers that.

Ms GAMBARO—What do people say to you when they do get back to you and you have been unsuccessful? Do you ask for feedback? What do they commonly say to you?

Mr Grummels—No, I do not ask for feedback. It is the usual letter.

Ms GAMBARO—What does the usual letter say?

Mr Grummels—In short terms, 'Bad luck.' I just read the first paragraph and it goes in the bin. I do not even bother to screw it up. I just get so many—bin, bin, bin. 'Unfortunately on this occasion you haven't been successful.' It is the usual letter. They are so boring and the same. I open them up at the post office and there is a bin there. I open it up—bin; open it up—bin. It just goes like that.

Ms GAMBARO—Why do you think it is so difficult?

Mr Grummels—I think there are a couple of reasons. One is because I have hit the wall at 47, and maybe because my CV is so long. Someone that wants to, say, have a trainer at a business in North Ryde, Sydney or whatever—this is one of the examples—does not want to see on my CV that I managed a water sports company for 10 years in the Cook Islands. He does not want to see that I worked in the oil and gas industry as a trainer of Arab laboratory technicians in Arabia. He does not want to see that I have managed a TAFE centre in the largest Aboriginal town in Western Australia. There are so many bits and I think they look at my CV and their eyes pop and they just ditch me—'This guy's an oddball.'

Ms GAMBARO—Do you think employers feel threatened by the fact that you probably have more skills than some of them have?

Mr Grummels—I think some of them surely do. If only they could get to know me. I am not a threatening guy. I am not a standover man. I believe in working as a team, teamwork, and communicating.

Ms GAMBARO—You cannot understand it. You have described your resume as being very extensive. I have worked in the personnel industry as well and I have had people tell me that when they have omitted the fact that they were a manager of a company and left out a few key threatening positions—

Mr Grummels—They got the job.

Ms GAMBARO—they were able to obtain work. Have you ever tried that?

Mr Grummels—Yes, I have tried that as well.

Ms GAMBARO—Here am I, telling you to do something that is probably not exactly honest, but—

Mr Grummels—No, I have tried that as well, targeted CVs. One of the problems with targeted CVs is that it means there is a big gap, 10 years in this guy's life, that is not explained.

Ms GAMBARO—Women can attribute that to childbirth or something, yes. So you have done that and people say to you, 'Well, why is there a gap here?' I can understand that. I

know that I am asking you to give us feedback here. When you have rung employers, do you ask, 'Look, why was I not successful?' or do you just take the letter and bin it?

Mr Grummels—I just apply for the next job. I just get that letter saying, 'Thank you for your application'—and some letters are really off.

Ms GAMBARO—What is the worst letter that you could possibly get if you are looking for a job?

Mr Grummels—The worst letter that I get—and I have had them a couple of times—is usually from an employment agency, and they write saying, 'The employer has decided not to go ahead with the position.' So you spent hours addressing the selection criteria, pages and pages, just for nothing. It just tells me I should have carried on with my business.

Ms GAMBARO—Very disheartening.

CHAIR—Finally, Ben, have you had any contact with some organisations like DOME, Don't Overlook Mature Experience, or access to a chat line?

Mr Grummels—I thought DOME was a cafe type of—

Ms GAMBARO—It is in Western Australia. It is a franchise group.

CHAIR—Have you had any counselling for your problems?

Mr Grummels—The first time I had counselling was last week, but it was to do with another issue.

CHAIR—Thank you very much.

Mr Grummels—Thank you for listening.

CHAIR—We wish you the best of luck.

[11.05 a.m.]

FORD, Ms Louise, Employment Consultant, Pep Employment Services (Inc.)

MORRIS, Mr Richard, Executive Officer, Pep Employment Services (Inc.)

SOWDEN, Ms Andrea Joy, Employment Services Manager, Pep Employment Services (Inc.)

CHAIR—Thank you very much for taking the trouble to provide us with a submission and to come along and speak to us. It is not always the easiest thing, as we were just discussing with Mr Grummels. Would you like to start?

Ms Ford—Thank you. Just to precis the submission itself, perhaps one of the key issues is to consider the aspects of the social impact, the industrial impact and the economic impact of unemployment on older or mature age people. It is very hard to separate those things. They really, I think, have to be seen holistically in the impact that they have on people's lives. It is not entirely feasible to separate those things because they impact as a whole on an individual. Then to look at the other end of the story, how can we deal with this and see ability rather than age as something that we want to have recognised with our clients. Age seems to be the first thing people look at, rather than the last.

Mr Morris—As Louise has said, it is almost a tension in the way we treat age within our community. In a sense, the move over recent years has been to see ageing as a positive thing, but I think that is largely in a retirement context. As medical science has improved, as the quality of life has improved, the concept of an active retirement has become reality and we have enormous changes in terms of a retirement incomes policy, and a whole range of things which are really directed at making people see post-work as a positive thing. We have, I suppose, created a paradigm which is about ageing being a thing which leads logically to retirement and therefore mature age people who become unemployed belong to that end of the spectrum rather than an employment end.

As our submission says, if we are looking at this in a big picture context, we need to redefine ageing in an employment context. We have been quite successful in starting to redefine it in an ageing context post-work, because I think there is an enormous range of assumptions that people make about ageing and the capacity to work. I do not think the evidence supports any of those assumptions. Certainly, if we look at the changing nature of our economy, the structural changes which have thrown large numbers of people out of work, they have some objective reason behind them.

But for a whole group of our clients who really have so much to offer potential employers—they have enormous skills, obviously; they are still active, vigorous, in good health—there is no obvious reason why they should not be competitive compared to younger people, other than an assumption which has been nurtured one way or another that people in their late 40s, early 50s are really focusing on retirement rather than on potentially another 10 to 15 or perhaps 20 years of work. There is a range of issues at work here, but if we have to identify one major change I think it would be to see ageing in both a post-work context and also to redefine it in an employment context.

Mr SAWFORD—We have not done that terribly well, have we?

Mr Morris—No, I do not think we have.

CHAIR—Are there any other points? One of the things you suggested was providing incentives or subsidies—financial or wage setting subsidies—to employers to hire and train mature age workers. How would you envisage that that would work in a practical sense?

Ms Ford—There is training currently available, but it is not necessarily appropriate for some mature age job seekers because they already have a lot of those skills in place. What they need is updated skills. I believe a lot of employers look a bit askance at mature age job seekers. They do not think they have the stamina any more and things like that, particularly when you are looking at blue-collar type of work rather than white-collar. They are loath to take people on board, it seems, because of the mature age factor more than anything else.

There used to be something called the Jobstart allowance prior to the Job Network system. Perhaps something like that would be feasible, because employers will often be encouraged by some sort of financial incentive. As it says there, that is a suggestion, and I feel that might be something that would be a positive move to assist mature age job seekers, because often they have everything there. There is really no reason why they cannot work, it is a matter of them not being given the opportunity, and perhaps something like that would nudge employers into being a little bit more accepting of maturity.

Ms Sowden—I also think where a blue-collar worker is concerned, he may now have a back injury and is unable to do the kind of work that he has been able to do before, and a wage incentive to the employer would encourage them to take on a mature age worker and be prepared to train them a little bit. Employers usually see experience as the benefit of taking a mature age person. A lot of the clients that Pep sees under intensive assistance are actually 45-plus who have some kind of injury, or some parts of their body that they have used a lot for work are actually worn and they are unable to do that work any more. They might have low literacy and numeracy skills and they have done the labouring work previously because that is where their ability has been. To try and get those kinds of clients back into the workplace some incentive is needed.

Mr SAWFORD—Were you here, Andrea, when DOME was showing us a graph? In terms of placements for blue-collar workers, they were highly successful in comparison to white-collar workers.

Ms Sowden—I must have been here after that, because I only heard them talking about white-collar workers.

Mr SAWFORD—They were saying the opposite, basically.

CHAIR—Yes, that is right. They said the blue-collar workers were not so hard, but the white-collar workers they had much more trouble with.

Ms Sowden—The blue-collar workers who are unemployed are easier to place than others, but the blue-collar worker who is injured who no longer—

Mr SAWFORD—Employers run a thousand miles from someone who says 'back'.

Ms Sowden—Exactly, and if that client has only ever done labouring work before and because of their lack of numeracy and literacy are not competitive in other industries, then those kinds of clients are incredibly difficult to place.

Mr Morris—Within Pep we have a large training program for people with disabilities. If you look at the disability area over the last, say, 10 to 15 years, there has been an enormous shift in community attitude to redefining a more positive way of seeing people with a disability. One of the things we achieve through our training program is that, through work experience, we actually can demonstrate to a potential employer that one of our trainees can do the work; not only do the work, but they are reliable, productive, and in every aspect are highly competitive with everyone else. I think what Louise and Andrea are saying is that part of the battle we face—and I think it goes back to the mental model that people have in their minds about age and the capacity to work—is actually getting our clients in through the door and being able to demonstrate their capacity to do the work.

Once you do that, certainly if the disability sector is any guide, you change minds rapidly and you make permanent changes in people's attitudes to the capacity of people to work. Part of it is just trying to get people past that threshold where they can demonstrate in a real working environment their capacity to do the work. And that is very difficult, because if they get sifted out and do not ever get an interview, let alone get interviewed and short-listed, let alone get a chance to do the work, obviously it never happens.

Ms GAMBARO—On page 2 of your submission you speak about people who have been long-term unemployed and the long-term damage that does. There is a thinking out there that people who are long-term unemployed are dole bludgers and they are staying at home because it is comfortable. You have said here that the reason they are doing this is that they have a certain amount of fear and they will not transcend that fear. It becomes a comfort zone, no matter how difficult the circumstances of being on benefits are; that it is breaking through that zone. Have you done much work with people who have been unemployed for periods of four years or longer? What are your ways of tackling that? You spoke of a holistic approach and you also spoke about a buddy system where you have to encourage them to move outside of the home environment.

Ms Ford—There are always time constraints. For some people, perhaps the only way is to work with them in getting through that barrier to attend something like a NEIS information seminar. In the case I was referring to, I made the appointment for the woman to go. She was quite happy to go, she told me face to face, but on the day she could not do it. If I had realised she was that close, I would have offered to meet her there or for her to meet me at the office and we could have gone together to help her to get there, but you cannot always be there for people. You have too many clients to do that sort of thing with. In some instances you might recommend counselling to assist them with that. It is that loss of confidence.

Ms GAMBARO—Is that the number one thing—the confidence aspect?

Ms Ford—I think just about, yes. It is also a strange situation; it is an environment where perhaps she might be asked something that she could not answer. There is a whole fear linking to that loss of confidence. It is a fear of perhaps having to answer something that you do not know the answer to or it is a fear of meeting people, because people become very isolated. They develop quite a fear at times of a strange environment, strange people. It is unsettling and, whilst it sounds pretty peculiar to say that people do have a comfort zone while they are on unemployment benefits, a lot of people do develop that. To come out of that and to let go is a really difficult thing. It is a bit like being in the ocean hanging onto a kickboard or something like that and someone is saying, 'You can swim and we want to take this away from you. We know you can swim.' Being able to let go of that kickboard or whatever is extremely difficult. If you can remember learning to swim, it is a bit like that.

I do think even for work experience you could have some sort of buddy system where someone goes along with someone, at least for the first couple of days until they know the ropes, they know what to expect, they know what the people are like, they know where to go, how to get there, because life becomes very small when you are unemployed. It shrinks. You no longer do a lot of the things that you take for granted when you are working, including traffic jams and hassles on the freeways, and people become very nervous about driving distances. There are just huge impacts.

Ms GAMBARO—Are people more accident-prone the longer they have been unemployed?

Ms Ford—I do not know. I have never thought about that.

Ms GAMBARO—Or more health prone?

Ms Ford—A lot do develop sickness quite a bit and some of that perhaps is poor diet at times. People neglect themselves. Other issues come into play there, too. Some people actually get into perhaps a lot of drug taking that they would not be doing if they were doing other things with their lives. It is a way of passing time.

Ms GAMBARO—This buddy system, who would that person be? Would it just be a member of the community?

Ms Ford—Like a volunteer sort of thing?

Ms GAMBARO—A volunteer—or does it need to be someone who works for an employment agency?

Mr Morris—There is a model in place for people with disabilities which is essentially a labour market program funded through Family and Children's Services which does provide that level of intense support where, from the time people come through the door to the time they are assessed they are assisted with Jobsearch activities. They are assisted with locating a job and then there is the capacity to provide ongoing support. The evidence is that that is the key to the success of that program in achieving employment outcomes for a group of people who do need that buddy system or whatever. Although it is obviously more structured and professional than a community based model, it does for those people require more money. It

is more intense, but arguably without that assistance they would just not achieve the outcomes. There is a model around which does work.

Ms GAMBARO—That encourages that. It makes sense to me. If you have not worked for a long time and you go and work for a company and become a sales rep, on your first week on the job they do not set you loose. You might go out with the sales manager, and then you are left on your own as your confidence and your ability grows. So I would see a lot of merit in that. Do you encourage volunteering?

Ms Ford—Yes.

Ms GAMBARO—What has been your experience with volunteering?

Ms Ford—I have found that probably the most frequent results we see from volunteering are that people often do very menial tasks and they have got the capacity often to do a lot more. For example, people come in and they do have some computer skills and we do send them off to do more computer courses so they can keep updated and aware of what is going on and keep abreast of all the new programs and so on, but they go out to do volunteering and they end up addressing envelopes and stamping them and posting them, and other very menial jobs. I state to clients, 'You need to tell people what you want to do as a volunteer rather than be pigeonholed into what that organisation may want you to do.' When people do that, quite often the organisation they have approached does not want those skills, they have already got people doing that sort of thing. It can become a little bit exploitative at times and I would not really suggest to clients that they do it for a huge length of time for that reason. They can gain from it to a point but a lot of them also say it costs them money to volunteer.

Ms GAMBARO—That is true. Do you have a role here with volunteer organisations? For example, you have just given me the computer skills scenario. Rather than go and lick the envelopes, can you approach the volunteer organisation and say, 'Look, Mr X has got computer skills. Could he update your community database?'

Ms Ford—We can do that, yes.

Ms GAMBARO—Because that would be the more useful interaction of the two.

Ms Ford—The issue with some of those things is, too, that whilst you know and your client knows what you would like them to do and improve on, or to gain more skills in or more experience, often the organisations who need volunteers have specified what they want, so it is trying to get those things to jell as well. We have a volunteer organisation here. It's Volunteers in WA or something like that.

Ms GAMBARO—Is it on the Internet?

Ms Ford—Yes, I think so. We can go through those. You can go there and they can tell you what is available and all of that sort of thing for you.

Ms GAMBARO—Right. Thank you very much for that.

Ms Ford—You are welcome.

Mr SAWFORD—Through our work on this committee we have become very aware of the absence of effective data in terms of mature age employment. Can you change that point of view in any way? Do you have any useful data that you rely on in terms of mature age employment opportunities?

Ms Ford—Opportunities, or the data on the people?

Mr SAWFORD—You need it both, don't you? You need the data on the people and you also need data on the labour market.

Ms Ford—Yes, we do.

Ms Sowden—I do not believe we can radically change that, except that in the Job Network program where we look at the 45-plus people in intensive assistance, 38 per cent of those clients are 45 plus.

Mr SAWFORD—Do you think there is a problem that governments can only respond to information that is put forward to them? It seems that we have known about mature age unemployment for 20 years now—almost basically a generation—and during that time there has been what I call serial research, like a university has done a little study, it has got an amount of money maybe from the government or from some business organisation and they have done this. Then another university does something. There has been no longitudinal studies of anything that I have been aware of in this country on employment, let alone mature age employment. The comparative studies are conspicuous by their absence. In other words, if you are logically trying to rationalise what is going on, you think, 'What the hell are we doing?' We still do not know what is going on. Louise, I think you mentioned holistic sorts of approaches. No, let me leave that. I will come to that next. Do you accept that there is an enormous lack of research?

Mr Morris—I am not sure of that. I just do not know.

Mr SAWFORD—If you do not know, there obviously is not.

