



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, 23 SEPTEMBER 1999

CANBERRA

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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

**Thursday, 23 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, Mr Bartlett, Dr Emerson, Ms Gambaro, Mrs Gash, Ms Gillard, Dr Nelson and Mr Sawford

**Terms of reference for the inquiry:**

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

**WITNESSES**

<b>CARNELL, Mrs Kate, Chief Minister, ACT Government</b> .....	<b>467</b>
<b>GARLAND, Ms Joy, Assistant Manager, Business Support and Employment, Chief Minister's Department, ACT Government</b> .....	<b>467</b>
<b>YOUNG, Ms Elaine, Manager, Business Support and Employment, Chief Minister's Department, ACT Government</b> .....	<b>467</b>

**Committee met at 9.02 a.m.**

**Mrs Kate, Chief Minister, ACT Government**

**GARLAND, Ms Joy, Assistant Manager, Business Support and Employment, Chief Minister's Department, ACT Government**

**YOUNG, Ms Elaine, Manager, Business Support and Employment, Chief Minister's Department, ACT Government**

**CHAIR**—Welcome. I declare open this public hearing of the inquiry into mature age workers and welcome Mrs Kate Carnell and the representatives of the ACT government to this hearing today. I remind you that the proceedings here today are legal proceedings of the parliament and warrant the same respect as proceedings in the House itself. The deliberate misleading of the committee may be regarded as a contempt of parliament. The committee prefers that all evidence be given in public, but if at any stage you want to say something in camera you may ask to do so and the committee will consider your request. Kate, could you give us a precis or an overview of the submission and then we will discuss it.

**Mrs Carnell**—I will just give a very brief overview because you have obviously got our submission. I suppose the reason that mature age unemployment has become a serious issue—not just in the ACT, but we will speak today about the ACT—has been because of quite significant government downsizing over the last 10 years, I would have to say, but certainly over the last five years. That does not just mean federal government by the way; it certainly means the ACT government as well. I think some of the interesting statistics in our report indicate that, in terms of ACT government redundancies, a significant percentage of the people taking redundancies are over 40 and that, I suppose, shows that there is a very real issue in that bracket. They are not people who are necessarily going to retire—in fact, predominantly, they are not going to retire. So they are taking redundancies over the age of 40 and looking for a new career.

Interestingly, a good percentage of those are actually men who were taking the redundancies, and again if you want more information on our redundancy figures I am more than happy to provide those. I am sure that you would be able to access the same sorts of figures from federal government departments as well which I have no reason to believe would be significantly different.

I suppose the fact that this was happening in the ACT meant that we had to focus very heavily on the over-45, recently made redundant, predominantly men, but women as well. We have been doing that over the last few years in, I would have to say, a reasonably successful manner. As you would be aware, our unemployment rate in the ACT is now 5.6 per cent, which is the lowest it has been since 1990, and the number of jobs in Canberra is now at an all time record level. That is including taking into account the quite significant reduction in the federal government—our major employer. We have now got more jobs than we had in 1996 when the coalition was elected.

I think it is important to remember that government downsizing is not something that just started four years ago. In Canberra it has been happening since the mid to late eighties. And

it is not just Australia, it is right around the world that governments are getting smaller. So the fact that our unemployment rate is so low now and that jobs are at a record level I suppose indicates that the approaches that have been taken have been at least to some extent successful.

The program that I would like to talk about, just briefly, is our Restart program. The Restart employment program is a program put together by my department to find jobs for mature age unemployed. But what it really was, was a program to match mature age unemployed with employers and provide any training that might have been required, and also, I have to say, give an incentive payment to the employers on top of federal government incentive payments.

We did place 100 mature age unemployed in jobs in just three months. Although the program has not been fully reported on just yet, it possibly will be before you report, so we will certainly pass on our assessment of the program to you when it is finished. But I think, from my perspective, one of the concerning issues was that, of the 350 inquiries from mature age unemployed people that we got as a result of quite significant advertising and so on, 75 per cent were not registered with Centrelink so are not in our stats anywhere. Now I am sure you are getting that sort of feedback in other places, but at least here we have got some actually solid data, it is not anecdotal, it is real.

As to why those people were not registered—in some cases obviously there is an employed spouse—by the time we have a full assessment of the program we will have all of the reasons, as much as people will tell you, why they were not registered. In many cases it would appear that they simply did not know how to use the system—that they did not know how to, and were not comfortable with, accessing the Job Network agencies. It was just not something that they had ever done and they were uncomfortable about the whole process, which is, I would suggest, a concern for all of us.

