

# HOUSE OF REPRESENTATIVES

## STANDING COMMITTEE ON EMPLOYMENT, EDUCATION AND TRAINING

**Reference:** Factors influencing the employment of young people

NOWRA

Monday, 7 April 1997

**OFFICIAL HANSARD REPORT** 

CANBERRA

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON EMPLOYMENT, EDUCATION AND TRAINING

## Members

Mr Charles (Chair)

Mr Baldwin
Mr Barresi
Mr Bradford
Mr Brough
Mr Dargavel
Mrs Elson
Mr Martin Ferguson

Mrs Gash Mr Marek Mr Mossfield Mr Neville Mr Pyne Mr Sawford

Matter referred for inquiry into and report on:

Factors influencing the employment of young people.

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON EMPLOYMENT, EDUCATION AND TRAINING

SCHOOL FORUM

Factors influencing the employment of young people

## NOWRA

Monday, 7 April 1997

Present

Mr Charles (Chair)

Mrs ElsonMr MarekMrs GashMr Mossfield

The committee met at 9.38 a.m. Mr Charles took the chair.

## PARTICIPANTS

## **Bomaderry High School**

Alison Beavis Katie Choice Nick Duplessis Simone Duhme Gareth Ward Kate Watson

## Nowra Technology High School

Belinda Gurney Kristy Love Letitia Manley Christine Rooks Lennon Wicks Courtney Woolley

## **Shoalhaven High School**

Nikki Graham Melinda Healy Kaycee Lucas Karen Orford Troy Russell Sian Viney

## St John the Evangelist High School

Kurt Brissett Rochelle Davis Bradley Elbourne David Job Emma Kennedy Peter Koppman Anthony Lee Daniel Purvis Janene Snell

## **Ulladulla High School**

Mareka Deka Amy Lovett Rachelle Wane

## Vincentia High School

Shelley Armour Anna Grounds Kelly Hilder Melanie Roach **CHAIR**—I declare open this school forum on the inquiry into factors influencing the employment of young people. The purpose of the inquiry is to consult widely and produce recommendations for government action that will help promote the employment prospects of our youth. The committee has conducted similar school forums in Caboolture, Queensland; Blacktown, New South Wales; and Hobart, Tasmania. Students and members of the committee agree that the forums are a valuable opportunity to share concerns and express views about this most important issue. This school forum is one of a series with students in Nowra and Wagga Wagga in New South Wales, and Sale and Seymour in Victoria. The committee considers the school forums to be an important part of the inquiry process.

So far the committee has received over 100 submissions and conducted public hearings in Canberra, Sydney, Melbourne, Adelaide, Brisbane, Hobart, Alice Springs and several regional centres in Queensland. For the most part, the evidence collected has come from employers, government and non-government agencies.

Through this school forum, all of you will have the opportunity to voice your views and opinions on this most important matter. The agenda and issues for discussion have been sent to you and you have had prior opportunity to study the issues. Some of the issues we wish to address include: the effectiveness and appropriateness of the secondary education system; vocational education in schools; employer perceptions of young people; apprenticeships and traineeships; youth wages; income assistance; and any other issues you may wish to discuss.

To help structure the debate, I will introduce each section with a few comments based on evidence that has already been provided to the committee. I will then seek your comments and views on the matters under discussion. If you wish to speak, please raise your hand and when you have been given a microphone state your name, your age and the school you are from.

Having gone through the formalities, I will introduce my colleagues. Frank Mossfield is a New South Wales member; Paul Marek is from Queensland; James Rees is the inquiry secretary; I am a Victorian; Kay Elson is from Queensland; and Jo Gash, who is your member in this part of New South Wales.

I welcome you all to the forum. Do not let this be intimidating because the more willing you are to stand up and speak and tell us what you really think, the better chance we will have of coming to grips with some of these issues. I have to tell you that the school forums we have had have been terrific. So do not be bashful; there is nothing to be bashful about. I want to thank you for taking your day off, as it were, from school to come here to talk to us.

The first issue we are going to discuss today is the secondary education system. We have heard the views of lots of young people about whether they think the education system is preparing them for a future life of work. We have heard views that lots of young people do not seem to have a clear idea of careers and career paths other than perhaps going to university and what particular mode of study you might undertake there. We have heard lots of views about whether young people themselves, compared with what the employment community thinks, have adequate literacy and numeracy skills.

Having opened with that, could I ask somebody to please get the ball rolling and tell us what you think about the secondary education system. Is it serving your needs? Is it going to help you get a job? Does it help

teach you about what work is all about or what might be available out there? Will employers think you are literate? Will they think you know how to count? What do you think about all that?

**EMMA KENNEDY**—My name is Emma Kennedy. I am 16 and from St John's. I reckon there is just as much chance for the kids who say they can't read and can't write. I can read, and I am sure everyone here can read. The people who can't read as well as us have special classes. So everyone is given a chance and some people don't take it. I think everyone is given a chance, but if they don't take it, that is their choice.

**GARETH WARD**—My name is Gareth Ward. I am 15 years old and I am from Bomaderry High School. I would just like to refer to something I heard on the news the other night. There was a 14-year-old boy who wanted a part-time job as well as to go to school. I was a bit disgusted to hear that the first question he had to fill out on his application form was 'What is your name?' and he could not do that. I just want to know what he has been doing at school and why he has not been helped. If the secondary education system is supposed to help him, why didn't it do that in this case?

CHAIR—That is a good question.

**SIMONE DUHME**—My name is Simone Duhme. I am 17 and I am from Bomaderry High. I think there is too much stress on the TER. People choose their subjects to get a higher TER—like the science subjects give you maybe in the 90s if you do well. I think you should do what career you want to get into languages or something, they might not choose a language subject but go into a science subject, which is not what they want, just to get a high TER. Maybe some parents pressure you to get a high TER to get into uni. But I think there is too much stress on the TER.

**CHAIR**—Do most of your parents and school teachers tell you, as we have heard in other places, that if you do not get a good TER, you cannot go to university and you are sort of condemned to a life of nothingness? Is that a general view of the room?

**KATIE CHOICE**—I am Katie Choice from Bomaderry High. I think it does not matter what you get in your TER—it is kind of like a piece of paper. It has got a number but, if you do not do as well as you wanted in that, there are always other ways you can get to what you want to do anyway. So I think a lot of pressure is placed on the TER but it is not the be-all and end-all of things, and people have got to realise that. Some people, if they get a bad mark in the HSC, they just go, 'Oh no'—like that is the end of their life sort of thing—but it is not.

**DANIEL PURVIS**—My name is Daniel Purvis. I am 16 and I am from St John the Evangelist. The question I have is this: when will there be a clear-cut distinction between JSST pathway, alternative pathways, and the HSC TER? For instance, I was talking to a friend last night who is doing metal fabrication. For the past five years he has been at school doing subjects like history, English and ancient history which have no relevance to his chosen field and absolutely no practicalities. He has then had to go to the TAFE every Friday afternoon to catch up and have no credits towards his course through schooling simply because he has not been channelled in the right direction. The question I have is this: would there be in the future, if a referendum goes through, a clear-cut distinction between the HSC, TER and the JSST TAFE courses?

**ANTHONY LEE**—My name is Anthony Lee. I am 18 and I am from St John the Evangelist. I would like to comment that I think too many people are doing a TER and choosing subjects when they do not really know what they want to do. It is not just that they do not know what they want to do; there is maybe too much choice given to some people because they are just doing a TER. They do not even know what they want to do and they may not even want to go to university. They would be much better catered for if they could do something in vocational areas or learn a skill that they will be able to use rather than, as my friend said, they are just learning about history when they are going to do something like metal fabrication.

CHAIR—Who is next?

**Mr MAREK**—I thought we were going to take everything from you first. I would like to comment on those two statements that those two gentlemen just made. I am a fitter and turner by trade and Frank is a boilermaker—no, fitter; sorry. I didn't mean to put you down.

CHAIR—And I am a carpenter.

Mr MAREK—We are basically tradesmen except for the two good ladies on the end. What did you do when you left school?

Mrs ELSON—I was a secretary.

Mrs GASH—I was in retailing.

**Mr MAREK**—Now, we have all moved from where we were up into other areas. I have moved into small business. I am only 32, so it was only some 15 years ago that I was in high school. Now, I took on board what you said. I thought, 'Where is history going to help me?' I now say to you that I need more history. As a federal parliamentarian I did not expect I was going to move into this area of employment when I was chasing a trade as a fitter and turner, but now that I have moved on in life I am really concerned about the fact that I do not have a great knowledge of history. I am actually in a process now where I am trying to learn history. So I think students have to realise you have to strike a balance.

Fair enough, it is great if you want to do a woodworking trade or a metal trade, but you still have to have that balance—you still need to get a degree of history, you still have to get that maths, you have got to get that English. You understand?

Now there have been lots of statements made about numeracy and literacy. I was never a grade A student when I went to school. Back in our time I got fours for maths and English, but I got sixes and sevens back then for metal work and woodwork, so what I am now saying to you is that you have to strike a balance. It is very important. You were going to say something?

**ANTHONY LEE**—I put it to you that that is maybe how it was for you, but I feel if you are only doing, say, one day a week at school when you could have been doing four days a week at school of what you were choosing, you are sort of holding that person back from the career that perhaps is more likely for them to

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go into. It has taken you perhaps 15 years to get to where you are.

Wouldn't it be easier if you could say, for instance, 'Let them concentrate on something that they wanted to do'? Then they are going to work harder, No. 1, and, No. 2, they are going to get into the workplace quicker. Then, once they are in there, perhaps they can move on to do something part time afterwards. It would overall enhance the speed at which they go.

**Mr MAREK**—I appreciate that. This is probably going to move into another area that I want to talk to you about in relation to guidance officers or careers officers. Where have they pushed you? Have they said to you, 'What do you want to be?' Have you said, 'I want to be a brain surgeon or a rocket scientist'—or do you want to be a boilermaker or a fitter? What I am trying to say is this: how has the education system made available opportunities for employment? Have they pushed you to extreme academics or have there been allowances for you to move into vocational areas?

**PETER KOPPMAN**—My name is Peter Koppman. I come from St John's. I personally have not been pushed to do anything really. It is just what you can do. That is sort of good in a way because it does not put too much pressure on you, but you need to be pushed a little bit. We do not have anyone coming around saying, 'You would be good at doing this; you should do this', which I think would be good because then you get a bit of direction, because I do not know what I am going to do. I just know I want to do something in economics. Other than that, I do not know. So I think it would be good if we could have maybe one day of the year where they get us together and say, 'You would be good at doing this; maybe you should look to that and try and be a bit more like that.' Because I do not know what I want to do.

**Mr MAREK**—With that in mind, what concerns me is what this young lady over here was talking about—numeracy and literacy and people having the opportunity. I have spoken to many students who have now actually finished university. I say to them, 'What do you want to be', and they say, 'I have no idea'. I mean they are finishing university! I think you have to have that balance of all those different areas. If you just decide to do all metal class or vocational-type subjects, if all of a sudden you finally go, 'Oh gee, I was not meant to be a fitter, I was not meant to be a boilermaker; I was meant to be an economist', all of a sudden you will have had these great areas where you have fallen down.

I am a pilot. I have got my own aeroplane. I wish I had done physics, but I did not do physics. What I am saying is that you have to strike this balance; you have to have all these topics. But I do appreciate what you are saying. There should be an opportunity for you to specialise in the later years in school. Would everybody agree with that?

#### Forum—Yes.

**Mr MAREK**—Right. You want the opportunity to specialise in certain areas so, if you want to do more English you can focus on more English. If you wanted to do physics, you might want to focus on maths 1, maths 2 and those sorts of things. I understand that.

Mr MOSSFIELD—We are here to listen to you people rather than to preach to you. Firstly, you need a good basic education. No matter what you are going to finish up being, you need that, so do not get too

excited about, 'I am not heading in the right direction or I want to be this or my education is being directed in the one direction.' No matter what you are going to do, whether you go on to university or into the trades area, you need a good basic education. Secondly, it is more than likely that you will change your employment positions three or four times during your working life, which will require additional education. So you do need that basic education to start with. If you have got that, you can then move around fairly easily into many other positions.

**COURTNEY WOOLLEY**—I am from Nowra Technology High School and I am 16 years old. I would just like to say, about basic training, that I think, yes, we should have that, but only for the first two years, and then give us more of a choice of what we want to do. At our school we do not have a choice whether we want to take on history or geography or anything. It is just that you have got to do a humanities. Maybe people being exposed to it from years 7 and 8 do not feel that it is right for them, or they do not feel comfortable with it. Maybe that would be a better way to do it, giving us a choice earlier, rather than just the last two years of school.

About employment and getting ready for employment, at our school we do have a careers adviser but it is not mandatory to go to seminars that he has organised for us. It is just in the school bulletin saying, 'On Thursday there is going to be a person from BHP coming and talking to us about fitting and turning' or whatever. I think it should be pushed a lot more. We should be able to see and listen to employers and what they want, how they want people to go about getting jobs, and what is expected of people when they get out into the work force.

**CHAIR**—That is an important area. Paul touched on it and you have now expanded on it. I would really like to hear from at least one representative of every school here how well you understand what jobs there are out there in the world—what careers there are, what career paths there are and whether you have some idea of what they pay. Could you tell us what you think about all that?

**GARETH WARD**—That really is the careers adviser's job to advise us on that. Does the education system provide adequate counselling and careers information? I would say it is barely satisfactory. As year 10 students, we have done one term's worth of careers information. We would do more in health and health, as most people here would know, is pretty much a bludge subject. We do basically nothing. We do not learn anything. It is a waste of time unless the careers advisers are going to actually show us what the TERs are—people think they are just a number on a piece of paper—what the recommendations are and what they think we should be getting into.

**DANIEL PURVIS**—One of the suggested talking points is: a South Australian task force into youth unemployment has proposed the raising of the leaving age to 17. Do you agree with this proposal? We are talking here about the possibility of people getting practical pragmatic roles in society. Delaying the age until 17 is going to prove absolutely nothing. It is just going to mean adding unnecessary frustration to the cause. People wanting to leave at 15 who want to be a fitter and turner or a pilot or whatever are not going to hang around for another two years delaying the inevitable. It is also another two years potential earning dollars for them as well apart from anything else and looking at it from a practical point of view.

Training at the business end of school in years 11 and 12 should be specific as Nowra High have said.

It should be tailoring for people's personal needs. People have hopefully had a good foundation up until then from year 7 to year 11. They then will move onto a specific career not wanting to do irrelevant subjects. Delaying until 17 is just another case where people are not getting to do what they want to do as soon as possible. If you delay they may refocus or they will just simply lose track and not want to continue on.

**MELANIE ROACH**—I'm from Vincentia High and I'm 15. I think basically with our careers program we need to spend more time with the careers adviser. I think in the whole time I have been at my school I have spoken to our careers adviser twice. It is not enough to get all the information because your mind changes about what subjects you want to do and you just need to get more information from your careers adviser.

**ANTHONY LEE**—I thought that the careers program at our school was adequate. I suppose it is like anything: it depends how good your careers adviser is for starters. Perhaps they are not getting enough time to prepare to give us the opportunity to see it. After that it is basically the individual's own push towards it. Very much so if somebody does not have a motivation or a goal, they will just pass the careers thing and they will see something on BHP, and if they do have that goal perhaps to be a fitter or turner or something, they are not the ones who are going to look at that and say, 'Oh, this could be for me.' They just pass it by and pass it off as another opportunity lost for that person.

**SIMONE DUHME**—I feel there are a lot of positives and negatives that careers advisers put to you. I know a friend who wanted to be a pilot and the careers adviser said, 'Oh no, you would not get the marks for it.' I think that may be realistic but maybe the careers adviser could have taken a different avenue and made it into a positive because you feel bad. You just go, 'Oh no,' and then you feel down and you think that is one career that is not going to work for you, so what are you going to do now. I just feel that careers advisers should be more positive in the way they talk to you. They should say, 'Oh, look, if you cannot do it this way you can go through different avenues. You can get your pilot's licence somewhere else or something.'

**SIAN VINEY**—I am 16 and I am from Shoalhaven High. I find that at our school our careers adviser was pushing more to university degrees and things like that and not caring about vocational things. So it looked down on people who just wanted to be a shop assistant or something like that, forgetting about people who might want to run a small business or something one day in their life.

**COURTNEY WOOLLEY**—It is true, I think, that most schools the careers advisers are looking more at occupations that need a university degree. Because our careers adviser is a lot older than a lot of other teachers at our school, I do not think he has enough background training into what employers want now and how people need to go about their jobs and what students want to do with their life. I know people who have gone up to our careers adviser and asked advice on, 'What job should I go for? What should I aim for?' They said they wanted to do something in a field with people all the time but he suggested maybe engineering because they were good at maths. It has to be more on the same level as the students rather than just saying, 'Your grades are like this. You will go into a job like that.' It should be more talking to the students. We have had lines that have been about 20 metres long outside our careers adviser's office and we have only had one careers adviser there. We need more careers advisers in the school or people with training in the careers adviser field. **Mrs GASH**—With the careers advisers, do they explain to you where the vacancies are and how many job opportunities there are in particular fields? Do they tell you the wages? Do they tell you what the employer is looking for?

Forum-No.

**COURTNEY WOOLLEY**—What our careers adviser has basically told us is that there is a job application. He has gone out to the local businesses and said, 'If you want any applicants could you notify the school', but nothing more has been done about that. When there has been a job vacancy they will probably want you to turn up in a tie or something and just pass the interview. So really nothing has been done.

**BELINDA GURNEY**—I am from Nowra High School. I found it difficult moving from year 10 to 11. Our careers adviser did not actually give us guidelines to the career we wanted. We did not get enough information on what subjects we should choose. I wanted to do something in PE, health/PE teaching, and he never gave me much of a guideline. He gave us quite fat little books and said, 'Read up in here and then go from there.' But I never found that he told us what subjects to do or helped us out in that way.

**Mrs ELSON**—I want to ask a question of the gentleman who said that his careers adviser was fairly good. Did he advise you in the area of sales and hospitality if you could not get into tertiary or apprenticeships?

**DANIEL PURVIS**—He would have his little office and he has got a bulletin board there and every time we came together for a form meeting he would give out a sheet saying exactly what opportunities were going. If anyone wanted to pursue that they had to go and do it themselves. I think that is probably where the problem is lacking. People think there are all these opportunities that should almost be given to them on a plate and there is not enough stress put on self-motivation and doing it yourself. Too many people expect to be totally spoon-fed from day one. There has got to be some sort of self-motivation. I think Mrs Gash asked what was going on, did you receive wages and information like that. It is all there to get. We got a job guide booklet from our careers adviser and all you have to do is look it up.I think the problem perhaps is that it is just not stressed enough that people have to go out and get it themselves rather than be spoon-fed.

Mrs GASH—Overall, how many of you have part-time jobs?

(Some participants raised their hands)

**CHAIR**—More than 50 per cent. **Mrs GASH**—Did you have difficulty getting those jobs? Yes? How many are with McDonald's?

(Two hands were raised)

**CHAIR**—I would say over 50 per cent of the students participating said they had part-time jobs. How about telling us a range of the kinds of jobs you have and what you think of them?

LENNON WICKS—I mow lawns.

CHAIR—What do you think of that?

**LENNON WICKS**—I do not mind. I make a lot of money.

Mrs GASH—Self-employed?

**LENNON WICKS**—Yes.

Mrs ELSON—Would you like to do it as an occupation?

**LENNON WICKS**—Not as an occupation, but it is a way of getting money now. It buys me some independence, so I find it fine.

Mr MOSSFIELD—What career do you hope to follow in the future and do you think what you are doing now will help you in your future career?

**LENNON WICKS**—I intend to move on to sports science, mainly because I am interested in those areas. I have chosen my subjects on a wide base so I have a wide variety for wherever I want to go.

Mrs ELSON—Who advised you to take your courses? Was it your own ability?

**LENNON WICKS**—A lot to do with that, although my parents had some influence and my careers adviser also helped in that line as well and family influences.

Mrs ELSON-It is something you want to do, is it?

LENNON WICKS—It is something I really want to do, yes.

Mr MAREK—What do your parents do?

LENNON WICKS—My father is a physiotherapist and my mother is an occupational therapist.

**KAYCEE LUCAS**—I am from Shoalhaven High School and I am 15. We do work experience in year 9. I went to a restaurant and they offered me a job there because I want to be a chef.

CHAIR—Do you like it?

**KAYCEE LUCAS**—Yes, it is really good. They give me an apprenticeship through there and I can go on and own my own restaurant when I get older.

CHAIR—How did the work experience work? How did you find out about the job?