Mr Morris—Not necessarily. Because I do not know, it does not mean it is not there. I have looked on the Net at various overseas research projects. They obviously confirm what is our day-to-day reality; that the enormous structural changes across Western economies, in particular, have got rid of whole chunks of employment which traditionally would have been middle managers in a white-collar context. Whole processing areas have been subject to technology in terms of blue-collar work. A lot of the evidence I understand is quite unambiguous that, as a proportion of the total unemployed, those over 45 are increasing. They, in a sense, I think, do not rival youth. Youth obviously, in terms of the proportion of total unemployed, are the greater single component.

Taking your point, some of the evidence suggests that the data is not clear because, as people move into this stage of their lives, there is no clear delineation between employment and retirement. The waters get muddy. When someone in their late 40s or early 50s has

taken voluntary early retirement, or whether they have seen the writing on the wall, it is an area where the data is not conclusive. It does confirm what we know, that apart from any perceptions of ageing and employers out there having mind-sets about who to employ and who not to employ, the demand for labour in that age group has diminished.

Mr SAWFORD—Do you think that will be true 10 years from now?

Mr Morris—I have looked at a few pieces of research trying to take into account the ageing population and how this might change things. One of the research projects said that, whereas now we look at employment as a linear progression into retirement, as we redefine the concept of ageing, from 60 to 80 for example, it is almost a new concept of age because you will be healthy, active and able to work. There is going to be much more flexibility about work, training and leisure, so that if you look down the track 10, 20 years, there will not be this linear pathway into retirement; there will be people jumping in and out of training, employment and periods of leisure, whatever, a lot more flexibly than they do now. As I said, I think the data is quite conclusive that mature age people, next to youth, is the single most difficult component that the whole of the labour market has to deal with.

Mr SAWFORD—We had the department present to us, when we were in Canberra two or three weeks ago, and they said if you took the age group who were born in 1935 who are now 64, 65, these are people who were born in the middle of a depression, came into a war, left school, often early, and opportunities were vastly narrow. Then you get the group born in 1945, and they had improved education, whatever. The projection was that the group born in 1955, for example, who are now 45, are more likely to hang on to the positions they currently have well into the future. They were arguing that in fact opportunities for mature age people are improving. That is what they are projecting.

Mr Morris—Some American research proposed that, as there is a further growing of the population with the baby boomers that you are talking about, that in itself may well lead to changed attitudes about ageing and work. As you have more people, that group of people are in work longer and they will find it less confronting or less unusual that they employ mature age people. So there may be over time more acceptance of the fact that people from the late 40s right through to their 60s can make a contribution. That is obviously not going to happen overnight, I would not have thought. It will be over the next 10, 15 or 20 years.

Mr SAWFORD—I have a question on the holistic approach. Basically 'holistic' is just another word for analysis. There is very little analysis ever done in government in this country—it is very foreign—including my own party. Analysis is where you identify all the constituent parts. No, that is synthesis—I will do it around the other way. Synthesis is when you identify all the constituent parts and hopefully it makes up a whole. This tends to be the modus operandi for most of us in this country. We do very little analysis where you actually grab what is a base idea and then develop it. When you say 'holistically' what do you really mean?

Ms Ford—What I mean is I think it is important to identify all the things that impact on mature age unemployed persons—the social, the economic and the industrial—the three of them. Because they overlap each other it is like a cause and effect type of thing. You cannot really just look at one in isolation from another. You really must, I think, look at all the

aspects of a person's life because all those things impact on the entirety of someone's life. I suppose that is what I mean when I say you cannot look at it in segments, especially when you are dealing with people. You are looking at an individual or a group of individuals, all of whom are having similar issues probably as unemployed people. The things that you are specifically looking at here in terms of what those social impacts are can be looked at, to a point, in isolation but then they do overlap.

I think what I am trying to say is that it is very difficult to say, 'Okay, what are the social impacts?' without addressing everything else as well, or 'What are the economic impacts?' The economic impacts are the social impacts if you like. If you do not have money, your whole life in this sort of society is altered from perhaps what you have known. For example, if you are 48 and you have not finished paying your mortgage yet and things like that, how do you do that? That is economic but it is also social because if you have to sell up and move and relocate and those sorts of things your environment changes and there are an awful lot of adjustments to be made. Many people are having big issues in trying to make those adjustments.

It is all of those effects so you do need figures and you do need data and facts. But you also, I think, need to put it across in terms of the people and what it is doing to them. That is probably what I am seeing on a daily basis.

Mr SAWFORD—You are almost suggesting a method in that, aren't you, in the sense that it almost needs to be one on one? That is what you are suggesting.

Ms Ford—More or less, yes.

Mr Morris—Within Pep, which historically had a strong focus on people with disabilities, it is a very strong value of the organisation. I suppose we try to see the person as a complete person. That is an ethical issue, but in terms of achieving outcomes for clients—as Louise says—for many of our clients who just cannot untangle the whole range of issues which ultimately impact on their capacity to get employment, I suppose the challenge for us is to try within the time and money available to deal with those issues, help the client, empower the client to deal with those issues. Ultimately that is, in terms of achieving sustainable outcomes, very important.

The concept of holistic services has application across a whole range of client groups. With youth, for example, it is extremely important. Clearly, with indigenous people it has been recognised for a long time that one of the great failures of many programs is that they need to work in unison. In a sense, if you have different services coming to a community or to an individual that are not coordinated and which do not meet the needs of the individual, they are not nearly as effective. I suppose in our own way we try and maintain that as a value of the organisation. We see people in as complete a context as possible and try and help them deal with those issues.

Mr SAWFORD—What comes strongly across in your submission are, in fact, some pretty clear purposes, some pretty clear processes. We are all subject to this in terms of the outcomes in terms of the labour market. When you are faced with the labour market—and I keep repeating these figures: 700,000 unemployed officially, 700,000 underemployed

officially and 700,000 hidden unemployed which we all know are there and 70,000 advertised job vacancies—and getting the first two parts of the trinity right, how do you reconcile those two things with that reality in terms of your own clients?

Mr Morris—I need to understand the question.

Mr SAWFORD—Basically, are we leading people up the garden path in our society when we have deliberately over the last 20 years created—10 or 15 per cent, whatever figure you want to use—endemic unemployment because that satisfies the economies of the day and the OECD in the developed world. We are moving people into and out of employment for the first time in the last 200 years, since figures have been taken. Where people were working 100 hours a week that graph has come down for 200 years, consistently—the only little blips were in wartime—to 1979 and now the graph for full-time employment starts turning the other way. In other words, it has now become, for some people with certain skills, a real opportunity to be full-time employed, but full-time employment means now a considerable amount of hours worked per week.

There is another group in society who are not so fortunate and the only opportunities they are going to have are part time, casual, irregular. Again, Louise, they have to face the problems that you spelt out very well in terms of the subject of relocation, the change in environment—they are the ones who have to pack up and shift. The pressure goes on to those groups. It is not a self-fulfilling prophesy, you need to be honest with people. If you are not honest you can never solve a problem, in my view. Teresa and I have a bit of a passion for job-sharing. Job-sharing is not popular. We understand that. Yet there are numbers of companies internationally who have used it, such as British Airways, Commonwealth Bank, Volkswagen and a whole range of other companies. For a while it seems to meet some certain needs but never goes any further.

Many mature age people only want to work three days a week. They are quite happy to work three days a week. That is all they need, but others do not because it does not meet their economic, their social or their work needs. There is a whole range of possibilities. Are we actually being really honest with people in the sense that—

Ms Sowden—Are we selling them false hopes?

Mr SAWFORD—Yes, if jobs are not there. Every time I write it down—where are all the jobs? Where are these jobs?

Mr Morris—The only comment I make with my colleagues is that the situation in Australia is not unique. Quite clearly, it is something which has been felt across a range of countries.

Mr SAWFORD—It is in every OECD country.

Mr Morris—Yes. It is something which goes to the heart of the international economy and the need to remain competitive with individual firms doing that in the only way they can. That has spill over effects into society as a whole. When you look at this issue—and I will not pretend to have done it in any detail—in an international context, there are no clear

cut answers. When you say are we giving people false expectations, everyone is grappling with this in every developed economy.

With respect to the fact that there are groups who are finding it harder to get work—I suppose, women with a limited amount of resources—firstly, we give our clients dignity. That is the way we provide our service. We do it to the best of our professional ability. Ultimately, obviously, the caveat on our ability to achieve outcomes is the nature of the labour market itself.

Mr SAWFORD—What I am trying to get at is that, between the rhetoric of the good intentions, even with respect to what government is trying to do in terms of meeting employment needs, we can take a quite isolated event—lamb. You produce lamb in this country and you want to export it to the United States. How does the United States react? It cheats, basically. It cheats. It puts the tariff up 40 per cent—it cheats, that is what it does.

What does the United States, the world's greatest economy, do when, in turn, it admits to an unemployment rate of 5.5 per cent? Everyone says, 'Oh, what a wonderful thing is the United States.' It puts four per cent of its males in prison. It tolerates four per cent of its people operating in an economy in crime. You can read the figures all the same, but essentially in the OECD you have an admitted unemployment rate of about 10 per cent, on average, and a realistic unemployment rate of about 15 to 20 per cent. The only two countries in the OECD who admit to that are France and Portugal, basically, because they use pre-1990 criteria for measuring unemployment. What I am saying is that maybe in terms of what Teresa Gambaro has been saying about job sharing, there is a whole range of issues that may in fact assist employment opportunities—and we all know they will—but we never take them seriously. Is that part of the problem?

Ms Sowden—Can I just tell you how I see what we are funded to do and how that fits into that?

CHAIR—Yes, please.

Ms Sowden—I see that we are funded as a job find kind of program, not a job creation kind of program. That has inherent issues in itself. Let us not get into that today. What we are funded to do is to work on a one to one basis with the clients that are referred to us. I would just like to say that we do not have a choice about the clients who come to us. But our job, as far as the funding we get from the government is concerned, is to reduce the risk of those clients becoming long-term unemployed. Some of them are already, but we need to reduce the risk and to provide a safety net to some of those clients. I think the underlying part of the program is that we do not. It allows us in the holistic nature of the program to try to deal with those people in society who are most at risk of those things. A lot of those clients are involved in crime and all kinds of activities. It is to try to reduce the gap that Australia is developing between its haves and have-nots. I believe that working with the kinds of clients we have is providing a safety net to deal with some of those issues.

CHAIR—Are some of the people you have as clients unemployable?

Ms Ford—There is a book which says no-one is unemployable.

Ms Sowden—Pep actually has a policy not to see clients as unemployable, yes.

CHAIR—In your submission you mention the significant psychological and emotional impact that unemployment and/or other things in people's lives have on their wellbeing and we have seen some evidence of that in the course of our inquiry. You have to ask yourself whether those people would be employed by an employer, whatever their background, because of their psychological state and wellbeing. Firstly, do you identify that and, secondly, how do you deal with it?

Ms Ford—When they are referred to us as a client, you cannot always pick something up on your first meeting with a person, as you would be aware, but quite often as time progresses in talking to people you can pick up that there are issues or they will start to tell you about issues in their lives. We can refer people to counselling or we can talk to the counsellors at Centrelink, the psychologists at Centrelink, et cetera, so there are things in place that we can tap into. We are expected to basically see whoever is referred to us, so they may be people with all sorts of things in their background that you really do not want to know about but, I guess, you have to remain fairly objective. Our function is to try and get people into work or education or training, so we are not there to address criminal histories and things like that. That is something people bring with them and we need to try and work forwards from there. Sometimes people themselves, through perhaps being in prison, have actually gained skills that they did not have and these skills will be of assistance to them in gaining employment.

Ms Sowden—You can be incredibly surprised at the kind of client that does get a job at times, rather than the other way around.

Mr Morris—Yes. We rejoice in Pep when we have some really good outcomes. We have had clients recently who have got work. One client had not had an interview for two years and got an interview and got a job. Another client had been out of work for five years. We actually beat the odds. We never ever try to see people as unemployable in that sense, although the reality is of course that some people are long-term unemployed and their challenge is much greater than others. But we do regularly beat the odds in terms of our clients.

Ms Sowden—Recently a client of ours who was charged with murder at the age of eight has been placed in employment.

Mr SAWFORD—What would you identify as the best practices in your organisation?

Ms Sowden—One of the main things is that we see the person.

Mr SAWFORD—Individually.

Ms Sowden—Yes. No, sorry. We do actually see them on an individual basis, but we actually see the person as they come in.

Ms Ford—As an individual.

CHAIR—So some people do not see them?

Ms Sowden—If you are funded to work in groups of 50 people, how can you see the individual?

Ms GAMBARO—That is true.

CHAIR—Yes, okay.

Ms Sowden—We actually treat the client with respect and dignity. We respect the client and what they want to do and we look for the kind of job that they want to be looking for, rather than, 'What is it we can push you into today?'

Ms Ford—You can also be creative. There is a capacity to be creative with people, if they are willing to work with you. For example, I have worked with a person who was from a non-English speaking background and Hia was not getting a job; she did not have a lot of English and so on. I asked her what she had been prior to coming to Australia and she was actually a traditional Chinese doctor. She has gone through the NEIS and is now running a practice in Cottesloe, very successfully, as a traditional doctor. Not everything is a dead end. You just have to explore.

Ms Sowden—I am not sure whether people like you understand the kind of clients that we have. For example, a day as an employment consultant might consist of having as your first client the man who lives with his two dogs under the bridge and trying to help him deal with some of his issues towards employment. Your next client might be the ex-diplomat's wife with three degrees. We operate within a program that is quite prescriptive and we need to be as flexible as possible with each client, to address that client's needs and not be tokenistic with that client or deal with them in a negative way just because we have to operate under these guidelines. As you can imagine, as one client leaves, the next person who comes into the chair may be radically different and it is quite a challenging environment to work in.

Mr SAWFORD—In your organisation, how many staff have you and how many clients do you see in a year?

Ms Sowden—Under the Job Network?

Mr SAWFORD—Yes.

Ms Sowden—Under the Job Network we have the cases of 200 clients for intensive assistance and we have 2.5 staff who do that. We have a job matching service which has another two people. We also need to meet targets for job vacancies and placements in that. We have a marketing officer, we run a Jobsearch group internally with our own funding from the Job Network—it is not an external contract—where we put clients from intensive assistance into that program. We are doing part of that now, which is running targeted groups, and one of the groups is mature age—so 45-plus would be in its own group.

Ms Ford—Doing things like selection criteria, because if you do not respond correctly to selection criteria these days you do not get a look in. That has been an issue for a lot of people who are of mature age. Twenty years ago when they were last applying for work, they would just write, 'Yes, I can do all of those things, and I'd really like an opportunity for an interview,' and that was how you applied for work, whereas now it is far more sophisticated and more complex. So even knowing how to respond to selection criteria is a really key thing for gaining an interview nowadays.

Ms Sowden—Our marketing officer operates inside the Job Network so he can actively market some of our clients, and we have admin. support to go with that.

Mr SAWFORD—Can I just get a picture. In a given week—maybe that is not the best time cohort—you are one of the 2.5 people who are dealing with those 200 clients.

Ms Sowden—No, I am not.

Mr SAWFORD—I know. But if you were, how many people would you be seeing in a day? If I was your client and we had been unsuccessful over a year—you had me for a year—how often would I have seen you?

Ms Sowden—I would say you would have seen me every three to four weeks.

Mr SAWFORD—For how long?

Ms Sowden—Depending on your needs. That might be 10 minutes or it might be an hour, depending on you.

Ms GAMBARO—I was going to ask one of those questions, but thanks, Rod, for the follow-up. One of the things that mature age job seekers tell us is that they go and register and then they never hear anything and that makes them more despondent. But I want to ask about migrants, and I think you touched on it, Louise. What support do you give people from non-English speaking backgrounds? You touched on it on page 3 of your submission. While I am speaking to you about that, skills recognition is a problem, particularly when people come from overseas.

Ms Ford—Yes.

Ms GAMBARO—I know I have addressed it here on another committee, on industry and skills shortages. Are there some problems there? I know it is addressed by state training authorities, but what can we do there as well?

