



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  
establishing a business, following unemployment**

THURSDAY, 9 SEPTEMBER 1999

RINGWOOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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**HOUSE OF REPRESENTATIVES**  
**STANDING COMMITTEE ON EMPLOYMENT, EDUCATION AND WORKPLACE**  
**RELATIONS**

**Thursday, 9 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:** Mr Barresi, Ms Gambaro, Ms Gillard, Dr Nelson

**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.

**Committee met at 2.17 p.m.**

**PARTICIPANTS**

**ARCHIBALD, Ms Mary**

**BUCHANAN, Mr Noel James**

**DEAR, Mr Bill**

**DI-GIUSTO, Mrs Louise**

**FORD, Mr John**

**GARDINER, Mr Ross**

**NEILSON, Mr Daryl**

**RICHARDSON, Ms Belinda**

**ROLLAND, Ms Louise**

**STEVENSON, Mr Neil**

**YOUNG, Mr Colin**

**CHAIR**—Firstly, I would like to thank you for having us here at Maroondah Council. We have spent most of the time in this inquiry thanking people for coming to see us, but we are your guests today. Thank you for having us.

There are a couple of formalities that I need to go through before calling on Mr Neil Stevenson to give evidence. I remind you that the proceedings here today are legal proceedings of the parliament and warrant the same respect as proceedings of the House itself. The deliberate misleading of the committee may be regarded as contempt of the parliament. The committee prefers that all evidence be given in public, but at any stage if anyone wants to say something which is not going to be a part of the public record, could you please indicate that you would like that to be the case, and we would certainly consider, and most likely agree to, that request.

Mr Stevenson, would you like to give a precis of the JobsEast proposal and submission which, of course, we will then discuss?

**Mr STEVENSON**—Thank you. I am representing JobsEast, which is one of the area consultative committees established under DEWR/SB. Professionally, I am a principal with Ernst and Young. My interest in this area of mature age work—unemployment and underemployment—has been a professional interest for me for 15 years. I am thankful that, through that work, I became known to JobsEast and they became known to me so that we can do something together.

I want to take about 10 minutes of your time to talk with you a little about not only what we are doing at JobsEast but also my personal experience in this area of mature age unemployment, underemployment and the future of work. It is a very complex area, and it is an area that we do not have enough metrics and statistics on. I am delighted that we have the opportunity to speak with you about it today. I think in talking about something as alive as JobsEast, we also need to recognise that there are a number of people here today who will quite willingly give any additional information to the standing committee that it requires.

If I possibly can, I would like to take you through four areas. I would then like to close on the Employment Convention on Age, which is a major initiative that we have established through JobsEast and which very clearly positions JobsEast as one of the thought leaders in this area.

I will start with a little bit of background information. As I said, my professional involvement has been with the issue of mature age work now for about 15 years. In a nutshell, business is not well equipped to deal with the issues of mature age employment and unemployment and nor are the people that we have displaced from the work force in huge numbers, particularly over the past decade. I am sure there will be a number of witnesses who will graphically relate that experience today. After 15 years, I am not sure that we are a whole lot better equipped than we were before.

We did some work with a couple of major bureaucracies, in both the private and public sectors, and there are some numbers I am happy to talk about, but I am not able to rely on their academic protocol or reliability. We did some work with people in a couple of major bureaucracies who had accepted voluntary departure packages and had regretted the decision 12 months after accepting them. They regretted the decision because, when they made that decision, they were not equipped to make it. They had no concept of how difficult re-employment would be. They were quite vociferous about their perceptions of prejudice as a result of their age.

There are quite specific age and gender differences between the needs of people pursuing work at this age. We have not yet seen a positive response from government, business or training facilities to help to enable older workers to relocate back into business. That is why we have established the Employment Convention on Age.

A couple of years ago, JobsEast then took a position of thought leadership in this area, and we established a 'profiting from maturity' session—an international session that we ran here in Melbourne. In the morning, there were 250 delegates representing government, business and community groups; and, in the afternoon, there was a group of 300 displaced older workers. What we learnt from that experience is that, in fact, Australia—though we are not well equipped—is not behind world's best practice by any great degree and that there is not a lot of learning for us to be had from the overseas experience. Whilst in some ways that is disappointing, in many ways it is actually quite exciting because, through hearings like this, through the work that we are doing at JobsEast and through the active participation of business and displaced workers, I feel confident that we can develop quite a good solution.

We also conducted some action research as a result of that, and some of the stories in terms of the impact on individuals were, frankly, horrific. For instance, people were drawing

down equity from their family homes to pay for their children's school fees and they were not looking after themselves health wise—they were not going to the dentist simply because they did not have the money to do so. Whilst I would be reluctant to focus on that for too long, it does tell a very strong tale.

There is also another group of people that needs to be accountable in this as well, and that is the businesses that have utilised downsizing as being a cost-saving mechanism. The research that we are now doing indicates to us that, in fact, the productivity savings that we expected to be sustained as a result of downsizing are not achieved. We tend to achieve them for the first 12 or 18 months but, beyond that, they are not sustainable. Through that work that JobsEast did and through the really good efforts of a couple of people who are here today—Louise Di-Giusto and Belinda Richardson—we also established some very good international affiliations. For example, we have had Phillip Taylor from the UK out here a couple of times, and we are continuing to partner worldwide through JobsEast in the area of mature age work.

That is what initiated our interest. We were astounded, quite frankly, at the amount of impetus that that project established. We had regular contact from displaced workers direct to our offices at JobsEast. I had a number of employer representatives coming to me and saying, 'How do we actually manage this stuff better?'

What have we learnt and what is it that I would like you to take away? We do not equip people well before they take decisions to throw in their job. I refer to it as being 'bedazzled by the bucket of money'—this thing called a redundancy payment. There is a huge cost for business down the track. I want to talk shortly about some research that we are having a look at in that regard. In making employment decisions, we need to much better equip business and individuals in making those decisions. We need to facilitate and educate both of the parties in those decisions and we need to do it quickly.

There is also a quite distinct generational difference here. Older workers still value loyalty, stability, permanent work. We know that, in fact, that is a thing of the past and that is not going to return. There has also been some research published in the popular literature recently that says that downsizing has been and gone. That is clearly not the case. The Melbourne Economic Institute has recently published some material that clearly demonstrates that.

I would now like to talk a little bit about what JobsEast is doing with the employers convention. Can I just clarify one thing? The employers convention is not a single event; it is a process. We have established the employers convention unapologetically to encourage business to be a more active participant in resolving these issues for us. The convention will run throughout this year until 2001 and its sole intention is to promote age balance in the work force—not at the exclusion of other matters of diversity, but simply to educate business about some of the stereotypes that we ill-advisedly apply to the older worker.

Historically, we can understand people retiring at 55, can't we? Brendan, you will understand this: at 55 they were worn out from their physical labour. Here and now, we tend to be knowledge workers. The minute we stop using the thing that produces our knowledge, we probably stop living. So our expectations and early research tell us that the baby boom

generation will probably continue to want to work until they are about 75. So this current issue about having people retire early, at 55, is just an ill-conceived idea.

That is what the employers convention is about: to raise these issues, to have them debated, to have them understood. We are having a major conference which will occur on 17 November here in Melbourne. It will be an international conference. We are hoping to attract very good quality world thought leaders, and we are feeling very confident about that. We have established a reference group that is made up principally of business representatives that is providing the leadership for the development of the convention. We are being very ably supported by our people at JobsEast.

We are also conducting four pieces of research as part of that convention. The first is one that we are doing in conjunction with La Trobe University that is having a look at the cost benefit of the mature age worker. Libby, who is here today, will happily talk with you about what we are finding there.

We are doing a second piece of research that relates to the cost to the nation of displacement. Leanne Kinsella Taylor is doing that for us. She was the woman who produced our early research—the profiting from maturity research. Louise Rolland will be able to talk with you about that. We are working in conjunction with the South Australian Equal Opportunity Commission to better understand some of the structural impediments that operate against mature age workers re-entering the work force—that is, age discrimination. Finally, we have engaged Belinda Richardson, through Richardson Communications, to conduct some case studies for us with Coles Myer, Australia Post and Don Mathieson and Staff Glass to look at how we achieve diversity in the work force.

I want to leave you with a couple of ideas and thoughts that we have discussed long and hard at JobsEast. We are beginning to educate ourselves and are now beginning to educate the community through taking this position of thought leadership about what the issues here are.

We have identified positive interventions as being professionally developing a number of the employment service providers that are working specifically with mature age workers. I indicated to you before that there are quite specific age and gender differences about the support required by job seekers. We need to acknowledge those differences and respond to them. We need to educate employees about the changing nature of work and this thing called security of tenure. Equally, we need to educate business about some of the ill-informed results that are not resulting from downsizing as being a management technique.