Again, out of the people who expressed an interest, quite a large number were able to be placed, and our feedback from employers at this stage is really good. People in that age group tend to stay; they do not tend to job shop. They come in and take up jobs in all sorts of areas from pie shops, where they learn a new skill in baking, to computers.

To finish, one other issue that has certainly become very evident is the gap between levels of training and what the job market looks like now. A lot of these people have tertiary degrees. Accordingly to our statistics, to assume for a moment that the people we are talking about are not well qualified or do not have tertiary qualifications is simply wrong. There does seem to be an issue regarding the currency of those qualifications. People who have not continued learning and who have not kept their qualifications up to date are having more trouble than those who got a degree in the sixties or the seventies and who have not really continued any form of ongoing education levels. Any preconceived view that the mature aged unemployed—at least from a Canberra perspective—were necessarily people who did not have tertiary qualifications or who had not completed year 12 was wrong, at least from our experience. I will hand over to you for any questions, and I will get my trusty companions here to help me with things that I will not be able to handle.

**CHAIR**—Thank you. Firstly, we will just go to the whole process of the downsizing in the Public Service which, as you said, has occurred over a period of time. Most of those people took redundancies ‘voluntarily’, and I suppose we would probably use the term euphemistically. What sort of counselling, advice or processes were made available to those people at the time? We have been told that, particularly in the private sector, redundancy and dismissal are handled particularly badly in most—but not all—cases and that it contributes to the problems. Also, research would suggest that, a year after taking redundancies, a lot of people regret the decision to have done so. Perhaps that is reinforced by the fact that, as you said, they did not know how to go about accessing the system. It seems as if nobody had even talked to them about that when they left.

**Ms Young**—It is not particularly my area of expertise, but within the system I understand that there is certainly counselling available. In the ACT government, it is through a counselling service as well as the personnel people themselves. Cooling-off periods are also built into the process, financial counselling is offered, and so on. I am surprised at that comment. It is not something that has been particularly obvious in our discussions with the people who are already in the process at the other end. For example, we run a program called New Future in Small Business, which is a very valuable program helping people make the move, often from being a public servant who has taken a redundancy to running their own business. I have certainly not had any feedback through that program that there was any lack of support, yet sometimes people maybe felt that they had not made quite the right decision.

**Mrs Carnell**—I will make some comments on that, too. We will also leave with you two documents—*Pathways to employment opportunities* and *Pathways to successful business*—which are the basis upon which we handle people who have taken redundancies. The New Future in Small Business program is enormously successful, because a lot of the people who take redundancies get involved in consultancies, possibly using their redundancy packages to get involved in small business at some level. I have to say that most of them have not got a clue about what that actually means, and an awful lot of redundancy payments have gone west, shall we say, as a result of silly investments in businesses.

The new future program is free. It is a seven-week program with a 12-month mentoring program at the end. It is run by the ACT, but we contract it to a local provider who has been doing it for us for a while. We had 309 participants through to the end of this last financial year. Of these, 51 per cent are now in small business, which is an interesting statistic, and I will tell you more about that in a minute. Twenty-five per cent are employed and 20 per cent are still doing their research and are doing more work in the business that they are doing. The good part of the new future program is that 50 per cent of people decided not to do it immediately. These were all people who came in with a business idea with the view that they were going to set up a small business. After going through the seven weeks, they had to do a business plan—we have lawyers, accountants and all sorts of people who lecture and work with them—and work through all of the issues of running their particular business. We link them with people who are in similar businesses, wherever possible.

It is not that we try to talk them out of it, but we do try to assess the realism of their proposal. As I say, in 49 per cent of cases they have decided not to go ahead at this stage. Some of them do more work and then decide to go ahead, but a lot of them decide that it is

better to go and work for somebody in that industry and regularly get jobs. It is as important for us to talk people out of using their redundancy to set up a small business as it is to give them the skills to go ahead with it.

**CHAIR**—As we have gone around the country, a number of people have suggested that, amongst other things, a wage subsidy for mature age unemployed people in career transition ought to be considered. Your program has only been running for a few months. Firstly, has it been taken up by 100 employers?

**Mrs Carnell**—Yes. It was actually a fixed program running through to the end of the financial year. We wanted to get 100 up. We gave \$2,500 wage subsidies to the employers paid in two instalments over six months. We were not giving it up front, so the employer could not keep it. We are sure that no-one would do that, by the way.

**Mr EMERSON**—It has happened before.

**Mr Garland**—We have lost one out of a hundred.

**CHAIR**—Was it based on some research by employers? Did you say to them, ‘What would be required to make unemployed people in this age group attractive to you’? Or was it just intuitive?

**Mrs Carnell**—Joy, would you like to talk about the Employment Services Industry Forum? That is really where it came from.