Ms Ford—Quite a number of migrants, as you are aware, come here and they do have a huge amount of skills, but sometimes there is the factor of the knowledge of the technology that we have here. For example, one client that I had was from Bosnia. She was a draughtsperson, but here she does not have AutoCAD. AutoCAD is very expensive and then, if you are mature age and you do not have Australian experience, the barriers are there. To get over those hurdles to gain employment in that profession, again, is really huge. She can go and do the AutoCAD, but then she has to do the English first and it becomes a very long-

winded process. I sometimes wish there were shortcuts where maybe you could do English and some of these other workplace skills at the same time, instead of perhaps having to do one and then the other.

They are not an outcome for us, they are not employed, but you know people are working very strongly towards gaining employment but it is not happening quickly enough. Sometimes the English that people acquire through the formalised lessons that they have is not what they need for a job. They need to know perhaps more workplace oriented language, which is not to say people should not have a broad English base, but it is not always appropriate to the workplace. They do not really need to know what is a pronoun and a synonym and things like that to work. What I have heard a lot of people saying is that (1) often they feel patronised in classes and (2) it is not useful to them. They want conversational English and they want to know what sort of words and vocabulary they need and what they need to understand in a workplace.

Ms GAMBARO—A return on investment—things like that they can get in the work force. Traditionally, migrants would go into small businesses because that would be a way of overcoming their language skills.

Ms Ford—If they came with money.

Ms Sowden—Unless they are refugees.

Ms Ford—If they are refugees.

Ms GAMBARO—That is what I was going to ask you next: if they are refugees and do not have any money, the trend was that they would work in low-paid jobs. My father worked cutting cane, et cetera.

Ms Ford—Yes, but a lot of those jobs are no longer there.

Ms GAMBARO—They do not exist any longer, so low-skilled work that was traditionally done by migrants no longer is in the workplace. You were talking about OECD countries. I had the good fortune to meet with a woman just a few months back who does research in Geneva at the Four Pillars Institute and you are right when you say they do not have the answers. They are looking at this inquiry. They said to us, 'If you can uncover anything, please let us know, because we're still grappling with this.' One of the things they have played around with in countries like Italy and Germany is early retirement and getting early redundancy payments. That has all sorts of problems because you have got someone at 55 and 60 who is quite active and can still work. My dad is 77 and still goes into work and he is better than I am; he has got potential still. Is there any place, for example, for looking at taking some sort of part-redundancy payment—and I will go back to this job sharing or working three days a week—and then over a period of time phasing it out to maybe two days as the person approaches retirement age? What are the impediments to that? What are the problems?

Mr Morris—Some of the data shows that, if you look at the changing demographic nature of Australian society, where people are typically married later, there are multiple

families being generated through divorce. There is a whole financial dependency which is compared, say, to the nuclear family concept of the fifties. If, for example, they remarry in their 40s and have young children, their financial obligations can extend in many cases into their 60s, in some cases into their 70s. One of the assumptions behind the ageing process is that people, as they move into their 50s, had more options in terms of their financial situation, when in fact it is probably now coming under a severe test for many people. They in fact are going through another period of financial duress in their lives which is similar to what they might have faced 20 years ago. Job-sharing essentially is income splitting, which for some people is great, but it is a reduction in income.

Ms GAMBARO—It would suit someone who was—

Mr Morris—Someone who is financially quite secure, but for many people, who either have financial obligations which have been generated through remarriage or whatever or who are basically trying to fast-track some sort of retirement income through work, the last thing they want as they move into their 50s and 60s is reduced income. Superannuation has really only taken off in the last 10 to 15 years or so, outside certain sectors.

Ms GAMBARO—Maybe I did not make myself clear. I take it you are talking about having three days a week but drawing down on the superannuation or the redundancy payment so that it is equivalent to a salary. So they are not suffering from a loss of income; they are just doing it a different way.

Mr Morris—The only comment I make is that anything which brings forward your income flow is paid for. Clearly, if you draw on your post-retirement income in any way to supplement your income flow during your work life, the day of reckoning will be there. That has been one of the big issues about superannuation: giving people access to it and what is the long-term cost of that.

Ms GAMBARO—Giving access to it earlier?

Mr Morris—Yes.

Ms GAMBARO—Yes, I take your point there. Thanks.

CHAIR—Thank you very much for your time and for putting your submission together. If you have any supplementary remarks, comments, observations or criticisms to make of anything that anybody else has said to us, then please let us know.

Ms Ford—Thank you very much for the opportunity.

[12.04 p.m.]

HUDSON, Mr Peter Andrew (Private capacity)

CHAIR—Welcome, Mr Hudson. Thank you for going to all the trouble of actually writing to us and then coming along and talking with us. It is obviously important, not only for you but certainly for us. Perhaps you could just tell us your story and highlight some of the things that you think are important and then we will have a talk about it.

Mr Hudson—I have put a submission in as a private citizen but have been encouraged by a group that I did some work with, whose barrow I will push a bit later on. To give you my background, I do not know if I am a conservative or a traditional unemployed but I am a Mr Mum figure at home. My wife works in that building across the street—she is probably at one of those windows there; she is at the sharp edge of technology with computers. I have taken a retrenchment and opted to stay home until the children at least get through primary school and I have taken on that role. I have also over the last few years been at the sharp end of the employment scale.

CHAIR—When did you take retrenchment?

Mr Hudson—I did not take it. The company I was working for could not afford to pay me any more. There was not a retrenchment by any stretch of the imagination.

CHAIR—How long ago did that happen to you?

Mr Hudson—About two years ago. So for the last two years I have been at home although I have had projects and things happening. I do not know about being unemployed but rather about being unpaid at the moment. I am the vice-president of the PSC and involved in a whole lot of other things—I am fairly active. The thing I wanted to highlight in my submission was, as an individual, some of the pitfalls that I have seen personally—where things come from within industry that a lot of so-called experts appear to be throwing around as fixes for this sort of thing—retraining and a whole lot of other things that they throw up as being, 'Oh, yes, we'll fix the unemployment situation by doing X, Y or Z.' Someone who is sitting there on the other side of the fence can often see these things are not always working.

I have actually worked on both sides of the fence in the sense that I have been an employment consultant in my career some time ago so I have seen it both ways. Some of the points I looked at and the issues I looked at—self-employment was one of the issues you were looking at. I have not gone into that. A lot of the statistics will show that the majority of people who go into self-employment are usually out of it within a short period of time, if not within a year or two. It is a fairly risky venture for most people. Not everybody who is unemployed has the luxury of having a multiple figure redundancy package that they can take with them for their unemployment. Most of us get a month's pay in lieu of notice or something like that and then you struggle along with that.

I guess you have read the submission, looking at things like the need for absurd levels of qualification within certain job requirements. Mine has been a sales and marketing

background and over the years there has been new jargon and whatever developed. It is exactly the same process; just different jargon is being applied. When you actually say, 'What does that buzz word mean?' 'Oh, it means the same as it meant 20 years ago,' but it is a different buzz word or a different acronym that is being used. Because you do not know the buzz words and the acronyms you are considered not to know the industry. However, you know they have merely changed the buzz words and the acronyms. So that I find is a difficult concept to get hold of.

I know a few years ago there were the training levies and various things that happened then and those seem to have gone by the way. The larger, well-resourced organisations—if we name them, the BHPs or whatever—of the country who employ the graduates have a large structured training scenario for those people. Unfortunately, as you get into the smaller organisations nothing exists. You get onto a roundabout where the training stops being available. You cannot keep up with the buzz words or the current technologies or whatever is happening in that industry because your company cannot afford to keep that up, but with commercial reality they are struggling anyway, and the company may succumb to commercial reality. You then go out and find a job, going to a smaller company that has less chance of training you and you become gradually more distanced from the industry standards. Then it becomes harder to bridge the gap as you go back. I am speaking from personal experience on that one.

Retraining is fine, terrific. But if you have just been retrenched after 20 or 30 years in a particular position, what do you retrain as? Do you go back and get more skills in that same job area, having just been retrenched from that? Is that going to make a lot of difference? I have got a couple of good friends who are geologists and they are saying, 'Well, what's the point? Fifty per cent of the geologists are unemployed, particularly in Western Australia. There is no work out there. The mining industry at the moment, with the price of minerals, is sick. The exploration industry is sick, so what is the point of going and getting more qualifications for something we are unlikely to get employed with?' Alternatively, if I am a geologist and I say, 'I think I'll go off and get a degree in'—whatever it happens to be—'making widgets,' how do we know that the widget making industry is any healthier or the widget making industry is going to turn around and employ a 50-year-old graduate with no experience in that industry? They perceive them as having a fairly short life span but they are free to go and take on a 25-year-old graduate and bring them through their system. It just makes it a little bit harder for the person who is 45 plus.

As you go down to those smaller companies they become less able to pay you. They do not have the resources and the salaries and those things also slip, and they become more incentive based. The incentives are harder and the bar goes higher the lower you go, so that becomes a problem as well. We have all still got mortgages and, with the changing of social structures, remarriages and things, there is a lot of young children amongst the over-50s, I am sure, or over-45s. Then of course you have got, like anything, the peer pressures for those who are working—and I cite the instance of my wife in the IT industry who is working longer and harder than she ever has and being paid better than she ever has, and that is terrific, versus someone who is unskilled in that area who is battling to get a job in any area.

Mr SAWFORD—At $10 an hour.

Mr Hudson—Yes. Currently I am doing some part-time work at the local school for $12 an hour. That is a casual rate. Personally I am fortunate that I am not doing it for financial income but it is just giving me something to do and it is an interest. I am not dependent on the income and that is where I am lucky. I would hate to be dependent on an income like that.

CHAIR—Is there anything else that you want to say?

Mr Hudson—The only thing is the barrow that I was looking at pushing. I heard you mention earlier—and I presume that they have already been and you have spoken to them—the DOME organisation. I got involved with them last year and I attended a workshop they ran earlier this year. I then reconvened our group afterwards and had a post-workshop review, I suppose, of what it was. That was a group of professional, managerial and otherwise white-collar or middle management type people. They were not the average unemployed yobbo who needs a haircut and is not going to get a job. They were accountants and middle management people who were ex-state managers of companies, directors of companies, various things, who are looking hard to get work.

It was actually run by a guy who was in the same situation. He was an ex-HR manager from a large organisation who had been retrenched 12 months earlier and he put a basic package together. The whole thing was to coordinate and try and network a group of people with skills to look at self-employment opportunities, alternative opportunities, and to look outside the square as far as where you go and what you are going to do for work and not say, 'I've been an accountant for 30 years. I'm only going to be an accountant, therefore I need to look only at that section in the classifieds to look for a job.' There might be something else there or alternatives, such as 'Maybe I can look at a job as a lawn-mowing contractor.' That was a workshop which was a self-help peer group—not a guru who had been trained in helping people—where the facilitation was actually done by someone in your own peer group who understood and knew the pain and knew the things that you had been through. I think that made it work very well. Personally, from where I come from, it is a self-help industry.

CHAIR—The DOME concept as such?

Mr Hudson—No, I think beating unemployment is a self-help thing at the level I am coming from but it needs to be facilitated or coordinated by something, somebody, somehow. If there was some form of coordination that would make it helpful. That is dealing within a certain group of the unemployed. I am not saying it is going to work with unskilled labourers—it may or may not, I do not know. But certainly within the group we had, yes, it developed a lot of conversation, and a lot of peer support and a lot of ideas came out of the room.

CHAIR—We certainly come up against people who have been quite indignant—indeed, very angry—about the concept that, after 20 or 25 years working as an HR manager or in the finance sector, insurance or whatever, they should retrain in a completely different field. The minister, Tony Abbott, recently coined this phrase 'job snob' to which some people whom we met have taken offence. Is this a common problem amongst the people in your

situation, the white-collar middle management? Is this a really common problem? That is, are they desperately trying to get a job in the same field?

Mr Hudson—I have a friend who has a PhD and is a biochemist. He is currently employed as a gardener, part time, because of the field of research that he worked in. The company he was working with closed down in Western Australia. He can get work in Europe, he can get work maybe on the east coast, but he has children at school. Currently his wife is teaching. She is the main breadwinner and he is doing some part-time work as a gardener.

Job snob? Yes and no. Rather than being a job snob, I think it is a matter of whether you can take the skills you have developed over the 20 years and utilise them in a different area, retrain into something different. That is not job snobbery. But where it is a case of saying, 'Fine, you're a marketing manager and always have been and now we want you to become a lawn-mower operator.' 'Where am I going to use my skills that I have already developed?' 'Well, you don't need that. You just push the mower,' I can understand people saying, 'Yes, I'm wasting talent.'

CHAIR—It is a bit like any sort of loss, whether it is the loss of a limb or the loss of a partner: people are all different and some go through an extended process before they are prepared to accept the fact that they have to look for new horizons, I suppose.

Mr Hudson—Yes. I think this DOME workshop is one thing that has helped to stimulate that. It helps you to realise you are not the only one in that situation. It is not as though you are sitting across the table from a counsellor who is saying, 'Oh yes, you've got to change' or, 'You have to do something else.' You are sitting in a roomful of a dozen peers.

CHAIR—Yes, it is group therapy, I suppose, in a sense.

Mr Hudson—Yes, it is. There are a dozen peers and each of them is saying, 'Yes, my wife's beating up on me too,' and all those sorts of things are coming out, which is terrific, because it means that you can say, 'Okay, maybe there is something in this.' Maybe you do pick it up and take it away and come back. I know that one of the guys who was there was a construction supervisor. He rang me the other day, trying to peddle me some network marketing product that he has got hold of. He is looking outside the square. I think one of the accountants has gone off and found something, working in an aligned field but not actually in his field. Some people have developed some things out of it and a couple of people networked and were looking at developing business opportunities.

CHAIR—Have you had the experience with some of your friends and colleagues in this area, Peter, where they have a really good pedigree in their CV and they have had to take things out of it or understate what they have actually done, in order to get a job?

Mr Hudson—I have done it personally. I think a lot of people have. I have matched CVs to positions at times. I have friends who are in the HR industry and they have advised me on that. They have said, 'Let's do another format for this.' They advise me on how to phrase it, what things you can put in or leave out, and how to juggle it. It is not trying to be

dishonest but just trying to put a bias—spin-doctoring, I suppose, in political terms—on your CV to make it look best for the circumstances you are looking at.

Mr SAWFORD—We are all very good at describing what the problem is of mature age unemployment but not so crash-hot, any of us, in providing solutions. That seems to be an international problem. You have mentioned self-help and choice as two very strong priorities in terms of allowing mature age unemployed to have control. You have gone from having a position to being unemployed and then to lack of control. If you could do one thing and the money was available, what would you do?

Mr Hudson—Grab the money and run! I do not know.

Mr SAWFORD—No, I do not mean as an individual, but if you wanted to do something to enhance the employment opportunities of mature age people how would you use the money?

Mr Hudson—My perspective would be to try and generate self-help.

Mr SAWFORD—Within an expanded group like DOME, for example?

Mr Hudson—Probably DOME as a starting point. I actually took the concept from DOME. I went out to a Job Network agency in the area I live in and they were interested. I said, 'If I took this idea from DOME and brought it back out to my own suburb rather than having a big centralised thing in the middle of the city, are you guys interested in feeding the group? You've got the database of people. Can we then take people off that database and bring them into a group and see if we can do something just locally?' And yes, they were very interested in doing that. The whole scheme seems to have sagged a little bit at the moment, but there is a process that we could evolve there. I am dealing here with a different group. In a sense we are dealing with the white-collar middle management or semiprofessional type people.

Mr SAWFORD—We have heard here this morning that that seems to be where the biggest problems are.

Mr Hudson—Yes. I was listening to the other chap who was here, the teacher.

Mr SAWFORD—Also, DOME, who were here this morning, were saying—I do not have the graph—they were getting a 20 per cent result out of white-collar workers and a 50 per cent result out of blue-collar workers.

Mr Hudson—Yes.

Mr SAWFORD—That is just reinforcing what you are saying.