**KAYCEE LUCAS**—I just went in there and asked if I could do work experience there and they said yes. Two people went there. They said I had good skills and then offered me a job.

CHAIR—Well done.

Mrs GASH—Plenty of opportunity for chefs.

CHAIR—Is that after hours or while you were at school?

KAYCEE LUCAS—It was both.

CHAIR—Are we interrupting your training by your coming here today?

KAYCEE LUCAS—No.

**DANIEL PURVIS**—In relation to the question: do people who offer part-time or casual jobs give specific ideas about how that can lead on to another career in the future. I work for K-Mart in Nowra. A couple of other people here do too, I know. The other day I inquired about cadetships and apprenticeships through GJ Coles and was bluntly refused and told that there were no cadetships and there is no prospect of them and to gain an apprenticeship I would have had to have applied back on 17 March.

It is fine they are offering the cadetships and it is good because I am thinking about a career in retail or commerce, but the problem is the advertising. There is not enough liaison between employers, schools, career advisers and then on to the students so that things can lead on. If you want to be proactive you have to get out there and ask employers rather than them telling you. Just simply putting an advertisement or a photocopy on the billboard in the staffroom at K-Mart would have helped. It might have meant that 40 people inquired but something would be being done about it. I am the only one who has inquired so far in the last year or so that the new manager of K-Mart has been there. I think there is a lack of communication—period.

**KRISTY LOVE**—I am from Nowra Technology High School and I am 15. I work in Big Fresh in Nowra Fair and I am in customer service. I think they are doing a really good job with youth there. I am only on a casual rate but there are really a lot of young people working there. I do not want to go into retail or anything like that, but it is good. It gives me job skills and everything and it was not hard to get a job there. I thought that was really well done for Big Fresh because they do a lot for the youth.

**GARETH WARD**—I would like to say that when you pick your subjects at the end of year 8 for years 9 and 10 there was no advice on what to pick at all. You really had to use your own judgment. Not even the year adviser helped you pick the subjects. I think the subjects for years 9 and 10 help you pick the subjects you want to do in years 11 and 12. If you do not do, for example, computing studies in years 9 and 10 there is not much point doing it in years 11 and 12 because you learn a lot of the basic skills that you are going to need in years 11 and 12 in years 9 and 10. So I think there should have been more advice in the early stage of picking subjects.

**CHRISTINE ROOKS**—I am from Nowra Technology High. I am 15. I would like to say that there should be some sort of work skills course throughout the school because the people who leave early might not know what they want to do. They might not want to go to university. I think the high schools are catering more for the people who want to attend university and further their education than for the people who just

want to leave and start work and work towards earning money to just live instead of getting a career, as they like to put it. Where are we going to go for this? There is nothing in our school that says anything about work outside the school. Our careers adviser is not great at offering this sort of work training. So I think there should be some sort of work skills course to offer this information.

**ROCHELLE DAVIS**—I am from St John's. I am 15. About jobs and how we get part-time jobs, I personally had to go out, like most of us here, and look and go into the manager and ask if there was any employment. I am a shop assistant at Best and Less, and there are also a couple of others from there here. I went into Best and Less and asked. In a few weeks I got a phone call saying they would like to have an interview. I went for the interview and there were also a couple of other girls there. All of them who went got a job. They have also been employing about eight more girls and men who have helped. I think that is really good. We are all young from years 9 to 12 and I think it is really good for Best and Less to employ young people to give them an opportunity in the work force.

**CHAIR**—How many of you have tried for a job and have not been able to get one? Could we hear from you?

**CHRISTINE ROOKS**—I went to Grant's Seafood to apply for a job and I was told the wrong time. I turned up too late and they had given the job to somebody else. I also applied at Big Fresh and didn't get called back or anything. You just have to expect that sort of thing. There are going to be millions of people applying for the same job.

**NICK DUPLESSIS**—I am from Bomaderry High School. I have had my name down at Big Fresh for about a year now. I rang up to check to see if they still had my name but they said I was too old. I just figured it was because of the youth wage and how you get paid for age and 17 is too old to start. They are mainly looking for 14-year-olds.

**SIMONE DUHME**—I don't have a part-time job but I know a lot of my friends do. I know they had a lot of hours when they were 15 and 16 but now as they are getting older and when they turn 18 they have to be paid the regular wage. I know that a lot of their hours are being cut down because employers do not want to pay that much money for people who are 18.

CHAIR—What do you think about that?

**SIMONE DUHME**—I don't think that is the right way because I think that is just using young people for jobs just so employers get free labour basically—not free. At McDonald's I think the hourly rate is \$4-odd and once you turn 18 it has to go up to \$7 and I don't think they are prepared to pay that much for labour. I think that is not fair.

**EMMA KENNEDY**—That does happen at McDonalds. Once you hit about 17 they don't give you as much work. But if you are a really, really good worker and you don't slack off and you don't do bad things by them they give you more work or just the same. If you are not as good a worker as, say, Janene, then Janene would get more work than I would. It doesn't matter how old she is because Maccas are rich and they can pay anyone as much as they want. If younger people are better workers than older people then of course

they are going to give them more work.

**ANTHONY LEE**—I reckon it is pretty disgraceful what the employers do to youth because they pretend they care. You are going to have this problem forever if you just keep having it on this age scale. What business sense does it make to employ someone who is 17 when you can have someone who is 16 or 15 and you can pay them half as much?

There is just no point to it. It will just keep going. If you are the manager and you are striving to get to your own position, there is no way. I know people who are managers of fast food outlets. They are good friends of mine. I know the workings of the business. They will not employ someone who is 18 if there is someone sitting there who is 16. Even if the 16 year old can only do four-fifths of the work that the 18 year old can do, they can put them on some monotonous station where they just wrap something. It does not matter how dull it is. They are going to sit there and do it and it is going to be so much cheaper. You are going to keep having this problem of people finding real jobs when they are 18 if people who are 15 can still do the same job and be paid half as much.

**Mrs ELSON**—I ask this question in line with your statement. If they made wages for 15 year olds to 18 year olds the same, would the employer then go to the older person and then the youth would not get that opportunity to gain experience?

**ANTHONY LEE**—If the person who is 18 is not going to be able to get any experience, I think you are going to have to do that.

**Mrs ELSON**—No. I am saying if the wages were the same for a 15 year old as for an 18 year old, do you think an employer then would say, 'Well, may as well go to the 18 year old with experience rather than a 15 year old without experience,' because he is paying the same wage?

**ANTHONY LEE**—Of course, because you are going to get better work from them. It is just commonsense management.

**LETITIA MANLEY**—I am 16 years old from Nowra Technology High School. If 15 year olds and 18 year olds had the same wage, then obviously they are not going to be able to use it the same way. A 15 year old does not need as much money. In most homes they are still depending on their parents and getting money from them. The 18 year old does need more money. I am just saying that, if they have the same amount, it is just not going to work.

**PETER KOPPMAN**—I was thinking that, if 15 and 18 year olds did have the same wage rate, and if you have an 18 year old, and they would probably be a bit better and get employed more, wouldn't you be increasing productivity? Isn't this what micro-economic reform is aiming at? Wouldn't that be better for the whole economy? It is just a question, just a thought.

**CHAIR**—For whatever it is worth, I will tell you this about what McDonald's has told us. In the United States they do not have age based wages. There is just a national minimum hourly rate. McDonald's in

the United States does not hire young people. They hire older people who are willing to work for low wages. The young people are not getting the experience.

I will also tell you while I am at it that employers tell us that, if they were to interview three young people for a full-time job and one of the three had McDonald's experience, the chance of that person getting the job is extremely high. For whatever it is worth.

**ROCHELLE DAVIS**—Just with the age difference, if you are willing enough to get out of bed and hop off your chair and stuff like that to go out and get a job, even if you are 18, I think that they should give them credit for doing that. Most people say how the unemployment rate is very high. All these people are going out for jobs, looking for jobs and they might not even receive a job. Some receive a job and then they only get two hours work. It is work but they do not get work for two months or so and then they might get 16 hours.

As long as they get up off their backsides and do something about it, I think that they really deserve credit, whatever age you are—15 to 18. I think that, if they get off their backside and they go out and look for a job, they should receive a job. Most companies receive a lot of money. Thousands of dollars come in each day. If they cannot pay that couple of dollars difference for a person who is responsible and who knows everything about it with just the age difference, then that is really poor of the employment and of the service.

**SIMONE DUHME**—Lots of jobs ask for experience, but how are you meant get experience if you have not worked before? This is getting back to careers advisers. Maybe we should have programs or something. I do not know. It is really frustrating that you do not get a job because you do not have experience, but how are you meant to get experience if you do not have a job?

**COURTNEY WOOLLEY**—With that thing about 'If someone can get off their backside and go in and go for a job they should be allowed to get the job', it is not up to us; it is up to the employer. If they are earnings thousands of dollars, it is because of their business sense and how they run their business; it is not because 'We won't employ them because they will cost us more money.' It is the way it goes.

It is giving skill to people from 15 to 17 years of age. When that cut-off rate does come, when they do have to get higher wages, it is the business sense that goes along with it. With 19-year-olds as well, they look at the reliability they are going to get from it because a lot of 18-year-olds who are still in school who want part time are going to be doing the HSC or whatever and they are going to need to study. They are looking at reliability as well.

If they see someone who is not at school who is out of the work force and that person is going for something like McDonald's I think they could try to go for something that maybe they need a lot more. If they have a car, they can go for Pizza Hut or Pizza Haven—or just a delivery type of service. So we cannot say that they should be allowed to have a job because they are making all these thousands of dollars just because they can get off their backsides. It is such a wrong attitude.

**EMMA KENNEDY**—If you put your name down for a job and then you keep on ringing them, every couple of days you keep ringing to say 'I want this job' and 'You have to give it to me because I want it', and

they still don't give it to you even though you have been really persistent, they may have the time if you walk in there and ask, 'Could I do work experience here for a couple of months? You don't have to pay me. I just want to work here and get the experience.' If they say no then you go somewhere else. But they should not say no to you if they are not going to pay you and you are just going to work for them because you want the experience. You can get the experience if you want it. You just have to use your head.

**GARETH WARD**—I was just watching a program the other night on ABC to do with youth employment—I think it was *First Wednesday*. I was shocked to see these young people who were really doing a bit of a bludge. They were actually blaming the department of education for their being out of work. It is their fault that they are out of work. It is their responsibility to go and get work. It is the department of education's responsibility to prepare them for work.

On another topic, they also thought, 'Well, if I can't get any work, I'm going to go on the dole.' I would just like to applaud John Howard for the work for the dole scheme because it does give them some experience. As long as they are going to be able to have a bit of a choice in what they want to do; I hope the CES doesn't say, 'Oh, look, we've got some young people in here and we are short of people at the sewage treatment plant so we'll send some people down there.' That is just what I am worried about—that they get a bit of work experience in an area that they would like to do.

## Mr MAREK—Good on you.

**ROCHELLE DAVIS**—Courtney spoke about my saying, 'If you get off your backside and you are 18, you should get a job.' I did not mean that. I meant that because of the employment rate if an 18-year-old wants a job they should not just get put down for their age they should go into it more deeply and see what they have going for them. I have just started off and I agree that if did not have a job in what I would like to do then that would lower me and I would not have the experience, as other people have said. But I am not saying that because they are 18 they should get the job if they get off their backsides, because it really depends on the person and the skills they have, but just give them a go and don't turn them back just because of their age and what pay rate they want.

**LETITIA MANLEY**—I think that the careers adviser should go round and ask the students of each grade or whatever what they would like to get into and actually form a sort of workshop so they can gain experience—although we do work experience—and maybe organise for them to do something else, like a different work experience at a different time from everybody else. Just getting more work may help.

**CHAIR**—Let me change the topic just a little bit. Joanna tells me that in this area there is very high youth unemployment; that is, those who have left school and want work cannot find jobs. How about telling us about some of your friends, neighbours and colleagues who have left school and are having difficulty. What do you think about that? How do we solve that problem? Is it their fault? Is it the school's fault? Is it the economy's fault? Is it the employer's fault? What causes the problems and what can we do about it?

**COURTNEY WOOLLEY**—It is a problem on all counts that you said there: with the economy, teaching, schools and everything. A friend of mine wants to stay at school until he has found a traineeship or cadetship somewhere. Most of his experiences have been that there have not been jobs available. It is not that

he has not got the skills required. It is just that they have said, 'We are sorry, but we have not got a job available for you.' At other times, when there has been an application it has just been that so many other people have gone for the job because there are so many other people who want to find work.

Could I just repeat what Gareth said about the work for the dole? People should not blame the education department. They have done all they can. Sometimes it is the education department not looking at individuals and saying, 'This person has got a problem with his or her reading and writing.' Maybe we should focus on and see what they can say about that, rather than turning around and saying, 'It is your fault that you did not go to anyone and you should work for whatever you get.'

**SIMONE DUHME**—My brother who is 23 did not get the greatest TER and for a year he was not working. But then he went up to the Novotel at North Beach and did work experience for a week. He drove up at 6 o'clock every morning. They said, 'Yes, okay. We are going to give you a traineeship.' Then he got his hospitality management certificate at TAFE and now he is working in a five-star resort up in Lizard Island. So it just shows that if you really want something, there are people who will give you the opportunity.

**DANIEL PURVIS**—The media has a pretty good idea of what is happening. Recently in Shoalhaven we saw in the *South Coast Register* the front article saying that unemployment is a booming industry. It is. There are more dollars—\$55 million more—going towards unemployment benefit. I think the media exemplifies it. The Paxtons on TV on *A Current Affair* just prove that people who want to work and who have a work ethic—maybe it does not necessarily stem from their family—and are willing to go that extra step will succeed whatever they are doing, whether it is at Coles or McDonald's.

There are clear-cut distinctions at school between people who are going to be academically successful in law or medicine and people who are going to be just the check-out chicks, or something like that. Being a check-out chick is their success. I am a check-out chick at K-Mart. There is absolutely nothing wrong with that. I know a lot of people who work there as permanent part-timers who love their job and are really good at it. They were guided by their careers counsellors into that field because of their personalities. That is their drive and that is what they were good at.

To bring it back to the specialisation of fields: careers advisers need to look at someone who is suited for a position in retail, versus someone who is suited for law, and encourage that person. They should not just hand him or her a piece of paper which says that this is what is required, three or four unit maths. They need to encourage and develop different skills and talents. If parents and others are not going to do it—as the Paxtons found out—then who is?

**KATIE CHOICE**—Someone mentioned before that a lot of getting a job and going out there and doing what you want is self-motivation, and I agree with that. A lot of people expect to sit back and be spoonfed by the careers adviser. I think that a lot of it is there with the department of education and job opportunities. People have mentioned going out and getting work experience, and stuff like that, and not being paid for it. A lot of it lies with the people themselves: they just have got to go out and give it a go and try to do these things. The opportunities are there if they make them for themselves.

GARETH WARD-I would just like to respond to what Courtney said. Basically, he said that the

education department was at fault. Is that what you were getting to?

#### **COURTNEY WOOLLEY**—Yes.

**GARETH WARD**—I think that teachers can only do so much for certain students. Some students do not want to learn. They could not really be bothered. They do not want to learn how to read. They do not want to learn how to write. You cannot really do much about those students. You have to take them along until they are 15. Hopefully, if they wish, they will leave school and try to get a job at McDonald's or somewhere else.

I want to talk about the traineeships. The government gives employers around \$250. I think sometimes it is the employers' fault because they think, 'Free work! I will pay this person \$200-odd a week,' and, once the time is up, they will sack them. So I think sometimes it is the employer's fault that people are out of work.

**ANTHONY LEE**—I noticed on a television program that Coles in Melbourne was talking about the fact that they had 200 traineeships sitting there idle. They were complaining. I remember distinctly the presenter at the end of the program saying, 'I am sure they will not be around much longer because there are some good Australians out there.' The problem is that you cannot rely on people to work 40 hours a week for \$220 when they can get \$200 on the dole. That is one of the major problems.

Another one of the problems is that many people are focusing on the last problem in the chain that leads to someone being totally unemployable. A lot of the focus at Mount Druitt High was that it was the teachers' fault that the class failed. That is only the last step in this chain of events that led to it.

Parents may get off a bit lightly in many circumstances. Maybe we need to retrain the parenting of some people because a lot of the time some people get to school and they are almost a hopeless case. You cannot blame the education department for that. You have to break the link somewhere, and it is probably best to break that link at the start rather than at the end and just blame the education department. You have to look deeper than that.

**CHAIR**—So that you know: after the television program that you were talking about, which was about traineeships in retail, we contacted the individual retail training group in Victoria that put that story out. She had appeared before this committee. May I tell you, they filled those jobs almost instantly after the television program.

**CHRISTINE ROOKS**—I would like to comment on what Gareth said. He said that there are people who do not want to learn. Is it not the education department's job to help these people want to learn? Should we just sweep them under the rug and say, 'You do not want to learn. You just sit there'?

**GARETH WARD**—As I said, the department of education can only do so much. You cannot teach a brick wall how to write. That is the truth. There are some kids out there—a small percentage—who do not want to learn. You cannot teach them. You cannot teach a fish how to walk. It is just one of those things. Some people have not got it. They are just not academic people. Perhaps they are more the sporting type.

**PETER KOPPMAN**—A lot of people were talking before about how the careers advisers should be more into it and that DEET should be more out there helping people, aiming them towards something. How

are they going to do this when they are being cut back all the time? Lately, with the Liberal government coming in, they were all cut back. I know it is good for a reason: you need to cut back the government budget because it is going into fixing up the current account deficit. There is the deficit theory and a lot of stuff like that. But how are we going to fix youth unemployment when there is no money out there to do it? You need money to do something. But it seems to be going away.

**Mr MAREK**—How many of your parents both work? It looks like about half of you. The comment was made the other day that many middle-aged women are now moving into employment because it takes 1.5 incomes or whatever to look after a family. How do you feel about that? Maybe in years past it was usually just the father that went out and worked and the mother stayed at home. Have you noticed that that could be another area where a lot of jobs have been taken up? It is just something to comment on, that is all.

I will qualify that by saying that during the inquiry process somebody made that comment. I think it was a gentleman from Mount Isa. He said that now there are a lot of dual income families and that one of the reasons why a lot of the jobs are not there any more is that it requires two incomes to be able to support a family. That was the statement he made. I am not saying that I totally agree, but it is a point that was made. I just thought I would throw that around. That is why I asked how many of your parents both worked.

**Mrs ELSON**—Does anyone here have a friend or know of someone who cannot read or write or spell or who cannot communicate to fill out forms and so forth when they go for job applications? Can we just have a show of hands if you know somebody in that position? About 10 of you, by the look of it. Thank you.

**Mr MOSSFIELD**—Where are the employment opportunities in Nowra? Can we move off the retail and fast food area. If you wanted to become an apprentice in any area at the local level, do you know how to apply for it and what industries to go to?

**LETITIA MANLEY**—I will just go back to work experience. When I was at work experience I was offered a traineeship down at the Shoalhaven Council in a clerical position. I did not take it because I wanted to finish my Higher School Certificate. You have just got to actually go out there and have a look for them and if you see it in a newspaper just apply for it in the different areas.

Mr MOSSFIELD—So they are in the newspapers.

LETITIA MANLEY—Yes. They are there. You have just got to look for them.

Mrs GASH—Are you given a choice in work experience from the careers advisers?

**LETITIA MANLEY**—You are given advice about it.

GARETH WARD—In most cases, the careers advisers encourage you to go out and get the job yourself.

LETITIA MANLEY-They say, 'Go do this-

GARETH WARD-Yes, they say, 'Go do this yourself.'

LETITIA MANLEY—They just give you the forms.

GARETH WARD—Which is fair enough.

Mrs GASH—Thank you.

**CHRISTINE ROOKS**—I am sorry to keep coming back to this, but we are not talking about brick walls and we are not talking about fish. We are talking about humans. You can teach a human how to learn, you can teach a human how to write and you can teach a human how to walk, I'm sorry. You cannot just ignore it. The problem is not going to go away if you keep ignoring it and this is where we are failing. We are failing to see that people who cannot read and cannot write and, supposedly, do not want to learn, have to be encouraged to learn. They need encouragement. If they are swept aside, they are going to lose interest and it is going to eventually lead to them losing confidence in themselves and not wanting to do anything.

**SIAN VINEY**—I am 16. With the traineeship that you are offered, they show these things in the paper and some people do not read the paper; they do not care. It is the self-motivation thing again. You have got to actually get up off your backside and you have got to want to do this and you have got to want to look in the paper and you have got to be able to read the paper.

Mrs GASH—How many of you read the local paper? It looks like about two dozen. How many of you watch the local news? It looks like about a dozen.