Put simply, we draw in about 170,000 new employees from our domestic market into the work force each year. With the changing demographic, we would expect that fewer than 125,000 of those will come from our traditional sources by the year 2020, so we are in a labour shortage situation. We need to get on top of these issues around mature age unemployment. We have some dated views about culture change and the older worker's inability to change. It is just not true; it is clearly not true. I think that is about all that I want to say. Is there anything that I have missed? I appreciate your time and I appreciate the opportunity to have you listening to us. We would be delighted, obviously, to assist the standing committee in whatever way we are able.

**CHAIR**—Thank you very much. Is either of the Louises going to say something?

**Ms ROLLAND**—I thought we might leave it for the committee to ask questions that they might have about the work which JobsEast is doing, and that that might be a better way to get directly to the information that you think might be most valuable.

**CHAIR**—Thank you. Could I ask, firstly, about the four areas of research, all of which are critically important. When do you feel you are likely to have each of those four projects completed?

**Ms ROLLAND**—They are due for completion to be presented at our conference in November. The one piece of research that will probably be only partly completed by then is the one where we are partnered with La Trobe University and the Victorian and South Australian equal opportunity commissions looking at the use of age discrimination legislation in Australia and the awareness of business and older workers of that legislation. We will have finalised the first stage of that research by November and the first stage findings will be presented at the conference. The second stage will be finalised in early 2000.

**CHAIR**—Obviously we will be aware of it anyway, but I presume you will ensure that once it is a public document you will send copies of each of them to us.

**Ms ROLLAND**—Absolutely. The cost to the nation and the cost benefit to business—those two pieces of research—have been funded by the Victorian state government. We are currently working with them to translate what are two fairly academic reports into a more communicable document. That will happen over the coming months and they will be ready by November.

**CHAIR**—At this stage, is it open for us to ask whatever we would like to, or do you have other presentations you want to make to us?

**Ms ROLLAND**—As JobsEast we do not have other presentations, but there are other people here who—

**CHAIR**—I might ask my colleagues if they would like to ask anything of JobsEast. Phillip, of course, has a much better understanding of what you do than any of us and there might be some points that he wants to particularly emphasise for our benefit. Phillip, do you have anything to ask at this point?

**Mr BARRESI**—Not at this stage, but I will add to it as we go.

**CHAIR**—The four areas of research are all things that we are particularly interested in. One of them, of course, is the cost benefit analysis in terms of mature age workers being part of a work force. One of the things we have also been looking at is the whole process by which people are dismissed and/or made redundant. Some employers deal with it particularly well but the majority, to varying degrees, do not deal with it well at all. One of the thoughts is that the key employer and industry groups, in consultation with representatives such as yourselves, could actually start to develop some preferred code of practice, if you like, which gives employers some guidelines that ought to be followed in humanising the process. For



example, if the decision is made—for whatever reason; sometimes the company itself is in serious trouble—that perhaps the person has to be dismissed or made redundant, that their family and the social welfare agency are involved and financial counselling is available. Is there any place for that?

**Ms ROLLAND**—I think very much so. We have had some discussions with COTA and also the National Seniors Association about this area. I was quite surprised to hear from one of those organisations that they have some difficulty in providing these services to workers who are facing redundancy because employers often see that a well-informed worker might not go as easily—this was their interpretation—as a worker who saw the dazzle of the dollar sitting in the redundancy package and was prepared to leave to take that up. So, when we consider people who have been made redundant when they are over the age of 45, only 49 per cent of those people will return to the work force. The other 51 per cent will not return. That is what the ABS redundancy reports of September last year are telling us. Of those 49 per cent, they can expect to be unemployed for an average of 9½ months before they do return to the work force. If people were given that sort of information, their choices might be quite different. But I think it is a critical area for people to consider.

**CHAIR**—But in the case where the person is perhaps not being offered the choice of redundancy there is one issue which Neil referred to of most people regretting a year later that they had actually taken the redundancy package because they had not had the right sort of advice. We have dealt with, and I know you are aware of these cases, situations like the subtext of *The Full Monty* where the fellow loses the job and the wife does not know and she is planning the trips and spending on the credit cards and life goes on, and he is pretending that he still has a job. Perhaps if employers were involved in some way in engaging critical family members and other agencies which will be necessary for that person to make a transition from work to non-work, and hopefully back to work, would that be a better system? Can we develop such a model?

**Ms ROLLAND**—It might be useful for Belinda to talk about the experience of the not-for-profit agency that went through the redundancy process. There was one agency that Belinda looked at that was very interesting in the way they managed their redundancy process over a period of time. It might be useful for her to comment.

**Ms RICHARDSON**—The example that Louise is talking about is World Vision. They are obviously a not-for-profit charity organisation and were faced with the difficulty of having to get rid of a number of staff. Their CEO did not believe it was appropriate to be using charitable money to pay out redundancies, so they gave their human resources department the challenge of getting rid of—to put it crudely—I think around 30 staff without having to pay redundancies. They came up with an amazingly innovative process which was called Motivate and Move. They invited members of their work force to participate in Motivate and Move. It was probably a six-month long program that involved staff in motivation and presentation. They had an image consultant coming in to talk to people about how they might present themselves for work when they are out looking for jobs, somebody to talk to them about preparing resumes and all of those basic job seeking skills. They also had the army come in to talk about overcoming fear. They had just an amazing array of people to come in. It became an extraordinary culture where people were freely able to talk

about, 'I'm applying for this job,' or going up to their bosses and saying, 'Will you act as my referee?'

So, instead of it becoming an organisation where it was fear of being displaced from work, nobody was forced out the door by a particular time—it happened naturally over the period of six months. It was a positive environment where people felt comfortable to move on. They were supported in all the right ways rather than just, 'Here's a few thousand dollars to go to an outplacement agency for a resume.' It was a positive and really all-involving process. That is a really successful model. As I think Neil or Louise was saying, it takes a pretty strong organisation to do that because employers want the staff to go, they want them to take the redundancy, and they want those people not to be their problem. So it is a really courageous model to follow.

**Mr BARRESI**—Only 30 went through the program, or the entire organisation and the 30 put their hands up?

**Ms RICHARDSON**—It was not the entire organisation. They actually targeted individuals within the organisation whose positions were to go but, in the end, I think they did lose more than the 30 because people felt so positive and so empowered that they were saying, 'What are we doing at World Vision?' and they were out doing all sorts of stuff.

**Ms GAMBARO**—Belinda, did you track those people on how successful they were at gaining other employment? I know you told us it was a great program, but what happened to them after they left?

**Ms RICHARDSON**—I cannot comment. I was not directly involved. A colleague of mine developed the program. People left only as they found employment to go to, so they did not all have to leave on a certain date. Over a period of six months they left as they found other employment. Some of them started businesses; some of them did a range of different things, but they were not forced to leave until they had something else to go to.

**Ms GAMBARO**—I noticed in the submission that you spoke about outsourcing. As more and more companies are hanging on to their core activities and outsourcing, is there a greater opportunity there for mature age people to come in as contract workers? What has been your experience with that? I do not know whom to direct this to.

**Ms RICHARDSON**—I think probably Louise or Neil would be better.

**Ms ROLLAND**—I will just talk briefly, and Neil might like to make some comments on this as well. We have undertaken a project over the last 12 months to survey 300 people in the region who are contracting business services, and to look at what their motivation was to go into contracting. That survey has identified that people who have moved into self-employment through contracting, who are over the age of 45, and have moved into it because of redundancy, are actually the least successful group of the contractors. We are still analysing that data, but we will certainly make it available when we have finished analysing it.

**Ms GAMBARO**—Thank you, I am interested to know that, with all the redundancies that have been going on—and I spoke to a group today that presented. In 1993 I was working for a personnel company. My job was to go to Telstra, which at that stage was going through some major restructures. Once people had taken their redundancy payment, it was then my job after a period of time to put them on our books as contract workers or temporary workers and re-employ them in the organisation because there was a skills shortage. I do not know whether you have done any research on this, but there may be some unintended consequences of this massive redundancy. Had there been, perhaps, skill shortages of mature people with experience, and were they then being brought back because there was a gap in the workplace in the types of skills that the company had?

**Ms ROLLAND**—I think that Neil might be best able to respond to that.

**Mr STEVENSON**—Thank you. It is actually quite an insightful question, Teresa. It became such a problem in parts of the public sector that, in fact, in that sector, there needed to be a process built that meant that people who had accepted voluntary departure packages or redundancy packages, were not able to go back into that sector for at least 12 months. That was clear recognition that, in fact, we were letting people go with skills that were still valuable. A similar thing happened at Telstra. So, yes, the evidence is quite clear that we get in a shark like frenzy often, where we have got to remove cost from the balance sheet and we are not discriminating at all about what skills we need now. Even less are we contemplating what skills we need in future to support the business down the track.