Mr Hudson—I think you would be right on that. I live in what I suppose is an upper middle class area. Most of our friends are tertiary qualified, or there is at least one in the family with a tertiary qualification somewhere along the line. They have expectations for their children, tertiary expectations and things like that. There are a number of people out

there who have been made redundant, taken packages or whatever, who are in exactly that situation of finding it very difficult to get back into the work force. There are blue-collar jobs. I am doing a part-time gardening job at the local school. Those sorts of positions are there.

Ms GAMBARO—Can I ask you a question about attitudes, family pressure and peer pressure. You touched on some of it. When you are not working, give us an insight as to what is the most demoralising thing that anybody can say to you when you are looking for work. Do people treat you differently?

Mr Hudson—I think they do. I find it difficult when I introduce myself. They will say, 'What do you do?' I will say, 'Well, I'm a Mr Mum.' 'Oh.'

Ms GAMBARO—What do you say to them?

Mr Hudson—'I'm Mr Mum. I'm the house parent in our family. It's by circumstance, because I happened to be retrenched at the same time my wife was offered a new position,' and I say, 'Well, someone's got to stay home and look after the children, so I do it.' But when you say that to someone, there is almost a look in their eyes: 'Oh, he can't find work either.' I am probably more comfortable with my situation than a lot of other people.

Ms GAMBARO—Have you had to do things like go up to the school and do tuckshop duty?

Mr Hudson—Yes.

Ms GAMBARO—Have the other mothers treated you differently?

Mr Hudson—They look at me strangely when I do vegemite rolls at the school canteen, yes.

Ms GAMBARO—On the odd occasion, I have done it. I am in this job, and people are sort of frightened of politicians, and there are times when I just want to be treated like a person. You are the mum of so-and-so, you are the dad of so-and-so, and you are just there doing your community bit.

Mr Hudson—Yes. I actually had the primary school change the name from the mothers group to the parent support group.

Ms GAMBARO—That is very commendable. That is a very positive action.

Mr Hudson—I am probably fortunate. I have a fairly strong attitude and I have a lot of support from my own family. There is no, 'Oh, he's a father because he's not working' within my own peer group because other people have been through exactly the same scenario. There are a number of my friends who are in the mining industry who are feeling the pain at the moment—exactly that. Yes, we understand each other. I think there is also a large group of people out there who have not felt that uncertainty or the feeling of being unemployed and going through the hoop, who probably do not really understand. So this is

why I come back to self-help, because I think it has to come from someone who understands. It is not much good coming back from somebody who wrote a book on it but has never been there, and who is standing up in front and telling you how you should go about finding a job or what you should be doing. I find that very hard to take, but I did find DOME a very different scenario. A guy who had spent 12 months looking for work was standing in front of us saying, 'Well, I'm facilitating this course, and I know what it's like. I've been there.'

Ms GAMBARO—Do you think that a lot of the problems and the attitudes to mature age employment is because personnel managers of companies are young people? It is said to us that they employ people like themselves and they will not look outside that box.

Mr Hudson—I worked for one of the major personnel companies in Australia back in the early nineties. At that stage the attitude was that if you are employing someone, you employ someone who is currently working and who is almost running in a parallel job to the one you are trying to fill. You poach them from a parallel job and you swing them straight into that position, where they have already got the database. If someone is not at work, the attitude is, 'There's a reason he's not working. He's has been left out for some reason. We don't need to look at him.'

Ms GAMBARO—Do you think that attitude still exists now?

Mr Hudson—I really think that still exists. I think also within the HR industry they have now developed a lot of qualifications and, fair enough, that is fine, but in most cases with a lot of those new industries—and I have forgotten where I read this, but I am quoting from someone else—they start a new degree course at the university. Whoever wrote the degree course did not have a degree in that subject—it was what they had learnt over 20 years on the street. Then they wrote a book on it and that then became the course material. So there are a lot of people out there who have the experience but not the formal qualification. I think in the industry—particularly in the job placement area—there is a reliance on psychological testing and what our education tells us to look for in people rather than just basic gut feel. I think a lot of people—and probably politicians, with no disrespect, have a better feel for it than most people—have that sixth instinct about people.

Ms GAMBARO—Or if you have worked in sales and marketing.

Mr Hudson—If you have worked in sales and marketing you learn to read body language, read people, understand people. If you are talking to someone across a table you can pick the negative vibes or the positive vibes.

Ms GAMBARO—They are relying on Briggs-Meyers more than intuition in a lot of cases. They are being too analytical.

Mr Hudson—Yes. If you have been around the industry for a while you also learn how to fill the forms in properly, I guess.

Ms GAMBARO—Or the questions get asked in a different format, so you are right about that.

Mr SAWFORD—Not analytical—they have synthesised it, not analysed it. They do not do analysis. No-one in human resources does analysis any more. They never did and never will. But they do synthesise it all.

Ms GAMBARO—That is what they say.

Mr SAWFORD—I know they say that but they do not do it. It is just interesting in terms of a bit of feedback to you, Peter, that I actually wrote down 'self-help, choice' and I tried to find a third part to it and wrote down 'change'. You are actually right that self-help is intrinsic to the solution. What the other parts are to it I am not sure. I am sure choice is there too and you also mentioned that. You may even think of some further attributes that may be appropriate. I suppose what you have argued is an expansion, a different way of looking at maybe the DOME concept. I found that valuable.

Ms GAMBARO—It is a good idea.

CHAIR—Thanks very much, Peter, for taking the time to come and do all this. We really appreciate it.

Mr Hudson—I thank you for the opportunity. It is good to be on the other side.

CHAIR—If there is anything else you think of or anything you want to pass on to us, feel free to drop us a line and we will certainly take it on board.

Mr SAWFORD—Particularly if you develop a framework around that self-help concept that you were talking about earlier.

Mr Hudson—If I can get funding on it I will go for it.

Ms GAMBARO—Thanks, Peter, that is great.

Proceedings suspended from 12.33 p.m. to 2.00 p.m.

HARBISON, Mr Damien James, Manager, McAuley Employment and Training, Mercy Community Services

MORRIS, Mrs Charlotte Lucy, Director, Community and Family Services, Mercy Community Services

CHAIR—Welcome to the public hearing of the inquiry into mature age unemployed people. Would you like to give us a precis of your submission.

Mrs Morris—Thank you very much. What we thought we would do is share the reading of a brief statement to start with: Mercy Community Services is sponsored by the Sisters of Mercy to address specific social and welfare needs of people. It seeks to empower people through a range of quality services, to restore to them a sense of worth and dignity, together with the capacity to reach their potential and provide the opportunities for them to demonstrate this. Our employment service, McAuley Employment and Training, which operates in the northern suburbs at the moment, strives to meet the employment needs and aspirations of that community. We feel very strongly that the individual experience of being in a state of unemployment, for themselves, their families and communities, both marginalises and disempowers the people and sows the seeds of their potential despair.

McAuley Employment and Training deals specifically with the issue of unemployment. It has a goal of placing people successfully into jobs they will be able to keep, thereby assisting their families, the individuals themselves, communities and businesses alike. Mercy Community Services, however, as an organisation sees the impact of unemployment through its range of other services. These include our family services, which provide long-term residential care for children taken into care because of issues of poverty, neglect and abuse; our youth services with accommodation for homeless young people; community support, together with counselling services, for families where conflict is occurring with their teenagers; our child day care services with supervised access specifically for children of separated parents; and a significant volunteer program—there are all these as well as our services to the unemployed.

In all these areas of work we see the impact of unemployment on individuals, their families and communities. The human cost can and does seem incalculable. This has been referred to briefly in our submission. I would like to take this opportunity to stress that therefore it is not only in our McAuley Employment and Training service area that we deal with unemployment. The realities of its existence create issues for our staff to work through with individuals across the agency in most aspects of our service. On a positive note, the fact that there are services designed specifically to find work and assist people into employment with the Job Network is, for us, a plus. It provides for us another opportunity to work within our mission to assist people.

For the over-45s who are out of work and seeking to return to employment, our services have to be and are tailored specifically to meet their needs. Their issues are challenging and can be seen as unresolvable within the employment service context because their unemployment status generates reactions from them such as alcoholism, abuse, domestic violence, family breakdowns, relationship problems, depression and suicide, and these cannot be worked through solely within the employment context. The capacity to assist within a

single agency is, therefore, a real advantage for us as we can access services and resources within our services that ensure that our service can be as holistic as possible.

There is also a real loss of skills, expertise, knowledge and opportunities to make a contribution to the work force, the economy, the community, the family and themselves for these individuals while they are unemployed. The quality of the support given through training, reskilling, work experience, volunteering, marketing of their skills, job matching and job search is critical in the overall drive to place people successfully into employment. The opportunity for Mercy Community Services, through McAuley Employment and Training, to discuss these issues is very much welcomed. Our stories and our contribution through our submission reflect our first-hand experiences in this area of work. Our stories are about the human aspects of this issue.

Mr Harbison—The following information is based on my own observations, discussions, readings and opinions. It should not be interpreted as anything more than that. I am the manager of the Mirrabooka office of McAuley Employment and Training. We are part of the Mercy Community Services group, as Lucy stated, and are part of the new Commonwealth government Job Network providers. McAuley Employment and Training currently assists over 1,200 long-term unemployed people at any one time. Over 300 of these are on an ongoing basis at the Mirrabooka office, which is helping them with their employment and training needs. The majority of these people are either long-term unemployed or from non-English speaking backgrounds.

My slant on the current discussion regarding issues specific to workers over the age of 45 years concerns the non-English speaking background clients who are currently accessing our services. As an increasing number of our clientele are over 45, I have made a number of mental notes whilst interviewing people concerning the difficulties and barriers they themselves perceive they have in finding employment or new employment. My observations are as follows.

Firstly, a number of people have advised me that they have resigned, been retrenched or made redundant from their previous employer with whom they spent a number of loyal years, often spending several years in the same large department or work group with little variation to their daily routine. The changing economic climate, outsourcing of services and the bringing in of private contractors have meant that their position, duties and expertise are no longer required by their employer. They move into unemployment and start looking for work, feeling vulnerable, insecure and like failures. They feel they are victims of a system that they do not understand. Often these feelings of bitterness, anger and lack of understanding of the process they have been involved in raise their heads approximately 10 minutes into interviews with our employment consultants. We regularly see workers with specialised skills that are no longer relevant or applicable to the changing face of business. People have been politely told ‘no’ at job interviews after disclosing their age, despite being more than suitably qualified.

In my visits with employers whilst marketing clients’ skills and expertise, this question of age is always asked of me. I ask them, ‘Why is it an issue?’ Employers have revealed a number of explanations ranging from, ‘These individuals in this age group are too inflexible’ and ‘They cannot be trained’ to ‘They find it to hard to readjust to a belief that they are not

a viable long-term investment because they will not be around long enough.' In addition, some employers have advised me not to send or recommend any ex-government Public Service workers because they come with too many bad work habits.

Many clients who have been retrenched or made redundant do not rate their chances of obtaining another comparable job—or, indeed any other job—as being very high. They are facing their work search already depressed and with a sense of failure. My awareness of this issue was greatly increased early in the year when Ms Ming Yeu, an Edith Cowan University School of Psychology masters student approached me to assist her with her thesis. The hypothesis for her study was that male subjects aged 40 to 55 who have been unemployed for six months or more do experience more severe levels of depression, anxiety and stress as compared with employed males from the same age range.

Ms Yeu is still completing her study but the initial study results and statistics indicate that unemployed men in to 40 to 55 age group do experience more severe levels of depression, anxiety and stress as a direct consequence of their unemployment. Other studies done in Australia by N.T. Feather in 1989 and Broomhall and Winefield in 1990 indicate that the levels of distress caused to this age group by unemployment are quite significant. This is particularly evident if there is little relevant social support and networking available to them and no form of structure and routine regularly adhered to.

After speaking with people from non-English speaking backgrounds, I found that it is fairly regular that a significant number of them had emigrated here a number of years ago and, due to necessity, went straight into manual labour jobs, despite having been suitably qualified in their countries of origin as skilled workers. This has meant that 10, 15 or 20 years on, once their bodies had trouble coping with the physical demands of the manual nature of the work and as they were not as fast as they used to be, they were finding it difficult to find work. Of course, their capacity to return to their original skilled work was non-existent anyway.

In addition, many had not had the time to do English classes; they were busy trying to keep themselves in work and support their families. They spoke very little English, which not only isolated them further from the employment market but was also isolating them from their younger relatives and grandchildren who spoke English most of the time. One client advised me his grandchildren described him as 'the funny old man who sits by himself in the corner'. An inability to read English makes travel using public transport even more difficult, further compounding the isolation felt by a number of these people. All of the studies I have looked at in some way indicate that a social structure and goal-directed activities, in particular volunteer work, significantly reduce the levels of depression, anxiety and stress and increase quality of life. Thus, from my point of view, it was and is necessary to implement some changes in the way we work with people in the over-45 age group.

Some excellent government initiatives involving Centrelink, Perth TAFE systems and other departments to provide literacy and numeracy classes to people have helped immeasurably. Not only do they appear to be effective, they also offer a constructive social outlet for a number of people who did not have one before. More resources in this direction would be helpful. Having overseas qualifications recognised and courses that provide bridging to Australian qualifications needs to be encouraged and to be readily accessible.

Often the option of setting up businesses with people from this age group is a real possibility, as this offers a real boost to their self-esteem. If they do not mind putting in the hard work, success is definitely achievable. Often it is just a matter of resourcing the right organisations, encouraging and facilitating the process. Relevant training is often a good motivator and stepping stone. For example, a good bookkeeper with specialist skills will often benefit from and become more marketable in the workplace, given MYOB accounts training.

Finally, I believe the over-45s have a significant role to play as mentors, volunteers and even in Work for the Dole programs, undertaking specific roles within those programs, offering not only experience and expertise where it is needed but giving a quality of life essential to physical and mental wellbeing.

CHAIR—Thanks very much, Damien. Firstly, what are the practical problems that you have in getting people in this age group to accept that volunteering might be a good thing to do? Then how do you actually match them with the things they are going to do? Obviously there are extraneous costs involved too. How do they deal with that?

Mr Harbison—I guess initially there are costs but there are placements which are accessible with regard to costs where we can put people for volunteer work. Finding something that is comparable to their former work situations which does not mean, in their minds, a step down from what they were doing often needs to be looked at so that they are moving into something where they feel they really are going to be able to contribute. We should not just be finding something and saying, 'Would you mind going and doing that for us, please?' It really needs to be something they can get their teeth into and that they can feel proud of. They need to get a result at the end of the day and be able to come home and say, 'This is the work we've achieved and this is really making a difference.' Placing people into situations where they are plonked down into a set-up and told, 'This is what you have to do because you've been asked to do this, otherwise we'll cut your payments off,' makes it difficult because they cannot see any goal at the end of it. They are just filling in time and I guess they say, 'If I'm going to fill in time, I might as well sit at home and do it.'

CHAIR—Do you find it easier to place people who have been in volunteer activities?

Mr Harbison—Me personally? Very much so. Just as an example, we placed a gentleman who spoke very little English and who was from a Spanish speaking background, a South American refugee. He loved gardening. We placed him with a horticulturalist out at Mercy Community Services at the centre there. Not only did we do that but we also looked at placing him in English and literature classes so his English started to improve, as did his general outlook on being able to work. Now he has gone from there and has been placed into a position as a gardener—albeit only a part-time one. He has been placed and is enjoying it immensely, whereas when he first came in, unemployed for seven years—

Mr SAWFORD—Outside your organisation?

Mr Harbison—Yes, outside of the organisation. He has been placed now. He was out of work for approximately seven years after having an injury as a cleaner.

Mrs Morris—We have a significant volunteer program at Mercy Community Services. We have over 100 people coming in on a regular basis volunteering. Part of the problems that we face with having people come in to volunteer is we try and find places for all of them, we try and make the work relevant, as Damien has said, but there are issues about them being able to maintain a standard of living if they are the breadwinner and they are managing on benefits.