**CHAIR**—You are a highly motivated group of young people, I have to say. That is fantastic. But how many of your colleagues lack motivation, lack skills in literacy and numeracy and think that the dole is a good option for them? Can you tell us about that? Surely not everybody in your five schools is as motivated as you are.

**SIAN VINEY**—I think there are a lot of people saying, 'Oh, look, at the end of year 10 I can leave and I can go on the dole and I don't have to do anything. I don't even have to get up. I can spend all day doing nothing, just sitting down watching TV.' There is a lot of that. I think that is probably why youth unemployment is so high. There are things in the paper. They do advertise them; you have just got to look.

**COURTNEY WOOLLEY**—When people go out and cannot find jobs, when they get to the end of year 10 and say, 'Well I can get the dole now,' a lot of it comes back on the education department. We have got a lot of kids who, as Gareth has said, are swept aside and it is said, 'We cannot do anything about it. They do not want to learn. They do not want to do anything.' It comes back on the education department because these people are put in one class and put at the bottom. Some of the time we have got teachers who cannot cope with students that are going to be rowdy, that do not want to learn and are just going to mess up everything. It is a major problem when we have all these people in the same room who just do not want to learn and do not want to do anything. I know that is a big generalisation, but it happens in a lot of schools and a lot of classes.

Maybe un-grading students for 7 and 8 does look like the top students are brought down, but it does bring the bottom students up so that they can sit there and mingle and know what is going on. Then by year 9 and 10 it should be fully graded and you can have teachers who can deal with it, who can cope with lower classes. We should not just have the best teachers take the best classes, but the best teachers for the class should take the class. That would encourage the students to go out and learn.

EMMA KENNEDY—I would like to know what percentage of youth are unemployed in Nowra.

Mrs GASH—Twenty-eight to 30 per cent.

CHAIR—That is 28 to 30 per cent of those that are not at school and who want jobs.

**EMMA KENNEDY**—Okay. I do not think anybody here has been on the dole. It is not as easy as you think to get on the dole. It is really hard and really annoying and really tedious.

CHAIR—Do they teach you in school how to apply for it?

EMMA KENNEDY—No. I have not heard anything about the dole at school.

**CHAIR**—I have to say that last week in North Queensland they told us that one thing that teachers teach young people in school is how to apply for the dole. Generally, you are telling me that they discourage you here—that is very good.

Mrs ELSON—That is excellent to hear.

EMMA KENNEDY—You are glad to hear that we do not get taught about it?

Mrs ELSON—That you do not get encouraged to go and apply for it.

**EMMA KENNEDY**—Yes. It is really hard to get on the dole. A lot of my mates are on the dole. My boyfriend, for instance, was on the dole and the chamber of commerce got him a five-day a week job at Elliotts Car Detailing and he loves it. I know a couple of my other mates have been on the dole for years. They have just started getting jobs. It is getting better.

Mrs ELSON—Were they on the dole through choice, through not trying, or have they just motivated themselves now?

**EMMA KENNEDY**—To get a job?

Mrs ELSON—Yes. You said they are hoping to get—

**EMMA KENNEDY**—Because it is really annoying on the dole. I think they are starting to get jobs now because it is easier to have a job than go through all that.

Mrs ELSON—Is it really?

**EMMA KENNEDY**—It is too annoying to be on the dole—they just stuff you around so much. They do not want to give people on the dole the money. They think, 'We own the money.' The people that are giving the money reckon they own the money. I am saying that they work, they pay for it out of their taxes, and that is why they do not want to give it to you. So my mates are starting to get off their backsides and get jobs, because it is really tedious.

**SIMONE DUHME**—I know a couple of people who are on the dole and they want jobs. It is just really degrading for people. For the CES, they have to write down how many jobs they looked for and you get really degraded because you get rejected time after time after time because you are too old or you do not have enough experience. There are so many forms to fill out.

I am on Austudy and I have to fill out 50 million forms every time something changes—for example, change of address or change of how much money you earn. I know some people who should be on Austudy but, because their parents earn too much or because someone is already at university, they cannot get Austudy. I think Austudy is a good scheme because it is expensive in year 12—I have bought so many textbooks it is not funny.

Filling out forms just because you do not have enough money degrades you—and you already have low self-esteem. It gets harder and harder every time you apply for a job. It is really degrading and after a while you just go 'Oh stuff it—what is the point?'

**ANTHONY LEE**—I have been thinking about what Gareth said about those people who do not want to learn and do not want to be there. For instance, we have a maths class and sometimes you can hear them playing Snap and playing games through the wall during class time. You really have to question whether they belong at school. I think the real question is that, if they are serious about stopping this problem and reducing it, they have got to get these people out of school. First of all, by being with all these other kids who either want to work or are doing better, they are lowering their self-esteem. Second, if they are going to be there they are going to drag the other kids down.

You have to separate them and find something that is actually going to help them. You have to put them in another sort of school or institution or special class, and you have to recognise that, so that they can actually become and feel important and get self-esteem back once they do want to get out into the work force, or are pushed out into the work force as is the case once you reach year 12 anyway. You have just got to do that, to create that extra place for them to go. Otherwise, they have really got no avenue left but to sit at school and play Snap, and they are just going to feel worse and worse about themselves.

**GARETH WARD**—I would like to refer to what Courtney said about the teachers not being able to cope. If they cannot cope, they should not be in the education system; they should not be teaching. That is their job and they should be able to handle these students—and we are not putting them under the rug, as someone said. You can put them in one class where they are with the other students with the same ability and they can learn at their rate, which will generally be at the same rate because they are all in that same class.

I would like to say that my dad is president of the Corrinal Lions Club and they are employing people that are on the dole and they are joining in with community projects. They recently employed a 19-year-old person from Balgownie and he is helping with many community projects. He loves it. He says he would rather be doing that than sitting at home doing nothing.

**KRISTY LOVE**—Going back to what Simone said about the Austudy, I think that is a great idea. However, I think the government should abolish the ASSPA committees and the Abstudy. Just because someone has a different coloured skin does not mean they should be getting more money. Aboriginal people are always striving for native title and land claims. They want to be treated like us, so why cannot we be treated like them. Why do they have to get more money than us?

**Mr MOSSFIELD**—Have any of you or any of your friends applied for apprenticeships? How have they gone? Have they been successful? Could someone give us some experiences, life experiences at the local level, if they have been successful?

**SIAN VINEY**—I just want to say something about what Emma said. She was saying that it is hard to get on the dole and it is tedious and everything. So how come so many people are on the dole if it is so hard?

**EMMA KENNEDY**—Because you get \$140, or \$240 a fortnight. That is money to spend on drugs and on spare time, and you have got all that spare time to spend it on. Also, I have a friend who was on the dole for a while, he applied for an apprenticeship to be a painter and he has got it now. He left school some time in year 10. He is an apprentice painter now and he was on the dole, but he still got it. Even people who have not got that much experience can still get jobs if they want to.

**MELANIE ROACH**—I was wondering if any of you from the other schools have a peer reading program? We have got that in our school and it seems to be working really well. My friend is one of the readers in peer support and I think kids actually get on with the students better than with the teachers. Teachers seem to be a bit of authority. I think if any of the schools do not have it, it might be a good idea to bring it up.

CHAIR—Could you just tell us a bit about that program and how it works?

**MELANIE ROACH**—My friend is a reader. I do not really know that much about it. But in roll call every morning one of the older students reads with a younger student or someone in the same year, and they can help them with their reading and things like that. It works really well.

**SIMONE DUHME**—I would like to expand on what Gareth said about teachers if they cannot cope. I think that is really an unfair statement, because teachers are there to teach kids, not to handle kids who are severely—

Mr MAREK—Disruptive?

**SIMONE DUHME**—Disruptive—exactly. I know that at our school there are lots of kids who are disruptive—they have been suspended numerous times—and if you put all those kids with the same ability into

one classroom, they are just going to be really disruptive and teachers are not going to be able to cope and then fewer people will want to be teachers. I just think that people who are disruptive should have a one-onone with another older student and get taught and improve their self-esteem. I think a lot of it is about selfesteem. If you have got a low self-esteem you do not want to learn; you do not want to do anything really. Also, at our school we have got a class for people with disabilities, and I think that is really good.

**KIRT BRISSETT**—My name is Kirt Brissett, I am from St John's and I am in year 11. Yes, I actually had a friend that was umming and ahing about whether to go back to school in year 11, or to continue looking for an apprenticeship. He went to extraordinary lengths to search for his apprenticeship—looking through papers, sending off several resumes, et cetera. He enlisted to go back to school but then he actually got his apprenticeship. I think that is the case many students find themselves in. They have got nothing better to do. They do not know what they are going to do in life so they think that they may as well just go back to school.

**GARETH WARD**—I would just like to comment on what another one of my school colleagues said about the disruptive students. When the teachers go for their jobs and they go to their schools, they expect disruptive students—it is part of their job. They know that people that come to the schools are going to be disruptive and that they are going to have to live with it. They are taught in their training procedure about how to handle these sorts of people because the Department of Education and the teachers know that these sorts of people are going to be in their classes. I would just like to ask this question to the board here, and I would like an answer if I could have one. Why do Aboriginals get more on Abstudy than we do on Austudy?

**CHAIR**—It is my understanding that they do not. There are different mechanisms because different circumstances apply. Imagine that you live in a remote village, or out in the bush with a small family. Tell me how easy it is to find a primary school, to go there, or indeed to have any opportunity to go to a secondary school or university. The fact is that only a very small percentage of our Aboriginal brothers and sisters get a formal education, and I can tell you that it behoves all of us to do anything that we can to encourage or to help them. All of us sitting here in front of you today—and I know because we have travelled together—know that one of the solutions to problems in poverty in our Aboriginal communities is to raise the level of education.

We are coming to an end very shortly and we are really not giving you the opportunity—except that you have taken it in the middle—to comment on major issues that concern you that we did not bring up through the structured programs. So you have got a few minutes to have a go on whatever you like.

Mrs GASH—How do you feel about your future? Do you feel confident?

EMMA KENNEDY—There is no future here in Nowra.

Mrs GASH—Why do you say that?

**EMMA KENNEDY**—There is no promise. Unless you want to be in the tourism industry in Nowra, you have to look elsewhere for jobs after you leave school. I will be going to Canberra to go to university and then I am going to join the navy. I can join the navy down here, but I cannot do what I want to do—I have to look elsewhere to do it.

**Mr MAREK**—I would just like to make one comment on that. During the inquiry we spoke to some people from the Defence Force last year and they were thousands down on their intake quota. Is there anyone else who would probably be interested in joining the defence forces? There are a few. That is interesting.

**SIMONE DUHME**—I went for an Australian Defence Force Academy scholarship. I went up there and stayed the night—they paid for a hotel. They are really good for country people. You apply, then they give you a hotel room to stay the night, you get dinner and breakfast and you get subsidised for your trip. So they are providing a lot of opportunities for young people. I did not get in because of my eyesight. They are giving lots of opportunities to people, and they are there for people to take.

**KURT BRISSETT**—In many cases, our future is very uncertain. When you really have a look at it, with technology continually changing, many of the jobs that will be available when we are old enough—after school and university—have not even been invented yet. You can just imagine how difficult it is for us to know exactly what we want to do and how difficult it is for the careers advisers who are advising us about jobs because many of them have not been invented yet.

#### CHAIR—We can.

**Mr MOSSFIELD**—That is true, certainly, in some areas, but others areas, such as the traditional trades that some of us have done, have not changed very much really over the last 10 or 15 years. So you would want to keep that in mind also.

**KURT BRISSETT**—That is also what I think is the responsibility of our careers advisers—to advise us on the jobs that have continued throughout the ages and that will still be available when we are old enough.

**SIMONE DUHME**—The other week I was reading in the paper that at a high school in Sydney, PLC, it is compulsory for year 7 students to own their own laptop computer. Every year 7 student has their own laptop computer. It gets hooked up to the teacher's computer and they do homework, maths and English and all that on it. In country areas like this, we cannot afford to have a laptop computer. So these students at private schools will be more advanced than we will be. There is no way that students at our five high schools are going to be able to own their own laptop computers in the next 10 to 50 years.

**DANIEL PURVIS**—A lot of people have claimed that there is no future for some people and some teachers at school have predetermined that we are not going to amount to much. The whole issue of restructuring the HSC, of taking the TER from zero to 100 and whacking it from 20 to 70 to hide the fact that somebody who should not have been at school, who got zero, has now got 20, is masking the fact that we have not supervised them; we have not channelled them into the right areas of employment at an early age. Kurt has basically summed it up by saying that it is uncertain, there is no structure and there is no direction towards specialisation.

You can look three years ahead and say, 'I will never be a pilot because of my eyesight.' But can the careers adviser give me an alternative to that? He could sit me down and say, 'Do you want to be a navigator?' I think the whole idea of communication is the fundamental issue here. It is not whether we are in

a location that is just pretty or unhopeful for future employment; it is the attitude of the people. The board of studies, teachers and parents need to get that across to children—that they do need to seek alternatives if they did not get that job at McDonald's. That is what needs to be addressed—not the fact that we are in a socioeconomically bad environment or that we are down and out and have no future. That is not the problem

**ANTHONY LEE**—I am sitting here listening to all these people say all these things and I am wondering why we are in the position we are in now. Is it really because the government is now playing catch up with what has not been done before? Why is it that I am standing here today three terms away from the HSC and this is the first time I have ever been questioned about why the education system is not working, why we have a class that fails at Mount Druitt? If we are going to get a solution to this, there has to be some serious investment and some serious thought on this. This is good; it is starting now. But perhaps we have to look deeper into our past to find out how these problems have come about before we can try to solve them.

**CHAIR**—We have come to the end of our morning, unfortunately. To the best of our knowledge, this is the first national inquiry into employment for young people. Lots of people have looked at unemployment and lots of programs talk about unemployment and try to address unemployment, but our concerns are about how we can help you to be more employable and how we can encourage employers to make more jobs available to our youth generally. You are a highly motivated group of young people. We thank you for coming today and for sharing your views with us. I am sure my colleagues would agree that we have learned a lot.

We will complete our inquiry at the end of June. I expect we will be able to write a report in August or early September. We will certainly make a copy of the report available to your school. Thank you very much for participating today.

Resolved (on motion by Mrs Elson):

That, pursuant to the power conferred by paragraph (o) of standing order 28B, this committee authorises publication of the evidence given before it at the school forum this day, including publication on the electronic parliamentary database of the proof transcript.

#### Meeting suspended at 11.00 a.m.

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON EMPLOYMENT, EDUCATION AND TRAINING

Factors influencing the employment of young people

## NOWRA

Monday, 7 April 1997

#### Present

Mrs Elson Mrs Gash Mr Charles (Chair) Mr Marek Mr Mossfield

The committee met at 11.28 a.m. Mr Charles took the chair.

1064

**CHAIR**—I declare open this public hearing of the inquiry into factors influencing the employment of young people. The purpose of the inquiry is to consult widely and produce recommendations for government action that will help promote the employment prospects of our youth.

The committee has received over 100 submissions and conducted public hearings in Canberra, Sydney, Melbourne, Adelaide, Brisbane, Hobart, Alice Springs and several regional centres in Queensland. The committee has also conducted school forums, including one in Nowra this morning, in which young people discussed their views and opinions with the committee.

The committee is now conducting public hearings in rural and regional centres in Queensland, New South Wales, Victoria, Western Australia and the Northern Territory. This meeting is one of a series in Nowra, Merimbula, Sale, Seymour and Wagga Wagga which will give Australians outside the capital cities an opportunity to put their views and their concerns to the committee.

This is a very broad ranging inquiry. Matters raised in submissions so far include the attitudes of young people; the work ethic of young people and their familiarity with the requirements of the workplace; the adequacy and relevance of the education and training systems; the importance of developing better linkages between schools and the business sector; the need for a more flexible industrial relations system; and the effectiveness and efficiency of government programs to assist young people to find employment.

That is not meant to be an exhaustive list of issues the committee will consider or which might be raised. We are entirely open to the views of everyone who wishes to make an input to the inquiry. We are here to listen, to learn and to help improve the prospects of young Australians.

HANLEY, Mr Brian, Chairman, Shoalhaven Area Consultative Committee, PO Box 1227, Nowra, New South Wales 2541

LAY, Mr Milton, Executive Officer, Shoalhaven Area Consultative Committee, PO Box 1227, Nowra, New South Wales 2541

PULLEN, Mr Greg, Industrial Development Manager, Shoalhaven City Council, PO Box 42, Nowra, New South Wales 2541

**ROBINSON, Ms Stephanie, General Manager, Shoalhaven Employment and Training Inc., PO Box 180,** Nowra, New South Wales 2541

**CHAIR**—I welcome the representatives of the Shoalhaven Area Consultative Committee. Thank you for coming and talking to us today. I understand you have a slide presentation you want to make to us. How long is that likely to take?

Ms Robinson—Ten to 15 minutes.

**CHAIR**—Can you make it as quick as possible because we generally find that we learn more by asking you questions than otherwise.

Slides were then shown—

**Mr Lay**—This is a presentation on the Shoalhaven earning a living program. Just some demographics of our area. We are a widespread community. We have a population of 80,000, an increase per annum of 2,500. One of the characteristics of the Shoalhaven is its low disposable income. We actually have a labour force increase of 730 per annum and we create 530 jobs per annum.

The profile of the Shoalhaven: we have shown here the wages by major industry sectors and we have a major dilemma, that is, our unemployment benefits of \$55 million per annum. Our unemployment information: we have shown here the figures at May 1996, and our youth unemployment rate at that point was 28.4 per cent.

Total unemployed on benefits have increased and we have shown that over the period to February this year when they have got to 5,248. Of that, youth unemployment is 28 per cent and the over-45s represent 26 per cent. It is worth noting here that, of our unemployment growth of 380 a month, 127 of these on average during 1996 were people that were transferring into our area who were already unemployed.

Of the new registrations, the increase has come about because of the stoppage of the labour market programs. We have seen an increase of people returning to be on benefit. I will just let everyone read the equation.

For the unemployed to be absorbed into the work force, that is an ask of all enterprises to increase their staffing levels by 50 per cent. It also means that employers are being asked to verify job seeking activities of

the unemployed.

We have social problems. I think the important thing there is the link between a low socioeconomic status and crime and also the fact that the increase in our area was greater than the rate for New South Wales. That is our dilemma: that, despite consistent employment growth, unemployment programs, training programs and case management, sufficient job opportunities are not being created and are not likely to be created to satisfy our over 5,000 unemployed people.

What is the answer? The Shoalhaven earning a living program. And really this is about the Shoalhaven taking charge. Our vision is to provide the opportunity for unemployed people to contribute to the environmental, economic and social future of their Shoalhaven community.

Our objectives are to provide unemployed people with the opportunity to access approximately 3,000 earner places, to identify and develop additional job opportunities and to maintain current employment opportunities without eroding future employment growth.

I think it is worth noting here that youth participation in a proposed SEAL program is most important, and that would obviously allow young unemployed people not getting into an unemployment culture.

The solution is to provide community benefit programs which will give unemployed people an opportunity to participate in contributing to the development of the community. These programs will use the participants' existing skills as well as providing an opportunity to develop and maintain new skills.

SEAL participation includes sponsored work projects, approved charitable work, other training, casual paid employment or a mix of these options. The essential elements of the SEAL program are that it is administered locally and acknowledges the participant's contribution with dollar incentives. We propose that it be voluntarily for the first 12 months and then become semi-compulsory thereafter and that SEAL participation replaces the Department of Social Security jobsearch requirements.

The benefits and results: there are obvious benefits to the community, to the SEAL people themselves—the earners—and we see it as a win-win situation all round for our community. The benefits to the government are: the increase in activity, that is, social and economic; a build-up in community infrastructure; a shake-out of fraud; the service providers undertaking government processing of earners; and fewer people on the unemployment benefit.

The results: increased real job growth in Shoalhaven with approximately 2,000 positions by the year 2000, a significant number of cash-in-hand positions are identified and legitimised, an acknowledgment of regular volunteer hours as community contribution without loss to the earner and a shake-out of unwilling or uninterested people from receipt of benefits.

We believe that up to 20 per cent of people on unemployment benefits are not fully genuine. For example, the CES has difficulty in supplying 20 long-term unemployed people to existing government programs, and some of these people cannot attend on certain days and they cannot attend in certain hours.

The available options: in looking at this problem we have available options, and that is to do nothing, to have a scheme that is voluntary, to have a mixture of voluntary and compulsory—I think that gives credibility—or we can just run with a compulsory scheme, and I think that would lead to some sort of backlash within the community.