**Mr Garland**—Yes, it came out of a forum that we used for consultation with the broader community. This is a group comprising training providers, business and community organisations, so it is a very diverse group of people. They are there by invitation. They are not committed to come; they just come—an average of 30 out of the 40 delegates are at every forum. They use it to put forward their concerns. It really was at that forum that the issue came up of the problems that the mature unemployed were facing. Their view was that employers would be encouraged to employ mature age people if there was an incentive scheme to carry it out, and that is what we put together. At the end of the three-month period, which we are only now starting to monitor, we have only lost one out of the hundred that we placed. Only one person has come off that program at the three-month mark, which is quite significant. If they can be employed, they tend to become very good employees. It was more about changing the attitude of the employers—and that was the aim of the exercise!

**CHAIR**—I know one of my colleagues will ask about that point. In May this year, there were headlines in the *Canberra Times* saying that the ACT government was looking for mature age teachers to take voluntary redundancies as part of a teacher renewal program, and I can understand the logic of that. One of the arguments that is consistently put to us is that there is an attitude amongst employers that discriminates against older workers—and I am one of them now, being 41—in favour of younger people. But the counter argument has been that mature age employees in a workplace actually add a dimension of wisdom and experience. They are more reliable, there is less absenteeism and they have a longer term of

employment. So it seemed unusual to us that the government should be trying to shed from its teacher work force the very people that you might want to keep.

**Mrs Carnell**—But the reason for that was very different from what you are talking about. In our teaching work force at the moment—and I have to say that it is a problem in nursing for us as well; and I can explain why it is more of a problem in the ACT than anywhere else—we have a huge percentage of teachers over 45. In fact, the average age for teachers in the ACT is 48. It is not that we were worried about a small group of people who were at the mature age end; it is the fact that we have an enormous build-up. Once you get to the stage where your average age is 48, with the demographics of our teachers we were going to end up at about year 5 to year 8 from here, with a huge number of our teachers exiting at exactly the same time.

In any organisation, particularly one like the ACT which is littler than most of the education systems, the problem was not that we have a problem with mature age teachers, but that obviously we have to plan for five years down the track. We cannot afford to lose, as it was going to be, something like 30 per cent of our teachers at five years and more than 50 per cent by the end of seven years. So it was about balancing our work force. It was indicated to us by the teachers themselves that some of them would like to have a new career and were interested in going, and so the idea was to offer an opportunity for those teachers to look for a new career at that stage so that we could renew and we would not have the five to seven year problem in our work force.

The reason why it is a problem in Canberra is that it is a little system. Our participation rates in our work force are between 71 and 72 per cent. The number of women, particularly, in the work force is significantly higher, as you know, than in the rest of Australia. People are not actually leaving—there is not the turnover that exists in other work forces. That was the reason.

**CHAIR**—That makes sense.

**Mr SAWFORD**—Could I just follow on from one question that Brendan asked about the incentive program. I know that it is too early yet but, in terms of substitution, what concerns did you have about substituting one group of unemployed people for another group? Do you have any monitoring system established to find out whether that occurs later on in the program?

**Ms Garland**—Are you talking about the Restart campaign?

**Mr SAWFORD**—Yes, the \$2,500 wage incentive.

**CHAIR**—How do we know that they weren't going to employ people like this anyway?

**Ms Garland**—And that is the question we are now asking. As I said, we are doing a major evaluation of that three-month campaign. From some anecdotal information that we have, we are aware that employers possibly were going to employ anyway. But, as I said, it was more about trying to change the attitudes of employers at large rather than maybe the few that perhaps, for want of a better word, abused the system.



**Mrs Carnell**—Again, I am not sure that that is abuse, by the way. I think with small businesses people will not put someone on they do not need, no matter what you do. No matter what any of us do, they are not going to put on a staff member that they do not need or that they could use in their business. What Restart did—and there is no doubt about that—is it encouraged people to look to a 45-plus person rather than a young person. Because the subsidy was there, and they were going to employ someone, they thought, ‘Well we might as well give a mature age person a go. The government is going to give us \$2,500 to do that. Let’s have a look.’ What we were trying to do was to make employers—and for us it is a small business economy—have a look at mature age people when traditionally they have not.

**Mr SAWFORD**—In your summation of your submission you referred to an issue that we have discovered as well in terms of the appalling data and research that is available on this issue which has been an issue in this country and around the world for at least the last 25 years.