I think the easy option has always been: let us look at people that are 45-plus. They tend to have more money in superannuation and it is probably more acceptable for them to go. If we were to put a white mature age male up on the stage with a female, and with a person of some ethnic minority, and a person sitting in a wheelchair, it would be interesting to take a view about which one it would be okay to sack. They are the sorts of decisions that businesses have been making. So we understand clearly some of the discrimination and legislation, but it has been okay for older workers to be let go.

You also made a point about contracting that, if I have got a minute, I would like to respond to. In fact, older workers tend not to cope well with the nature of contracting work. I know I am generalising, but they have grown up in an environment of loyalty, stability and permanent ongoing work. It is quite a paradigm shift—shocking label—but it is a significant shift for them to understand that, in fact, work can be virtual and it can be transient, and it is no longer about finding a job but about pursuing work. That is what I was saying earlier when we were trying to cover so much turf in such a short time. The real issue here is that we can have conversations about downsizing and rightsizing and the changing nature of work but the people being put out of work tend not to understand that this thing called job security is gone and unlikely to return.

**Ms GILLARD**—You indicated that you have done a study where you have worked out that people who took voluntary departure packages regretted the decision. Can you talk to me about the methodology of that study? Did the participants self-select?

**Mr STEVENSON**—No. In fact, we went to every one of the participants. We were working with a couple of major organisations—and I am not able to say who, obviously.

That is why I was saying to you that these are useful metrics that are reliable but they are unpublished because they were for our own edification.

We went to every candidate. In a nutshell, we had been engaged by organisations to work one-on-one with people in these things called ‘career transition centres’ and to help those people who were surplus to requirements to relocate into either new paid employment or small business, or to take, pretty much, an early retirement decision. We went back to every one of the people that came through our process—and we had something like a 78 per cent response rate, from memory—so that was 78 per cent of everyone who came through. Eighty per cent of those people who had accepted voluntary departure regretted the decision.

Just whilst I am on that, someone asked a question earlier, too, about whether we are able to track providing good quality support to people and about the influence that that has. The short answer is, yes, we have done it.

We reduced job search time with an organisation from 12 months down to four months by equipping people appropriately to do it, and we reduced the ‘dwell time’—that is the time they sat in limbo—from memory, from about nine months to three months. But, again, it was an issue of just equipping people. People do not understand the rules of the job search game so we have got to get them equipped to do that.

**Ms GILLARD**—From the point of view of government, obviously the levers in your hand are somewhat limited. I mean, education campaigns and tax incentives and those sorts of things are some of the levers, but not all. When you say that there is evidence now which shows that the so-called productivity gains from downsizing are not necessarily sustained over the longer term, what would you suggest as a sort of public policy move a government could make to get that information? You are really talking about changing corporate culture, aren’t you?

**Mr STEVENSON**—You really are.

**Ms GILLARD**—And I am asking you how you think that could be done in a broad sense.

**Mr STEVENSON**—From a public policy point of view I really do not have a meaningful comment to make to you. We went with a view that until we can get business around the table and educate them about this stuff, then we are unlikely to make the positive impact we need to make. And pretty much that has been the whole imprimatur for establishing the employers convention.

We ran a series of focus groups whilst we were thinking about establishing this thing, and human resources directors that we had along at the focus groups said, ‘The only way we can bring about cultural change is to let go all of our older workers.’ It is fundamental misunderstandings like that that we are attempting to deal with, so I am not sure that there is an adequate public policy response at all.

**CHAIR**—Mr Neilson, did you want to say something?

**Mr NEILSON**—Firstly, I should introduce myself. I am a director of a Job Network organisation. We have been helping mature age job seekers for about eight years in this area. The focus on the corporate sector, rather than the small business sector, is a mistake to some extent, I think. We have been successful in getting mature age people back to work by focusing on all of the positives that have been identified with those workers and looking at small business. Concerning your question in relation to public policy—I guess that Neil has mentioned a number of times the necessity to educate employers—I really think that some very basic level of education is required in many cases. We find that on a one-by-one basis of educating employers it is quite successful and would be a major string in our bow, I guess, in getting mature age workers back to work. We discuss in a very practical sense the advantages to those employers in hiring older workers and we address their concerns of work force stability.

Often I get comments from people saying, ‘I would like to see another 25-year-old but I do not want anyone like the last half a dozen we have had who were not very good at staying at the job.’ So we address the positives to be had from looking at older workers who do have a mentality, to a large extent, of wanting stability and reliability and all those sorts of things.

On a micro level we find that—I cannot speak from studies, only from personal experience—in attempting to address that education issue from a very small base such as the one we are working on, it is fairly difficult to get the notion through. Anecdotally, we now get a lot of employers coming back to us and saying that their axing of workers over 40 had been a negative for the company in the medium term. They have lost the culture of stability in their workplace and, as a result, workers come and go much more quickly. On top of that, they have casualised the work force, and the ramifications of that are fairly obvious as far as loyalty goes and all those sorts of things. A lot of small business people, whose reaction time to these things is much shorter, are starting to realise that this was not the way to go. It is not working in the medium term for what they were trying to achieve.

**CHAIR**—We have certainly identified a paucity of research that provides facts which would form a foundation to change the culture amongst employers. To destroy some of those myths we actually need some hard data. You have already started on that road, but it is very difficult in terms of churning effects, absenteeism, industrial disputation and occupational health and safety. Through a range of indicators we need to be able to present some data to employers and say, ‘Here are the facts.’

**Mr NEILSON**—In response to a question you asked earlier about the necessity to provide whole families with services, there are a couple of issues there. In eight years and a number of thousands of clients, I have probably seen three people who did not tell their families that they had lost their jobs. That seems to be a peripheral issue. Through the feedback we get from these people—we are talking about mature, experienced people—there is a fair resistance to the imposition on them of programs. They are really looking for hard facts and information. The point that Neil raised about informing job seekers as part of public policy swims against some flexibility in the work force. But, if employees knew the ramifications of taking a departure package, I am sure that fewer and fewer of them would do so voluntarily. The pressure there might be on the corporate world to provide the other services that we have been talking about. It is just too easy to put a cheque on the table,

when what is really needed is hard education and facts. Those people, in my experience, have every capability of making decisions for themselves as to what services are appropriate.

**CHAIR**—The government committee of which both Phillip and I are members is looking at employee entitlements at the moment. Suggestions have been made to the minister that this is perhaps one other entitlement that we could be looking at: entitlement to information.

**Mr BARRESI**—I do not know whether Louise or Neil should answer this. Louise, I am not sure whether it was covered in your introduction, but one of the other major pieces of work that you conducted out here in the east was the skill shortages inventory. You have recognised that, in the metal industries in particular, there is a severe shortage of skilled labour. Is there some correlation between the mature age unemployed in this area and the skills shortage? It seems to me that there is a gap there which is perhaps not being filled by employers from a training capacity point of view. Can you make some comment about those other two studies?

**Ms ROLLAND**—The relationships to skills shortages, and skills shortages in their own right are hugely complex. The work that we have been doing for the last couple of years tells us every day how much more complex they are than our understanding of them at any point in time. Over the next 12 months, it is going to be an area of high priority in JobsEast to look more closely at labour supply and skills issues in this region.

In the metals area, the work that we have done with the businesses has told us that there are difficulties being faced not just on the side of the employers; difficulties are also being faced in employers wanting their employees to remain appropriately skilled for their industry. For example, we have been working with both the metals and the furnishing business in this region. Both these sectors say that, in the transition to computer numerical controlled equipment, they are finding that their older workers, their older tradespeople, are most reluctant to train in these new technologies related to their craft. Most often they will ask to be exempted from training and that someone younger in the organisation be trained because they will benefit more from training. There is the issue of training being made available by employers, but there is also the issue of the willingness of older workers to take up that training. We are certainly seeing that tradespeople are exiting in high numbers from those two industries.

Another industry which is an interesting one that we have been looking at is the IT and communications sector. Over the last couple of months we have done a very rough survey around our Job Network providers in this region to see how many people are registered with the Job Network in this region who have formal qualifications in computer programming relevant to the skill needs that are being expressed by businesses in this region. We found that there are about 700 people listed in Melbourne's east with those qualifications.

We have just submitted a proposal to look at a regional assistance program to look at a gap analysis of the skills of those people to see what we need to do to bring them up to a state of employability. We are doing that in partnership with Hewlett Packard. When we looked more closely at those 700 people, we saw that there was a high incidence of older workers amongst those 700 and there was a high incidence of migrant workers amongst

those 700. So, yes, I think there are some interesting things to consider about older workers and skill shortages. Again, it is a difficult one.