Sometimes that is a struggle—getting into Mercy Community Services or getting out to other places where they can do the volunteer work; the work itself being credible and viable and not being seen as a stopgap; the issues around the volunteer work itself not taking the place of paid employment and justice and equity issues around that. Being able to match people up with their skills, volunteering also requires significant placing of people into programs for volunteering. It requires good practice policies and procedures to protect the volunteers and again making sure that, when you place them into an organisation that is taking them as a volunteer, those particular things need to be in place.

CHAIR—What about matching people who either are going through or have been through the whole business of career transition in this age group and/or the mentoring concept for people who are in the workplace but are probably going to lose their job? Have you got any thoughts on either of those concepts?

Mrs Morris—'Mentoring' has some fairly positive connotations for people. They see it as a word that gives them status and credibility and is a benefit to them. The difficulty very often is the capacity to keep it and maintain it. It is the capacity to make it relevant to the person that they are mentoring. Very often people that have been through this process have themselves still got big issues to work through around depression—that sense of failure and low self-esteem—and you have to be very careful about the matching process. There are significant personal human emotions that are sitting around and you need to be careful what it is that you are mentoring. As a concept, I think it is a really good one and mentoring does not necessarily have to be a workplace thing. It can be other things that can be mentored, if you are not too rigid about the definition.

CHAIR—A thematic issue that is put to us is early intervention, of course, which relates to the whole redundancy and dismissal process. Employers, large and small, reach a point where, for whatever reason, they decide they are going to part company with the employee. Ideally it would be nice if agencies could get involved at that point rather than perhaps further down the line. Have you given any thought to how that might work or could work? It could not work in all circumstances.

Mrs Morris—If I can talk to it from an organisational thing and then perhaps Damien from the—

CHAIR—Would it help, for example, if ABC Co. rang you and said, 'Look, we've got five employees we're going to have to lose. We'd like you to help us through this process.' Would that be something you would find useful?

Mrs Morris—I think so. From our perspective, I would see this as very much good practice, if I can use that language. For Mercy it is a sense of mission that goes beyond

doing the basic, which is laying somebody off and making sure that they get their entitlements and going through a proper process but actually getting to the point where you are caring for the person after they leave the organisation. You are creating a pathway for them to follow through on, even though you are no longer responsible for them. If an organisation like Mercy, or through McAuley Employment and Training, can then be triggered at that point to pick up those people to work with them, I think it would be really good.

Mr Harbison—Just from my own point of view, yes, with any intervention really, the sooner you get in there and you can make a difference or you can step in the sooner you are going to have a result. It has been fairly clear that, if we can get someone as soon as we can, the chances of them getting placed successfully increases considerably. A big problem that I notice with people coming in to talk to me, especially those people that have been through the long drawn-out redundancy process where their jobs are not available and the old redeployment thing where they have been shifted from pillar to post within an organisation or a business or a government department, is that it is really quite soul destroying.

By the time they get to us, it often takes three or four interviews before you can really get past the issues that they need to get off their chests, because nobody has actually taken the chance to sit down and listen to them, and start doing some work with them. So you are really spending a lot of time that could have been avoided if, like you said, someone had stepped in at a particular time and said, 'Look, we've got this number of people that we just can't keep on any more. We need to look at redundancy or retrenchment. Can you help us to place these people somewhere else or look at other options for them?' If that had been done in a number of cases, you would not have a lot of people that are very bitter and with just a lack of understanding. You can see the look when you are talking to them. They just do not comprehend what has happened to them. They cannot put the connection between, 'I've given 20 years of my life to this company where I've worked so hard,' to see that go in a matter of six months because it has disappeared. I do not know how you tell someone that, 'I'm going to make it all better,' in three interviews and that sort of thing. It cannot be done, so you let people have their say and then you work from there and you try and take the next step.

Mrs Morris—Coming in straightaway, after somebody has been made redundant or has become unemployed for whatever reason, at that age group the more time you have the better and the quicker you can get in the better.

Mr Harbison—It makes a difference.

Mr SAWFORD—There are two focuses, aren't there? Basically there are the support services for the individual and then there is the other outcome in terms of job placements, whatever. Let us go back to the first one. Intrinsically that is important, but do you find that is valued in terms of funding—that support service that is individual—or do you get no recognition for it?

Mrs Morris—No, it is not valued. It is a significant aspect of the work that we build in just because of the nature of our organisation as a church based Christian organisation. Being

present for the individual, as they walk through their particular journey, is really important and the supports that we can draw on we give. That is what we are there for whether we are funded or not. The people with whom we work, the individuals and their families, value that service. I am not sure that it is valued or identified elsewhere. At a personal level it is, you know, but not economically or in a commercial reality where—

Mr SAWFORD—Have you tried to quantify some of those things that your organisation has done?

Mrs Morris—We pick it up in particular ways. For example, when we provide support for clients that need assistance—and up-front we call it client support services and most people would expect us to spend the money on providing a training course or something practical like that—but in addition it goes on. If somebody has got employment issues, they have lost their house because they cannot pay the bills and they cannot get money to put a bond down for a Homeswest house, surely the first step to do is to sort out their housing status. You give them money to pay the bills. If they have problems with access to their kids through supervised access and they cannot pay the fee for access because they are not in employment and their benefits are not enough, pay them for access payments—that is one less thing that gets sorted out.

It is part of what I was saying at the start around Mercy being able to have that holistic approach which allows us to pick up the whole. I think it is why McAuley Employment is able to make that difference because it is part of a bigger picture. Those resources are there which may not necessarily be as overt with single stand-alone employment agencies.

CHAIR—We have certainly seen individuals through the course of our inquiry who, I would say, have had access to the right kinds of services, but the emotional and psychological state of these people is such that they certainly have not had pastoral care.

Mrs Morris—I think it is critical—part of getting people back on to the road to improving their self-esteem and actually working out what, for them, would be a successful outcome, because full employment in their old job may not be what they come to see as successful. It may be part-time.

Ms GAMBARO—Thank you very much for that. In your submission you mentioned retrenched job seekers were often told to hang on to their superannuation and redundancy payments and claim unemployment benefits up-front rather than eat into their savings.. Can you just expand on that a little bit?

Mrs Morris—That was an experience that came from one of our other officers in the northern suburbs of Perth where they had come across a number of clients who had been given that advice. I cannot be more clear than that.

Ms GAMBARO—So based on government policy, et cetera, they were given the advice that it was better off for them to continue on that way?

Mrs Morris—Yes.

CHAIR—Just on that point that Teresa is raising there, the government in 1996, as part of the fiscal consolidation program, said, 'Right, you've got to draw down on your super over the age of 55 before you can register with Centrelink or get social security' or whatever it was? What is the practical effect of that? Can you explain it to me? Do you deal with this phenomenon? Say someone who is 56 years of age has just lost their job but they have got, say, $300,000 or $400,000 or whatever in their superannuation and the law now says they cannot access social security benefits until they have drawn down on that super. You guys were getting into us about it at the time.

Mr SAWFORD—It means that they use all that money up and then go on the pension system, which is a long-term financial commitment or unfunded financial commitment down the track that is someone else's problem.

CHAIR—The basic logic obviously is: why should we be paying social security benefits to somebody that has got $300,000 or $400,000 in investments when all these people need to be looked after, that we struggle to look after anyway? That is the logic, but one would have to ask, as Rod says, if they draw down on that at that point, then they get back into the work force for maybe five years, then they have to spend the rest of their life on the age pension. From your point of view, is it not an issue? Do you have people saying to you, 'This is outrageous. The reason you have not heard of me for the last 18 months is I've been unemployed but I've had to live on my super because of government policy?' Have you struck any of that?

Mrs Morris—Some of it. The manager of our Joondalup and Hillarys office is getting people that go through the whole range of those emotions from, 'Why on earth should I be using up this money that I've got and accessing that when all I want to do is get work and I shouldn't have to use my super up for this, that and the other' to resentment, anger, lack of understanding about the processes and reasons and the whole illogicality from their perspective of the way it is going.

Mr Harbison—It comes back to the fact that if you can get to people when they have left their jobs, these sorts of processes that are in place prevent people from accessing any sort of assistance that may be—if they have come out of a position where there might be an option for them after a number of months of being out of work to go into something completely different, a private business opportunity, whatever—we could have assisted them with, but legislation says they have got to wait certain periods of time and they are into their super. By the time they get to us they are saying, 'Why didn't I see you guys 12 months ago? Why wasn't I able to access these services? What is the point 12 months down the track, or 18 months down the track, or two years down the track and me coming to see you now?' If I had got them straight out of work, or even if their work—like you said—had said, 'If we can put you through and refer you to this agency they may be able to help you with some options with regard to what you can do.'

Mr SAWFORD—Similar events also happen when someone has been injured seriously at work—it has taken seven or eight years for a compensation payout to be made and then they are excluded. There is something intrinsically wrong with that, like the period of two years they are excluded. So they have suffered severe injury, they may be partially

rehabilitated and then over that period of two years they basically do in all their money so they finish up worse off than when they—

Mr Harbison—And most people do not realise that when they are getting themselves into it—they do not know the reality. Often you get people who are bitter because of the system and really, often, they do get poor advice. They are instructed by different people. As you know, legislation changes, things change through parliament and the layman on the street does not understand what is going on. He just knows he has to wait this amount of time to receive a service and it does not make sense.

Mr SAWFORD—It certainly is a consistent message. I do not know what Teresa and Brendan find in their office but the people coming in have received very poor advice and you know they are not making it up.

CHAIR—If any.

Mr SAWFORD—And it is sometimes from people such as government agencies and sometimes private agencies like your own—but the advice has been wrong.

Ms GAMBARO—I find that, too. There is a problem about the information and the training provided—and I am not singling out Centrelink here—and most of our work as MPs is correcting errors or poor advice. It just takes a phone call to fix it up, but by that time the person who has come to you is very aggrieved and very emotionally distraught.

Mrs Morris—I think the volume of information coming through is immense and working in the field and trying to keep pace with the amount of change in information coming through is quite extraordinary.

Ms GAMBARO—I can understand that, too.

Mrs Morris—It feels a bit like a roller-coaster at times. If people are making mistakes in the information they are passing out very often you do not know what you do not know.

Ms GAMBARO—That is probably right.

Mrs Morris—And you do not pick it up until it becomes obvious to somebody because it has become big enough and obvious enough to be corrected.

Ms GAMBARO—Some of the problems are with FLEX 2 and FLEX 3—the time period people have to wait to access it. Would you recommend any changes there to time frames? Should they be able to access those services a lot sooner?

Mrs Morris—Yes, I think they should. Speaking at a personal level I do not think people should have to wait 12 months to be considered long-term unemployed. In people's minds they are long-term unemployed when they have been out of work two months or three months.

Ms GAMBARO—Yes, that is a very good point.

CHAIR—There is a basic logic here, too, because the long-term unemployment rate of course is higher in this age group. So we could certainly put an argument to the government that on that basis that they qualify maybe after six months. At least that would be an improvement. Then you have these other poor bastards who are too ashamed to register and all this sort of thing, living on their resources. When they finally get desperate enough to get some help they have to wait to qualify.

Mrs Morris—And it is this age group which very often is contemplating for the first time changing careers. When they left school, whatever stage they left the education system, they expected to be in that job and doing that particular area of activity for the rest of their working lives. So at this age not only have they lost their jobs but they are now having to contemplate changing careers, changing activities, needing to be reskilled, loss of status, loss of pay. They have family commitments and there is an extraordinary process happening here with people in this age group who are not youth and they are not senior. They have kids to look after and they have aged parents to look after. They have a double whammy. They are the meat in the sandwich. It is really hard to leave them for 12 months sitting in that space of unemployment. The opportunities of unemployment are increasing with more frequency.

Ms GAMBARO—Lucy, have Mercy Community Services done anything to change the attitude of employers? We have heard from a number of people who have provided submissions and also in your submission about attitudes. I think the Western Australian department who saw us earlier today mentioned some sort of best practice award to be introduced to promote mature age employment and lifelong learning practices. What are your thoughts on that? This is as much about employer attitudes as about a lot of the social factors you have spoken about as well.

Mrs Morris—I think it is being handled at a very fundamental level with our employment consultants and with the managers of our employment offices, who go out almost on a daily basis. Their task is employer servicing. Their task is to sell our clients to employers to make them want to put people on in the vacancies they have identified. That matching of unemployed person or job seeker with the employer is absolutely critical. It is at that basic level, which Damien referred to earlier on, where you talk to the employer about the job seeker you are trying to put into employment to persuade them to take them on, that their fears and their concerns cannot be substantiated.

Part of the process we go through for our quality standards and our employer servicing is to make sure that once we have placed a job seeker in a position we continue to support them. That is part of the Job Network service we are funded for. But that, in and of itself, should be making a difference. If you place somebody in employment in this age group that has significant barriers, you have good work practices which support them and maintain them in their employment and you continue to connect with the employer during this process for the six months while you have this connection with them, if you have a successful placement the employer then comes back to you and says, ‘Way to go, that worked. It was okay. I’ll take another one.’ That is our experience. But I think there should be other activity happening at a different level.

Ms GAMBARO—Federal governments have become involved with affirmative action. There is a program at the moment for disability services encouraging employers to use the services of disabled people.

Mrs Morris—I think these should be an equivalent for that age group.

Ms GAMBARO—Could you see a place for government there? You have listed some impediments to people getting work from an employer perspective and they are things such as their likelihood of injury, the likelihood of needing more skilling, et cetera—employer perspectives of people over the age of 45. What is the overwhelming reason employers give you when you are trying to place mature age people? Is it all of those? Is there one that is more predominant than others?

Mr Harbison—Inflexibility.

Ms GAMBARO—Inflexibility. So mature age people are seen to be inflexible and they stereotype them into inflexibility.

Mr Harbison—Yes. There are many stereotypes. Every day you go out there, when you are working with people you are knocking down the stereotypes as soon as you walk through the door. Whether it be race issues, whether it be age issues or whatever, there is always something as soon as you walk in the door—straight up you can see that. They are always asking, 'How old is this person?' when looking through the resume. I do not put it on if they are over 45. I will not put the age on. I will say, 'Why do you want to know that?' They will say something and I will say, 'How old are you?' Generally most people running these companies are in their mid- to late 50s, early 60s anyway. I say, 'You are obviously very capable.' They say, 'Yes, but they have to do this and that.' I say, 'The guy I have particularly for you is probably fitter than I am and can run like a mallee bull,' and this sort of thing. As soon as you go in they say, 'But I don't want to have to train someone. It's too hard to train someone that age to work in with the way I want to work'—I guess it is that inflexibility—'and this person is not like a young person that I will be able to tell yes and no and "You are going to do this."'

Ms GAMBARO—Is it that more than anything? Is it a position of authority, that they will not be able to manage an older person?

Mr Harbison—Yes.

Ms GAMBARO—Their style of management might be authoritarian, for example.

Mr Harbison—Yes, I guess I am answering my own questions as I go along here. People from that particular age group often, when they are dealing with people from that particular age group as well, find it is an interesting sort of scenario. It is a very awkward situation for them. I think they feel very uncomfortable having to tell someone who they see as a peer, in a position where maybe they have come from something else and they think, 'Well, this guy has done this and this.'

I have been through it myself. I recently received a resume from DOME which I was speaking to Lucy about before. It was from a gentlemen who was, when I first started in the employment industry, seen as a guru of the particular work he was doing within the industry. I recently received his resume on my desk for a position within my office and I thought, 'That's awfully bizarre. He should be running an employment organisation or something of similar ilk.' It is just those sorts of things where I guess people say, 'This guy should be running BHP, not working for me as a storeman.'

Just looking at it from the notion that 'this guy is too good to be doing this' they build up all those stereotypes again, plus the inflexibility and the uncomfortableness of having to deal with that person. Maybe they feel ashamed or they feel sorry for them and it is just easier for them to say, 'No, I'll take a younger person or I'll take someone else,' rather than having to deal with those issues—or 'This could be me.'

Ms GAMBARO—I was going to ask you that. Do you think a lot of that is because you are dealing with usually older, more mature men who have difficulties with—sorry, I am being a bit generalist here—emotional issues themselves and saying, 'This could be me.'

Mr Harbison—Yes.