**Mrs Carnell**—Yes.

**Mr SAWFORD**—Thus far one of our findings is that a lot of the research that has been done in this country is what I would call ‘serial lineal’—that is, a little bit here, a little bit there. There is an appalling dearth of comparative data and longitudinal studies are non-existent in this country. Has the ACT considered longitudinal comparative studies? Do you have the resources to be able to do them? In many ways, some of the things in your submission are refreshing. Also, I think some of what you have done is very good. But, again, it is only as good as your follow-up, your monitoring and your evaluation programs. Of course, you have had a more recent start to it. You were not there in 1979 and 1975 when these problems started to emerge.

**Mrs Carnell**—That is true. The answers are ‘yes’ and ‘yes, possibly’. We funded a report into mature age job seekers, to which I think we alluded in our submission. It was called ‘Our neglected resource: a Canberra challenge’. We launched it in 1998 and it was done, I have to say, in cooperation with the Belconnen Employment Solutions Taskforce. That task force is a broad ranging group of people from the Belconnen area, including mature age unemployed; in fact, I suppose the movers and the shakers tend to be the mature age unemployed. We certainly have plans to back that up from here, to do a reassessment, to run off that into looking at what has happened over, say, the last 12 months, the next 12 months and so on. Perhaps Elaine might like to make some comments.

**Ms Young**—With the Restart program, the incentive is only part of the program; we also have training.

**Mr SAWFORD**—No, I am not talking about restart; I am talking about right across the board.

**Mrs Carnell**—In terms though of monitoring what is happening.

**Ms Young**—We will monitor very closely those people who have been in our programs. They will give us a sample group, and we will look at that over time.

**CHAIR**—Basically it is a pity that a lot of what you are doing is not happening everywhere. You have an ideal environment in which you could be conducting a prospective research program to see: okay, we have these 100 employers who have taken on mature age workers. At the end of six months or one year, what impact, positive or negative, have those people had in that workplace; what has been their experience with absenteeism versus the rest of the work force, and so on?

**Mrs Carnell**—As I have said, all of that was happening in the assessment. That is also the case with New Futures in Small Business. There are a number of other programs as well, but they are the two major programs that are finding new jobs, employed jobs, for people who are over 45 and also for the people who choose to go into their own business, whether it be consultancies, part-time or bits work, or whatever. We are having ongoing assessment of both those groups of people.

**Mr SAWFORD**—I think the point made by Brendan is: what will they be doing five years down the track? Often what happens in 12 months or two years does not necessarily give a true picture of what will happen.

**Mrs Carnell**—That is true.

**Mr SAWFORD**—Do you have the resources—

**Mrs Carnell**—No.

**Mr SAWFORD**—You do not?

**Mrs Carnell**—No.

**Mr SAWFORD**—Within your departments? Perhaps in liaison with the local university?

**Mrs Carnell**—The fact is that, yes, we will do it, and we have already decided to do it. I suppose the hard bit always is the resource issue. In terms of straight research, the temptation is always to put the dollars into programs, into a job now, into a restart now rather than into longer term research. But you are absolutely right in that it needs to be done. It is an integral part, as I have said, of the programs we have talked about. The programs have a research component to ensure that we track them over time and the people over time, and we are small enough to do it.

**Mr BARTLETT**—Kate, in your submission you have made mention of record job levels in the ACT. Could you perhaps just elaborate on that? Could you give us an expanded overview of the job market in the ACT, particularly in view of the change in the relative proportions that are employed in the private sector versus the public sector and touching on areas of skill shortage and how they impact on mature age unemployed?

**Mrs Carnell**—That is a good question because there is probably nowhere that the job market has changed so transparently as Canberra. By the way, Canberra is probably a bit of a window to what is happening in Australia; it is just happening much quicker here for all the reasons we have spoken about. In the early nineties, 60 per cent or just over 60 per cent

of Canberrans worked in the public sector; now 60 per cent work in the private sector. So the move from 60:40 has been extraordinarily quick for a city of 310,000 people.

As I have said, the actual number of jobs now is at a record level—we are not fudging the figures by using percentages. Where are those jobs? I suppose there would be arguments about whether they are full-time or part-time jobs. I would say that predominantly they are full-time jobs, which is interesting. There certainly has been the casualisation, the move to part-time employment, as there has been probably right across the world but certainly right across Australia; that has happened here too. But a large number of those jobs are full time.