**Mr BARRESI**—I think Neil made the comment that mature age unemployed are reluctant to set up a consultancy business, yet some of the information that we have been given shows that they are probably more willing to go into a franchising type operation. Why would that be the case? Is it a sense of security afforded by the system, that someone else is doing the marketing and they do not have to walk around the streets with their calling card?

**Ms DI-GIUSTO**—I can talk about that.

**Mr BARRESI**—Of course you can, Louise, because you are in franchising.

**Ms DI-GIUSTO**—I really think that they see that they are buying a job a lot of the time. They do not often have the expertise to carry it through. So they see franchising as a way out, I suppose. Often they are not the ideal candidates for having their own business and franchising is not the answer.

**Mr STEVENSON**—Can I clarify that? I was not saying that they were reluctant; I was saying that many of them establish a consulting business that will never, ever be a going enterprise in its own right. Your point about franchising, Phillip, though, is a very good one, and it is built in that concept of the older worker that says there is something here about security. They somehow see that by exchanging \$20,000 that comes from their redundancy package they are securing and assuring their future, and that is clearly not the case. That is why they tend to go for the franchising model, because it is there and they can touch it and feel it. They do not go with establishing their own business.

**Mr BARRESI**—If we were to make some changes to the NEIS program so that it becomes a lot more accessible to the mature age unemployed and addresses some of those issues of insecurity, would that help? What would be the changes that you would envisage?

**Mr DEAR**—We have got a number of NEIS outlets across Melbourne. Our experience is that, with respect to the mature age NEIS participants, as a generalisation, there is a much higher degree of commitment from the older participants. As to changes, off the top of my head, I could not see any drastic changes that would make a significant difference.

**CHAIR**—One suggestion that has been put to us, for example, is that people going into NEIS programs cannot use the program to purchase an established business. Instead, they are often going into under-capitalised micro-businesses. It may well be a philosophical argument as to whether tax expenditures or public resources ought to be used to help somebody buy a business that is already running. You can start up your own chocolate making business at home, or dog washing program, but you cannot buy a 10-year-old successful carpet cleaning operation.

**Mr DEAR**—There are other programs available that can assist a person wanting to go into an established business. The self-employment development scheme does provide that support—certainly not as intensively as the NEIS scheme, but there is assistance there.

**Ms ROLLAND**—I think that in all the work that we do with our small business sector in this region, we again and again see people who are very technically proficient at what they do, yet their management skills might not match their technical expertise. Every day, we have discussions about this at JobsEast: how do you work with your small business community to assist them to upgrade their management skills, because the potential of their businesses is really being hampered by that lack of management skill or the need to upgrade management skills.

I have always thought that NEIS is a fantastic training program to establish people in small business. When we look at policies in other countries like Germany, there is actually an accreditation that people have to undertake before they establish a small business. I think that Australia would be well placed to look at some of those programs and look at how we set every small business operator up to succeed through good management skills.

**Mr BARRESI**—Yesterday, two witnesses spoke about establishing centres where mature age unemployed could be directed to. One of them was Carole McCabe. The other witness suggested the establishment of, say, a dedicated schooling system similar to the Swinburne college situation where they would be together as a group going through issues such as learning—how to learn—and upgrading their skills. Do you have a comment to make about that? My concern is that we are creating another institution versus perhaps integrating it into the current CAE or the TAFE structure.

**Ms ROLLAND**—I would certainly suggest that it be integrated. I looked at a very interesting model in Scotland last year, which was the University of Strathclyde. They had an over-50s studies unit incorporated into the university, and it was considered to be a key part of that university's activities. They encourage people to come back to study. Their focus on return to study was to increase their benefit to the community, which might be through a whole range of activities, including employment. I was really impressed by the work that they did. I think that the University of the Third Age does great stuff around encouraging people along the lines of lifelong learning, but what this program was doing was extending that to make sure that people attached the learning that they were doing to some sort of benefit certainly back to themselves, but to their community as well. That might be one worth looking at.

**CHAIR**—I see that Colin Young, Mary Archibald, Bill Dear, John Ford, Daryl Neilson, Ross Gardiner and Noel Buchanan are listed here to give between a five- to 10-minute address which, on my calculation, would take anywhere between 35 and 70 minutes. We should start on that process. It is very important that we hear from each of you. If you can average seven minutes for your comments, we will be right. Colin, do you want to kick off?

**Mr YOUNG**—I have been in the personnel industry for 28 years and have owned a personnel consulting firm for that time. We are a Job Network provider. We do other things besides Job Network, including recruitment for major organisations of permanent contract and temporary staff, outplacement, psychological services and training.

The over-45 problem is a real one because approximately 50 per cent of our Centrelink referrals are for people over 40 years of age. I do not propose to read out my presentation, in



the interests of time, but there are some obvious benefits in employing mature age people. I do it myself. One of my best employees for many years was a 70-plus-year-old person.

There are obvious barriers to employment. Employer perception is a real problem there, but there are also others such as: experience can be narrow, reticence to embrace new technology, English language skills, and qualifications. I have listed in my submission a number of suggestions. First of all, a mature age wage subsidy; secondly, training allowances; and, thirdly, reduction of government taxes. I believe that, if we are going to fix this problem, we need to level the playing field a little and provide some incentives for employers to hire mature age people. My fourth suggestion mentions subsidised superannuation. It would be a real incentive to employers not to have to pay seven or eight per cent for a mature age person. If employers could pay only four or five per cent, it would be an incentive to seriously consider mature age people.

I have also outlined group training schemes. We are presently setting up a training centre for ourselves in one of those areas, and we anticipate that a lot of our 45-plus year olds will be successful in one of those areas. I have made a suggestion about NEIS. I agree with the suggestion that was made that we should be considering established businesses as well as the creation of new ones.

If we are looking at a policy type issue that the Australian government could be heavily involved with, I believe that we need to advise potential migrants of what is actually involved in getting a job out here in Australia. For years I have given the same talk to mature age migrants—I almost know the talk off by heart now; I have given it so many times—and they all say the same thing: ‘Why weren’t we told this before we put in our application to come to Australia? If we had known this, maybe we would have approached it differently. Maybe we would not have come.’

**Mr BARRESI**—Are they from any particular countries?

**Mr YOUNG**—Across the board.

**Mr BARRESI**—I get them mainly from the southern Continent coming into my office.

**Mr YOUNG**—The individuals vary. In the old days it was Greece and Italy. More recently it is the Indian subcontinent, but also Asia, the US and England. The faces change, but the story does not. Many people have a very poor perception of what it is like to enter the Australian work force.

My last suggestion is about modifying the unfair dismissal laws because they are a major impediment to the full-time employment of anyone—but in particular of mature age people—because of the perception that it will be very hard to get rid of someone if they are not right.

**CHAIR**—Thanks very much, Colin. We will move on and, if there is time for questions to any one of you at the conclusion, we will do it at that stage.

**Ms ARCHIBALD**—I am Mary Archibald. I would like to read what I have written today because I do not feel confident about speaking. First of all, I want to broach some issues that I see are extremely important from my own particular point of view and tell my story. I have already sent a submission in to your inquiry, so I will not go into the depth of my story that is in there. I will just give you a brief synopsis. Through my narrative I hope that I can provide a human face, rather than a statistic, to the situation that is facing Australia.

On 3 December 1996—a date etched in my mind—as CEO and director of nursing of the most cost-effective and efficient public hospital in this state I was given my deliverance. Standing in the street at the back of the hospital, flanked by two loyal members of my staff and a security guard, I knew that my life had changed forever. Burwood and District Community Hospital had its doors closed for the last time and I was a casualty caught up in the rationalisation of public health care services in this state.

My retrenchment was a long and protracted process complicated by the achievement of an Australia Day Honour in January of 1997 for my work in this country. Suddenly, I was offered a six-month project followed by a 13-week redeployment period in which I was advised to market myself to the remaining 12 CEOs in a \$700 million network.

Despite being highly qualified and experienced, my search was met with a wall of silence—nobody came forward. I was thanked for my professionalism and retrenched on 28 November 1997. During our outplacement counselling, I was referred to a book *People of the Lie*. I say this without malice, because during my latter stages of employment—and you have already touched on this today—I never saw my employer, the CEO of the network. He remained faceless, despite requests for a meeting. I, in fact, was dismissed by committee. An eminent person raised this as an issue at the recent ethics in business series at the Catholic archdiocese of Melbourne, in which he noted that the person who is ultimately accountable for the employee should come forward, not the group. This is clearly a moral issue.

The other thing that is concerning to me is that I have had a lot of counselling since my work life has ceased—outplacement counselling, all sorts of names. I have been everywhere. I have been on Jobsearch strategies to other consultants. I go to the left-hand side of St Kilda Road Melbourne for outplacement counselling and the right-hand side of St Kilda Road Melbourne for Jobsearch strategies, but neither consultants ever speak to each other to streamline the process of finding work.