Ms GAMBARO—A baby boomer giving another baby boomer direction is a bit of a problem.

Mr Harbison—Yes, that is right. 'There but for the grace of God go I' sort of thing.

Ms GAMBARO—It is a reminder of their own—

Mr Harbison—Of their own situation. 'If I hadn't bought this extra thing or if I hadn't done this, I could be asking someone on the other side of the desk, "Can I have a job in this storeman position?"' So it is very close to home.

Ms GAMBARO—It is a very interesting perception you have there. I think a lot of that goes on.

Mr SAWFORD—I have a similar but more hard-edged perception about employer perspectives. We are increasingly becoming a community that cannot be honest with each other. You mentioned words like 'awkward' and 'uncomfortable.' I think that is true, but I also think it goes a lot further than that. I think it is called 'personal dishonesty'. It is something you see in the 30-somethings of the world. I do not know whether you are in the 30-somethings of the world but people do not confront issues any more. It is much easier to say, 'Look, you are overqualified' instead of being really honest and saying, 'You are not suitable.' That is the real message, 'You are not suitable for this position.' No-one wants to be so unkind as to say that in such a hard-edged way but they do not have a positive way of framing that by simply giving them some feedback and saying, 'Look, you're not really suitable in terms of this position and if you were to be suitable you would need to do these sorts of things.' No-one does that.

Mrs Morris—I am not sure about that.

Mr SAWFORD—I am.

Mrs Morris—The suitableness very much boils down to—if you then unpack that particular word—the fact that their suitability is then based on their age, their qualifications, their skill, the fact that they may have been unemployed for a long time and you do not want to take a risk with them as an employer, the fact that you think they are overqualified or whatever. Your use of the word 'suitable' I think could be seen as quite discriminatory, if you unpacked that.

Mr SAWFORD—It is discriminatory. I said it quite deliberately.

Mrs Morris—That is why I think people do wrap the words up and they hedge around. But to be confronting about it I think would not help the situation either.

Mr SAWFORD—I have heard employers say that they write references for people. They are quite positive. They do not say a great deal but they are quite positive. They say to you privately that they would not employ this person if they were the last person on earth, yet they write positive references for them. These are highly skilled people in education, medicine, health and a whole range of businesses. They tell you these things, particularly when you have had a few of the red stuff late on a Saturday night at a dinner party. You know they are doing this because you know people in your own profession were doing it.

Mrs Morris—Again that goes back to a different issue. That is around people not having really good recruiting practices and people that are doing the recruiting not checking up on references, not having thorough processes to check the person fits with the organisation and the team that you bring them in on. You can be quite clear with people when you employ them, or do not employ them, saying for example, 'I think to work in an organisation that has got a very clear mission you would find a burden.' So that people actually self-select out of particular jobs and positions because they know they will not fit because you have had a good recruitment process. I get very upset and quite frustrated when you hear stories like the one that you have just said because I think that is dishonest.

Mr SAWFORD—I hear lots of them and I hear more of them now than I did say 10 years ago. I think it is part of our society not to be personally honest. We try to be kind to each other and actually we are being cruel in terms of not giving honest feedback to people. Anyway, I do not want to get into that. You mentioned another thing, and these are two unconnected things. Regarding the cash economy which seems to be growing in particular areas—maybe it is not but in mine it is certainly very apparent—what evidence do you have that that is in fact growing and people are finding alternative ways of dealing with unemployment through just doing cash jobs? Do you get a lot of evidence of this or do people feed it back to you?

Mrs Morris—One of the ways that we pick it up is when we do—for example, we run a rolling job club, and when our job seekers come in and we give them Job Search training, et cetera, we require them to attend on a regular basis. They struggle to come in at a regular time on a regular day and then they self-select out because they have actually got another job.

Mr Harbison—We generally find that that is the best practice with regard to people that are doing cash work. When they are expected to turn up on a Monday, Tuesday and Wednesday for almost a full day, generally we find that they pull out.

Mr SAWFORD—That is the evidence of people in my area too. You cannot get them on certain days of the week and that generally indicates that that is occurring. Is that increasing?

Mrs Morris—I have a sense—and it is more anecdotal than substantiated—and I pick it up through stuff that we are doing through child day care, through family services and new services.

Mr SAWFORD—Through the support stuff you mean.

Mrs Morris—Through the support stuff we pick it up. I do not know whether you pick it up in any other area, Damien?

Mr Harbison—Generally I find that I have a fairly good rapport with most of the clients that I deal with and the consultants that we have are generally pretty good. Often if the Job Search training aspect with regard to getting them to come in does not flush people out, then generally I find people are quite open with me and often they will say, 'Look, I'm doing a bit of this over here just for a little bit extra' and that sort of thing. I say, 'Are you declaring that?' and they will say, 'Some of it' and I say, 'Well, you need to declare all of it. Make sure you do that. You have told me now and I have to record it' and that sort of thing.

Generally I find that in a number of different communities too there is a lot of encouragement in some cases where you can earn a lot of money cashwise by just going and working for someone in particular and you will get paid cash and then still collect. But at the same time, with the hours that we expect people to come in, we generally find that that approach means they are not going to hand a form in because they find that they are not going to jeopardise that cash payment and they will go off benefits, or that they will stop that work and start looking for taxed work where they will be paying tax.

Mr SAWFORD—I am not being judgmental about this because if you have got to pay in some of those poverty traps 87 cents in the dollar taxation, no-one pays that—not even the richest man in the world pays that. So I am not making judgments about that. There are actually incentives for people to be dishonest.

Mrs Morris—Yes, and I think people struggling in that bracket, where they have got commitments with children and aged parents and family stuff, take on a number of casual jobs and stack them up in order to bring the money in. As Damien says, they will declare some and not declare others, and I have a sense that that is increasing, simply because it is getting tighter and harder to get to that critical mass where it is actually a positive benefit to come clean and get a proper job. The proper jobs are not there, and you have got to have an awfully big incentive for them to take that risk for their family.

Mr SAWFORD—Just on the strategies or solutions in terms of mature age employment, there only seems to be the two that come up—and you have mentioned them on page 3 of your submission—in terms of on-the-job training and so on, and incentives for employers to hire older workers. When you have a look at the total labour market of 700,000 people

unemployed, 700,000 underemployed, 700,000 hidden unemployed, and 70,000 advertised job vacancies, the equation is depressing. Many of the people who are involved in this are not dumb people. These people have been around, they are very smart people, and they are saying, 'Training for what?' They know what the reality is.

When you are saying, 'We'll give employers a subsidy' for example, we all know that that is just substitution. You substitute one group of unemployed for another group. In other words, the overall problem is simply not addressed. I do not know how you feel—you probably get more frustrated because you deal with it every day and we are dealing with it as part of a range of portfolios. But isn't that reality depressing?

Mrs Morris—Yes, it is depressing and I think it is simplistic to expect that there will be one single answer. I would suggest there has got to be a range of solutions that include volunteering; that include bringing forward the capacity for people to access support and not just looking at getting into full employment as the single one objective; that there have to be other solutions within the definition of employment that are deemed acceptable. We have got to do an education process which is like the affirmative action thing. We have to try to find ways of providing social supports and we have actually got to change, in my mind, the way society and we as individuals actually see people who are unemployed and how we validate that. Instead of calling them unemployed and therefore blaming them and them seeing themselves as victims, and that somehow it is their fault, turn their experience of unemployment into a positive exercise so that people can make choices about how they want to live their lives and the contribution that they want to make, and opening up those opportunities for them rather than being purist and very narrow.

Mr SAWFORD—This is in the second paragraph of your submission. I think you are right.

Mrs Morris—I think agencies like ours which have the capacity to see the bigger picture make a difference.

CHAIR—Thank you very much. I could not agree with you more in relation to those last few remarks. So thank you very much for coming along. We appreciate the effort that you put into it, and if there are any supplementary remarks would you please send them along to us and we would be happy to receive them.

Mr Harbison—With regard to the study that the Edith Cowan University student is doing, I would like her, when she has finished her study, to send it through to someone if possible.

CHAIR—Yes. The Executive Editor of the British Medical Journal, Dr Richard Smith, on 30 June 1991 said, 'The evidence that unemployment kills, particularly the middle-aged, now verges on the irrefutable.' That was after 20 years of longitudinal research in the UK. There is every evidence to suggest that it is no different here. The Institute of Health and Welfare are coming to talk to us about the research that they have been doing as well. A lot of it relates to the whole fact that if you do work for which you are not paid in this country you are considered to be of no value. Thanks very much.

[2.54 p.m.]

MURRAY, Ms Wendy Joy, Acting Executive Director, and Director, Planning Policy and Research, Office of Seniors Interests

CHAIR—Welcome, Ms Murray. If you can give a precis of your summary and we will then discuss it.

Ms Murray—In terms of the Office of Seniors Interests in this area, we are working from the perspective of the ageing population and the importance of employment as critical to positive and beneficial ageing. So we are looking at the shift in the population, or the shift in the demographic picture, from a largely young culture to an ageing culture where the distribution of people in the work force will be relatively even from age 20 through to age 70 or 80 in the next 20 years, assuming no excessive age discrimination in the workplace. From that position we would like to be advocating strongly for greater employment and for strategies to reduce unemployment of older workers.

We are looking at the evidence of age discrimination. We are looking at the features of the labour market and where you might go with older workers. We are looking at revising life stage approaches to career planning. We are looking at the benefits to government of maintaining high levels of employment, particularly among older workers, the benefits to employers of proactively seeking older workers, and the benefits to individuals.

I have some suggestions in the area of using small business to reduce mature unemployment and some suggested areas of action. The submission that we have put into the inquiry was very brief and I have subsequently prepared a slightly longer set of notes, which I can give you if the committee would like them.

CHAIR—Yes, thank you.

Ms Murray—The longer set of notes is largely what I will be speaking to. Should I speak at more length on any of those points?

CHAIR—That is up to you—as long as you can get across to us the things that you think are important.

Ms Murray—In that case I will speak a bit more. I mentioned the ageing population. Really it is the shift to 30- to 70-year-olds—30- to 40-year-olds, 40- to 50-year-olds, 50- to 60-year-olds and 60- to 70-year-olds in the next 10 years will become similar sized segments of the population, which is a new phenomenon as the baby boomers age. Previously we have had a predominance of young people represented in the population and also young people as entrants to the labour market, so we now have a situation where we no longer have young people as being the most numerous entrants to the labour market. We actually have a situation of older people being the most numerous entrants to the labour market as a result of women returning to the work force or people becoming unemployed and then trying to re-enter. It is not so much re-entering the labour market but re-entering employment.

This shift, in an ideal scenario, would result in an even distribution of ages across the entire employment scenario, so in any occupation you would see people at all sorts of ages. However, the current existence of age discrimination makes us suggest that we will have an

increasingly high proportion of people over 45, over 55 and over 60 represented amongst the unemployed. What we use as evidence of discrimination is the trend of long-term unemployment amongst people who have become unemployed after 45. They are more likely to become long-term unemployed—particularly over 55—and I am aware of practices for employment agencies to consider over 55-year-olds as not worth seeking employment for. So they are basically left to stay unemployed for the rest of their lives.

The introduction of early retirement is a two-edged sword. It can be used as a means of managing youth unemployment, so there is an issue there around whether in attempting to redress youth unemployment you are creating a discriminatory approach to older workers. The assumption of retirement at age 60 and 65, given the changing demographic, I would suggest is possibly going to be discriminatory. Of course, age discrimination is proscribed by legislation in all states and compulsory retirement has been removed by most states. The Commonwealth maintains compulsory retirement at age 65.

The attitudes to older workers is part of the evidence of discrimination against older workers, so attitudinal surveys—and these have been reported quite extensively—are that employers think that older workers are resistant to change and unwilling to change or retrain or cope with new technology or move around, whereas in fact the employers who have had direct experience with older workers find instead that older workers are very active, loyal, committed, willing to learn, willing to move and willing to change. Research in the banking industry shows that people over 50 are some of the most enthusiastic groups to acquire new PC skills and so on. That is specific to the banking industry.

The evidence is quite different from the attitudes. Where people have got actual evidence, they show older workers are valuable and useful and where it is just attitude it is quite negative. The skills that older workers are rated highly for are what you could argue as being the knowledge of how to work and it raises the question of whether or not older workers' knowledge of how to work is, in fact, transferable. There are some issues emerging there around training of older workers to re-enter the work force if they have been unemployed. Are their workplace skills, in fact, the right transferable skills? So knowing how to work, knowing how to be loyal, knowing how to turn up, knowing how to pace yourself in the workplace and so on are important skills, but are they the transferable skills? There is a question there.

In terms of the labour market, the argument is very much that we have an oversupply of labour, but there are many instances where there is an undersupply of specific skills and, with the ageing of the work force, the oversupply of labour will ease slightly, depending on many other issues, but the undersupply of specific skills will continue to increase because the demand for specific skilled labour is constantly increasing, and increasing ahead of apparently the ability of the training system to supply new skilled occupations.

The argument that we would like to make is that, if there is not a proactive effort made to retrain older workers into the high skilled, high demand areas, then the impact of an undersupply of specific skills will be worse. The effect in the economy will be pressure on wages growth. So we are looking at the excess labour pool declining, so that in around 2010 we will be looking at a labour force that may not be in fact surplus to requirement but with a constant growth in the need for new specific highly technical skills. With this movement, unless the older workers are brought into the new skills, we are anticipating a serious skills shortage that is unnecessary in fact.

There are some issues with the labour market being a supply and demand market, or being treated as a supply and demand market, in that the labour market also operates on historical factors, so there is a lot of cultural knowledge buried in the labour market and it works to hand down skills between generations. This works sometimes counter to the needs of the labour market. The labour market is, in effect, not as responsive, not as quickly responsive, as industry wants. The labour market is called unresponsive. The training system is called not fast enough to be responsive and there is a type of scapegoating going on which I believe is directed towards older workers. Older workers are identified as being the people unwilling to change, unwilling to retrain and so on, and so the rigidities in the labour market skilled area is partly being directed towards or blamed on the existence of older workers. Hence, you have employers wanting to move away from older workers because they have an image of the labour market being not responsive enough and older workers being the bulk of the not responsive group, whereas in fact that may not be the case.

We would make a big argument for funding of upgrading of skills in the labour market on the premise that occupation training is partly the responsibility of the individual but, given that there is no such thing as lifetime careers any more, the benefit to the individual—well, there is this strong benefit of individuals investing in a lifetime career but it is now appropriate to measure the cost of retraining against the cost of unemployment. I did hear your earlier comment about 'training for what' and I would certainly like to get to that point also.

Training needs to be linked to new occupations, emerging occupations. There is a lot of work around where the new occupations are. They are in communications, health, education, community services, finance, insurance, property retail, hospitality and cultural, recreation and personal services. They are all the occupations where there is growth. Where there is any employment of mature workers, it is in those areas. Where there is growth in employment for mature workers, it is in those areas. The loss of occupations are in fairly traditional blue-collar, trade oriented type occupations where you might find a high proportion of older workers.

It is not just an issue of upgrading skills. It is an issue of shifting people out of one occupation area completely into a totally new service oriented occupation area, whether it be finance or personal service or whatever. In this case, part of the issue is the job culture. You are not just teaching people new skills, and I referred to that before. People know how to work, people might know how to get on site, set up their tools, set up their equipment, know how to do what the boss tells them, but that might be a totally different ethos to the one that is required in the service industry where you are running around and the customer is always right and you have got to serve four glasses of water at once. It might be just a totally different culture that is required and, in retraining older workers, the focus on skills may not be the right focus. There may be a lot of work culture knowledge that is needed.

In terms of who we are educating or what we are educating towards, I believe there is still a fair existence of a career concept that people develop interest when they are young and they explore careers, establish careers, find a good status in their career and maintain it until they retire, and then do nothing. I think that is a traditional view of career development and we need to be promoting much more variable and many more stages in career development around the childhood interest and skills, but also specific skills and then expansion and then very proactive human resource policies to allow people to pull out of the work force somewhat to accommodate family commitments.