Employment under Shoalhaven earning a living program: the 'do nothing' scenario has a projected increase of 660 unemployed people over the next three years. Having it voluntary means it has the scenario of a decrease of 1,620 in the unemployed but 1,900 people are on the SEAL program, which really is an increase of 280 people on unemployment benefit. If we implement SEAL's program, the number of those on unemployment benefits will decrease by 2,630; 1,900 of those, though, would be on SEAL and still in receipt of benefit, and that is a net decrease in total unemployment benefit of 730 over the three years. The compulsory is a 2,720 decrease, with 1,900 on SEAL and a net decrease of 820 people. I think what that really shows is that SEAL is creating approximately 2,450 new jobs over three years, or 1,000 additional jobs over what would normally be created in the Shoalhaven.

What have we done to date? In October-November we had the idea and we generally worked on it in 1996. In December 1996 we took those ideas to Senator Vanstone's representative in Canberra and were interviewed. In January 1997 the Area Consultative Committee fully endorsed the idea and the program as put. In January 1997 the government announced the work for the dole scheme. In February 1997 we made presentations to Ministers Kemp and Newman and we got full endorsement by the Shoalhaven City Council. In March 1997 we surveyed unemployed people, and also wrote to and received endorsement from certain community groups.

A point to be made here is that in the handouts I have given to all the standing committee members is a copy of that letter that went out to the community groups. It also records that over 50 organisations have now replied to that letter and given their full endorsement to SEAL. In relation to the survey of the unemployed, these are just some of the results to date—they are obviously hot off the press: we interviewed 483 unemployed people in Nowra, and 94 per cent of these people were on benefit and 70 per cent of them give full endorsement to the program. The results of that are in the handouts you have. In the southern end of the Shoalhaven, 160 were interviewed. To date, 98 per cent are on benefit and 72 per cent say they would like to participate.

What are our requirements? The objective is to be selected as an official regional pilot. We have offered to conduct a pre-pilot program for the government to enable them to obtain qualitative and quantitative information in order to ensure efficiencies in the official pilots. Today we seek your support for this program. That will enable us to do something positive in the Shoalhaven.

I think our final comment to the standing committee is that we believe unemployment is a community problem and we realise that unemployed people are our neighbours, our friends and indeed our family. Thanks very much.

**CHAIR**—Thank you for that. This morning we heard from a highly motivated group of young people from this area. If there was one strong message, I guess it was that if they and their friends really wanted a job they could get a job. To what extent are the youth problems in this area a result of attitudinal problems,

literacy problems or numeracy problems, or a combination of those three?

**Ms Robinson**—Generally, the youth who come before a committee such as yours are very literate and very well spoken. One of the problems with the long-term unemployed youth is that yes, there is a literacy problem. More than that, though, we see they very quickly get into a disillusioned state and the culture of being unemployed. We feel this program has a large emphasis on getting youth into it very early, before they get into that culture.

**CHAIR**—To what extent is the community required to participate; that is, by way of providing supervision, program control, monitoring and indeed capital expenditure where required?

**Mr Lay**—I think the program, Mr Chairman, allows for a project sponsor to provide the supervision, some on-the-job training and the very materials for the project, and even assist with the travel of the participants. Also, we built into a sponsored project a dollar incentive. I think the government work for the dole scheme has nominated \$20 per week. We were actually nominating up to \$50 a week.

**Mr MOSSFIELD**—I have a general question based on your presentation. I noticed that manufacturing contributes some \$63 million. That was the value of manufacturing in the area, which I think was about the highest figure in the area. To what extent does manufacturing contribute towards the employment of young people in the area?

**Mr Hanley**—Perhaps I could make some comment. I am the manager of the Manildra Group, which is probably the equal second biggest employer in manufacturing. We have a very steady work force. We employ about 160 people. In the last couple of years we have employed two young professionally qualified people in our research area. So the opportunities for us to employ more people really depend on the rate at which we grow. Our growth rate is obviously affected by market pressures and a whole range of other things which either assist us to grow in a regional area or impede our growth in a regional area.

Other manufacturers like the paper mill, which would be the biggest private manufacturer in the area, would have a similar situation to ours. So our ability to employ more people, especially young people, is really dependent on our growth rates.

**Mr Pullen**—If I could just add to that: I think generally across the Shoalhaven employment stability is very strong and therefore the employment opportunities are not there because people are not leaving jobs to create vacancies. Vacancies arise, as Brian said, through employment growth and business growth. That is why organisations such as Council have been trying to work with businesses to expand, develop and get into export markets and so on. That is part of the reason why there is fairly consistently a growth of 500 jobs per annum across the Shoalhaven economy, but it is not enough.

**Mr MOSSFIELD**—I would like to extend that a bit further. If you got some sort of government subsidy, would that encourage you to employ more young people?

Mr Hanley—Yes, it would.

Mr MOSSFIELD—Do you think that is necessary to overcome the high youth unemployment in the area, or is it desirable?

**Mr Hanley**—Yes, I do. I think the government subsidy needs to be talked through. There is a whole range of ways of doing that, but I am sure that would certainly have an impact in this area.

Mr MAREK—What is the main employment area available here?

Mr Hanley-Paper manufacturing, starch and glucose manufacturing-

Mr MAREK—So have you got a fair bit of industry?

**Mr Hanley**—There is a lot of industry here—cheese manufacturing, specialised mining manufacturing. There is a whole range of manufacturing.

CHAIR—Wouldn't tourism be one of your major areas?

**Mr Pullen**—That slide you saw was actually the value of wages paid. With regard to employment, probably retail is the biggest employer. But, because there is a lot of casual and part-time, the wages component is only about two-thirds that of manufacturing, which is mainly full-time and overtime type requirements. Probably half of our manufacturing work force would work 24-hour shift operations. They are quite big operations.

The other major one that you probably saw was the defence industry. The defence industry is a major economic need in this area. Currently we are working with that to expand. The people who get employed in that industry do not come necessarily from the local area—they come from across the nation—but their spending power is very important to this area.

Mr MAREK—Are there many group training companies and those sorts of things operating in the area?

**Mr Pullen**—Council endorsed Shoalhaven group training, which was a subsidiary of Hunter Valley. They operate in this area and probably have about 30 apprentices.

Ms Robinson—Illawarra Skills also operate group training in this area. We have a pilot project for traineeships and apprenticeships in this area which is run through the Chamber of Commerce.

**Mr MAREK**—That was my next question. You are all stitched up with the Chamber of Commerce; they are involved with what you are doing?

**Mr Lay**—Very much so. In fact, I think late this month we will be having a major breakfast regarding traineeships and apprenticeships down in the southern end. They have already had one here in the northern end of the Shoalhaven.

**Mr MAREK**—One thing I must comment on about that slide presentation—great as it was; thank you very much—is that, as soon as you start getting great levels of employment in the area, you are probably going to have a greater influx of people, so unemployment will probably go up. That was one bracket I think you left off. Otherwise it was great.

**Mrs ELSON**—I noticed in your program that you have 500 additional job opportunities. Who is the target group to fill these positions?

Mr Pullen—I think it is across the board.

Mrs ELSON—So it is going to all industries. Is there a training program involved in them, too?

**Mr Pullen**—We are looking at the community groups. When you involve the community in these sponsored projects, obviously they are going to be very similar to the previous labour market type programs—they are going to be community programs. In an area like ours, we have to look at that because there is no way in the world that we are going to create 5,000 jobs like that. With that sort of continuum, to keep the people motivated and job ready, programs like that have to occur.

With regard to where the jobs growth will be, we are hoping it will be across the employment spectrum, as it now is in retail. Obviously our retail is seasonal. Our tourism is seasonal. If we can push the manufacturing—and we have some major military projects here which can add anything from 3,000 to 5,000 jobs over the next 10 years—that spending power will add jobs into the multiplier effect. We accept the nature of employment here, and the government has just recognised 20 hours as a full-time job now. We have a lot of this part-time employment now.

Mrs GASH—Brian, if there were an incentive for on-the-job training, would you see manufacturers or businesses participating in that?

**Mr Hanley**—If it were structured correctly, they would. One of the things that manufacturers are having great difficulty with is their basic cost structure. The cost of labour is a very big proportion of their costs. The other concern that employers have is the dismissal laws that apply at the moment. Firstly, it is expensive to employ people. Secondly, if you happen to employ the wrong person, it is then very expensive to change it. So it would have to be structured in a way that would encourage people to accept that.

**Mrs GASH**—As we have been going around, we have heard the comment that outside training providers are coming into areas and not necessarily waiting for an outcome. I know that it is happening in the Shoalhaven. Stephanie, perhaps you might like to enlarge on the fact that it is a concern elsewhere apart from here. I know that you have been talking about it as well.

**Ms Robinson**—One of the problems that we feel that we experience is not so much outside training providers but outside providers of government services, like case management and all those type of things, coming into the area. They tender based on the numbers of figures or the amount of money that they can get on a commencement. They provide a very limited service. Quite often any training they provide is not accredited training; it is just lip-service.

The major concern that we have over that is where they spend the money. The money that they take goes outside this community. Traditionally, one of the contributors to this community is the amount of government money that came into the area that was spent within the area. That was good for our business and encouraged jobs. In this endeavour to create the competitive market, I do not know how the government handles it, but it is taking money outside this area and thus creating less employment opportunities.

**Mr Pullen**—If I can just add to that. The employers are getting confused. We have TAFE and skillshare providers in both the northern and the southern area and some other organisations. There were probably only about five looking for work experience type opportunities, and that includes the schools. Now there is a multiplicity of those people. The employers—most of them are small businesses—are saying, 'Well, someone was here trying to peddle that program yesterday.' We are trying to say that what we need is a coordination of those programs in a community such as this to get it all embraced under someone like the Area Consultative Committee. If they take the umbrella, there will be a lot more local leadership here and a lot more local endorsement of programs here, and that is how we monitor and maintain local involvement.

CHAIR—As the Area Consultative Committee, what are the impediments to youth employment?

Mr Hanley—From a manufacturer's point of view—

**CHAIR**—Overall, as the Area Consultative Committee, you ought to know where you have problems. I would have hoped that you could help enlighten us on what the problems are. Why isn't there a job available for every kid that wants to work?

**Mr Pullen**—Right. The reason why there is not a job for every kid that wants to work is because it is a growing economy. There are increased jobs being created but we have 2,500 new residents each and every year demanding 700 jobs, of which there are only 500.

CHAIR—How many of all those are youth?

Ms Robinson—In that input growth of people coming, very few.

**Mr Pullen**—Very few. We have not had tertiary education in this area. We have now got a branch campus and we are, thanks to the University of Wollongong and the federal government, about to build a new campus here. That will give us an ability to retain a lot of our youth here rather than have the brain drain go away. Generally, as some of those kids this morning must have said, if you really want a job there are jobs that you can have, but you have to be prepared to work in something that you do not desire to start with and work your way up.

I think that there are youths getting jobs. They may start at Woolworths packing shelves and things like that, but they get into that work ethic. I have children in that age group. They and their friends are getting jobs through that, but they have got to start. The ones who do not start and sit around still seem to be sitting around three years down the track.

Ms Robinson—Often school leavers are a problem. One of the things that is of concern is that, quite

often when somebody leaves school early to take up an on-the-job training traineeship, once that traineeship or those sorts of things expire, the jobs are not there any longer. There is no retention. There is some, but there are quite a lot of cases where there is not. We do not generate enough jobs for them to actually stay within the community—and, funnily enough, our youth like to stay within the community—and get more jobs. There are just not sufficient jobs.

**CHAIR**—On that same topic, in your presentation you commented that as some of the government's labour market programs were being wound back, and some indeed killed, your unemployment had gone up. Does that tell you that the labour market programs were simply recycling people who were unemployed?

**Ms Robinson**—One of the things that we have found, and probably the department of employment, education and training would be better qualified to answer this than myself, is that quite a lot of people who were forced to attend programs like new work opportunities, or the SES program, withdraw from unemployment benefits at that time rather than attend those programs, which would indicate possibly that they do have alternative income.

**Mr Pullen**—The council ran an accelerated works program which employed about 280 to 300 people over a 12-month period. This is before NWOs and those ones. There was a drop in unemployment at the same time that we were out recruiting.

#### CHAIR—Fascinating.

**Ms Robinson**—In recruiting for the SES program, we find there is almost a 2:1 refusal to participate in the program when referred to it—and they drop off benefit.

CHAIR—In your program, did you take into consideration, when you considered the compulsory work for benefits scheme?

**Mr Pullen**—Yes. There will not be the reduction in the numbers if it is completely voluntary. They can still hide behind the trees. If you make them compulsory, be it by a random ballot or something like that, at least you will start to flush them out. It is employers who are guilty as well as the unemployed. There are employers out there who will say to people—and there are certain categories of industries in which it is prevalent—'You stay on benefit and I'll pay you \$150 cash at the end of the week.' So there is a win-win. He is getting 40 hours a week and he is not paying for it.

**CHAIR**—We are going to have to move on. We have a very busy schedule. I thank you very much for coming and talking to us today and showing us your presentation. We intend to complete our inquiries at the end of June and write our report in August or early September, and we will certainly be sending you a copy. Thanks once again.

[12.05 p.m.]

# MATHEW, Mr Anthony John, Human Resources Manager, Silcar Maintenance Services, PO Box 826, Nowra, New South Wales 2541

**CHAIR**—I welcome the representative of Silcar Maintenance Services. This inquiry is about employment, not unemployment. We are trying to sort out how we can help the kids to be more employable and how we can encourage you and all the rest of your colleagues as employers to make more jobs available for our youth. As you are a service provider for a major industry, and as that seems to be a growth industry around Australia for major companies subcontracting their maintenance, can you tell us roughly what percentage of your work force are young people, say, between 15 and 24?

Mr Mathew—About 20 per cent at the moment. We have ratios that we observe—ratios of apprentices to tradesmen.

CHAIR—Are all your young people apprentices?

Mr Mathew—The bulk, yes.

**CHAIR**—Are there any trainees?

Mr Mathew—No, no trainees at this stage.

CHAIR—What sort of trades, Tony?

Mr Mathew—Fitting and turning and electrical.

CHAIR—No carpentry?

Mr Mathew—No. We do not do any of those services.

CHAIR—Do you have any difficulty filling those positions?

**Mr Mathew**—Not at all. Never. Usually we have two positions in this local area annually and we get 140 or 150 applications.

CHAIR—Can you tell us about your selection criteria? How do you arrive at the two out of the 140?

**Mr Mathew**—We do not actually employ the apprentices ourselves. We go through the Shoalhaven group training scheme, which is a division of the Illawarra group training scheme. We short-list the applicants by looking at their school resumes. They are usually straight out of school, invariably. We look at their school references. We do aptitude tests. Then we do interviews on the final 10 applicants. We look for a propensity towards that trade, skills toward that trade, or training that they have done relevant to that trade.

**CHAIR**—Essentially using the group training scheme, of those that are rejected, would you have any idea how many have problems with literacy and numeracy which would have rejected them?

**Mr Mathew**—No, I do not think I could answer that. With most of the applicants the selection criteria call for the school certificate or higher school certificate as minimum requirement. Presumably most of those people will have literacy and numeracy skills. But, of the apprentices we have employed, we have found fairly high rates of literacy and numeracy.

Mr MOSSFIELD—You mentioned a ratio of tradesmen to apprentices. Is that a company policy ratio?

Mr Mathew—Yes, 1:3.

Mr MOSSFIELD—Is that based on economic grounds?

**Mr Mathew**—What we believe is a fair level of supervision and training. We believe that it takes three tradesmen to train one apprentice fairly.

Mr MOSSFIELD—Where are your apprentices trained?

Mr Mathew—They do one day a week at TAFE—Shellharbour and Nowra.

Mr MOSSFIELD—Is the TAFE system providing good service to the area?

Mr Mathew—Yes, very good.

Mrs GASH—How do you find the work ethics of the young people that you put on?

**Mr Mathew**—Good. Funnily enough, I was just talking to one of our long-term tradesmen who has been there forever and a day. I think he has been there for about 50 years. We were just discussing this the other day and he said generally the standard is higher than it was, say, 50 or 40 years ago.

Mrs GASH—What is your turnover rate? How long do they stay with you?

Mr Mathew—The full-time employees?

Mrs GASH-Yes.

**Mr Mathew**—Our turnover rate is about eight or nine per cent, which is pretty high. Our company has only just been formed over the last three years. We have had a fair few changes in the actual organisational structures.

Mrs GASH—Are there opportunities for young women in your manufacturing—

Mr Mathew—There certainly are. We have one female apprentice at the moment. We do not have any

female tradesmen at the moment. We do encourage them to apply. We have an affirmative action program that we have implemented. Traditionally, we do not get many applications from girls for apprenticeships.

**Mrs ELSON**—Throughout the inquiry we have heard constantly from students that they are not aware of the opportunities that are out there, nor are their career advisers. Does your company go into schools to explain to students what you do, and what their opportunities are in that regard?

**Mr Mathew**—No, not as much as we have in the past. I used to work for the Australian Paper Mill for 20 years—I was in its personnel department. Each year we used to come to high schools such as Nowra High School to give careers advice. We have probably fallen down a bit in that regard in the last couple of years.

Mrs ELSON—Would that be because of the number of applications you had for jobs?

**Mr Mathew**—I do not think it is that, so much as different priorities. We have probably got other priorities at the moment. We are more focused on the business and how the business is performing rather than creating employment opportunities. However, it is something that we should definitely do.

Mr MAREK—How many apprentices did you say you took on each year?

Mr Mathew—Two—one electrical and one mechanical. That is just in the Shoalhaven area.

**Mr MAREK**—Do you keep your apprentices for a period of time and let them go at the end of the four years?

Mr Mathew—Yes.

Mr MAREK—You do?

Mr Mathew—Yes, although over the last two years we have retained three of the four apprentices because they are of a fairly high standard.

**CHAIR**—Are you saying that the bulk of your apprentices would not be of a high enough standard to retain?

**Mr Mathew**—No, in the past we have encouraged apprentices to move on to other industries to gain further experience. These three particular apprentices are of such excellent quality that we will retain their services. We have actually created three additional positions; so we have kept their services.

**Mr MAREK**—How many people do you employ outside the Shoalhaven area? Do you have other operations?

**Mr Mathew**—Probably 30 per cent of our operations are outside the Shoalhaven area. We employ a few people from the Illawarra region—two of the apprentices are from that region.

Mr Mathew—In terms of their preparation?

CHAIR—Yes.

**Mr Mathew**—Yes, I think so. We have been involved with the schools' work experience programs, and they have worked very well. We have had a turnover of about 20 or 30 students per year coming in for work experience. They are always very good. That is probably one of the ways that we use to educate the schools about the apprenticeship programs that we have available.

Mr MAREK—Do you see your operation expanding, or downsizing, or anything like that, in the future?

Mr Mathew—I do not think so in the local area. We are under a lot of pressure at the moment—the paper industry is a very competitive market.

**Mr MAREK**—Considering the industrial relations program that we have just implemented, we know that a lot of large companies are not using it to its greatest advantage in various areas. Can you imagine the industrial relations package that the new government has just handed down changing the structure of your organisation?

Mr Mathew—In terms of youth wages?

Mr MAREK—No, in relation to employment—in such areas as demarcation and those sorts of things.

Mr Mathew—No, I do not think it would have a significant impact.

**Mr MOSSFIELD**—You are to be complimented for obviously employing more apprentices than you need for your immediate requirements. If we were to ask you perhaps to be more generous, what would encourage you to employ more apprentices, bearing in mind that you release them at the end of their apprenticeships?

**Mr Mathew**—Probably the best way to encourage companies to increase their intake of apprentices is to focus on pre-apprenticeship training by getting the kids, say, to do their TAFE training and come into the particular industry in the second or third year of their apprenticeship. In that way they are more productive once they arrive—they hit the ground with their feet running and it is more beneficial to the companies. Everything is cost-focused these days, naturally, and the first-year apprentices are totally non-productive. Usually the mid-point of their second year is when they really start to be productive and earn their worth. If they could come in—

Mr MOSSFIELD—More or less in their second or third year?

**Mr Mathew**—Yes. My son is 16. He is doing an electrical course as part of his school curriculum through TAFE—so he is getting that preparation. He will come into the business and know about such things as OH&S, work safety and those sorts of issues. He will be more prepared for the actual workplace by the time he arrives. In the past five or 10 years, they used to come in very green. All they would know about was school life. They would not know anything about industry or manufacturing.

**Mr MAREK**—Do you consider that TAFE has kept up to date with apprentice training? Do you think it could upgrade its structure or the way it is working?