So what has my search for work been about? It has been about 70 job applications and I have achieved one job interview. This is a soul destroying experience for anyone. My applications have been made across a range of possible employment agencies, all within the realm of my experience and expertise: health care sector, public and private; aged care, community and local government; government boards and so on.

There is clearly discrimination on the grounds of age, maturity and gender out there in the marketplace. I cite an example: out of a sense of despair, I lobbied a prominent minister in this country and through his office I was given a private sector appointment in a health care agency. The general manager met me at the door, ‘How do you get on with X; how do you get on with Y? Are you still grieving over Burwood hospital?’ I had never seen that

person in my life before, and the two names that he mentioned were the two people most prominent in my being released from my previous employment.

I now want to touch on women in leadership. I have also tried to raise this issue. I now talk from the point of view of women in leadership in my own age group. Please do not think that I am bashing again about this issue about women in leadership. It is something close to my soul. There are two women in a \$700 million network that held positions of CEO; the remaining 12 were men.

I raised this as an issue with two politicians in the state of Victoria. I said that women did not seem to hold structural positions of authority in the public health care networks. I left that meeting with my tail between my legs. However, since that issue was raised, three women have secured positions of CEO in this state in metropolitan health care networks.

I want to now just touch briefly on the set-up costs of trying to start my own business and I think you have alluded to this today in some ways. I pride myself with now perhaps being able to change and develop what I called a portfolio career, which might have been a bit of dabbling in consulting, some teaching and board appointments. That was my dream that that would come because I felt that, after my attempts of trying to get structurally back into the system, it would not happen for me. So what has happened? The outlays are greater than the incomings. I pride myself on being a businesswoman, but I am sorry to say that last year I spent \$1,500 on professional indemnity insurance because I had been selected as part of a panel of experts for restructuring of residential aged care in this country. However, after three tenders, I had won none of them and this was even as part of a consortium. So I have spent a whole year with \$1,500 worth of professional indemnity insurance that has never been used.

I entered a New Direction program at TAFE because I thought, 'Okay, I will try and see where I can go next.' I have not been idle during this period for the last two years. I have been extremely active. I am now paying \$1,800 for a training course to learn how to train people in industry—a certificate 4 program it is called. I have outlaid \$1,800. I have assurance of sessional teaching at \$26 an hour. That does not include any moneys for preparation or correcting of works even if you did get one hour's work. In fact yesterday in discussion with a manager in a TAFE college I was queried whether I could be objective giving training in an industry that had retrenched me. To try to get work from a position of no work is proving near impossible. The bias I find, I cannot measure.

I then started to try and set up a home office and to pretend that I was working because my work was trying to get work. I purchased a computer, printer, copier and fax and I am on the Internet. I have skills. I can transfer my skills. However, I have no tax relief from these capital purchases because I have no income stream. I am eroding my asset base just to live because I cannot access Centrelink. I cannot enter Mark Birrell's over-45s program because I have been unemployed for over a year. I am the silent unemployed because I cannot register anywhere and I am eroding my asset base just to live. I have assets but I am cash poor.

The fifth issue I want to touch on—I have nearly finished—is mature age unemployment. We have an ageing population, matched with mature age unemployment or underemployment and I see this as a recipe for disaster for the future of this country.

The sixth thing that I want to talk about is probably the most important: the meaning of work in people's lives. I have not heard anything about this today so far. The other day I was at La Trobe University using the CD-ROM. I say this to you not because I am facetious; I am trying to tell you that people of our age group can actually learn skills and new skills. The literature is replete with all these ideas that work is enabling. It organises our lives. It allows us to achieve our goals. It provides a major definition of self and for me that was very much so. People work not only to make money but also to give a legitimate account of themselves because work can be an essential component of personal development. Therefore, if work gives meaning to our lives, the absence of work takes something away from those living in a world where work has disappeared.

Work constitutes a framework for daily behaviour and patterns of interaction because it imposes disciplines and regularities. Without work a person lacks a coherent organisation of the present; that is a system of concrete goals and expectations. The loss of work is not an opportunity but a tragedy to a large proportion of the population. It is a spiritual impoverishment. How do you build a new life and redefine yourself? These are moral questions that require answers. In 1998, Barbara Rudolph described how six people at AT&T in the USA rediscovered meaning in work following retrenchment. They felt a certain betrayal. They wondered whether they could trust again or whether they would feel a sense of security or connection due to tenuous work arrangements.

We have heard today about different types of work that are in the marketplace. They refer to these in the literature as portfolio work, modular work, contingency work, but what do all these names mean? To me they are second careers; to others, they are secondary careers because they are not the career of choice. They really derive out of a quest for survival. Growing numbers of contingent workers such as me—although I am not because I have received nothing—are workers who are temping, employee leasing, in certain kinds of self-employment or in part-time sessional work and have permanently altered labour relations and employment contracts, as we have heard today. Employees are regarded as disposable. The difficulty in measuring the size and make-up of the contingent work force though is difficult because the effects and consequences on the individual are of a disparate nature as are the people who make it up.

In hunter and gatherer societies, they thrived on a sense of community. We have lost that. There are no rules for the unemployed. So what are my solutions? First, to bring diversity into management through cooperative working relations and policy development strategies between the public, private, corporate and government sectors. They all need to cooperate.

Secondly, to introduce job sharing, internal executive leasing strategies in order to reduce the work day and enable a spread of the work force. Is that possible? Thirdly, to develop a mentoring program attached to a prestigious university—and we have heard about programs earlier—for women of excellence whose careers have stalled. This initiative was developed in the USA 30 years ago at the Bunting Institute, a think tank for women. Each year 40

fellows from around the world pursue projects that make significant contributions in their fields, working in a community that fosters interdisciplinary discussion and creative and intellectual leadership. I got that off the Internet after reading about it in the paper. I have the skills.

Fourthly, I want to ask you as politicians to listen to the voice of your people. We are individuals; we have all made our contribution to this society. We are not about dependence but about strategies that enable independence, self-reliance, initiative and support in our transformation out of adversity. The future for Australia should be one of a shared destiny—that is, to use the wisdom and experience of those who have achieved. We need these minds for the new millennium. As politicians, you have a responsibility to all your people, and responsibility is just that—the ability to respond. I hope that you will take this opportunity to do just that.

**CHAIR**—Thank you very much, Mary. I appreciate that.

**Mr DEAR**—I will see whether I win the competition on brevity. I would like to talk about three things that I see, from my experience, as being the most significant factors affecting mature age unemployment. The first one is the rate of technological change. Back in the 1950s and 1960s, what you learnt at school, backed up by a bit of informal on-the-job training was sufficient to equip you for your entire working life. You did not need to learn anything else. But, with the rate of technological change and a propensity for people to change employment, the need to learn became paramount. It was essential to keep your skills up to date and to remain competitive within the work force.

One of the things that I have seen amongst mature age people is that they recognise this as a fact, but cannot quite get to the point of identifying what skill they actually need to make them more competitive. So, split pretty evenly between two camps, what tends to happen is that one camp will resist any training at all because they believe it is not going to achieve anything and the other camp will do any training that you offer. I have seen people who have done eight courses in four different vocational areas and present that information on a resume when they go for a job. All it does is confuse the potential employer because the employer does not know what that person actually wants to do. I see that as a major issue.

I do see a change in emphasis in the area of training from just-in-case learning, where people learnt things just in case they may need them in the future, to just-in-time learning, where we are trying to move towards identifying what skill a person needs at a particular point in time and provide them with training at that time to better equip them for the work force. I see that as a good thing. I see that by way of competency based training and industry training advisory boards becoming more and more involved in the determination of the outcomes of training courses.

The second area is productivity, as we have heard from some other speakers. With the push towards redundancies in the mid- to late 1980s onwards, there was a requirement—driven by the requirement of shareholders for a return on their investment, I believe—to increase the productivity of businesses. The shedding of employees was one way of achieving it—and, as we have seen, there were skill shortages. There was a move amongst

employers to increase productivity by requiring workers to work harder, to work longer hours, to not take holidays and to produce more within their working day.

The difficulty that arose here was that employers always felt that that could only be achieved by a younger employee, that an older person did not have the ability to put in the longer hours to produce more, et cetera. The difficulty I see with that is that the future lies in not working harder but in working smarter, and the ability to work smarter comes from knowledge combined with experience. Knowledge without experience will not produce productivity; knowledge with experience will. I think that is a point that employers are missing. They are simply seeing longer hours as the answer to most of the problems.