We would be very interested in phased retirement which might see a number of older workers pulling back on their hours and creating opportunity for re-employment for other people through pulling back hours at that point, but in the assumption that we are going to encourage people to work into their 70s or 80s if they are so fit, well and desiring. The trade-off in hours is over a longer period of time but also there should be opportunity for people to trade out of full-time, full-on work when they might be wanting to spend more time with their families. We need a more life cycle, full-life approach to distribution of hours worked over a lifetime.

The traditional view of career development has people working very long hours, usually from age 25 through to age 45, with resultant stress, health, withdrawal from the community support, community clubs and so on, that occurs. It is an uneven approach to work and we would be advocating for HR practices that allow people to pull out of those heavy demands of work midlife around family but also to extend the years that they work by reducing the hours that they work at different times in their lives. We are also anticipating a need for all forms of occupations to be aware of the global networks, and networking to be highlighted in any training or re-education or whatever. Networking with like industries or like organisations needs to be strengthened.

We would like to see more recognition of volunteer skills, more emphasis put on people participating in community organisations. It could be sporting, it could be Rotary, it could be Landcare, it could be Search and Rescue, it could be anything at all, but we would like to see recognition of that in terms of career values. People's employment practices need to recognise the community activities, either as specific skills that will enable them to take on more responsible positions perhaps or be more versatile, but also in terms of reducing hours. These are the sorts of recognition mechanisms of people's worth in the community, in addition to work, that should link into work, so people should expand their work opportunities by better recognition of their community work, and more emphasis through HR practices or work structures would help that.

Part-time options and short contracts also facilitate adjustment of working hours over your life, rather than compression of work hours into the middle part of your life. We would see support mechanisms for those coming from government, but also being promoted strongly through the private sector. The private sector would have a big role in that. Support for all of those types of things should be age independent, so it should not be linked to, 'You can gain recognition for community work because you scale back your hours because you've got a young family,' or whatever, from 30 to 40. We would like to see removal of all references to age. So if you have much older workers or, indeed, very young people who have got community work skills, they need to be recognised and incorporated.

In terms of the benefits of increasing mature employment, these are probably fairly well known—the productive capacity of the population, reduction of underutilised skills, flexibility in hours. Increased contribution to taxation revenue, national savings and consumer capacity are areas where you get revenue gains from increasing employment and they are areas where I would see increasing subsidisation of retraining and training. There needs to be some high-level financial accounting of the benefit to government in financial terms, including the reduction on dependence on the age pension. If you smooth out the end of the working life from an abrupt finish at around about 55 to 60—people going onto unemployment benefits and then the age pension until age 75—people will still be partially

self-funded through to age 75 or, indeed, fully self-funded if they are working even three days a week.

We see broad benefit to government in the health costs of ageing, because of the strong link between good health and activity in the community. We see the benefits to employers of retaining intellectual capital. We see a huge area there for promotion to employers, to the private sector, of the value of retaining intellectual capital and managing downsizing or restructuring whilst retaining intellectual capital or experienced workers through variable employment practices, rather than just assuming that everybody has to be full time and 45 hours a week, or whatever. So variability in employment is something that we would like to see promoted.

There should be a commensurate increase in the depth and breadth of skills to employees which employers might like to measure, but we see a real need to implement cultural change programs, to reduce ageism and age discrimination; so again, tackling the private sector and the HR practices and the career development people around ageism. That could be a responsibility of government as an advocacy role through the formal institutions, the public HR institutes. With respect to the promotion of leadership development programs in industry to deal with cultural change and workplace practices, I am sure you know the benefits to individuals: psychological, identity, ability to use skills appropriately, including mentoring and training of younger people, improved opportunities for change and growth for older people, improved health and so on.

I see that small business as an area of employment growth for older workers is part of your terms of reference here—establishing a business. Small business is the largest employer at the moment. It is the largest growth area of employment, at least in terms of employers, but it also has a disproportionate number of employers to employees. So small business, while it is a growth area, is also highly represented with employers. There are relatively few employees compared to large business. The approach of promoting small business as a source of employment for older workers needs some further consideration.

In particular, the consideration would be around the fact that small businesses fail and close in the first seven years. 'Close' does not necessarily mean 'fail'; some fail but some close. One of the reasons is the high time demand required for a small business which is a result of the many functions required to run a small business, from finance through to delivery and service and the whole bit. The profit margins are small, so there is no room to purchase expert service, and sole operators quite often have to cease trading in order to take a break. The result is a high level of stress or stress- related illness or closing the business. To succeed in small business, people need to be highly energetic, multiskilled, self-motivated, resistant to disappointment and rejection, and they need to possess competent financial skills. These are not skills that you find in unemployed people. In effect, successful small business operators and long-term unemployed are mutually exclusive categories practically, if you look at characteristics and skills.

What we would like to suggest is that, in looking at the mature unemployed entering small business, there needs to be a preliminary assessment of the capacity of the individual and the interests of the unemployed and the introduction of peer support. Unless the individual has some kind of character or interest assessment and very firm peer support, they will be in the 'likely to fail' category early on. It does not mean that you cannot train people to have those characteristics. There is a fair amount of motivation training, stress

management training, and management skills training going around. They are all private sector courses from the Australian Institute of Management or similar organisations, rather than the formal training system. The formal training system does not pick up motivation training particularly well, but I would suggest they are areas that could be picked up.

Dealing with unemployed people and particularly mature unemployed, tackling motivation, stress management, maintaining health and energy I think would be important components, but in particular if mature unemployed are being steered towards small business then networks need to be built. Therefore, the issue would be as much about networks as it is about specific skills. The reason I say that is research shows that small businesses tend to employ people through personal networks, not through the formal employment processes. They rely totally on personal networks and, unless you know someone, you do not get a job in most small businesses. So that is an issue for older workers who are quite likely to have good networks but not know how to use their networks and not know how to tackle new skills development in association with networks. So they are training areas.

We would put a lot of emphasis on awareness raising, public education, particularly for human resource professionals and career advisers on the issues of age discrimination—we see that as really important—changes to recruitment practices, removal of age as a factor in promotion, and financial planning assistance. We think government should take on a role of promoting employers who are good models of employers of older workers. We need to target information distribution to older workers by using the right media and the right networks. There should be awards for employers who have a good record of employing mature workers.

I have mentioned recognition of skills acquired while doing volunteer work and family-friendly work practice awards. I think there needs to be a review of the impact of superannuation policies on retirement decision making. The ideas around phased retirement or working fewer hours over many years rather than an abrupt cessation of work I think is impacted on at the individual decision level by our current superannuation policies, so we need to review how they impact on decision making. We need to support research and program development on the training needs of older workers who are moving from a disappearing employment area and hoping to re-emerge as an employee in an emerging employment area; more public awareness about the changing nature of employment and the changing nature of career development and specific support, and culturally appropriate support for older unemployed from culturally and linguistically diverse backgrounds, which is seen to be a major area of disadvantage or discrimination.

The health benefits and the personal benefits of contributing or making valuable contributions to the community, whether it is paid or unpaid, are probably assumed by anybody in the work force and not necessarily assumed by long-term unemployed. People who work assume that work is good for you and people who do not work do not assume anything. I think it is a role for government to promote the health benefits and the positive value that the community gets out of all forms of community work and really increase public understanding, particularly amongst unemployed people.

I would probably quote a whole range of the Work for the Dole projects. Some of those are extraordinarily valuable to particular community groups. They are just starting to introduce Work for the Dole projects which are around human care activities. The Association for the Blind nursing home, for example, might pick up a couple of Work for

the Dole people for preliminary training in personal care work, but the value to the community of having people learn those skills, or even putting their time in, even if it is Work for the Dole, I think needs to be promoted and recognised and extolled as a total benefit to society and not just a mutual obligation. I think mutual obligation implies that somebody did not know they were obliged to start with. It is a double negative.

Instead, we need to be rewarding people for the contribution that they do make, irrespective of payment. We should be promoting the value of work. My parents have an attitude to work that, 'If you don't work, you die' basically, which I have probably inherited and my kids will probably inherit, but there will be other family groups who do not have a similar work ethic or a similar work attitude. My view is that it is a public responsibility to ensure that the benefits of work are promoted and the benefit to the community of the product of any work is promoted. I think we assume too much in that field.

In terms of creating employment, I think employment creation is largely created by individuals. People create employment when they choose to start marketing, selling, making, doing, designing, or whatever, and if all goes well then they will take on employees, so they create employment. But the notion that work can be created, that individuals can be responsible, that people are valuable, that people can acquire income, needs to be promoted as an issue of personal capacity. There are a lot of assumptions around employment, the state of the labour market and the inefficacy or the disempowerment of unemployed that drive a lot of programs that should not be there.

CHAIR—I will just say to you that your submission is fantastic.

Ms Murray—Thank you.

CHAIR—You have spoken for longer than anybody else.

Ms Murray—I am sorry to have spoken for so long. I was not sure how long you wanted.

CHAIR—I will read everything that you have put forward, but you have hit all the right buttons.

Ms Murray—I have to say I am advocating on behalf of seniors from the Office of Seniors Interests, but I have worked for nearly 20 years in employment, education, training, unemployment, and disadvantage, so I have developed a range of opinions, you might say, over some time.

Ms GAMBARO—Wendy, you spoke of encouraging employers who have good models of mature age employment. In Queensland there is a company called McDonnell Douglas, whose key philosophy is to employ mature age people. Do you know of any other companies that are actively engaging older people and perhaps are success stories, or are they very few?

Ms Murray—I have only read of them. In the literature, I have read of some US companies who are proactively employing older people and then expanding their employment of older people. I think it is McDonald's that actually does that.

Ms GAMBARO—Yes.

Ms Murray—There is the issue of wage negotiation at the other end, but that is another issue.

Mr SAWFORD—That is a very important one. I have actually interviewed some of those mature age McDonald's workers in Atlanta. I went there for breakfast one morning and got to know them and then got to know their partners. You suddenly realise that there is a combination of part-time jobs. The remuneration per hour was just appalling.

Ms Murray—Yes, $5 or $3 or something.

Mr SAWFORD—Yes, and they were living 40 miles—not kilometres—from Atlanta in a caravan park. They had four kids. He was working seven days a week. He had three jobs. One of the jobs was paying—I remember the figure—$3.73 an hour.

Ms GAMBARO—How long ago was this?

Mr SAWFORD—1994.

Ms Murray—Yes, the American safety net is incomparable to the Australian safety net.

Mr SAWFORD—There is no safety net after nine months.

Ms Murray—Yes, unless you have substantial loyalty from particular employer groups, or a long history or record or whatever. I think the Australian safety net is really good. I just think it is advocated as a welfare model rather than a partnership model and that people who are working for the dole and so on are much more valuable than our system recognises or promotes. There is tons of work that needs to be done. There are different ways of paying for it.

Mr SAWFORD—We have not made that transition. After the Second World War, all the countries in the OECD basically made a social contract with their communities to have full-time employment, and they did that deliberately. That has now changed quite dramatically in terms of the last 20 years, when there are deliberate policies to go in different directions and they do not include 2.1 per cent unemployment. This is all deliberate. One of the things I have a bit of a problem with in terms of what is being sometimes suggested with mature age employment opportunities—and this question was raised by the previous witnesses—is that we talk about retraining a lot, and the obvious question which the smart ones ask, and legitimately so, is: 'For what?' Then we say, 'Well, we ought to give subsidies to employers,' which is the Work for the Dole concept expanded out in another way. Some of the smart ones will say, 'Whatever for? You're just substituting one group of unemployed for another group of unemployed,' and it has been proved all across the world that that is true when you do that. You do. You substitute one group for another.

Ms Murray—Yes. Subsidies by their nature do do that, yes. I raised briefly the training issues.

CHAIR—Yes, you did raise it, and it was Rod who asked before, not me.

Ms Murray—I am sorry.

CHAIR—The 700, 700, 700 and then the training for what, which is often what young people are thinking too.

Ms Murray—Yes. I actually refer to that. The emerging occupations are real and known, and I think training needs to be in the emerging occupations, but I think we focus way too much on hands-on skills. I think skill development is critical to healthy human development. If people cannot do something, then they are reasonably useless. We need to train people to do things for their own benefit. I do not think it matters whether it is basic car mechanics or household maintenance or whatever. So long as people are continually acquiring skills that are of use, that is valuable.

But training for what? If we want to train people for the work force, I think we also need to start looking at issues around workplace culture, personal motivation, personal identification of talents and possible career directions. I think that by and large—I do not know—50 per cent of the population can create their own work if they are confident about their own interests, directions and talents; if they are motivated; if they have the basic financial management skills to have a go. Purely thinking that work is about skills, which is a very master/servant relationship, is inappropriate. I think we do need our skills, which is the servant, but we also need to become masters of our destiny.

I think our welfare approach and our training system approach are all about, 'I know best and you're going to learn from me,' and that is where personal development stops. I think we need to introduce modern training around motivation and business management to everybody, particularly to unemployed people. Not all of them will pick up their own business, but any benefit in motivation or recognising the worth of being a community worker, increasing your networks, being proactive, even if you are only earning small supplementary income, is valuable. I do not think we need to cut the dole as a measure of success. I think reducing the benefits system is not a measure of success at all.

Mr SAWFORD—You mentioned something about basically predicting labour market needs in the future.

Ms Murray—Yes. By 2010 WA will have a skills shortage and some of the proposed solutions are international immigration. Because I was in the field, I learnt of that, and I said, 'My God! Why are we talking about migration in 2010?'

Mr SAWFORD—We do not have to wait until 2010. Basically, Western Australia has imported 500 nurses to fulfil shortfalls in the last two years, and it seems just ridiculous that you could not even predict that you would need 500 nurses here, or that the nurses were here but they did not want to take up those positions.

Ms Murray—You missed the middle part. I think we need as a government to be advocating really strongly that it is perfectly reasonable, acceptable, useful, productive—everything positive—to work 25 hours a week. If you are a woman with kids and you want to work 25 hours a week, we should make everything possible for that to happen, and that is, what, 60 per cent of nurses? Even men.

Mr SAWFORD—I agree.

Ms Murray—You are working shiftwork, for heaven's sake. My husband was a nurse, working shiftwork: five days night shift straight, one day off, six day shifts straight, two days off, five days night shift straight. It destroys your marriage. We are still married. He quit. It's great! But in terms of nurses, of course we had to import nurses, because our HR practices for nurses are archaic.

CHAIR—I am sorry if I sound rude—in fact, I could sit here and listen to you all day because you make so much sense—but we have to finish, which is disappointing in a sense. Have you got a longer—

Ms Murray—Yes, I have. I passed that to you. I had two copies.

CHAIR—I will certainly read that. Rod had to go to a meeting, but it was very good.

Ms Murray—I have two, if you wanted two.

CHAIR—Yes, thank you. If you have any supplementary thoughts, ideas, criticisms, anything like that, then please feel free to send them on to us.

Ms Murray—All right, and I will look up the references for employers proactively employing older workers.

Ms GAMBARO—Who are paying more than $3 an hour.

Ms Murray—Yes, not those ones.

Mr SAWFORD—We have been bludging on the skills of other countries for 40 to 50 years. You would think eventually we might learn to just invest in our own people. Not that I am against immigration; I do not have a problem with that at all.

Ms Murray—No, I am not either, but as a deliberate strategy in advance, it is silly.

Mr SAWFORD—It is dumb.

CHAIR—It is ridiculous.

Ms Murray—But the other lady referred to the black market. The black market is something that Australia has always been very good at, and the arguments around taxing a LETS economy—local trading—and the driving of that further underground I think is a big disincentive to the unemployed. I do not know what can be done about that.

Mr SAWFORD—That is an international problem.

Ms Murray—Yes, it is.

Mr SAWFORD—We will look at that another time.

CHAIR—Thank you.

Ms Murray—Thank you.

[3.33 p.m.]

BAIN, Mr John Morcom (Private capacity)

CHAIR—We realise you have come a long way, so for that in itself thank you so much.

Mr Bain—It is a pleasure.

CHAIR—Could you tell us about the capacity in which you appear today; you tell us the story and then we will have a chat about it, and we will be finishing just after four.