**Mr Mathew**—In terms of their curriculum and what they are actually teaching the kids, I think it is very relevant to what we are doing at work. We find that they get good and comprehensive training from TAFE. Not all industries are of the same opinion, but we have found their training is very beneficial and very focused on industry. We have found with TAFE that its teachers are prepared to come in to have a look at our particular industry. They will discuss the apprentices' progress with us.

Mr MAREK—That sounds like a very progressive or proactive TAFE.

**Mr Mathew**—In the past we have established good relationships with the actual TAFE institutions around the area so we have built those channels of communication.

**Mr MAREK**—What happens when your apprentices finish their time? Obviously, they leave, but do they usually stay in the area or do they head off to other places?

**Mr Mathew**—Probably the bulk of them head off to places like Western Australia, where there are employment opportunities in remote locations for fitters and turners and electricians.

**Mr MAREK**—So it is widely accepted that Western Australia or even the Northern Territory are places of high employment?

Mr Mathew—Yes.

Mr MAREK—Why is that?

**Mr Mathew**—That is the case with those particular trades—for electricians and fitters and turners. In the mines and areas like that, there is a high demand at the moment. There is not that high a demand around the local region. Probably about 40 per cent of them will head off to other states, another 20 per cent will get jobs in the Illawarra and the rest we will probably retain or they will get a job with contractors to the paper mill.

CHAIR—When did you leave the mill?

Mr Mathew—Three years ago, to go across to Silcar Maintenance Services.

CHAIR—Before the unfair dismissals legislation took effect?

Mr Mathew—Yes.

CHAIR—Given the contacts you still have at the mill, are you aware if that has had any impact?

**Mr Mathew**—No. Our policies and procedures were very structured so that we were very specific about termination letters, and about notifying people about whether they were permanents or temporaries. We always had good policies in relation to that.

**CHAIR**—Does the mill make many opportunities available outside the trades area for young people in operations or in the office?

**Mr Mathew**—In the office it does, although not in the last two years. Prior to that, we used to offer traineeships. We would get people in on a temporary basis with a view to getting long-term permanent positions. We have also taken part in some of the training programs for the long-term unemployed, finding them, say, three or six months' work as part of a traineeship. In the actual plant, probably five per cent of the employees would be under 20 years of age.

CHAIR—Why is that so?

**Mr Mathew**—For no particular reason, other than the quality of the applicants. We do not get a lot of applications from younger people straight out of school. They tend to move into universities or TAFE or go for apprenticeships. They do not particularly want to do shift work. All of our positions involve shift work. So we find that we do not get the flurry of applications from people under 20 that we do get from the 30- to 35-year-olds.

**CHAIR**—Yet we are told that something like 28.5 per cent of the young people in this area who are not in school and want a job cannot find a job, but you do not get applications?

**Mr Mathew**—It is probably a matter of awareness, more than anything else. They are probably just not aware of what we are about and of the sorts of careers that we can offer. We probably need to promote this in the local area a bit more.

CHAIR—That might be an idea.

**Mr Mathew**—It is the way our recruitment strategies operate—at the moment we are advertising to form a labour pool; it is the first time we have ever advertised for temporary labour. Usually we wait for the applications to come to us. We have not had to promote it in the past. They have improved their recruitment strategies. Before they have waited for, say, people who did not have a job to send in an application and the mill people would say, 'Here are the better ones amongst them'—they did not even go into interview situations—whereas now they are; they are actually advertising. In the latest crop of applications, I think that they had about 20 per cent from, say, under-25-year-olds. So it is probably more our fault than the general community's.

**CHAIR**—I have to say that the young people today were generally, not universally, pretty scathing about knowledge availability—information available from their careers advisers and schools about what sorts of opportunities exist.

**Mr Mathew**—It is probably a two-way thing. We have not really established the links, to a certain extent, with the schools. We probably need to talk to the careers advisers themselves and get them involved in our industries. Equally, we should come into the schools—private industry that is.

**CHAIR**—I think that this committee is pretty much of the view that perhaps employers could do one heck of a lot more about letting young people knowing what careers are available, what is the work structure, what the work is like, how much it pays and how much it could pay in the future.

**Mr Mathew**—We have those sorts of programs for the university graduates where we discuss what we are all about, and tell them about the career opportunities that we have. We do not do it in the high schools but we would probably need to.

**CHAIR**—Tony, thank you very much. You may have heard before that we intend to finish the inquiry at the end of June.

Mr Mathew—Yes.

**CHAIR**—We have to continue our tour through regional and outback Australia so that we do not just talk to people in the cities and so that we get a full impression of what is happening around the country. We will write our report in August or very early in September, and we will certainly be pleased to send you a copy of the report.

Mr Mathew—Thank you for giving us the opportunity to appear.

CHAIR—Thank you for talking to us.

#### Short adjournment

[12.33 p.m.]

# LAVER, Mrs Dianne Joyce, Senior Head Teacher, Tourism and Hospitality, TAFE, Princes Highway, Bomaderry, New South Wales

**CHAIR**—I welcome the representative from the Nowra TAFE who is appearing before the committee today in its inquiry. Would you like to make a brief presentation to the committee?

Mrs Laver—Very brief.

CHAIR—Good; go for it.

**Mrs Laver**—I am also a director of the Shoalhaven Tourism Board and have recently, in conjunction with the Jervis Bay Rotary Club, held a youth needs forum for youth in the Jervis Bay and St Georges Basin area. Over the past 16 years I have been responsible for the training of groups of people of varying ages and backgrounds to prepare them for work in the tourism and hospitality industry. These nationally accredited courses have been state, federally and industry funded, and designed around the specific needs of our industry in the Shoalhaven and beyond. TAFE are able to gauge these needs by referring to our Shoalhaven training needs analysis, which focuses on marrying training needs in line with employment opportunities.

It is concerning to note that only five per cent of the people working in the industry have any formal industry training. I am very proud of the results that our team has achieved. Currently we enjoy an 80 per cent success rate with either full- or part-time employment for our graduating students.

I feel very passionate about many issues to do with quality training, and this afternoon I am going to bring two to your attention. In the school system, there is a need to open up vocational training as a worthy pathway. The majority of our young enrolling students, as well as often being geographically isolated and financially disadvantaged, come to us perceiving themselves to be failures because of inadequate TERs. They have been prepared for two years to go to university but they are not prepared for the discipline of work. There is a need to develop in our young people a passion for work.

My observations give credence for TAFE teachers who are required to have current industry experience to go into the schools and be involved in vocational training. They can be used as role models and can relate to the discipline needed to work in the vocational arena. They can progress through the pathways on offer. Our statistics have shown that the joint secondary school-TAFE students, when re-enrolling in mainstream national modules, have more confidence and feel very comfortable with the industry in which they have chosen to work. They know what teamwork entails and they have a positive attitude towards their goals.

This brings me to my last point: attitude. Passion is moving and immeasurable. We need to develop professionalism and pride in what our young people want to achieve. Today, kids know all about their rights but respect, responsibility and consideration is often missing. To treat everyone you meet the way you would like to be treated seems to have been lost somewhere. A person with the right attitude and good personal presentation can be taught skills. They are very employable.

Training must always focus on relevant skills and knowledge and a positive attitude. Attitude, team building, conflict resolution and personal development should be taught and measured in every step of our education process. That is what we do in our training division at TAFE, and that is why we enjoy the success rates that we have. They are not necessarily success rates that are always gauged to the Shoalhaven, however.

**CHAIR**—Dianne, thank you for that. It has been said at one time or another that, if there are only X number of jobs and there are X times two, three, four, five or six people to fill the jobs, why bother to expand the knowledge of young people in the area of what careers might be available and why train them for those positions when there will not be positions available anyway?

**Mrs Laver**—I debate that with tourism and hospitality because it has such a large umbrella. The training in tourism and hospitality can take you anywhere. The training as far as the national training modules are concerned involves transportable skills that they can take anywhere around the world with them. You have only to travel overseas or to different parts of Australia, and you will always be seeing ads in shop windows, restaurants, et cetera, for trained kitchen hands, kitchen staff, waitresses or whatever.

I am talking hospitality because that is what I know, but the umbrella of hospitality is all about communication and communication skills. If you have a presence about you—and I believe this wholeheartedly—there is a great big gamut out there that can be opened up to all sorts of job avenues. We have proved that with our success rates. When I talk to you about our success rates at TAFE, I am not just saying that our students merely get jobs in what you would traditionally think were tourism and hospitality arenas. Our students are employed in banks and in all sorts of different places where there is a responsibility for providing a service. That is what tourism and hospitality is all about, I guess.

**CHAIR**—You said in your brief presentation that you thought it would be a good idea if TAFE teachers who had work experience in the area in which they are teaching went into the schools, imparted that enthusiasm to the career guidance people and advised the students on careers that might be available.

Mrs Laver—We do that already.

CHAIR—To what extent does the industry itself have a responsibility in this area?

**Mrs Laver**—It depends upon which part of the industry you are looking at. With my tourism board hat, if we are looking at visitors to the industry and that gamut for employment, that is one type of skill. You will always find that the larger companies are very involved with the training and looking at that agenda, whereas the small companies do not always feel that they have a part to play because they have so many dramas of their own as far as keeping businesses afloat, et cetera is concerned.

**CHAIR**—Yes, most of us here understand that. To what extent have the unfair dismissal rules had an impact on employment opportunities, particularly in small business, in the areas that you are responsible for?

Mrs Laver—I do not really feel qualified to discuss that too much. However, I do know that when we are out there selling traineeships and apprenticeships to our industry, they are quite reticent about taking young people on because they feel that the three-month period is inadequate to tell if the person on the job is for the

job.

Mrs GASH—I was pleased to hear you say that your teachers at TAFE are now having to come from the industry itself. That is a change over the years.

**Mrs Laver**—It has always been a condition of employment for TAFE teachers to have had at least five years industry experience as well as their other qualifications to come to TAFE. But over the last two years— or probably longer than that—it has been stressed that we have to go back to industry. I have just done a month where I returned to industry—I nearly killed myself—and I realised that where I was was where I wanted to be. That is something that is definitely a condition of their employment.

**Mrs GASH**—With the people you are training, are you teaching them to be multiskilled? I can only speak for the past, when people were persisting in saying that they have expertise in a certain area, as apart from being multiskilled. I have had a number of TAFE students come to our business, as you well know, and the perception was that they were only skilled in a certain area and could not intermix with other skills. I found that very distracting.

**Mrs Laver**—That has never been the philosophy at Nowra T and H, as you would probably know. When we look at the industry needs as far as employment and training is concerned, that is something that has come across loud and clear in our surveys and in talking to industry. There is a need for the Shoalhaven to have people that are multiskilled. That is where we get bums on seats as far as jobs are concerned: they have a presence about them; they have personal presentation; and they have basic skills across the board in various areas of hospitality. That is where the path of the national modules are great because you have this pathway that can be followed at any time with flexible delivery mode.

Mrs GASH—How are you overcoming the perception that being in the hospitality industry is still a menial task?

**Mrs Laver**—Whenever I get the opportunity, I list or talk about industries that have to do with hospitality. Anyone who opens their door and is responsible for providing a service—guess what?—is involved in tourism and hospitality. I live at St Georges Basin, and when I come to Nowra, as I have today, guess what I am? I am a visitor—which could be classified as a tourist. I need to be given a certain standard of service. So it is like dripping water—it is chipping away at it and it is happening—

Mrs GASH—And that is instilled in your staff as well?

Mrs Laver—Definitely.

Mrs GASH—What percentage of your students are under 20?

**Mrs Laver**—It depends upon which time of the year you ask me that question. At the beginning of the year, I would say that 60 per cent of our students would be under 20. In the next semester, in the June intake—we usually have full-time students that come for 26 or 27 hours a week over an 18-week period—I would say that, probably, it would turn the other way.

Mrs GASH—What do you do with the 20 per cent that do not make it?

**Mrs Laver**—We are embracing our wonderful new \$4.5 million facility that is going to open in June of this year. We are going to be able to offer a much wider gamut of courses designed around industry needs. At the beginning of this year we took 30 mainstream students into our mainstream courses with the national modules and we interviewed 120.

Mrs GASH—Roughly, how many students do you have altogether per year?

**Mrs Laver**—Per year, we probably have 60 full-time and—we offer such a wide gamut of courses probably 45 part-time students. We offer a lot of industry courses where we design courses especially for industry needs, so that would probably be on the downside in terms of our numbers.

Mrs GASH—It is often commented that TAFE is not competitive with other training providers. How would you react to that?

**Mrs Laver**—I can react to that because of the structures of TAFE. I can speak from the heart and say to you that it sticks in my craw. I know that we have to be competitive, and we are competitive. I know that we deliver a quality product. I know that we have got industry background on our side, as well as our training. I have got a degree. I have got a trade certificate in commercial cookery, and I am a home economist. I have got those qualifications on my side.

What has happened is that anybody who has done a trade course in commercial cookery can set themselves up as a training provider and they think that because they have a few pots and pans in the back of an RSL club or whatever they can teach those national training modules to the same degree and same expertise as TAFE has done forever.

I know TAFE teachers cannot rest on their laurels and say, 'Look, we do it,' because they do not necessarily do it in the very best way that they can in every area. What I am trying to say is that you are not necessarily getting the quality product from the person who has a trade certificate and has come through as a training provider and has not got the qualifications to back that up as far as communication skills and teaching are concerned.

It upsets me a little bit because I feel that so many kids are set up to fail. They do these short courses with people who are coming into the Shoalhaven, or whatever country area, as private providers. They set themselves up in a kitchen that is not even big enough for two people to cook in and there are 12 or 16 students learning the same skills that we are teaching in a kitchen that is set up as a teaching arena.

I will use boning a chicken as an example. We might do boning chickens, and braising and roasting. Every student in our arena gets to do that, hands on. Every student in the other arena gets to watch it being done. So what are we doing at the end? Are we deskilling the work force? Have I answered your question?

Mrs GASH—You have.

Mrs Laver—Without being too emotional?

Mrs GASH—No, it's all right. I thought you might have been.

Mrs ELSON—I noticed in your briefing that you played an important role in developing attitude. Is that taught at the beginning, the end or through the course that they are doing?

**Mrs Laver**—We teach attitude from day one. They call me the dragon over there. What we do from day one is that we have a student handbook which we go through. We talk about attitude and presence and the fact that if you look good and you feel good, you can achieve. We teach discipline and the fact that you are entering the world of tourism and hospitality—and it is a whole big world out there.

Mrs ELSON—In your opinion, has attitude changed over the years with young people?

Mrs Laver—Yes.

Mrs ELSON—We have just noticed that wherever we are addressing people, the business people or the employers seem to tell us that attitude seems to be a very big problem.

**Mrs Laver**—That is what I said in my presentation. I feel that it is really great that we all know our rights and the students are very street-wise as far as rights are concerned, but very often they do not always know that we need a positive attitude and some self-discipline to achieve at work. I listen to my employees, I listen to the network that we have and I am actually an employer as well. I find that once you get them on the right track, very often you can change the tune but—

Mrs ELSON—What happens if you cannot change it? Do they still get their training and then come out with the—

Mrs Laver—They would still get their qualification, definitely. But whether they are employable at the end of that, because attitude plus structured skills go hand in hand—

Mrs ELSON—So you cannot really change their attitude if they have got that—

Ms Laver—I can change my attitude and you can change yours, but I cannot change yours, can I? I can show you the way as far as being positive and—

Mrs ELSON—So it is something that has to be done over the years rather than in one short course.

**Mrs Laver**—Yes. That is what I say here. Lots of reports in the school system say that it should be reinforced, that we are talking about consideration of our peers and responsibility and positive attitude. It is supposed to be there in what we teach, but it is not measured. How can it be measured?

I might sound like the old school person who says that the day the kids stopped wearing specific uniforms to school was the day that personal presentation went out the door, but it needs to be instilled in our

kids from day one that the way they dress when they go to church, to the beach or to do the grocery shopping is completely different from the way they dress when they go to work. Does that sound like I am idealistic? Mrs ELSON—No, I can see where you are coming from.

**Mr MOSSFIELD**—I have heard it said that TAFE is slow to adjust. I have heard it also said that people come along and want courses in Vietnamese cooking or Chinese cooking. How do you adjust to cultural tastes and new demands that are out there in the community?

Mrs Laver—Me, personally?

Mr MOSSFIELD—No, TAFE—the organisation.

**Mrs Laver**—As I say, we are always returning to industry. Part of the specification is that we have to do that every two years. Working in tourism and hospitality involves a love of the whole gamut of it as far as I am concerned, and I make it my business to keep abreast of changes in culture. Is that what you mean?

Mr MOSSFIELD—Yes, cultural taste.

Mrs Laver—Yes—and what is new. We cannot be trainers if we cannot deliver the goods as far as cuisine marche and presentation of foods and tastes are concerned. Is that where you are coming from?

Mr MOSSFIELD—Yes.

Mrs Laver—Look at me—I love to go to restaurants.

Mr MOSSFIELD—Do you have an industry advisory committee?

**Mrs Laver**—We certainly do. We have an industry advisory committee—or industry contact group, as we call it—and we meet once every three months. We have a hospitality one and we also have one for the health industry. We actually use TAFE as a forum where we have industry lunches and dinners where we might have someone coming to talk about the wines of the Shoalhaven or whatever. We call it an industry contact group.

Mr MOSSFIELD—Is small business represented on that committee?

Mrs Laver—Yes. But it is not a committee.

Mr MOSSFIELD—It is a contact group, as you said.

**Mrs Laver**—Yes, so we send out the invitations and it depends upon what the arena is. We had one recently on health and hygiene and food handling, so the majority of people who were there that day were people from hospitals and guesthouses and people who were very interested in that part of it. Of course, I use that as an arena to keep in contact with the industry.

We also run a program I am almost loath to mention, which is called Aussie Host. It is a customer service program. We have actually put a thousand people through that program in the last two years. The majority of those people are industry people. I am one of the leaders of that, so it is another really good tool to use for keeping abreast of what industry needs and where they are going.

**Mr MOSSFIELD**—It seems as though you are doing a good job in that area. In your presentation, you mentioned a figure of five per cent. Did I pick it up right that you said that only five per cent of people working in the tourist industry are trained?

**Mrs Laver**—Yes, only five per cent of people working in the tourist and hospitality industry have formal training in that arena. We are ready to update our analysis at the moment. We have just got some funding to continue with that. That was the finding of the survey where we physically surveyed 125 establishments in the Shoalhaven. That was five years ago. So we are in the throes of doing that again at the moment.

**Mr MOSSFIELD**—Would you say that more training will lead to more employment opportunities? Is that an equation that you could relate to?

Mrs Laver—No, it goes back to what Mr Charles said right at the very beginning.

Mr MOSSFIELD—Yes, there have got to be the jobs.

**Mrs Laver**—I can say to you too that the majority of our job outcomes do not go to the Shoalhaven. We get a lot of job outcomes at the snow—

Mr MOSSFIELD—It is still a positive contribution to employment across the board.

**Mrs Laver**—I guess you also have to look across the board as to who owns and operates the establishments. The majority of the small businesses do not have any formal training. Some of the larger businesses, the clubs and some of the restaurants, et cetera have formal training, but the majority of small businesses are the ones without any training. It is nice to come to the Shoalhaven and spend your payout on a little business. You might think, 'I'm a good cook. I might start up a little coffee shop,' or it may be a guesthouse or whatever. That is the way it snowballs.

Mr MAREK—Dianne, how long have you lived in the Shoalhaven?

Mrs Laver—Twenty years.

Mr MAREK—Where did you come from?

Mrs Laver—You can take the girl out of the western suburbs but you cannot take the western suburbs out of the girl.

Mr MAREK—I am a Queenslander; that means nothing to me.

**Mrs Laver**—Doesn't it? Well, there you go. I was a home economist with the Prospect County Council, which is Integral. That is where I started.

**CHAIR**—One last question: you said that there are something like—I did not memorise the numbers, unfortunately—40 full-time students in the latest intake out of 100-odd that applied.

Mrs Laver—We would have 30 full-time students. Over 100 applied for those positions.

CHAIR—What happens to the 70?

**Mrs Laver**—We try to steer them in other directions. We try to give them short courses. We run lots of short courses, so we try to steer them into doing some short courses which are nationally accredited so that they can use those for advanced standing for next semester's intake. We are also looking at the fact that we will be able to offer a few more courses with our new facility which will be opening in June, ready for next semester.

**CHAIR**—If the entire 100 who came to you were enthusiastic, were full of vim, vigour and vitality and were dynamic young people, what would happen to the 70?

**Mrs Laver**—Are we looking at the fact that we have all these funding cuts and all of those things? We are really restricted with what we can offer, because of our funding. So I guess that I cannot really answer that because it is all very airy-fairy because I cannot do it anyway.