The third thing I would like to talk about—and Mary mentioned it earlier—is the perception of employers in response to legislation relating to the dismissal of employees. In surveys that I have been involved in, the universal response, somewhere along the line, is that potential employers fear unfair dismissal legislation and they will overcome that by an increasing casualisation of their work force. Quite often, the move towards casualisation is an attempt to have a work trial prior to hiring anyone. The difficulty that arises with mature age workers is—as we have heard from other speakers—that their culture is to look for permanent employment; they do not see casual employment as a way of participating in the work force in the long term. But what they are doing is marginalising themselves out of the option of participation in a selection process that is a growing phenomenon within the work force. I see that as a significant problem.

With regard to ways to overcome some of these difficulties, there is an essential need for some sort of public education campaign for mature age workers on what it is that employers are seeking, and for employers on what mature age workers can offer. Another thing is for us to look at how we spend our training dollars and perhaps try and refine the system so that, instead of offering a huge number of courses in a multitude of areas and having people come along and do all these different courses in things that are not going to be needed at all, we can perhaps have a form of training credits whereby a mature age or any other worker can go to a potential employer and say, 'If you can hire me, you can work in conjunction with the training organisation to design a training program to provide you with the skills that you need in your business.' I think that would be a much more effective way of utilising our training investment.

In conclusion, I want to support some of the comments that Mary made with regard to mature age people having a right to participate within our community. We are unconsciously denying them that right because what happens—and it is just human nature—is that, if a person applies for 50 jobs and gets rejected 50 times, they develop a self-defence mechanism, and that is to withdraw, and the more they withdraw the less they have the ability to participate in other aspects of our society. They are losing and we are losing. We are losing because they have valuable skills and experiences to offer us that we can utilise to our benefit—not necessarily in monetary ways, but they can offer those skills. That is all.

**CHAIR**—Thank you very much, Bill. We will now hear from John Ford. I know I sound like a frustrated schoolteacher but if I can keep you guys to seven minutes we will get there.

**Mr FORD**—Thank you, Mr Chairman, for the opportunity of addressing this standing committee. I normally like to speak from the heart but in the interests of brevity I will read from my prepared outline. What I propose doing, rather than going through a litany of my experiences as job seeker, is to give a brief outline of my credentials and then a summary of the psychological situation in which people in my position have found ourselves and I will probably refer to one of the things that Mary said were not being referred to, and that is the value of work.

I entered the work force in 1967 in the service and investment industry where, over a span of 25 years, I rose to middle management level, with staff supervision and training responsibilities and with accountability for trust funds of the order of \$100 million. I gained respected expertise in my field and attained a high level of achievement in industry specific education programs, as well as a large number of professional development qualifications. I became skilled in trust law, taxation, investment and accounting, and gained a working knowledge of real estate. I am a university graduate with honours and I am a long-serving office bearer in a number of voluntary community organisations. I am computer literate, articulate and have sound communication skills. I am 51 years of age.

I have a file at home through which has passed in excess of 400 rejection letters, representing, I add, only those organisations who have been well-mannered enough to reply to my applications. All such applications have been for positions that I was confident of filling and for which I felt I was suitably qualified. In short, interrupted by a two-year stint as a contractee in the state public service, for eight of the past 10 years I have not had meaningful work.

It is the concept of meaningful work that is central to the dilemma facing the skilled, mature age unemployed. I am aware, Mr Chairman, that every three or four years you and your committee members, as politicians, have 3,000 or 4,000 people tell you that they do not want you. But place yourselves back to your own working lives prior to your political careers and envisage what your reaction would be to 400-plus people telling you that your services were not wanted and proffering no valid reason why this should be so. I suggest that, as with me, the effect on your self-esteem, your self-reliance and sometimes even your self-respect would be devastating. The notion that the expenditure and devotion of significant effort, energy and achievement over the best years of your adult life can almost overnight be rendered an exercise in futility becomes a very tangible psychological hurdle and, in my view, the largest hurdle we must overcome as mature age people.

In such circumstances there is an implied expectation in our society that we should just accept anything that comes along, that this is the way it is, that any job is better than no job. In fact, that attitude has been propounded in this room this very day, even by those who are allegedly in our corner, such as in Mr Stevenson's opening remarks. Personally, I will never accept that the first 25 years of my life have been rendered obsolete. Mr Dear mentioned that we are denying the right of mature age people to participate in society. I think that very attitude that has been propounded, that that is the way it is, is an abject denial of that right. I do not think it should be the way it is, and I will go into that a little later.

Four of my contemporaries—an ex-bank manager, an ex-bank accountant, a mortgage broker and a hospitality worker—are at present filling their days by, respectively, mowing

lawns seven days a week, washing dogs, repairing mobile phones, and manning a headset and answering complaints from Telstra customers. Yet, when they tell you that any job is better than no job, you can detect in their words the resignation, the self-delusion, for we are of an age where we remember the true meaning of customer service, the pleasure in the application of personal and often unique skills, and the concept of pride in workmanship—attributes that have all but disappeared in the revolving door philosophy of today's employment regime. Those who are holding out for a meaningful continuation of their skills are branded job snobs by the likes of Mr Tony Abbott. Those who are not have meekly surrendered the efforts of their younger years to the maxim that job satisfaction is having a job. Ultimately, their skills will be lost forever.

What is to be done? I think present initiatives have merit—initiatives that are being propounded by the government and put into place by organisations such as are represented here. There needs to be more focus on the mature age level, though. I have a great amount of respect for the NEIS schemes and the SED schemes. In fact, I used them myself in an attempt to break into self-employment some years ago, which we did with some considerable success; the only lack of success was in the financial side, so that was a pity.

Reskilling and retraining are useful to us, but only where they enhance existing skills. I welcome the opportunity to kept abreast of developments in commerce wrought by advances in technology and changes in legislation. At least this sort of retraining keeps me in touch with the most obvious avenue for my re-employment. However, I suggest that to completely rewrite your career aspirations is self-defeating. Retraining to a different industry merely places us in a different queue, competing for limited positions with those who have the one quality evidently not required in our original professions: experience. I am discovering this myself in my attempts to secure employment in the hospitality industry.

The initiative with the most potential for positive outcomes for the mature aged lies in the re-education of the powerful, in commerce, industry and government, in the intrinsic worth of the mature age worker. Whether as mentors, as trainers or, ideally, as fully restored operatives, the mature aged should be able to apply their acquired skills to a work force that is increasingly big on theory but low on practical application, loyalty and business *savoir faire*.

In my view, the education of the powerful should extend further. The almost obsessive acceptance of the theory of economic rationalism by industry, commerce and government alike has been the sole root cause of unemployment. If you eliminate that obsession, you eliminate unemployment at all levels. The theory of economic rationalism is socially flawed because its philosophy is centred upon the omnipotence of the profit motive. The profit motive is served by the periodic downsizing of reusable resources, including human resources, who are dumped on a society that has neither the attitude nor the infrastructure to deal with the problem. Some of our larger corporations, for example, have recently announced profits in excess of \$3 billion. This is an obscene amount of money at the best of times. When viewed in the context that those profits have been generated partly through the wholesale downsizing of staff levels, the obscenity becomes even more profound, yet the corporations are lauded for their achievements.



The theory of economic rationalism is flawed morally because it places the value of a small round golden coin above the value of a single human being. Mr Chairman, I am worth more than that. Unfortunately, I do not think I will get my wish. Economic rationalism will endure, profits and cost-benefit analyses will grow, payrolls will diminish, unemployment statistics will become even more flexible but will most likely level out at a genuine seven per cent, youth unemployment will become more and more politically sensitive and we who cling to the belief that we used to do it right and we can do it right again will be the subject of more and more talkfests such as this, out of which, admittedly, some good may come. In the meantime I will conclude with the words I have so often used in my bitter and twisted writings to the popular press: don't give me a job, give me a proper job. Thank you.

**CHAIR**—Thanks very much, John, for sharing that with us. Now we will hear from Daryl Neilson of Employease.

**Mr NEILSON**—I was asked by the ACC to speak about some guiding strategies for service to older job seekers. I want to touch on five brief points. The number one complaint we hear in our office from mature age job seekers is that the process of accessing employment services through the government leads to a lessening of self worth. Services should predominantly be one on one, with a focus on privacy. The primary goal of any welfare or help service should be not to exacerbate the issue, so services need to be acutely aware of client dignity. I think that has been lacking in the services up until now.

Services should be flexible wherever possible and should aim to be tailored to individual needs. I just do not see, in my opinion or experience, that a 'one size fits all' solution is out there. There are important issues to be addressed in each individual case, and they may be self-esteem, social isolation, skills transference, career guidance, updating of skills and self-marketing. So there are skills based issues, but they all revolve around being treated with some dignity.

The general nature of mature age attitudes to rapid change suggests that services need to focus on transition issues. We have covered some of those today: understanding the nature of casual employment, establishing employment goals and, as Neil illustrated earlier, education as to the current labour market situation. I feel that is an imperative point. In my experience, mature age job seekers cope much more easily with change if they are in possession of relevant and up-to-date facts. The imposition of employment agency or consultant or government placement goals generally meets with resistance and denial.