Mr Bain—I am from Bunbury in Western Australia. I put a submission in as a private citizen based on experiences that I have had in the last 18 months in trying to get employment. I think the easiest way to do it would be to go through my submission. Do not panic at the size of the file because I have just brought everything with me.

My actual experience started when I came over to Western Australia. This is my fourth state. I have been an auctioneer, a cattle buyer and recently in between times a truck driver, some interstate truck driving over in the eastern states and what have you. I have been involved in two industries all my life and I have always kept my skills level as high as I could in relation to those two industries.

We basically came to Western Australia 11 years ago in August. My wife got a job here and we decided that we would make a break and have a look at it. The cattle industry here was not very supportive as far as trying to get a job was concerned, so I took this temporary job as it is and 9½ years later I am still there. I was having trouble with a fellow employee—I will not bore you with the details about that—but, because they were upgrading to a larger freight train tanker, it meant they had to drop a driver off. I decided, having been offered the opportunity to take the redundancy package, that I would take it and go and look elsewhere, which I did, and in turn found another position with another company which lasted a couple of months. That was the BHP fiasco down here at Beenup.

Mr SAWFORD—Still a truck driver?

Mr Bain—Still truck driving, yes. Since then I have put an application in for a patent for a product. I have put myself part time—in case a job came up—through computer studies at TAFE, which I have put in my submission, and started applying for jobs wherever I could get hold of them, within the spheres of road transport or the rural industry. As I said in my application, I did not just stick to one area. I tried anything that was within the realms I thought I could handle, having had that experience with farmers and the like, not with sheep because I have never had much experience with sheep, but with grain and with cattle especially and what have you, and the same with transport.

I nearly got a couple of jobs. I nearly got one in November last year with Southern Transport at Albany, but the frost hit the wheat crop, and they decided to bring back the retired manager who had been there. They wrote me a very nice letter, and explained everything to me, why I had not got the job. It is a fact of life, I suppose. Anyway, as far as the employment agencies in Bunbury have been concerned, I have had this one letter from Employment National asking me to upgrade my experiences and that is all, except for Drake Personnel. My sister gave me a computer this year, which has been a godsend. The one thing

I would say that is a contradiction in my submission is that I am finding that the computer based Jobsearch and what have you are at least sending me stuff back. It is not aligned to what I am looking for—I mean, it is buying women's clothing or something like that because I have put in 'cattle buyer'—but at least I am getting some sort of feedback.

Ms GAMBARO—We couldn't comment about that!

Mr Bain—So that side of it has improved. The reason why I really decided to write to the inquiry in the first place was the experiences that I have had with applying for jobs, especially with government organisations, and now including private employment agencies. My employer in Bunbury was Brambles. I have noted what you were talking about with references before. In this last six months I have been experimenting and every time I send a reference from my last employer, Brambles, I get no reply. I have done it twice but I have not done it since.

CHAIR—Is it written in code?

Mr Bain—A job came up the other day, and it states on the record that if they want to ring him he will give an over the phone reference. This is a bloke who tried to renege on the deal for the voluntary redundancy two days before I left the firm. He still wrote me a reference. A job came up four weeks ago selling spare parts for a truck manufacturer here. It was for rice burners and K-Mart Kenworths, as we call them in the business, or Japanese trucks and International Harvester trucks. I sent the reference with that job application. Nothing. I rang them up and they had no comment to make to me about why I did not get an interview or further down the track with the job. So you learn your lessons.

Mr SAWFORD—What you do is you test the reference. You get someone to ring them on the pretext that they are a prospective employer and you find out what they have got to say about you.

Mr Bain—Yes, but you see my trouble is that I am a little bit too honest. I honestly did not think this was happening. I meet this bloke in the street with his wife, I talk to him, and I thought even though we had had a blue over the redundancy thing—you see, originally, he did not want me to go. He wanted this other bloke to go who is under an industrial psychologist and having a heap of trouble. When that was not going to happen, I decided I would go anyway. But in relation to the four jobs that I singled out for mention, the rest of it is fairly straightforward about the sort of replies you get from employers. You get either no reply or up to two letters and then nothing. Some have been terrific.

I applied for a job with the Stradbroke Pastoral Company last year. Now, I did not think I had a hope in hell of getting it because I had been out of the business for 10 years, and they wrote to me four times, and in the end another bloke was picked, who I happened to know, and the bloke has been around for the 10 years that I have not been in the cattle business, so you can understand. But they did the job right. So if a mob like that can do it right, I cannot see why the rest of them cannot.

CHAIR—Could you perhaps talk a bit, John, about your experiences with employment agencies and the system itself?

Mr Bain—Toll Holdings bought out TNT. When I finished with them, I thought, 'I'm going to continue on with this product that I'm going to try and get a patent for,' but the first thing I did was go around town to all the employment agencies. I think there were about seven at the time. I went in with a typed resume, told them what I was looking for, had interviews, and nothing. The only one that I have ever had anything to do with since has been Drake Personnel who are now called something else. A mate of mine told me they had a job driving a road truck, and he said, 'I can't understand it because in Bunbury nobody ever advertises.' You have got to go to the firms, you have got to keep going around the traps, seeing what is going on. So I went to see them. I got halfway through the interview and the girl that was interviewing me says, 'Hang on a minute, are you sure you want to go out to Lake Grace?' I said, 'No, I don't. My wife works full time in Bunbury.' She is a physiotherapist. I said, 'Where's the job, at Lake Grace?' She said, 'Yes. I don't know why they sent it down to this office.' So that was the end of that. For me, the trouble is it is about four hours drive.

CHAIR—This was just you taking your own initiative to go to employment agencies.

Mr Bain—Yes.

CHAIR—These were not people contracted under the Job Network to find you a job?

Mr Bain—No. All I know is when I went back to Employment National to tell them I had finished my TAFE thing, they go out the back and come back with my original application; it is not even on the computer.

CHAIR—You said in your submission that you were not able to access any government programs or training. Why is that?

Mr Bain—I did not have a computer then.

CHAIR—I see, not because you are ineligible? Are you eligible to access these things?

Mr Bain—No.

CHAIR—Why is that?

Mr Bain—Because my wife works full time.

CHAIR—Your wife works. Yes, that is another issue. I do not want to bog it down at the moment but I thought there was some announcement just before the election last year that that was going to be changed.

Ms GAMBARO—It was. That was changed.

Mr Bain—What is that?

CHAIR—A number of us got stuck into the minister about it.

Ms GAMBARO—The accessibility. What used to happen before is if your wife worked you were not eligible to register with the Job Network, and I believe that changed.

Mr Bain—No, I registered, I got nothing. I have got nothing against Geoff Prosser, but that was the other thing: I wrote him a letter—to Kemp—and explained the situation, that you just hear nothing from anybody, and he sent me a letter that Kemp had sent to this woman, and the letter has colourtex pencil driven through her name and address and all I had to do was hang it up to the light to see who it was. I was furious. I wrote him a handwritten letter and finished it off with, 'It's any wonder mobs like bloody Pauline Hanson's can get coverage in this country if this is the way you treat your constituents.' It was just disgusting.

Mr SAWFORD—Did you follow it up and ask for an appointment with Geoff?

Mr Bain—No. I did my block with him. I just wrote him a letter and said, 'Don't bother replying to the letter. Stick it.'

Mr SAWFORD—This might have been someone in his office, it may not have even gone to him.

Ms GAMBARO—Yes. It is always good to have contacted him again and voiced your opinion.

Mr Bain—I did voice my opinion about the job situation, and I did voice it to him and to Kemp, but the reply was this letter that Kemp had sent to this woman in Bunbury. I searched high and low last night trying to find it but I must have thrown it in the bin, I think.

Ms GAMBARO—I have to assure you that that is not standard practice.

Mr Bain—When I calmed down I realised that that was the case, but if I had been a nut case—

Mr SAWFORD—If I were you, I would still ring up his office and ask for an appointment.

Mr Bain—Go and see him?

Mr SAWFORD—Yes, face to face.

Mr Bain—I will.

CHAIR—Assuming we see him next week, I will mention it to him, too. But having said that, he is about to go to the United Nations for three months, I think, on behalf of Australia.

Mr SAWFORD—I think they have gone, haven't they?

Ms GAMBARO—Even if he is away, you should speak to his office.

Mr Bain—The other main point I wanted to bring to your attention was this business of these four positions I have applied for. They are government departments. The first one was

with this agricultural department, which took them 13 weeks. Now, Monty House sent me a letter of apology—

Mr SAWFORD—Sorry, who is this person?

Mr Bain—The state member.

Mr SAWFORD—For Bunbury?

Mr Bain—The minister for agriculture in Western Australia.

Mr SAWFORD—Haven't you got a state member for Bunbury?

Mr Bain—Yes, Ian Osborne.

Mr SAWFORD—Have you seen him?

Mr Bain—No.

Mr SAWFORD—I think you should.

Mr Bain—Well, it was 13 weeks from the time of the application to the end of the job, until I got a letter saying that I did not get the job. That is the week before Christmas. My argument was that it does not matter whether I got the job or not—it does not come into it. What I am saying is: what if you are going up there and you have bloody kids to get into school? The job was at Kununurra. It was not much of a job but it was a job. I just thought it was pretty ordinary. I had applied for other jobs with the same department earlier and I did not get the job there either, but at least they had the courtesy to decide what they were going to do within three or four weeks instead of 13.

The next one was in Victoria. Because my patent is to do with water resources, I applied for a job in Victoria with the natural resources and environment department. They sent me a letter back within three days saying that I had not got the job as the manager, business planning, service provider and coordinator. Three days after that I get another letter apologising to me saying that unfortunately it was stated in the letter I was unsuccessful for the position of manager, business planing and services, which I did not apply for, 'However, the job you did apply for you didn't get either.'

The real doozey is this one—actually not the real doozey, that is still to come—with the Environmental Protection Authority here. They wrote back and said the job had been wrongly advertised and it was going to be re-advertised and would I reapply. I thought, 'If they can't even advertise the job properly!' I had had enough at this stage—I did not reapply for the job. They sent me a letter on 21 May saying that the job that I did not reapply for I did not get. So that is three departments. What I am trying to say is that if that is the best they can do—this is by a director of human resources—then I want their bloody job. I think I could sort it out better than that.

Mr SAWFORD—I suggest you do something not as threatening as that. I think you should go and see your state member of parliament. I think you ought to point out that that particular department does not have enough resources in it because they cannot organise

responses. You can say things in a negative light and all it does is come across in a negative way. You can change all that around and put it in a very positive light, because the truth is, in many state government departments, they do not have enough personnel to do the job the government asks them to do. Instead of focusing on the negative, it may be more useful to focus on the positive opportunity there. I would be straight down to your state member, but not in a carping way. I would do it in a different way: 'I want the position to coordinate all that,' or whatever. It is a cheeky way of doing things, but nevertheless it would make an impact on them. Just ask him will he facilitate a response from the minister and take the stuff in there with you. Who knows what might come out of that.

Mr Bain—You cannot get shot for trying.

CHAIR—John, have you had experience or contact with DOME—Don't Overlook Mature Experience?

Mr Bain—No, I have not.

CHAIR—Have you ever heard of them?

Mr Bain—No.

CHAIR—It might be worthwhile.

Mr Bain—No, in view of the way things have gone for me I have gone on my own, apart from going back to these employment agencies from time to time.

CHAIR—Sure. One of the things that keeps coming at us that is very important—and you heard the lady who was here before—is having a network, having self-help groups and stuff like that. These DOME people in the course of a year place two-thirds of their clients in jobs. That is not a bad outcome. They look after people like you who have partners who are working, or they are not registered with social security and all that sort of stuff.

Mr SAWFORD—In fact, that is what they are best at.

CHAIR—I know you did not come to see us because we are an employment provider, but we will give you the details of DOME and I can only say I cannot urge you strongly enough to get in touch with them. You will find it a really useful thing, plus it will help you.

Mr Bain—That will be terrific. I need any help.

CHAIR—You are trying to shift a mountain on your own and it is a lot easier if you have a few people giving you a hand.

Mr Bain—My wife says I am ridiculous because I am trying to get back into an industry that I have not been in for 10 years, although I have been trying for both. But once this BHP Beenup mine down at Augusta folded there were 20 blokes who were driving road trains looking for jobs.

CHAIR—Yes. That is the other problem, too, in that you are trying to get back into an industry that you have worked in, you know and you have some skills in. Something that a lot of people in your position—for obvious reasons—have a bit of difficulty with, which DOME can help you with, is saying, 'Hang on, why don't you broaden your horizons a bit?' It is like the purchasing for the women's clothing company. You may not be able to recognise the skills that you have which would actually suit you for industries you would not even think of.

Mr Bain—Yes. I thought that having experience in two might give me an edge, but the rural industry has been purchasing cattle over here—

CHAIR—Yes, but I was just going to say, you are trying to get back into an industry that is on its bloody knees anyway.

Mr Bain—The cattle job is just starting to come good now. This last week New South Wales has picked up. The market was up today. We got $1.10 for trade steers. Whoopee! We were getting that in 1974. There just has not been movement. The abattoirs have been closing down. I was over in New South Wales in October having a look around for two weeks to see if I could get anything, and most of the people I knew in this industry 10 years ago have gone.

CHAIR—We talk about importing labour, but I spoke to a big grazier in New South Wales on Monday and he said, 'Look, mate, within 10 years we will be importing beef cattle here because with gene technologies and all that it's likely that other countries will be producing the stuff cheaply.' That is just not what you want to hear.

Mr Bain—No. The other thing I did want to bring to your attention was another one of these, which I really think you ought to be looking at. That is the National Crime Authority. I do not know whether I was eligible for the job but I applied for it. I have a 43-year-old sister who has been a heroin addict for nearly 20 years and has survived—I do not know how.

CHAIR—She is 43?

Mr Bain—Yes. When this job came up it was just pure spite and I thought if I could get my hands on some of these bastards—

CHAIR—Hang on—you applied for a job with the NCA?

Mr Bain—Yes.

CHAIR—And you believe that you were not given the job because your sister is a heroin addict?

Mr Bain—No, certainly not. They did not know a thing about it. What I applied for was a job with them and I thought if I could just be part of it, out of pure spite on my part, and get one or two of these mongrels who—

CHAIR—I see, the drug dealers and the pushers of the stuff? Yes.

Mr Bain—That went on for seven months. I got a chairman's report. I got letters back from them saying it had been deferred and at the end, after seven months, they said that I was unsuccessful in getting the position.

Ms GAMBARO—Seven months to give you a reply?

Mr Bain—Yes. There are about five letters here including the chairman's report, the whole box and dice. If it takes them seven months to employ somebody it is no wonder they are having trouble getting hold of criminals. That is one thing which I really wanted to bring to your attention. I pity the poor blokes trying to run a bloody department like that. It is disgraceful.

CHAIR—All right, John, thanks for that. I am sorry to hear about your sister.

Mr Bain—I did not know myself.

CHAIR—It is the tip of an iceberg, really.

Mr Bain—I have a brother-in-law who is with the Department of Health in Victoria. He picked that up. I did not get the job, and I do not know whether I had the qualifications.

CHAIR—That is an issue in itself. If the government is going to tell the private sector how to run its affairs employing people then the bloody government ought to get its act straightened out.

Mr Bain—I just feel for those blokes, if they are in that department. If that is the sort of trouble they have to go through to employ somebody, to spend seven months like that, it must be very frustrating for them.

CHAIR—John, thanks. We have to finish. I am really grateful to you for making the effort to come down here. It is a hell of a business to get here from Bunbury, particularly when you do not have a job. We will follow through the NCA thing. We will at least fire a shot across the bows there. Thank you very much.

Mr Bain—A pleasure.

Resolved (on motion by **Mr Sawford**)

That the committee receive as evidence and authorise for publication the supplementary submission received from the Office of Seniors Interests for the inquiry issues specific to workers over 45 years of age; that the committee authorises publication, including publication on the parliamentary database, of the proof transcript of the evidence given before it at the public hearing this day, with the exception of those items specifically deleted.

Committee adjourned at 4.01 p.m.