Mrs ELSON—If you got enough funding you could look after that 100, could you?

Mrs Laver—Yes, but there are lots of 'means' in that. You would have to look at where the job outcomes would be, the types of courses, et cetera. We definitely have space in our new facility for that many students.

CHAIR—Will you be increasing the intake?

Mrs Laver—Yes; but that is in the lap of the gods as well.

Mrs GASH—Dianne, what do you think of the education system? Is it preparing our young people for employment?

**Mrs Laver**—It is trying to. One thing you have not asked me about is the fact that we are looking at the Shoalhaven and what the answer is to the geographic isolation of these kids. What happens to the kids in the Bay and Basin area, Culburra, Callala and Sussex Inlet when they leave school? If they want to educate themselves in further education they have to leave home to go to university or whatever. How do they get to TAFE or university? We can give them free travel on buses or free petrol, but they do not have cars and the only bus service that we have leaves at 9 o'clock in the morning and 5 o'clock in the afternoon.

Mrs GASH—So you are saying that transport is a big influence.

**Mrs Laver**—A terribly big influence, and the fact that many of these kids are financially disadvantaged because they may not be able to rely on their parents to help them along the line with the new strategies, et cetera, with Austudy—the difference between being on Austudy and jobsearch and the fact that if they are on jobsearch they cannot do any more than 12 hours a week of training. There is a whole gamut of things out there that have to be addressed, but how do we play God? What is the answer to that?

**Mr MAREK**—Dianne, with that in mind, how did people get on 10, 15 or 20 years ago without Austudy, transport and the fact that there were fewer universities?

**Mrs Laver**—I do not know how they got on 10 or 15 years ago. If I can use an example to illustrate what I am saying. My husband and I both work, so our child would not be able to get Austudy. We would have to pay for his education. Okay, it is fair enough to pay for the education, but if we are looking at the fact that they are geographically isolated and the fact that they have got to go away to university—if that was where he was going—you are not only up for your fees; you are up for a whole lot of other living issues. I would have to go in hock to do it for my son.

Mr MAREK—I think a lot of other parents do, or they always have in the past.

**Mrs Laver**—But what about the kids who have not got two parents? What about the fact that there are 1,200 kids at Vincentia High School at this moment—the fastest growing high school in the area—and out of that 1,200, 10 per cent are homeless? What about those kids?

Mr MAREK—Did we have those kids 10 years ago?

Mrs Laver—I do not think to such an extent, when you are having a look at the Bay and Basin area as being one of the highest abuse areas in the state of New South Wales—I think in Australia, isn't it?

**Mrs GASH**—With respect, Paul, the area that Di is talking about has one of the highest percentages of single parents. I think it is the second highest in the state, if not Australia. I am not quite sure, but it is very, very high. I do not believe that we had that high percentage of single parents 10 or 15 years ago.

**Mrs Laver**—The other thing that has happened, too, is that the Bay and Basin area is a lovely place to live—you have got water, you have got this lovely environment—and over the last decade, people have been encouraged to be on unemployment benefits in a low rent area. That is what we have got at the Bay and Basin area. So over the last 10 years, there has been this incredible increase in population. That increase in population has brought a whole gamut of social problems.

Mr MAREK—That is the problem with having a socialist welfare system.

**Mrs Laver**—Definitely. We go back to attitude as well. We can say, too, today that very often the kids do not have the work ethic. I would be one of the ones who would say that, but you are looking at two sides of the coin as to why they have not got the work ethic. We are into the third generation of social security—so they are not doing it by repetition, are they?

Then you have got the other issue where you have got kids with two parents working where parents are not encouraging their kids to do anything because it is a lot quicker for parents to get in and do it than nag. Do you know what I am saying? You are looking at two sides of the coin there as far as the social issues are concerned as to why the kids have not got the work ethic.

What are employers saying to us? They are saying to us, 'I don't want to employ young people. They haven't got the work ethic and they refuse to dress and look the way we want them to look to work in our establishment.' That is what I hear. Anyway, I have gone over time. I am a little passionate, sorry, about this.

Mr MAREK—I think it is great. It is information we need to have. Good on you!

CHAIR—We have been hit with a whole host of very positive people today, I can say that.

Mr MAREK—I like Nowra.

**CHAIR**—Absolutely, it is a good spot. The attitude is pervasive. Dianne, thanks for coming and talking to us.

Mrs Laver—My pleasure.

**CHAIR**—We are going to try and wind up the report at the end of June, after seeing some more of regional and outback Australia. We will certainly be delighted to send you a copy of our findings and our final report.

Mrs Laver—I look forward to reading it. Thank you very much.

#### [1.05 p.m.]

DEVLIN, Mr Desmond Raphael, Trainer, Shoalcare (Elders Program), 11 Haigh Avenue, Nowra, New South Wales 2541

# POTTER, Mr Norman, Chief Executive Officer, Shoalcare (Elders Program), 11 Haigh Avenue, Nowra, New South Wales

### SMITH, Mr David Alexander, Director, Shoalcare, 11 Haigh Avenue, Nowra, New South Wales 2541

**CHAIR**—Welcome, gentlemen. This inquiry is about employment; it is not about unemployment. I guess we are trying to come to grips with two major factors: how we can, first of all, help young people to become more employable and, secondly, how we can encourage employers of all kinds to make more jobs available for our youth. Would you have a brief opening statement you would like to make to the committee?

Mr Potter-Yes, I would. I hope it is brief enough.

#### CHAIR—Sorry?

Mr Potter-It is probably going to be slightly longer than brief, but it will be-

**CHAIR**—Well, do not make it too long, or we cannot ask you questions, because we will turn into fairies and pumpkins and all that good stuff.

**Mr Potter**—I guess you have heard over the last few weeks, or days, as you have been travelling around the country, about all the problems associated with unemployment. We see that every single day of our lives because we run a youth charity. We run a refuge, a hostel, time-out houses. We have all sorts of programs involving kids, and we see the human side of unemployment. And it stinks. It is beyond anything that should be acceptable in a civilised society.

We could spend hours here telling you all the reasons why there is unemployment. What we would like to do is just quickly nominate eight reasons. The first is the lack of suitable work opportunities at appropriate times. Most kids when they leave school want to work. It does not matter whether or not their parents have never worked. But if it is too hard, within a very short period of time they lose interest, because they are losing self-esteem, they are losing their ego, and they cannot cope with that so it is better to be a surfie than an out of work kid.

This will probably get me into a bit of trouble by saying it, but the automatic payment of unemployment is the single biggest cause of unemployment in this country, in my opinion. We all need to work—there is no question of that. We were developed 200,000 years ago, under my understanding of ourselves, and we have worked ever since. Why we should stop now beats me, but we seem to have.

The third reason, we believe, is the concept in the minds of big business and big government that people are expensive and technology is essential. Garbage. We need the appropriate technology and we need

the use of appropriate people, and we have lost that in Australia. We are centralising too much; we are seeing our major companies going broke because they have put too much into technology which cannot cope with the fluctuations that you normally get in a country like Australia.

I hope there are not too many public servants around, but the over-bureaucratisation of Australia, particularly where it applies to work and employment, again is just nonsense in a situation where we have such high unemployment. We need to pull back and allow small employers to get going. It does not matter whether it is a one-man outfit or a 10-man outfit. If you make it too hard, they do not do it.

The previous speaker talked about attitudes. We deal with youth with attitudes and, to be perfectly honest, most of the attitudes stink. And they get them from their schools, they get them from their homes, they get them from their peer groups. We need as a society to look at that very closely and figure out ways to improve that attitude.

I would not employ some of the kids that we look after, sadly. Many I would, but there are quite a few I would not, until they can change their attitudes. The politically correct laws of the last 20 years have resulted in attitudes amongst employers which are holding back employment. We talk to a lot of employers, and I can assure you that many of their concepts are wrong, but they hold them, and they hold them to the point where they do not employ.

For instance, how many of you have seen a builder or an electrician driving around with a mate beside him these days? They are in utes with one seat occupied, the driver's seat, and a dog in the back.

A minority of our children are leaving our school system and education system totally uneducated. I do not care what anybody says in the surveys that they have done. We get them in our hostel and refuges, and they cannot read and write. They are 16-, 17-, 18-year-old kids.

Mr MOSSFIELD—Is that a majority?

**Mr Potter**—No, a minority. Sometimes it feels like a majority from our perspective, but it is certainly a minority.

And we recognise the other problem that is in the work force in Australia, and that is that there are those that are worthy of a job and those that are not. If you happen to be fat, if you happen to be ugly, if you happen to be illiterate, if you happen to be young looking, if you happen to be old looking, your chance of getting a job diminishes rapidly. Part of that is attitude. When I see girls that—and excuse the expression—are really ugly and fat and nasty and they want to become public relations experts for a company, it does not work. We need to get people to understand that they should look at themselves and present in the work force in those jobs that are practical for them. Now, that is not politically correct, but it is the reality.

So what is Shoalcare about? What we are about is trying to reverse that trend. We are saying basically, 'Bugger the employees, bugger the government, bugger everybody. If we cannot get them into jobs we will make the jobs for them. And we will get the kids into jobs one way or another.' If we have to force them in through little cracks through the door, we will.

To that end, we have developed a program called 'The Elders'. We cannot do it alone. So we looked around and we suddenly discovered this unbelievably large number of brilliant, unbelievably capable people called 'oldies' who are retired. We are dragging them in—like my friend Des here, who manages our fibreglass factory. Des has 50 years experience that if I tried to buy on the open market would cost me \$250 an hour. He gives it to me for nothing. It is not because I smile well. It is because he understands the problem that he has got to help solve. That is true of the other elders we have joining our programs.

The program has six fingers. The first is our work and life training for youth program, which we are trying to set up. We are having a few problems with that because it is bloody expensive. This is where we actually get kids into live-in situations and we get our elders loose at them to train them in all sorts of survival and life skills as well as work skills. We do the same thing with kids that are not in a live-in situation but are living at home.

These are the 60 or 70 per cent that TAFE cannot pick up or the schools cannot pick up. These are the kids that are actually back on the streets. We have got to keep them busy. If they work all day, they do not commit crime all night. That is the very simple fact.

We have a self-employment program. I will very briefly discuss that. This is where kids who want to do a smaller type business. It may be doing gardens in front of businesses. They want to know how to set up and they need some help to do it. They need the network to get into so they can persuade local employers to let them do their gardens and so on. We help them by giving them an elder who is suited to what they are trying to do.

We have on-job support programs which we are trying to set up. This is something we will probably be making happen in the Illawarra-Shoalhaven in the next couple of months. It is when a child or a young person joins a company and becomes an employee. We actually allocate them a mentor, an older person who can actually deal with them while they are on the job.

One of the problems we perceive is that quite a few kids do get jobs and they lose them just like that. They do not survive the first two weeks. You cannot blame the employer. If his perception is that kids is not going to make it as a good employee, he is going to get rid of them when he believes he has got to, which is usually in the first week or so. Most of those kids are losing those jobs because they do not understand what is necessary for them. We believe that an outsider can actually tell them to pull their finger out, smile at the client and do whatever is necessary to keep the job. The employer finds it very hard to do that. We believe that mentor will help that.

We also run some seminars and workshops. The program I wanted to discuss just for a few seconds today is our co-op program. This is where we are establishing cooperatives between kids and the program. The kids own the co-op. We teach them, over the first six months while they are on the dole, all about running their company. Today we have got a company started which builds fibreglass boats. It may surprise you that there is no fibreglass boatbuilding in this area other than the bloody big yachts and very expensive marine ships. Ours are nice simple little things which we can sell nice and cheap to the local population. We have already got enough orders to keep us going for at least the next month. Hopefully, after that, we will have many more orders to keep the program going for whatever time.

We are setting up a single mothers co-op. Why a single mothers co-op? Because they are another group that seems to be somewhat unemployable outside the black market. We have a very thriving black market, as I am sure you aware, here in Nowra. The black market is not good for these people because it does not give them any work history. When Johnny and Jenny grow up beyond the point where they have got to look after them all day they do not have that work history for the last five years that they are actually entitled to.

The single mothers co-op, basically, is putting a group of single mothers together, teaching them how to turn their houses into safe places for other people's kids, teaching them how to organise their time, and teaching them how to look after each other's kids. It is teaching them how to get back into the work force by negotiating with employers for shifts so that these girls and ladies can work during the shifts and share the workload. I guarantee the particular employer that we will provide personnel all the time.

Is that important? Yes, it is, because those people are showing their kids what work is about. Most of the kids that do not know what work is about come from families in which the parents do not work and from single parent families, and I gather that we have talked about that already. Certainly, around the Bay and Basin area kids are growing up with no work experience in their families. We feel it is necessary to try to overcome that.

How many different co-ops could we set up? How long is a piece of string? At our last count, we had actually defined over 800 businesses that were suitable for co-ops here in Australia—all very small, with no big government funds. We do not borrow money; we beat up the local Rotary club and make it responsible for the operation. If it needs a little bit of extra cash, it goes and fundraises for it. The scheme is not about borrowing large sums from the government, or large sums from private enterprise, to build these industries; they are small industries and we concentrate on developing the technology for them.

I could keep going, but I am not going to; I will let you ask some questions. I would like to finish with a statement that I believe is as true here as it is in Europe and America: that the cost to government of social security for long time unemployed is something between 70 and 90 per cent of the normal wage that person makes—that is the cost to the government. The cost to society of keeping that person on unemployment is extraordinarily high, with loss of opportunities, and crime rates, et cetera. However, the most important thing is that for our unemployed citizens in the long-term queues the cost to them is a really poor and uninviting life. That is not something that I would want, and I do not think we should be giving it to anybody else either.

**CHAIR**—Thank you for that, Norman. You all sound like a group of very positive people. I cannot recall this committee going to anywhere where the citizens have been so positive—starting with the kids—as they have been today in Nowra.

I compliment you on the elders program. I have a longstanding view that we make far too little use of a major asset in our society: our elders. These people, who are retired, have had rewarding, satisfying careers and they have tremendous experience but we just do not do enough to utilise it anywhere. So I congratulate you; it is a good start. Where did you get the capital for this boatbuilding business?

**Mr Potter**—We don't get capital. We go and beat people up. We steal, we borrow, and we beg, and we will do it for everyone.

CHAIR—Have they put you in gaol yet?

**Mr Potter**—To give you an example, the chamber of manufactures put up several hundred dollars, which allowed us to buy some of the basic equipment. NEWKEM is one of the local companies here, and David is a director of it. Needless to say, he gets his hand pushed up behind his back and is providing materials at cost. We are getting people donating all sorts of things to us; it is quite amazing.

CHAIR—Where did you get the shed?

**Mr Potter**—The shed costs us \$100 a week, which is half what they put it on the market for. We are very good at persuading people to reduce prices for us. There is no doubt that in the long term we would like to see local government being involved in the supply and provision of some of the resources that these sorts of co-ops need, particularly to get them going. However, the bottom line is that if you look around the world at where these sorts of projects have occurred and failed, they have all failed because of government funds. They have got to work based on the income.

Government has a part to play—there is no question about that—in providing the funds to pay the youths while they stay on the dole and are training for six months, or whatever period it might be. Allowing that to happen is a very significant part for government, and putting money in to help cover things like insurances and those sorts of expenses is another viable thing for government to do. You have got to look at each level of government. In terms of the programs, we see the federal government needing to look at programs like that in line with their programs for work for the dole, and including programs like that in that program. From my perspective, insurance is one of the key issues—making sure that the kids are covered by insurance in a work-safe type environment in case something untoward happens.

The state government certainly has to start looking seriously at providing these sorts of avenues of relief in terms of their costs. Certainly within their own instrumentalities it would be very viable if, for instance, people like the electricity commission provided a three-month or a six-month reduction in tariffs until the business got started. In terms of local government, of course, they do own the facilities that are available. In the case of a block of land, for instance, we have been offered a very low cost shed by one of the large building suppliers here. We have talked to the council to see if they will give us a block of land to put it on.

When you start to look at models around the country, probably one of the most interesting is the Shaftesbury campus up in Queensland—I am sure you guys know about it if you come from there. That concept applied to what we are trying to do would be very viable: that the local government supply a block of land and allow us to build on it things like some of the facilities we use for kids now—things like our refuge hostels and also some of the working type facilities like our sheds and whatever.

What we are trying to do is small scale in a big way, if you like. Everything is small scale so, in itself, each thing probably cannot afford massive expenditure. If it did it would probably go broke. The truth of the matter is that we keep it very simple and we keep the kids involved in the community as well. We put them into some TAFE courses and put them into situations where they learn from people who have got 20 or 30 years experience and who not only teach on the job but teach on the culture of the job, which we see as the single most important part of what we are doing.

CHAIR—How many kids do you deal with and what sort of success do you have?

**Mr Potter**—The elders program is a very new program; it has only been going for about six months now. It has taken an awful lot of time to set up, as you can imagine. In terms of Shoalcare, last year we put over 600 kids through our programs. That is a lot of kids in an area the size of the Shoalhaven. Unlike a lot of people, we see all sides of the kids. Let me tell you there is no such thing as a standard kid. They go from kids who are absolutely brilliant to kids where that is all you can say and everything in between.

The bright kids all make it. Do not kid yourself: you do not have to worry about 80 per cent of the kids in this country. They are going to make it, no problem at all. They may take a little bit longer in some cases and be a bit quicker in other cases. They will do the right things. They will go to universities, TAFE courses. Some of them will not even bother with those because they are far too bright for that. They will go on and do their own thing and become millionaires on the Gold Coast. But 20 per cent cannot; they cannot because we have taught them how not to do it. It is just a matter of reversing that knowledge base they have.

**Mr MOSSFIELD**—I am very impressed by what you have been saying. I think it is great that you do use experienced people in these programs. We are talking about drop-out kids in the main. As you have quite clearly said, most kids will make it. How do these kids react to your program? Do they cooperate?

**Mr Potter**—Let me ask my colleague here to tell you how his little group of boys has reacted in the last two weeks since we started this program.

**Mr Devlin**—The first four started. They were a pretty average bunch—the normal mix, ranging in age from 27 down to 18. I will say right now that my biggest problem is holding the little beggars back! They are so keen. They can see the opportunity. I work them as hard as hell. They do not get a soft option at all. I came in this morning and discovered that, over the weekend, they had come in of their own accord and built all the frames for supporting the moulds. I did not ask them to do it; I did not suggest it. That was their own initiative. Personally, I have got a lift out of it. I reckon I am going to benefit from this—in restoring my faith in the children—as much as the children might gain from my knowledge.

I would like to make one comment about technology. I am a technocrat. I am a chemical engineer by profession. I have run my own chemical consultancy for many years. I work in recycling with big companies like BHP right down to small companies. I believe that the major companies have been very remiss in looking at the employment opportunities that they could generate by keeping what McRobey calls 'intermediate technology'. We have gone to highly sophisticated technology.

A classic example is BHP running a water treatment plant with a computer controlled system. They could run it a damn sight better with two operatives and have a much lower running cost and a much lower capital cost. It was the in thing to do to put in this highly sophisticated, automatic computer system which is constantly breaking down. I believe right now that we have to look seriously, as a society, at getting back to a more manageable kind of technology—not that it needs to be unsophisticated. Some highly advanced technology can be used in intermediate operations.

Mr MOSSFIELD—That is a good philosophy. Are these young people employed full-time?

#### Mr Potter—Yes.

**Mr MOSSFIELD**—Right through the week—so it would not have the same impact if they were just working two days a week, for example?

**Mr Potter**—It could do. We have looked at that. You have got to be appropriate. In terms of what we are doing with the fibreglass program, these kids are desperate to work. They are all long-term unemployed. They see this is an opportunity. They are not the sorts of kids most employers would operate with. They have all lost their licences, for instance, for drink driving and things like that. That is the one common entity and that is not necessarily bad—it just happens with these kids. But they have got a chance, and they have got a chance to own what they are doing. And that, believe it or not, is an incredible motivator for them. It is the first time in their lives they have actually had that option. They have always been somebody else's profit maker. Today they see it as their own profit maker.

#### Mr Devlin—Boy, are they cost conscious!

Mrs ELSON—The young ones who are doing these courses—is this what they wanted to do or did you say to them, 'Okay, you're going to do that'?

**Mr Potter**—We put a notice up in the CES saying that this was what we were doing, and they applied. We do not work on a principle of coercion. They have got to really want to do it; otherwise we are not interested, to be honest. To be perfectly frank, none of my elders, and not I or anybody I am involved with, has the time or energy to deal with people who are not interested. We have got to have consequences for our actions.