Mature age job seekers are faced with negative feedback on their employability from the media, employers, some service providers and the general population on a daily basis. Community education as to the value of an age balanced work force and the value of experience and maturity in the workplace needs to be addressed as a priority. A significant number of our clients have commented on the failure of the Year of the Older Person to address vocational issues. Expos on retirement options and funeral choices, which have figured fairly prominently, do not address the needs of those seeking to re-enter the work force. A number of people have commented on a missed opportunity there.

Much of our success as an employment agency in assisting mature age job seekers back to work is attributable to our strategy of targeting small businesses with an identified skills

need and attempting to educate the employment decision maker within that company about the value of mature employees. We have great success in focusing on the reliability, maturity, high level of skills and stability of our candidates. I do not think it is rocket science; I think that the answers in that area are fairly obvious.

**CHAIR**—Thank you very much, Daryl. I must say to you, Ross and Noel, who we will hear from, and Mary and John, it does mean a great deal to us to have you sharing your personal lives with us in a public forum. It is not something that we take for granted and it certainly will not be forgotten.

**Mr GARDINER**—Thank you, Mr Chairman. I have a written submission which I will table. The basic guts of it comes down to my fairly cynical attitude towards the way I have been treated, which I believe has also been fairly cynical. I was one of the early ones who benefited by having an employment contract which saw me out the door with a month's pay—no counselling, zip, nothing—and on the street. So I went looking for a job, as one would. I had fought my way up the corporate ladder and got myself into a position of national responsibility with a budget of about \$7 million annually. It was quite a good job. It was a well paid job. It had a lot of nice benefits. So I went out to get myself a job and was told that I was too senior for the position, or overqualified, or that some other candidate's profile more accurately filled the requirements of the position for which I had applied.

Over a period of nearly seven years, I think I have probably got a file almost as large as John's, filled with that particular line of drivel. I would like to see that lot entered into the antidiscrimination act as grounds for discrimination because it is my belief that, in a direct mailing campaign, if one sends out 100 letters, one should get approximately a four per cent return on your letter writing. That is pure sales talk from anybody who has done any marketing. Four people per hundred out of the thousands of letters written by folk like John and I, I have got to say, is fairly disheartening. So after 12 months of trying that particular caper I went into business for myself—probably because that is the way I have addressed most things: when you do not get what you want, you get mad and you start getting even. Basically that is what I have done for the last six years. I have spent my time doing sales administration, being the storeman, doing the quotations and everything that there is associated with small business, while looking for a job and being told regularly that I am overqualified for the position or I do not fit in. Ladies and gentlemen, I have enormous difficulty with that because in that time I have derived an income, working as a consultant to a number of heavy industries. Obviously I do fit in. I am employable. There are a lot of people like me who are employable, and this society is ignoring them.

My wife had an experience only a couple of months ago. She was picked up in a cab by a fellow who used to be one of the best electronic engineers in the city of Melbourne only 10 years ago. But he made one unforgivable mistake: he turned 50 years old. That was an unforgivable mistake. He has been out of work ever since, driving a cab. Now that is a societal crime. It is an absolute waste of the talents of a person who has developed absolute brilliance. This guy has been published all over the world and he is driving a cab. It would bring tears to your eyes. We have heard people talk about the value of work and the just need for somebody to feel worth, but can you imagine how demeaning it is for someone who has qualified himself and been recognised as a world authority in his subject, to drive a cab for a living?

**CHAIR**—Thank you, Ross.

**Mr BUCHANAN**—I am mature age—54—unemployed since retrenchment from highly innovative youth work in November 1996. That is 32 months-plus, and 400 job applications rejected. I am from a family that are contributors and fighters. My grandfather dug the trenches at Gallipoli and later went on and got gassed in France. He died rather painfully later in life. My own father is an original 39th Battalion Papua New Guinea Kokoda Trail veteran. He does not understand why I cannot get work. My sister is a lawyer. She is the Registrar for the Industrial Relations Commission of New South Wales.

My youth work targeted graffiti and vandalism, to quote Premier Richard Court of Western Australia as of September 1996. As of that year it was still a \$200 million annual clean-up, prosecution, fix-up problem. I had done that work for the eight years preceding, and I was retrenched shortly after attending the conference where Premier Court spoke at Perth. I also spoke a few minutes after him.

It was very difficult working with young Australians in an otherwise happy, healthy country who needed the attention of their fathers and who needed to address some life issues. When they did not get it because dad was too busy with his job, in most cases, they went out and did a lot of damage beginning with unnecessary scribble, but a lot of risk taking, a lot of petty thieving and later a lot of serious burglary, and so the spiral went. I targeted them for eight difficult years. I really have continued voluntarily for up to 20 hours a week since retrenchment and now with absolutely no support to try to get them to see what their issues were all about and why they were crying out for help.

I was retrenched from that work. With my own experience of constantly looking for a new way of occupation, of survival and income for myself, when I began to ask for help, I found out it was one of the words in the Australian language that you do not say, especially when you are a man. You never say h-e-l-p. I have also discovered another word that you do not say—s-o-r-r-y.

It has been over 32 months and over 400 job applications in areas of youth work and senior journalism. I have twice been editor of a suburban publication. I have been the livestock market section subeditor for *The Weekly Times*. I have been a senior subeditor in Canada as well as in Australia. I have had three years in retail and I have been told that either, 'We have never heard of Sears Canada'—and Sears has more stores than Myers—or, 'It is too distant', because it was back in the 1980s when I last worked in a store, or, 'You are clearly too overqualified because you have been a journalist, you are a bit street-wise, you are a bit articulate, you have a bit of savvy.' Whichever way it goes it gets very disheartening, very confusing, and I just do not know which end is up.

When I go for job applications I am asked to repeat and fill in the same form over and over again. I am registered with seven Job Network members, 15 commercial agencies, five traineeship programs. On the phone they always say, 'Bring in your resume.' I have 18 different resumes and I have enough brains and sense to know what kind of resume to present to which area of job category. I have identified 38 categories that I have transferable skills and qualifications for.

I am always asked at the Job Network agencies to fill in their form their way. One outfit wants my name, address, birth date and phone number. The next one wants my name, phone number, birth date and address. Why they have to have the same information that is already on a neatly printed Centrelink resume I do not know, but their data person has to enter it and I have to fill in the form.

I nearly always speak to a female person—and I am not a male chauvinist pig, but I would like to talk to some blokes and some blokes in my own age group, not to a 28-year-old or a 33-year-old TAFE human resources management graduate. I want to talk to a bloke about how a bloke feels about rejection and about his own self-assessment. A bloke wants to talk to a bloke and get some help from a bloke. But I remember what the boys who do the graffiti scribble have told me, ‘You can’t talk to dad—he’s too damn busy,’ and ‘You can’t say the word h-e-l-p, you have to say the other word, mate, "beer"—that solves your problems. Have a beer, but don’t ask for help.’

I asked for intensive assistance. It took me six face-to-face visits to the referred office, Employment National Box Hill, and a whole lot of hullabaloo about one computer not talking to the other and people saying, ‘We’re upstairs, but we’re not downstairs so we can’t talk to you today,’ or ‘We haven’t changed the sign yet.’ I do not care about the politics or the process, I just knew that I had been out of work already for 15 months, I had already passed 150 job applications, I knew I needed help—I did not want the run-around. But, no, six visits, and then, finally, I got to meet my case manager, Mr Glenn Simpson—I know this is on the record, but I am naming him. He gives me one meeting of 40 minutes. I give him a 15-page document describing where I had applied for work before and identifying my job transferable skills. I asked for help, and I asked politely for a second interview in two weeks after he had had a chance to read it. He responded, ‘Don’t come in here looking for interviews. We can’t work miracles. Go away. We’ll contact you.’

Over the next 12 months of ‘intensive assistance’, which the Centrelink document tells me is a personal one-to-one service—along with these other little pamphlets which are printed, churned out and handed out—did I get the service? Did I get fair treatment? ‘We’ll phone you,’ they said and yet they never, ever phoned. I have asked two Centrelink offices independently about the bounty, because there is a nice little incentive, a big carrot of reward—if you are long-term difficult-to-place unemployed and somebody helps you, they get some bickies. I figured I was worth more than \$200, but maybe not the ten grand, which is the absolute max. I found out I am worth just under six grand to somebody and that \$1,200 was paid the day Glenn Simpson saw me. He was paid for what? For 40 minutes to tell me, ‘I’ll call you,’ and for 12 months never to contact me again. I do not believe in your intensive assistance.