**Mr BARTLETT**—In what industries?

**Mrs Carnell**—This is the interesting point: this again is where the over-45s end up with a problem. Those jobs are almost totally in the areas of IT—not all IT—hospitality, finance and advanced technology. I commented earlier about some of the things we have found. One is that, even if mature age job seekers have a degree, there is a gap between the skills they possess and what the job market looks like. Part of the pathways program that I have spoken of is about plugging in those skills for those people, and it almost has to be individually tailored. You have to look at the person and determine what they might need whereas, say, when you are looking at 17- or 18-year-olds, the demographics and the skill bases are much more similar—

**CHAIR**—Homogenous, yes.

**Mrs Carnell**—and that is simply not the case.

**Mr BARTLETT**—Do you find that in those IT and hospitality industries, where employers tend to have a preference for younger people, it is only because of the skills? If we could adequately retrain and develop those skills in the mature aged, do you think they would be readily employed in those industries?

**Mrs Carnell**—That is our experience, yes, but we did have to use the financial incentive.

**Proceedings suspended from 9.32 a.m. to 9.56 a.m.**

**Ms GILLARD**—I have a few questions about the report, 'Our neglected resource: a Canberra challenge'. Brendan has raised the fact that, as we have taken evidence in this inquiry, a number of people have spoken of the shocking processes being used to make people redundant—those of literally packing up your desk after 20 years of service and being out the door five minutes later. But, given that generally a better protocol is being followed in the public service, what explains the fact of people coming out of that process still being unable to come to grips with the Job Network system? If people were orientated towards public sector systems, I would have thought the ACT would be where they were best orientated. Yet Kate, when she made her opening remarks, said that a lot of people you interviewed for that report did not know where to go or how to go about it. Do you have any feel for that? It is a very bad information gap.

**Ms Garland**—As I say, very often there is a level of expectation with people coming out of long-term employment and particularly from the public sector that perhaps employment will be very easy to find. Then within probably three to six months, if that has not happened, they are down a path where they are not quite sure where to go from there. So there is a gap between when they leave work and when they seek to find services that are available. It is in that gap, that period of time that they tend to start feeling disenfranchised and experience low self-esteem. The Job Network system, certainly from my experience, is still targeting unemployed people, but there still seems to be a gap in communication about what is available out there. We know in the ACT that there is an enormous amount of support and help available, but somehow it is not reaching those who need it. I think though, as I say, after six months they tend not to start looking for it.

**CHAIR**—One of the things we have discovered is that a lot of these people are not eligible.

**Ms Garland**—Yes, that is the other thing.

**CHAIR**—By the time they become eligible for assistance, it is not that they are unemployable but their chances of getting a job are substantially different.

**Ms Garland**—That is right. For instance, they do not realise that they can register with any Job Network agency the day they leave employment, even if they do not get a benefit. So, as I say, there is a lack of communication about what they are able to do. Very often it gets to a point where they are almost ready to go onto benefits before they access the system. With the changes made last December, people can register as job seekers whether they are on benefits or not, and I do not think that is widely known.

**Ms GILLARD**—It has not got through.

**Ms Garland**—No, and certainly not perhaps to those people who have left jobs at mature age level.

**Ms GILLARD**—Also, in your report's summary you comment that evidence of second generation unemployment is starting to manifest in the ACT. Can you flesh that out for us? One of the things we have talked about in this committee is people being in a cycle of unemployment.

**Ms Carnell**—From the Belconnen report it started to be obvious that it exists. It is not something that has existed, I suppose, in the ACT necessarily in the past. I am sure there have been examples of it, but not in any systemic manner. But it is interesting just how many of the long-term mature age unemployed were reporting that their children were not finding jobs either. It is early days for us. I am sure it is something that has existed elsewhere for a long time, but it has not been something that has surfaced here before. When they were doing the Belconnen report, statistically the level of youth unemployment, or people who were unemployed themselves, was significantly higher than you would have expected across the system. But it is very early days for us in terms of what that really means or whether that is going to continue.

We ran a similar program to Restart for young people about two years ago. It was Youth 500 to start with and ended up being Youth 1000. It was just a huge number of jobs very quickly in the youth area. It was really interesting to talk to some of those young people. A few of them, if you remember, got jobs under that program; nobody in their whole family had a job. I remember one young lad that we used in a couple of advertising campaigns—nobody in his whole family, in his living memory, had ever worked. He was 18 years old. He was a lovely young lad. I understand he is still in work. It was something you did not expect in Canberra particularly.

**CHAIR**—We found these people often wedged between children at one end and parents at the other—dependency at two ends.

**Ms GAMBARO**—Kate, you spoke about the hidden unemployment aspect, that people do not access the Job Network or Centrelink. You mentioned when you were speaking to Julie just now about the lack of knowledge about how to access these services. Do you think it is because of the social implications of what that means, that is, you are really at the bottom of the barrel when you have to go down this course?

**Ms Carnell**—The expectation issue is huge. Going to the CES, we accept all that, but the perception is that it is what really down and outers do, not what professional people who have been in a job for most of their lives do.