**Mrs ELSON**—I think that is your success there, because a lot of people are forced to do some training of some kind and they have no interest in it. I know of one course just completed by an organisation in my electorate. They started off with 21 and ended up with four. I thought, 'What a waste of money.' It was because of their attitude: they were not interested, for a start, and they were being forced to do something that they had no choice about. I congratulate you on Shoalcare. I think it is absolutely excellent that somebody is getting it right and going back to the basics of respect and responsibility.

Mr Devlin—We would rather start with four and end up with 20.

Mrs ELSON—It is excellent.

**Mr MAREK**—How old are the people in the bracket you consider we are going to have to try to reeducate or redevelop—this 20 per cent?

**Mr Potter**—If you want the politically correct answer, it is 16 to 24; if you want the real answer, it is about 11 to 16 or 17.

Mr MAREK—I was thinking it was about 13 to 20.

Mr Potter—We are getting kids coming into our refuges now who are as young as 11. They should

not be there. There is no way in the world we should have our kids on the streets at that age, but they are there. We have become far too politically correct. They should be picked up by the scruff of the neck, taken home and given a bloody good whipping, but we will not do that. We will let them be on the street where the other youngsters will do it for them. They will become unbelievably hurt as a result of the experience. I do not care where you go, you will see that happening everywhere. There are nasty adults around, but I will tell you now that the nastiest of all are those in their peer group. Those very young ones are not surviving well on the streets; they end up dead in a cell block somewhere. Sadly, that is the way it is going to be. It is happening all over Australia—it is not just something about the Shoalhaven. They come from families that are unemployed, as a general rule.

Mr MAREK—What do you propose exactly we should try to do about it?

**Mr Potter**—From a government point of view, I really believe that you have got to encourage groups like the elders program. We cannot solve all the problems in the world—there is no way in the world that we could do that—but if groups like ours around the country get your support there is no reason on earth that there should be a single person under 24 unemployed; there really is no reason that should happen. There are 250,000 of them. I can probably get you the names, after a couple of weeks, of at least 300,000 elders who could help them.

**Mr MAREK**—Have you seen the new proposal that Veterans' Affairs has put forward which is basically a lot like this elders program we are talking about? Have you seen that?

Mr Potter—No, I have not.

**Mr MAREK**—It was only announced in the last couple of months. They are talking about work for the dole schemes within Australia, I guess, but also the ability for veterans to come back within the work force if they want to. They could leave their benefit or keep their benefit or whatever—just get involved in tutoring and/or become elders. It has just been announced.

**Mr Potter**—We would support that totally, without question. To be perfectly honest, as much as we have real problems with the numbers of kids who are being destroyed by lack of work, you do not have to be very smart to walk around the shopping centres in Nowra and see the same for the oldies. They need to have that same self-esteem developed—as we all do.

Mr MAREK—It would probably be worth while for you people to keep that in mind anyhow.

Mr Potter—We will certainly keep an eye on it.

Mr MAREK—Please.

**Mrs GASH**—Just before I ask a question, could I acknowledge the Mayor of Shoalhaven, who has come to sit in on the last few minutes. I thank him for coming along; he wants to say hello to us before we go.

Norm, I know this but I think you should mention that the Prime Minister has acknowledged your elders program. When he visits the area he will open the elders program. That is how much it has meant to this government. I think that is very worth while mentioning.

I do not want to say too much except to say that you can see how proud I am of the people here. I just want to ask David, who has been very quiet on the end there, to explain very briefly the aunties and uncles program, please.

**Mr Smith**—You probably should be asking Norm, but I got involved with the aunties and uncles program five years ago. We see that as a scheme that is basically for children of primarily single-parent families who have no assistance or no backup peer group around them, and the child does not learn any skills or just normal living skills. The program has now been operating in Sydney for probably 20 years but down here for about the last eight to 10 years.

We try to find aunties and uncles who are prepared to take a child under their wing for one weekend per month, and it usually extends further than that once the commitment is made from the aunty and uncle. That child then has someone that they can call on. They can tell the aunty and uncle how they are going at school. It just gives them that role model outside their family life, which may or may not be what we consider as good. In that way at least the children are learning something outside. Perhaps the parents do not have jobs, have not had jobs for years and are living down at the club all the time. It shows them that there is more to life than what they are getting from home.

CHAIR—Great. One last question: how do the kids get paid?

Mr Potter—We do not; you pay them.

CHAIR—So they stay on unemployment benefits.

Mr Potter—They stay on unemployment. We get approval from the CES.

CHAIR—You have got approval from the CES. How did you get that?

Mr Potter—We asked them.

CHAIR—I assumed you did, but others have asked and been rejected.

**Mr Potter**—I think the truth of the matter is that they do recognise very clearly that these kids are going into real opportunity situations and, from that perspective, they see it as an approved function, given the skills that we are actually providing these kids with. I know TAFE has a lot of very qualified teachers but they have nothing compared with the people I have, in terms of 50 years experience and all sorts of skills.

**CHAIR**—I understand why Jo is proud of you and proud of what you have done. I think in some of my earlier remarks I said how pleased I am to see someone picking up the skills of our senior citizens, who have vast and immense reserves and are a national resource that we are wasting and we really need to do

something with. So I congratulate you; I think it is fantastic.

Mr Devlin—We need it all over Australia and the sooner the better.

CHAIR—Of course we do.

**Mr Smith**—Just going back to Des's comments on the enthusiasm that these children have: I was over at the factory this morning just to check that the compressor that the manufacturers had bought for them was working, and one of them, who I assume has lost his licence, had been trail bike riding at the weekend—he is 17 or 18—and had hurt his ribs, not from an accident but just from riding, and he asked whether anybody had a bandage. He was there, wanting to work.

CHAIR—That is fantastic. We are going to have to conclude the hearing.

**Mr Potter**—One last point: could you pass on to the government a request from us that they change the name 'work for the dole' to 'work for a citizenry' or 'work as a citizen', because 'work for the dole' is very negative for the kids.

**CHAIR**—I hear you. Thanks once again. We hope to complete our inquiry at the end of June. We will deliberate and write the report in August to bring it down late August or early September. We will certainly send you a copy. In Sale tonight I will sit down and read your submission with great interest. Thank you very much once again.

Meeting suspended at 1.37 p.m.

### WITNESSES

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### HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON EMPLOYMENT, EDUCATION AND TRAINING

Factors influencing the employment of young people

### MERIMBULA

Monday, 7 April 1997

Present

Mr Charles (Chair)

Mrs Elson Mr Mossfield Mr Marek

The committee met at 4.03 p.m. Mr Charles took the chair.

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**CHAIR**—I declare open this public hearing of the inquiry into factors influencing the employment of young people. The purpose of the inquiry is to consult widely and produce recommendations for government action that will help promote the employment prospects of our youth.

The committee has received over 100 submissions and conducted public hearings in Canberra, Sydney, Melbourne, Adelaide, Brisbane, Hobart, Alice Springs and several regional centres in Queensland and New South Wales. The committee has also conducted school forums, including one in Nowra today, in which young people discussed their views and opinions with the committee.

The committee is now conducting public hearings in rural and regional centres in Queensland, New South Wales, Victoria, Western Australia and the Northern Territory. This meeting is one of a series in Nowra, Merimbula, Sale, Seymour and Wagga Wagga which will give Australians outside the capital cities an opportunity to put their views and their concerns to the committee.

This is a very broad ranging inquiry. Matters raised in submissions so far include the attitudes of young people, the work ethic of young people and their familiarity with the requirements of the workplace, the adequacy and relevance of the education and training systems, the importance of developing better linkages between schools and the business sector, the need for a more flexible industrial relations system, and the effectiveness and efficiency of government programs to assist young people to find employment.

This is not meant to be an exhaustive list of issues which the committee will consider or which might be raised. We are entirely open to the views of everyone who wishes to make an input into the inquiry. We are here to listen, to learn and to help improve the prospects of young Australians.

# MAYER, Mr David, Project Manager, Bega Cooperative Society Ltd, PO Box 123, Bega, New South Wales 2550

**CHAIR**—Would you like to make an opening statement to the committee about the matters that we are discussing, David?

**Mr Mayer**—I have not done this before, so you will have to guide me a little bit. I am the chairman of the training committee, and it is in that capacity that I appear before you here today. I have put together what I thought would be relevant. It is a bit of background on the company—more about how we came to be informally involved in training and the system that we are going to use and why, a little bit about enterprise bargaining and our experience with young people and the employment of young people.

**CHAIR**—If you could do that in just a few minutes, that would give us an opportunity to ask questions.

**Mr Mayer**—Bega's logo says: 'Since 1899', and they have been making milk products since 1899. Bega Co-op is a dairy company making butter, cheese, milk powder and liquid milk for the liquid milk market. The annual turnover is about \$110 million. Up till two years ago, it has been, I guess, what you would call a small company—40-odd people.

In the last two years it has grown considerably and in the next two to five years it is going to grow even more considerably, so the systems that we had as a small company no longer cope with a big company systems like payroll, quality, accounting, security and training. We have very few levels of management. We have quite a flat structure of management. We bring in expertise when we need it. So this small company will have a fairly rapid response to most items.

Two years ago we spent \$17 million and built the new milk powder factory. Next year we will be spending \$20 million to \$25 million building a new cutting and packing plant for our cheese. That will employ approximately 50 staff in the first year and up to 100 staff over the next two to three years, so the small company has become a much larger company.

Because we have stretched our training system, the systems that have got us to where we are just do not work anymore. So we recognise the need for a formal training system and we have involved TAFE and the Food Industry Training Council in looking at formal training systems. We have got from them a range of ideas, a lot of information and a lot of contacts. What we have learnt has reinforced the need for a training system rather than an ad hoc 'follow him' type training program.

So we have organised a training committee. We had a training committee, but that has been brought to the fore a lot more. With TAFE we have conducted a training needs analysis and got quite a lot of information from our staff, which we are now acting on. We have applied and received funding through DTEC—the Department of Training and Education Coordination—for a professional development program. We have applied for and received government funding from WELL—the workplace English literacy and language program. We are putting those dollars alongside company dollars to put training systems in place to take us into this new plant and into the next century.

Our staff told us they wanted more communication. A lot of them told us they could cope with systems now but, if it got any more complicated, they would be struggling. It is not going to get any easier; it is going to get more difficult. For a lot of our staff, it is 10 years or 15 years since they went to school and now they are getting caught out by an advancement in technology, language, systems, records and so on.

So we are putting together a competency based training system with TAFE and developing that program for our own company. A lot of the stuff available is generic to the food industry, and we will use that and then customise it to suit our particular operation. We aim to get all our production staff through the certificate of food processing level 1, and it is a blend of on-the-job and off-the-job training. Like most companies, we have a limited budget and limited resources, but this DTEC funding and WELL funding have made this training system possible. We would not have been able to do it without that.

We recognise that the training dollar is an investment dollar with some organisational benefits and some individual benefits. We will be starting off training workplace assessors, then workplace trainers and then our production staff to the certificate of food processing level. That is a portable qualification level that they can take to any other food processing plant—fish factory, meat factory, or whatever.

Some of our training has been reactive. We have reacted to existing problems, staff requests, some specific needs—usually technical needs—and some regulatory needs like we need a forklift licence to drive a forklift and we need a first aid licence and so on. Some of our training has been proactive as well, and we recognise that the business is expanding and we are going to need trained staff for the future. I put this as an example: anyone can buy the equipment to make cheese and the only difference between our company and the other companies making cheese is the people we have. Anyone can buy a car. Some people can drive it well, but some people cannot. The difference is the training that you give your staff.

We have just been through an enterprise bargaining round and renewed our enterprise bargaining agreement. We have a site agreement between the Bega Co-op and the two main unions on site. So we have just completed that. That is quite a brutal process. It is certainly character building. I think there are a lot of people going into that process now who do not know much about it.

It is becoming a lot more popular or prevalent. It is an adversarial system. It pits one group against another. I think there is room for some recognition of and training in that because it is going to become more and more popular. As I say, there are a lot of people who are doing it for the first time who have come out after three days and thought, 'Never again.' But it does pit the employee against the employer. Typically, the union rides into town for three or four days while this goes on and then rides out of town.

Bega is a small town of 5,000 or 6,000 people. We all live together, play together and run up and down the sideline watching the kids play football together. The employer and employee, especially in a small town, are all of a sudden on opposite sides of the table when you start enterprise bargaining. I know that quite a few of our groups on both sides of the table found it very difficult. That is one area in which I think we could provide some guidance or some training.

Our training will be voluntary. We cannot force people to do it. Within the company we have some suspicion and some cynicism about, 'Here we go again. What have they got up their sleeve this time?' That is

the real world. We have to try to prove that we have something serious up our sleeve this time and it is going to work. Apparently it has been tried before and has not worked or has fizzled out.

We have just started a newsletter, across our site, with some training information in it, some personal information, a thought for the week, company information, and bits of news and so on to try and improve the communication around the site, which is getting quite big and is physically quite spread out. We have senior management support for the training scheme that we are getting up and going. We are probably one of the few employers in the district that are looking to expand and employ more staff rather than less. Most of the companies around the district are tending to employ less staff than more. We are the largest employer in town and the second largest employer as a social welfare department.

With regard to the readiness of young people and their attitude to going to work, we have found young people to be lacking in discipline. We are teaching them things that we assume their parents would have taught them, like that you are not allowed to spit inside a food factory, you are now allowed to steal stuff out of other people's lockers—basic things that you assume children are taught at home. We are finding that they are not taught that at home on a lot of occasions now. That was quite a surprise to us. That has only happened in the last five to 10 years, I guess. A lot of them are not ready for full-time work and a lot of them are struggling in the literacy and language area. We did a survey of our staff and we found that 16 per cent of our staff had serious difficulties with literacy and language. About 50 per cent said they can cope now but they would be struggling if it got more complicated.

Young people now have a lot less loyalty to their employer than used to be the case. Your parents and my parents probably did an apprenticeship and stayed with that firm for a very long time. The baby boomer era probably did an apprenticeship and stayed there for 10 or 15 years or something like that. Young people now will move on for no reason at all. If something does not suit them they will just pack up and go. They do not have the same sort of loyalty that the older age group has.

The lack of discipline is, I think, a combination of the home and the education system. When they arrive at work and you expect them to be there at nine o'clock in the morning and stay there until five o'clock at night, that is a discipline that they have not been used to. Quite often, when we are looking at people who have been unemployed, we can find experienced people in the unemployment system. Why take on someone who is very young and very inexperienced when you can find someone who is pretty well experienced? It tends to isolate young people again.

We are designing our own course and our own systems. That covers the relevance of education and training systems. A lot of it is there but we have to custom build some of it to suit our particular needs. Some of our staff—and we have a pretty stable staff, really; it is a small town and a lot of our staff have been there for a long time—left school 15 or 20 years ago and they are getting caught out now by the increased level of literacy and language required. I have tried to cover, in the enterprise bargaining arena, the flexibility of the industrial relations system. It is a flexible system and I think it is a system that is going to enable companies to develop and build something that suits them. But a lot of people do not know much about it and are struggling on both sides.

As far as the CES and employment agencies go, we feel that the private providers are much more

committed to employment than the government agencies are. Private providers—and we have several around Bega—will come to us when they have heard there is a new project coming on and they will ask, 'What sort of people are you looking for? How many do you need? What skills do they need?' They are out there being proactive. We have a group in Bega called SERTEC, the South-East Regional Training and Education Centre. They have been to us asked us, 'What types of people are you looking for? How many? When do you want them? What can we do to help?' So they are being proactive about it.

CHAIR—How may young people do you employ?

Mr Mayer—What is the definition of young?

CHAIR—Fifteen to 24.

Mr Mayer—Probably 10 or 15 per cent of our staff of 130 would be younger than 25. That is a guess.

CHAIR—Do you have apprentices and trainees, or either?

**Mr Mayer**—We have apprentices in the trades. We employ fitters and electricians. The process workers, the production workers making cheese and milk powder and so on, do not have an apprenticeship, if you like. We are trying to generate these qualifications with a certificate in food processing, which will give them a qualification that is portable to other food processing plants.

CHAIR—And that is going to be available from TAFE?

**Mr Mayer**—Through TAFE. We are designing it with TAFE. TAFE will sign the document but it is a joint effort between TAFE and ourselves.

**CHAIR**—Do you expect, as this expansion takes place, that you will be able to increase your intake of entry level people from the ranks of your youth, the youth around Merimbula?

**Mr Mayer**—Yes, we do. Exactly how many I cannot put a number on at the moment. The number of unskilled jobs in this plant and, I suspect, in most plants is getting less and less. The skills are necessary even to get in the line.

CHAIR—Sure, but where would you get the skills that you need from the adult population?

**Mr Mayer**—We would give the employment agencies a list of parameters because we do not want to sit down with 250 people who have answered an ad in the paper. We would give the parameters to the employment agencies and we would be as specific as we could: must be able to lift 20 kilograms and prepared to do shift work. We would hold interviews on Sunday night and Saturday morning to see how keen people were to come to work. We may hold two or three interviews for the same person late on a Saturday night.

**Mrs ELSON**—You said in your report that it gets more complicated. Is that because of technology or things moving on? You say that staff are having problems.

Mr Mayer—It is technology, mainly, yes.

Mrs ELSON—And you cannot train them along the way to improve their skills?

**Mr Mayer**—We are training them along the way but the technology is increasing logarithmically. Instead of having a log sheet you put it on the computer. That, to someone who left school 25 years ago, is a bit spooky.

Mrs ELSON—Are you losing staff over it? Are they giving up?

Mr Mayer—No, we are not losing staff over it.

Mrs ELSON—But you are having to move them around, are you?

Mr Mayer—No, we are training them to keep up with it.

Mr MAREK—Who does the selection process?

Mr Mayer—For new staff?

Mr MAREK—Particularly looking at young people.

Mr Mayer—The manager of that factory. We have a milk powder factory, a cheese factory—

Mr MAREK—Will he do it on his own, or would there be a couple of people?

**Mr Mayer**—There would probably be a supervisor involved as well, so a manager and a supervisor. **Mr MAREK**—How old would those individuals be?

Mr Mayer—The manager is probably 40 to 45 and the supervisor is probably 30 to 35.

**Mr MAREK**—Okay. What sort of backgrounds would they have? I can see that your company has probably decided to choose in the areas of numeracy, literacy, respect, politeness and manners and so have more mature people—as in older—to work in your operation. Is it the individuals themselves in your business who say, 'I just don't like young people'? Do you understand what I am saying?

**Mr Mayer**—I understand what you are saying. We are not biased against young people at all. We have an open industry as to age group. What we are looking for is skills.

Mr MAREK—How many apprentices would you take on a year?

**Mr Mayer**—We only have apprentices in our engineering department and our electrical department. We try to have one apprentice in each of those departments at any one time. We are not a large company. We have three electricians. We have about seven engineers. One of the three electricians will be an apprentice; one of the seven engineers will be an apprentice.

Mr MAREK—Was TAFE helpful during your process of working out your policy?

Mr Mayer—Very.

**Mr MAREK**—Good. Did you just did do it with them? I cannot remember. Did you have another group with them?

**Mr Mayer**—No, no. It was just TAFE. The idea came from a conference run by the Food Industry Training Council in Albury at the end of last year. I went to that along with a representative from Illawarra TAFE. We came out of there thinking we have got a long way to go. We have some good ideas from here and some good contacts. We had better sit down now and put into place next year—which is happening now some sort of formal training program to handle this expansion that we are going through.

**Mr MAREK**—Say I am 16 years of age and have just left school and want a job in Bega, what would I have to do as an individual to basically get a job—not as an apprentice but just as somebody working on the floor? Is there another way somebody could possibly get in? You said you have a set of criteria you go through. But is there another way individuals might be able to get in there through work experience or something like that?

**Mr Mayer**—We have people in the factory on work experience. We have had them in the production part of the factory but, most commonly and more often, we have had them in our tourist centre. We have a tourist centre at the factory. That is where the majority of our young people are employed. Some came in as a result of work experience and then came back as permanent staff. That would be the most popular entry point, I guess, for 16- and 17-year-olds. It would start off as weekend, part-time or casual work. That gives them a chance to have a look at us and us a chance to have a look at them. Next time we are looking for a permanent employee, we know something about them and they know something about us.

Mr MAREK—How long have you been in Australia, David Mayer?

Mr Mayer—Two years.

Mr MAREK—And you came over from?

Mr Mayer—New Zealand.

Mr MAREK—Were you working over there in butter factories or milk factories?

Mr Mayer—I was in the dairy industry in New Zealand for 25 years before I came here.

Mr MAREK—Great. Thank you very much.

**Mr Mayer**—I think it is organised through CES. I am not all that familiar with the program, but I know that we have had people on several occasions on work experience—sometimes just for a week.