I do want help. I sought help, but it did not come through in the present system. Then I used a bit more remaining initiative and signed up for a retail training course—a unique opportunity for the unemployed job seeker sponsored not by the ‘Tiddlywinks Paint Company’—no, siree—but by a major brand name, Dulux Orica Australia. I thought, ‘Here’s a go.’ I have tried eight times at Coles and about six times at Safeway and they always tell me they want recent VCE graduates, which is the nice nifty way around the old age discrimination problem—recent VCE graduates; I am a bit ‘unrecent’. But I thought the

Dulux paint mob might need somebody who is slightly blokey and who has had some retail experience, and if they just teach me a bit about the paint, I will work in their stores.

I went through their eight-week course, and I got placed for four weeks at Nunawading and Doncaster. I did my work experience, and I got along with the staff, the managers and the customers. In fact, five separate customers thought I was the store manager, thanked me for the good service and said, 'We'll be coming back because we're going to redecorate our house. You've been very helpful.' I told them all honestly, 'I'm new to the game of paint.' I am not new to retail or new to people but new to the game of paint. Nevertheless, they were happy. Dulux told me—from my own research and communicated indirectly through the course but not through their own officers—that at the beginning of February this year they had 19 jobs open in metropolitan Melbourne.

At the end of eight weeks, when I had done their course, all of a sudden the jobs had all gone and they said, 'In fact, we're cutting back by 30 per cent.' But could I get direct information from a Dulux manager? At the store level I was told, 'It is not up to us, mate, it is higher up.' I asked, 'Well, who do I speak to?' Nobody knew. I do not know why they sponsored a course. I was there, making a fair effort. I may or may not have succeeded, but I do wish they had at least communicated with me out of some sort of human decency and respect.

I tried to make the best of that one and say that at least I have got the Retail Certificate 1 in my pocket now. I will take that back to the retail places where I have been applying, and maybe it will impress them that I am retail oriented and I have renewed the skills. 'Hang on a minute, Mr Buchanan,' they said, 'Now you have done a Retail Certificate 1, you are getting very close to ruling yourself out of traineeships.' The politicians tell me that I can get a traineeship right up until I am 65—I do not believe them, but I am still told that. So, in good faith, I try. But again I am told, 'Now that you have got the Retail Certificate 1, you are going to rule yourself out because you are stepping over the line where the funding is applied.'

I know why that is—it is going towards the youth sector. I am not unsympathetic towards unemployed youth—although some of them go out and scribble on trains. I have worked with them, heard their stories and felt their pain, but now it is me. I do not know but, whichever way I turn to help myself, I am knocked back. The chances are I will meet a 28-year-old female, who has just recently graduated from university, who says, 'You do not fit our criteria.' I could talk longer, but I am becoming emotional and I am sorry for that.

**CHAIR**—Thank you so much for that presentation. I was wondering whether, in fact, Dulux were upset that you had spent so much time trying to stop the kids from using their products!

**Mr BUCHANAN**—We did not even discuss it.

**CHAIR**—No, I know.

**Mr BUCHANAN**—We never discussed anything and that is what annoys me. I agree with this document. Without going into any of the details, it is very good research. I

encountered it, out of my own efforts, 15 months into my own displacement. It articulates exactly how I feel. I know I have bothered Belinda on the phone and otherwise. I am very straightforward about how I feel. Yes, I have considered suicide. I have not attempted it, but I have the tools and I still have them. At 54, I do not want to sit for another 10 years doing nothing. People say, 'Have a cup of tea, mate. This is Australia. Go to the Olympics. Watch it on telly. Won't that be fun?'

**CHAIR**—Thanks, Noel. I guess, as you have said to the young people so many times over the years, there is always hope wherever we are.

**Mr BUCHANAN**—I do not know if there is.

**CHAIR**—Is there anything that anyone else wishes to say to us before we finish? Yes, Mary.

**Ms ARCHIBALD**—I forgot to say in my dissertation that last night my husband came home and told me that he will be retrenched at the end of November. He is 57 years of age—I am 54—and he is in the manufacturing sector. He is a very creative industrial and formulating chemist. Chemists' services will be sent to the Pacific Rim, and he will be similarly out of work in November this year. So in one family there are now two people who are experiencing the same thing.

I want to finally say something which I forgot to tell you before—I say this without ego at all—and that is how highly qualified I am. I spent my early life training to be a nurse. I am a registered nurse and midwife, hold triple certificates in nursing and have spent 15 years working in the community. That was followed by my life at Burwood hospital—the first time ever that the CEO and director of nursing position was a dual appointment. I spent 11 years there before I was retrenched.

I also have a BA degree in political science and sociology; I have an MBA; I am a Churchill Fellow; I am a Centaur scholar; I have years of experience in the health care sector. In some ways I feel that, as Noel said, I am now going backwards because I am doing a certificate 4 course in a TAFE training college. I have nothing against the training college at all and what they are doing to support me through it, but in many ways I feel it is not recognising lifelong learning, which I have pursued for 35 years of my life. I will leave it at that: an imponderable situation that I find myself in personally, as do 700,000 other Australians.

**CHAIR**—Thank you very much, Mary, Louise Di-Giusto, ACC, JobsEast, the rest of you who have spoken to us today, and also those of you who have cared enough to come and listen to what is being said—much of which I know you all agree with. Thank you for your time, your submissions and for coming here to talk to us in what is a brief visit. You must feel in some ways, John, Noel, Mary and Ross, that we are contributing to your problems by touching on them this briefly and then flying out. For that I apologise. I can assure you that we will always remember what you have said to us. In various ways, we have heard from the hundreds and sometimes thousands of people who have dealt with and experienced what you have been through and what you are going through.

As a nation, we are focused, quite rightly, on what is happening to young Australians and the price that they are paying for progress in our country in one form or another. It was the committee's initiative, supported by Minister Reith, to have a very serious look at what is happening to people in this age group. I would be a fool to say that a whole range of things will come out of this which will provide some hope, in particular to people like you, Noel. But there is no question that the government—supported, I really believe, by the opposition—is earnest in its determination to try and find some things that we can do to improve not only the job prospects for people in this age group but also the way in which we deal with work transition and unemployment in their case.

We talk about the Olympic Games, Noel, and a point in our history when we are going from one century to the next. As a nation, we are thinking about what sorts of things we will leave in this century and what we want to take with us into the next. It is an exciting time in some ways, but very painful in others. Our country's economy is changing from one of commodities, manufacturing, primary industries, mining and things that have been so important—and will continue to be important—to a different one.

In discussion with some other witnesses this morning, we said that one of the problems we have as Australians is that we define ourselves through our work. We place very little value on things that people do for which they are not paid, whether it is parenting, voluntary work or whatever. If you are unemployed, you feel you are of no value to yourself, your family or society, and we reinforce that in so many ways. Some of the things that our committee will certainly be looking at are recommendations to the government which aim to change some of our cultural expectations in terms of work, what is important in our lives and what is not.

Going to some of the things that you, Mary, said in particular, the final point I would like to make is that the political divide emerging is not a Labor-Liberal, Left-Right sort of divide—and you, John, might identify with this. Rather, there is an emerging tension between those who have a values based, ethical or philosophical community approach to life's problems and their solutions—where I suspect the ACC here is based—and those who see nothing other than the primacy of markets and see those markets as an end unto themselves. If governments have a role in any of this, it is critical that they start to redress the balance between economic gain and human cost. That is something we have not been particularly good at.

Thank you. I can assure you we will take in earnest what you have said to us. By the way, I am too scared to ask the woman at the front desk in my office how old she is, but I would say she is not far off her late 60s. The woman from hell who runs my diary, who is not much behind her in years, has got the conference in November in my diary, so I hope to see you then and to be joined by some of my colleagues.

**Mr BARRESI**—Can I take this opportunity to thank Louise Rolland specifically for organising today. When I asked Louise to put on a presentation for us, she welcomed that opportunity and, Louise, it has been very successful this afternoon. The organisations and the individuals you have brought here are certainly going to add value to the submissions that we are receiving and, hopefully, to the end report that comes out of this. Thank you very much. I understand that we are back in Melbourne on the day that the convention is on, so it

will probably be worth while to drop in at the convention at some stage during the day.  
Thank you, Louise.

**Ms ROLLAND**—Thank you for the opportunity.

**CHAIR**—I know we seem rude, but we have to finish. We have got to catch a plane, apart from anything else. I will get away from Mr Barresi before I say it, but there would be nothing worse than being stuck in Melbourne for the night.

**Mr BARRESI**—Being stuck in Sydney?

Resolved (on motion by **Ms Gillard**)

That this committee receive as evidence and authorise the publication of the following submissions for the inquiry into issues specific to unemployed people 45 and over received from Mr Colin Young, Mr John Ford, Mr Ross Gardiner and Mr Daryl Neilson.

Resolved (on motion by **Ms Gillard**):

That this 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.

**Committee adjourned at 4.07 p.m.**