**Ms GAMBARO**—I noted that you have done some great things in your submission when I was reading through it. We spoke to a number of agencies which suggested that there might be scope to have some sort of mature age job-type centres where mature age people could go rather than having to deal with a young 21-year-old at the Centrelink counter who really alienated them even more.

**Ms Carnell**—Maybe you would like to talk about Open Access?

**Ms Young**—Yes. We are looking to enhance the Restart program with another program called the Open Access Centres. We have three shopfront locations across Canberra where people who are not eligible for Commonwealth benefits can go and learn to use a computer, do their own CV with training and be helped also with job placement.

**Ms Carnell**—On a pretty individual basis.

**Ms Young**—It is very personalised.

**Ms Carnell**—And career counselling.

**Ms Young**—And career counselling. To help with that aspect of mature age people we are thinking now to focus our Restart incentive scheme on those Open Access Centres, enhance what they do and to make it much more approachable for mature age people. So we will combine the two programs.

**Ms GAMBARO**—That is excellent. I would just like to ask another question. We have had a lot of submissions where people have said, ‘I have sent away 700 applications and the

decent ones have replied and then there are a whole lot of others who do not even bother to reply.' There is a shortfall in the market out there with counselling services, both for young people and for old people, but one of the problems with people sending out job applications when they are in that situation is that they are not targeting their skills to the appropriate jobs. Sure, they will send 700 applications out but in the end it is really quite negative because it really just brings down their self-esteem even more. What can we do to make sure that people do target according to their skills rather than just sending out blanket applications?

**Mrs Carnell**—Certainly there is the open access program.

**Ms Garland**—We actually enhance the open access program by putting in that career counselling or skills identification and then they build on that by writing their resumes accordingly. Then they are only encouraged to apply for jobs that really match their skills and their aspirations. Only a small number of people, if you are talking ACT-wide, access the open access program, but it is a very good model.

**Mrs Carnell**—When you say 'small', there still is about—

**Ms Garland**—It would be about 30 a month of mature age people.

**Ms GAMBARO**—How do you advertise it and how do people get to hear about you?

**Ms Young**—Part of the contract with the service providers is that they market themselves and they do a fair bit of press advertising. We also ran a series of day-time seminars where we set it up and the different access centres addressed the seminars, so we have been targeting a number of levels. The Job Network system knows they exist too and we understand that a fair bit of referral goes on.

**Ms GAMBARO**—That's great.

**Ms Young**—They have a shopfront location so people can actually physically see them. In Tuggeranong, for example, it is right there in the main civic centre.

**Ms GAMBARO**—It is really very good. Thank you very much.

**CHAIR**—Phil, do you want to ask something?

**Mr BARRESI**—The issues may have already been covered so I do not want to go over them again. I will read through the transcript. But has the New Future in Small Business program been covered already?

**Mrs Carnell**—We have spoken a little bit about it but we have not had any questions.

**CHAIR**—We just touched on it.

**Mr BARRESI**—Can we just through it then. To begin with, how does it relate to the NEIS program and have the programs been successful to such an extent that they are still operating today?

**Mrs Carnell**—Yes. In fact, they have been more successful than ever.

**CHAIR**—Rod has just pointed out something to me that is important. The wage subsidy is one incentive, but have you looked at other incentives for employers in terms of shorter working weeks and casualisation and so on? Perhaps you could consider that.

**Ms Young**—The only other thing I am aware we have been considering is the training voucher system, which is to help people to train,, which I think has been used in other states.

**Ms Garland**—That is just a system whereby individuals can purchase the training that is most appropriate for them rather than being locked into courses for 10, 12 or 15 people. It is much more individualisation of training needs rather than blanket training.

**Mrs Carnell**—So to make sure that the cost—

**Ms Garland**—And that is particularly in the IT area because there are so many variations of people's IT skills that one course does not necessarily suit all people so it was really offering the opportunity for people to skill up to a point where they are—

**Mr SAWFORD**—There is a formula in terms of the wage incentive; it is fairly simple. It is sort of: incentive, employer, payment. In terms of casualisation, when you look at the three big food retailers—and I do not want to name it—one of them found out in comparison to the other two that they had enormous casualisation of their work force and they were so unproductive in comparison. It seems to me that there are opportunities there. You link attitude of employers with employing mature age people. Do you think sometimes we are too complex and should be much more simple? The concept was: the mature age, work, employer subsidy. maybe we ought to use that trinity formula in terms of casualisation. It does not have to be a hard-edged money thing, because you can encourage that. The other thing that a lot of research is showing too is that people who work shorter hours are more productive than people who work longer hours.

**Mrs Carnell**—We're all in trouble, aren't we!

**Mr SAWFORD**—We have been deluding ourselves for years. We all know that.

**Mrs Carnell**—We accept totally what you are saying. One of the things with Restart for us—and again probably because we are little—is that we did fete the employers a bit. We had adds in newspapers that these are the employers that have taken people on and thanking them. Again there are other ways to encourage people.

**Mr SAWFORD**—There is nothing wrong with that.

**Mrs Carnell**—For the Youth 1000 program we had a cocktail party where I got the ministers to come along, shake hands and do all of those sorts of things. That seemed to

work as well—to actually give the businesses that were really giving people a go a bit of a star, shall we say.

**Ms Garland**—A vast majority of them were small business. There was almost no take-up of those incentives by large organisations.

**Mrs Carnell**—That is right, which is interesting.

**Ms Garland**—The very major employers were small business.

**Mrs Carnell**—Can I just add one thing that maybe you would not have expected. We can certainly provide some information on Restart—where people went and what sort of industries they went into. Surprisingly, a good percentage of the over 45-year-olds went into IT which is something that maybe you would not have expected. Communications services, along with retail, were the two big ones.

**Mr SAWFORD**—That reinforces my point of view. It is not that hard.

**Mr BARRESI**—Just on the New Futures in Small Business Program—if that is the right terminology. It is primarily—or only—for residents of the ACT. What is the relationship with those in Queanbeyan who are trying to come over? Are you finding an influx of unemployed from Queanbeyan moving across trying to access this new beaut program?

**Mrs Carnell**—I have to tell you that we are not as vigorous as we could be. Fairly obviously, it is supposed to be for people from the ACT, but we allow the region to access programs.

**Mr BARRESI**—I notice one of the features of this is 12- month mentoring that goes with it.

**Mrs Carnell**—That is right.

**Mr BARRESI**—We have heard from some witnesses that it may be useful to have those who have skills and are unemployed used in a mentoring capacity for others.

**Mrs Carnell**—Yes.

**Mr BARRESI**—So where do you draw your mentors from? Are they from within industry, the public service, or are you actually using unemployed people themselves who have accountancy business backgrounds?

**Mrs Carnell**—All of the above. We have public servants, small business people, people who are retired—all sorts of people who are mentoring.

**Ms Young**—We do try to match them. If somebody wants to move into the financial counselling business, then we try to match them with somebody who has appropriate skills.



**Mr BARRESI**—If the mentors are coming from the unemployed ranks or the retired ranks, are they being paid a fee for it?

**Mrs Carnell**—No. If somebody wanted out-of-pocket expenses and they say, ‘This is actually costing me a lot’ or whatever, we would help them, but they are not being paid. And I would have to say they are mostly really enjoying it.

**Mr BARTLETT**—I just wanted to go back to the Teacher Renewal Program, but if we are out of time—

**Mrs Carnell**—No, go ahead.

**Mr BARTLETT**—Just quickly, what sort of incentives did you give to those mature teachers and how many have taken up the offer?

**Mrs Carnell**—We have somewhat changed the program to make our discrimination commissioner happy, I have to say, along the lines of what you spoke about before. The problem we have got is that we have any number of people who want to take it up. The number of hands up from our mature age teachers is significantly bigger than the number that we want to go. So the program has been changed to ensure that it does not in any way discriminate in favour of, or against, any group in our teaching ranks. The issue was not so much that we were discriminating against older teachers, the fact is that we were discriminating against others who wanted to take the redundancy but we would not let them because they were not old enough.

**Mr BARTLETT**—What incentive was built into the package?

**Mrs Carnell**—It was just a voluntary redundancy—because we are not offering voluntary redundancies—with an extra add-on benefit—a couple of thousand dollars.

**Ms Garland**—It was \$2,000.

**Mrs Carnell**—It was \$2,000 on top of what would normally be voluntary redundancy payouts. Taking into account that a lot of these people had been in the service for 20 years plus, that is not an insignificant payout. Voluntary redundancies simply are not available necessarily in our teaching service.

**Mr BARTLETT**—So you have no numbers of those taking it up?

**Mrs Carnell**—I do not have any numbers. We can get them to you. All I know is that the number of people who put up their hands was about five times the number of positions we had. That is always the case.

**Mr SAWFORD**—There is also the problem that some of your better people are sometimes the ones to go because they are much more easily placed in the work market. Some state departments have been absolutely decimated.

**Mrs Carnell**—I totally agree. That was the reason why we wanted to focus on a particular part of our work force with that particular deal. We did not want our best teachers to go. Some of our older teachers were our best teachers, so I am not suggesting that it was that way, that we wanted to focus on a particular section of our work force. But it would appear that we cannot do that.

**CHAIR**—Finally, what skills are lacking? You mentioned in the submission there was a skills mismatch between what the Public Service required and what the private sector actually needed. Did you identify any particular thematic skills that were not there?

**Ms Young**—In terms of, say, someone starting a small business, we found that financial management skills in that micro-business area were sadly lacking and also marketing skills. We managed to pick up that information through the New Future in Small Business program where about half the people really do have to work very hard to get their skills up.

**Mrs Carnell**—And, of course, there are the IT skills.

**Ms Garland**—Yes. It was really the level of information technology skills being asked for in the private sector that did not necessarily match the experience that people had had, bearing in mind that many of the redundancies were from the public sector. So there was a mismatch there.

**Mrs Carnell**—Can I finish by saying something with regard to this that is probably totally politically incorrect. One of the issues that we probably should raise with this—and we were talking about it earlier—is that we have found a very big difference between men and women in this area. We should not ever suggest that it is always the way, but we have a lot more luck in placing women.

**CHAIR**—We have found that through the course of our inquiry.

**Mrs Carnell**—Mature age women are easy to place, and the reason is that they are willing to do anything and the blokes are not.

**CHAIR**—What you are saying is consistent with everything that we have been told. We have been told that women in this age group are more willing to do casual work, part-time work and low skilled jobs; that they are less encumbered by feeling demeaned by doing something outside their traditional area.

**Mrs Carnell**—The level of difference that exists is just extraordinary, although a huge number of people are going to be in the middle. We were just talking before about some of the men in that Belconnen task force and in our own task force, the mature age unemployed people who have knocked back jobs because they are ‘not up to speed’. We do not experience that amongst the women. The women are willing to take a counter job, knowing that they will end up running that area if they are any good, if that is what they want to do, and so on. The guys do not seem to be quite as flexible. I am sure it is politically incorrect but, for all of that, it is just so fundamentally true that it needs to be raised.

**CHAIR**—We found that out—even in South Australia, Kate.

**Mrs Carnell**—There you go. Now we can all be politically incorrect.

**Mr BARRESI**—Were you there?

**CHAIR**—Yes.

**Mr BARRESI**—I know you were physically there, but were you really there?

**CHAIR**—Are you doing anything to try to recruit mature age workers into the ACT Public Service?

**Mrs Carnell**—We are not doing terribly much.

**CHAIR**—I know you probably have a limited budget to recruit anybody, but—

**Mrs Carnell**—I think this is true. I have to say that not a lot of recruiting is going on. The only specific recruiting program in terms of overall recruiting—apart from individual jobs that are advertised all the time—is our graduate program. There is just not another one.

Mind you, we do have smaller programs for, say, mature age people with non-English speaking backgrounds because that is a specific area, particularly amongst women. We do have specific programs for women and men of mature age non-English speaking backgrounds where we bring them in and give them block time.

**Ms Garland**—Seven weeks training and six weeks work experience in the public sector. But they are aware that it is unlikely that they will get a job in the public sector. About 60 per cent have got jobs out in the private sector because of the experience.

**Mr BARRESI**—On getting jobs, the more flexible you are, the more you can tackle anything. Have you done a longitudinal study of where these women have gone after that?

**Ms Garland**—No, we have not.

**Mr BARRESI**—They would take on a lesser job but their career object has been met as well.

**Mrs Carnell**—We have not yet, but it is certainly a part of the research part of the Restart program.

**Ms Garland**—We can do it with Restart.

**Mr BARRESI**—We know that takes place. Perhaps if there was a study like that by some jurisdiction it might just add a greater argument to convince the male population to take it on as well.

**CHAIR**—That is right.

**Mr SAWFORD**—That could be the first longitudinal study to be done in this country.

**Mrs Carnell**—We would not like to break the mould.

**CHAIR**—We were told in Melbourne that one of the concerns of small business was unfair dismissal things, so they offer a casual job. The men are saying they do not want a casual job, not realising that often it is a stepping stone, and basically trial employment.

**Mr SAWFORD**—Whether that is true, casualisation has grown from 20 per cent to 40 per cent of the work force.

**Mrs Carnell**—I will leave those things with you. They are in the middle of the table.

**CHAIR**—Thank you. I must say I am most impressed with what you have done, the submission and the fact that you take it so seriously you would come along and speak to it.

**Mrs Carnell**—Thank you.

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

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.

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

That this committee formally receive as evidence an exhibit for the inquiry into issues specific to workers over 45 the graph received from the ACT government titled 'Employment by industry'.

**Committee adjourned at 10.24 a.m.**