**Mr MOSSFIELD**—What are the figures for youth unemployment in this region? Is it seen as being a major or minor problem?

Mr Mayer—We have a significant unemployment problem in the whole district.

Mr MOSSFIELD—That is not unusual. How would young people get to know that jobs were available in your factory?

**Mr Mayer**—I guess the grapevine in a small town is very effective. The word is out about an hour and a half after someone hands in their notice. But we would advertise the job formally. We have a newsletter that goes out to our suppliers, our farmers. We would put it in that as well.

Mr MOSSFIELD—So would you get some people off the land?

Mr Mayer—There is a chance for farming families to apply as well.

**Mr MOSSFIELD**—You mentioned the survey on literacy and numeracy. Those seem to come through fairly consistently as a problem. You said you conducted a survey. Was that survey conducted right throughout your company, from top management down to production workers, or just in a specific area?

Mr Mayer—It was mainly the production workers. It was not all of them; it was a diagonal cross-section.

Mr MOSSFIELD—Just to get a feel.

**Mr Mayer**—We got TAFE to interview 60 people on the basis that they were independent. Rather than having the company ask what you thought about the company, having TAFE ask probably gave a clearer answer.

Mr MOSSFIELD—Right. Is this scheme you have funding for now in progress or is it just developing?

Mr Mayer—It is in progress.

Mr MOSSFIELD—Has it been in long enough to establish how successful it is?

Mr Mayer—It is early days. We have conducted our training needs analysis. Next week we start training seven workplace assessors. Two weeks after that we start training workplace trainers. Then we have

all the assessment and training mechanisms in place so that, when we get down to the troops, they have someone who knows how to train them and someone who knows how to assess them. You have to put that in place first. It is a fairly well-proven formula. We are learning about it as we go.

**CHAIR**—I am interested in the survey you did on literacy. You said 16 per cent had serious literacy deficiency and 50 per cent were struggling. Surely you would not expect to find those kinds of literacy problems among the young people in town?

Mr Mayer—Fifty per cent are coping—at the moment.

CHAIR—That is of your existing staff?

Mr Mayer—Yes.

**CHAIR**—That is, 66 per cent have some degree of difficulty. You would not expect to find 66 per cent of Merimbula's youth to have a literacy problem, would you?

Mr Mayer—No, I would not.

CHAIR—That would shock you, if I told you that was true, wouldn't it?

Mr Mayer—It surprised me to find that 50 per cent of our staff did.

**CHAIR**—I have to say honestly it does not particularly surprise me. This committee did an inquiry in 1990 on workplace literacy. In a remote rural area, which Merimbula has been except for the modern input of the tourist industry, a company like yours drawing from the local region would expect those kinds of problems.

Mr Mayer—I found that a surprise.

**CHAIR**—I note that you agree you would not expect to find that amongst the young people, so we could assume that through your new hiring program you would be looking for the youth to fill entry level jobs, where you can give them the training and expect them to more than match up with your expectations.

Mr Mayer—There is no reason why not.

CHAIR—Very good.

Mrs ELSON—If the government subsidised youth wages, would you be more inclined to take on young people?

**Mr Mayer**—That is a feature of that proposal of SERTEC, the south-east regional training group. There is some subsidised training available for people that have come off or are presently unemployed. I think that subsidy is at its maximum for those who have been unemployed for over 12 months, and it reduces accordingly. It self-destructs after a period of time; I do not know the exact numbers. But that is a feature of that proposal that they have put to us: 'We will find your people. You give us your parameters. You have the final choice. But if you take this group of people on, your wage costs for the first so many months will be lower.'

Mrs ELSON—So that would encourage you to employ more people?

**Mr Mayer**—That has encouraged us and we are looking at that proposal quite seriously. It also means that SERTEC can conduct up-front training before these people come on site. So they are half trained, if you like, in generic type competencies before they put their overalls on.

**Mrs ELSON**—You were saying before that you would employ young people at your tourist shop at the factory, yet you were saying that they had attitudes problems and so on. Why would you want to have young people like that up-front dealing with your tourists if they had an attitude problem? Why did you choose to put them there?

**Mr Mayer**—They do not stay very long if they have got an attitude problem. You are right—they are face to face with the public and they just wouldn't last.

**CHAIR**—Thank you very much for coming and talking to the committee. We are going to continue this round of talking to people outside the major capital cities and will try to wind up our inquiry in June and bring down a report in August or early September. We will certainly be pleased to send you a copy of what we come up with. Thank you.

Mr Mayer—Thank you for the opportunity.

[4.38 p.m.]

HIGH, Mr Robert Edward, Managing Director, Decanter Pty Ltd, Tas Manna Park, Box 475, Merimbula, New South Wales, 2548

# SIMONDS, Mr Mark Daniel, Building Contractor—Supervisor, Decanter Pty Ltd, Tas Manna Park, Box 475, Merimbula, New South Wales, 2548

Mr High—I appear on behalf of my wife and I as proprietors of Manna Park and Mandeni Resort.

Mr Simonds—I am a local builder and I am here representing the experience that I have had on the Manna Park project.

CHAIR—Have you got a statement you would like to make to us?

**Mr High**—There are three separate subjects that I would like to cover, which is rather difficult in 45 minutes. I will try not to speak too quickly. I do not mind if you interrupt, because this is not a prepared speech.

Firstly, I would like to describe Manna Park and perhaps give a little background. I grew up in the district. I went to high school in Bega and went to university and then disappeared for 40 years. I came back seven or eight years ago to build a tourist resort and largely to leave the rat race of the cities. We built a tourist resort and then we wanted to do some form of charity. The tourist resort was not making money so we thought we could afford to do a charity. We wanted to build a charity for underprivileged people and, about the time that we were finalising our plans, I realised that it was no longer possible for people in the district to get a job even though they wanted one. I believe that, until five years ago, roughly, anybody who wanted a job could easily find one.

What we set out to do was to build a charity park using unemployed labour and particularly city youth. To get the project started, we needed to use local labour and that is the stage that we are at now. We are building a hostel for 24 people using local labour and government schemes and eventually that hostel will house city youth who can come for four, five or six months for work experience in the country building additional buildings for the actual youth hostel and training centre and for various charities who will have holiday accommodation within the complex.

To date we have spent \$300,000. We do not have a lot to show for it because that went into land and infrastructure. We have a team of eight trainees under and SES scheme and we are building the two dormitories using local logs, mud bricks, and it is going reasonably well. We have kept a rather low profile locally because we do not seek any local funds, but we have become very involved with local trainers and the local training industry as we use local labour.

We would like to get government grants—and I know that is not the purpose of this committee—but we would not sacrifice our own management and absolute management control of the project for funding. We will continue to fund solely from our own resources if we have to, but we would like government contributions particularly for the training facilities which we would like to build. We would build a carpenter's shop if there is a demonstrated need for one. There is not one in the district. There was one at Moruya. There is a Moruya TAFE. I understand that they are not currently training any apprentices. There was one in Cooma; I understand it is no longer operating. I do not believe there is a demand for a carpenter's apprentice school for formal apprenticeships, but I think there is a demand for an informal semi-carpentering course or an introductory course to carpentry.

That is about where we are at with Manna Park. Mark is my builder. He has build a house for me, done other work and he is very familiar with the local scene which, as I mentioned, I am not at all familiar with. Having come back after 40 years, most people think I am a blow-in. To go to the next step at Manna Park, we realised, when we wanted to get local unemployed people working on the project, that most government schemes target long-term unemployed. New work opportunities had a qualifying period, typically, 12 to 18 months continuous unemployment. The SES scheme also has a qualifying period, typically, 12 months, which means that a local 18-year-old who has been out of work since leaving school does not qualify.

What we wanted to do was to give them an opportunity to get work experience without paying them any money, so we offered free work. Because it costs money to go to work, we offered transport, free lunch and free clothing. We have not been swamped by volunteers. We have one 20-year-old who has continued, who brings along a 15<sup>1</sup>/<sub>2</sub>-year-old who has got into trouble at school, and at times we get another very young guy from the juvenile court in Bega. But we have had little local support for the volunteers.

We have not done a good job, and deliberately so, in calling for volunteers, because the team we have under the SES scheme now makes it very difficult for us to have volunteers working alongside them. One of the main aims we have at Manna Park is to teach people how to work and get a job in the real world. The big problem we have seen already with a government sponsored scheme is that the participants and the service providers do not expect anybody on a government sponsored scheme to work at a normal rate. Less than 50 per cent of a normal rate is probably the norm.

We now have the people on our scheme working at much greater upward levels than they expected and the local training groups expected. But Mark and I believe that they are still way below par in terms of getting a normal job and holding it. It reached the stage, in terms of their starting times, that I was quite prepared to shut the project down until we got their general work attitude improved. The last thing my wife and I want to do is to have people, who more or less graduate from our project, with bad work attitudes.

We do not expect people who have never worked to be able to work straight off, but the group that we have are experienced workers. Many of them are on the dole and many of them have part-time work for cash. They know how to work but they do not expect to have to work on a government project. We therefore walk the tightrope: how do we motivate these people without alienating them to get the best out of them?

We are now getting good results from them. But it then makes it very difficult for us to employ volunteers, whom we would not be paying, who may be very enthusiastic or not. So we do not quite know what the next step is. We do not qualify, normally, for the SES scheme that we are currently enjoying through Merimbula skillshare, because we guarantee not to employ anybody full time. We hope that all workers at

Manna Park will indefinitely be on training programs, so we will offer nobody a job at the end of the day.

People who come to stay in the hostel from the city will be sponsored by their own community, who will undertake to help them get employment after they have done five or six months work with us. We tried to sell to the local people 'Come and work for free, get work experience, and we will then help you get a job by setting up a job agency.' We can go to a prospective employer and say, 'Fred Smith has worked for us for free for two months, pitched up every day and done a reasonable day's work, and you can be confident that he will arrive to work', whereas in the past people had little confidence that a CES designated job applicant would actually arrive and work.

We will do that and I think it can be made to work. But the biggest obstacle to it is the abuse of the social security unemployment benefits by many of the local people, particularly 30- to 45 year-olds who have casual work for cash and are far better off on that basis than in full employment. If we offer a young person that we have trained, who has been through our volunteer program, if we go to charge him out, including workers compensation, payroll tax, award rate, we will find it very difficult to get him a job in the town, because, unfortunately, a large proportion of the people in the town, whom I would have expected to insist that their employees pay full tax, are quite happy to pay cash. I think that that is probably a result of it being a tourist town, where very few of our customers are looking for receipts.

I have run an engineering business for 40 years and everything is cut and dried. We sell \$400,000 to \$500,000 machines to coal companies, government authorities. There is never any question of cash. That is a major obstacle to us successfully running an employment agency.

**CHAIR**—Can we pursue that a bit? I cannot say that we have had anybody who has had either the intestinal fortitude or the temerity or whatever to say that to this committee before. I should remind you that the question posed by ABS for their statistics—which are what we look at when we look at numbers of people unemployed or the percentage of unemployed—is, 'Have you had a paid job for at least one hour in the last reporting period?' Are you telling me that those people who are on unemployment benefits and also have cash in hand jobs are reporting to ABS that they did not work?

**Mr High**—That is a reasonable conclusion. Obviously, I am not privy to it. Again, I have a very strong objection to the privacy associated with social security benefits. I do not know the extent of it, but there is a dob in a dole bludger program. I do not know how that can work when whether somebody is receiving social security benefit is nominally confidential. But, if I am aware that somebody is receiving social security benefit and so is his wife and they are living in a house and driving two cars, I do not believe for one moment that they are not working for cash, unless they are selling dope. You cannot do it.

The big problem is that it costs a lot of money to go to work. I estimate it costs between \$50 and \$70 a week in the country. Unless you overcome that \$50, \$60 or \$70 barrier straight off, people are better off on the dole than on a work for the dole scheme. If they can get one or two days cash—cutting firewood, working for their mate, working in the tourist industry where they are being paid cash wages—they will stay on the unemployment statistics. I would like to get them off those because, while some people regard me as rather right wing, I would much rather increase social security benefits to those people who need them by taking them off those people who do not need them.

CHAIR—How do we do that?

**Mr High**—Firstly, by removing the secrecy. I see no reason why it should be a secret that somebody is receiving social security benefit. There should be a penalty for any employer who colludes with the unemployed. It gets involved with taxation—that is all confidential, which is fine. But we have about 20 casual cleaners in our cabins, and we insist that they all pay tax. I am quite sure that many of our competitors in town pay cash and those recipients are receiving social security benefit.

CHAIR—How do you get your cleaners?

Mr High—We pay them award wages.

CHAIR—Is there that much unemployment in town?

**Mr High**—There is substantial unemployment, yes. We pay a little bit above award wages, but only five or 10 per cent. But those who are receiving cash will often settle—at least this is my understanding—for two-thirds of the award wage, because they keep their benefit and pay no tax. So I am very suspicious of statistics that show that this area has the high unemployment rate that it does. What irks me more is that it is the 40-year-old who can rip off the system, not the 18-year-old.

We had people who were starting work late. It was obviously going to get worse. It was getting right up my nostrils. They are quite reasonable people, but how do you get somebody to work a bit harder if he is on a government scheme? To me the only way you can do it is if you can take him off the scheme. We reached a ridiculous situation where we were told that the terms of employment of these people and what we could ask them to do was confidential between them and their case manager. Precisely what was the norm was not determined.

What I would prefer to do is to have private individuals, such as Mark as a builder, employ people on a subsidised scheme, the subsidy being a double tax deduction for the employer. If he is not paying tax, he gets no deduction. So the farmer whose mate is on the dole cannot employ his mate and get the benefit which he could under the new work opportunities scheme and under the jobstart scheme.

If the only benefit is to the employer who pays tax, he is also much more likely to enforce the payment of tax by the employee trainee. So a double tax deduction to the employer would reduce the net cost of wages by about half. For half pay, long-term unemployed and young people should be profitably employable. They will also be taught to work in a normal environment and work alongside normal workers, not necessarily at the full rate initially, but if Mark is paying their wages, albeit only a part of them, he is going to get a fair day's work and he does not want his own ordinary staff to goof off. I think it would remove a lot of the wastage on community schemes. To give the Merimbula boardwalk as an example, it is being built. It could be done by a private contractor.

I would like to see a pilot scheme that such projects be run and specifically directed to private enterprise, not as both John Howard and Dr Kemp said on a recent TV interview who made a categoric statement that the no work for the dole scheme would involve private enterprise. To me that is crazy coming from a Liberal Party that said they want to help private industry. If we are going to train young people for work, most of the young people in this community will be employed by small private business and the best place to train them is in those private businesses.

**Mr MOSSFIELD**—I do not know that I could get around all the points that you have been making, but they are very important and have certainly given me a lot of thought. You are attacking the problem and you are to be congratulated for pursuing that. Is there a reason why there is this high youth unemployment? Is there any particular reason?

**Mr High**—Yes. I have not employed large numbers of people in my business, because my engineering business has used subcontractors. Therefore, we have had little opportunity to employ young people. Our tourist resort has not employed young people because they have not applied for work.

CHAIR—Really?

Mr High—Correct.

Mr MOSSFIELD—Where is your engineering business located?

**Mr High**—In Newcastle. For example, we have casual cleaners. Saturdays and Sundays are our normal changeover days. They are almost all married women. It is a job that requires house skills. It is a perfectly good job and pays \$12 an hour. We would not pay a young person less than what we are paying the others. If they were the slightest bit interested in the job. We have had one person under new work opportunity, an Aboriginal girl, who worked very well and benefited from the scheme, but we have not had a young person apply for a job as a cleaner.

**Mr MOSSFIELD**—Where would be the job growth areas for young employed people, providing they were willing to work? Is there any possibility of growth industries in the area that would employ young people?

**Mr High**—Although the tourism industry is a little bit sick in the district at the moment because of Victoria having poker machines and the Victorian economy being a bit depressed, basically the future of the local economy has to be based on tourism, which is an ideal industry to employ young people. There is no reason at all why young people could not be employed. But as an employer—and there is the differential in wages between a young person and a mature person and the reliability of the mature person—faced with a choice without a subsidy, I would hire a 30-year old married man or woman who needs the money, rather than a young person who might walk out next week.

Mr MOSSFIELD—You did mention the local skillshare that is involved with some of your projects.

Mr High—Yes.

**Mr MOSSFIELD**—Are you aware of any other roles that skillshare has in the area of training unemployed young people or getting them into employment?

**Mr High**—Yes. I have been involved with new work opportunity. I mentioned the cleaner, the Aboriginal girl. I also had a man last year, a young fellow—

Mr MOSSFIELD—These people come through skillshare, do they?

**Mr High**—They came through SERTEC in Bega—the two new work opportunities. I am very pleasantly surprised with the sincerity and effort put in by the Department of Social Security and the CES, and very impressed with the individuals in skillshare. I do not mean to give any impression that I am not other than very satisfied with those groups. But, to me, they are administering the wrong schemes. They have been extremely supportive of what we are doing and they are very reactive to the needs of the people they are dealing with.

We would like to build whatever is needed in our complex to make it a genuine training centre. That is why I would like to have a carpenter shop. If there was a need, we would build a sewing machine centre. We may even build a viable business of making school furniture or something like that. That would be done in cooperation with skillshare.

Mr MAREK—How many people are out there working now?

Mr High—Eight.

Mr MAREK—How far away is it from the area here?

Mr High—Eight kilometres.

**Mr MAREK**—I hear with interest what you are saying about the work for the dole scheme. It is true: it costs to work. You have to travel to where you work, you have the upkeep of a motor vehicle, fuel—all those sorts of things. Would your opinion of a possible work for the dole scheme change if the payment was, say, \$40 extra than what the dole is?

**Mr High**—Yes. There are several aspects of it. Some of the people in our scheme come from a large distance. They volunteered for the scheme because I had offered fares and lunches. That is rather interesting because I had offered it for the volunteers. In error, it was given to the people on the government scheme—I did not think they needed it, because they were getting \$10.50 an hour—and I then lost the differential that I could give the volunteers.

To get somebody who is on the dole to come to work if work is available at \$10 or \$11 an hour, I do not think you need to give them any additional incentive if they want to work. But you must let them earn more than the dole. If they could earn their dole in  $2\frac{1}{2}$  days, then I think you have to let them work  $3\frac{1}{2}$  days. My basic proposal, that I have given on a sheet, is: let them work 40 hours per fortnight at the award rate, with the employer getting the double tax deduction for that 40-hour period, and let the trainee, if they wish, work longer hours, with the employer getting  $1\frac{1}{2}$  times the tax deduction. I think you have to have a net tax benefit.

To me, the problem with the work for the dole scheme is the question of attitude. If it is a government scheme and it is seen to be a government scheme and it is seen to be compulsory, how the hell is the supervisor going to get work out of them? If you have people working grudgingly for the dole, they are not going to work: they are then going to say, 'I've earned all my dole benefits, thank you very much,' and they will feel absolutely entitled to the fringe benefits that come with the dole, such as the childminding allowance et cetera. They are then going to sit back and say, 'Not only have I always been entitled to the dole but I have actually earned it.' That is terribly negative.

**CHAIR**—I want to go back to your role as an employer in the tourism industry. Do you have a TAFE in town?

Mr High—There is a TAFE in Bega.

CHAIR—Do they have a hospitality and tourism industry entry-level training course?

**Mr High**—Yes. Because of the nature of my particular tourist resort, which is holiday accommodation for families, we have a manager and his wife who run that and we do not need a front-desk person. So, to that extent, we are not involved in the tourist industry as somebody would be in a shop, with more contact.

**CHAIR**—What about the people that clean your units and make the beds? Don't they need to know how to be polite and how to do it properly?

Mr High—Yes.

**CHAIR**—They need to know how to cater to people's needs and not throw them out of their rooms when they are trying to get to dressed, don't they?

**Mr High**—That has never been a problem. People who are well house-trained are generally perfectly okay with the public. If they are not house-trained, they cannot clean our cabins to the standard that we want.

**CHAIR**—I am absolutely flabbergasted that you have not had young people apply for jobs. Have you advertised the jobs at all, or is it done just by word of mouth?

Mr High—We advertised in the beginning, but most of the cleaners who have found us have asked for a job. When we advertised the 'free work'—that is a little bit tongue-in-cheek—

CHAIR—That is a different matter.

**Mr High**—I was not expecting a lot there. In general, I did expect that young people would approach us for a job, but we have not had any.

Mrs ELSON—Having had these discussions with young people, what do you think is the reason that they will not apply for the jobs?

Mrs ELSON—It is not an unwillingness to work?

**Mr High**—There are plenty of young people in the town who would very willingly work. If we had a need for young people and we advertised specifically for young people, we would get a lot of applicants and they would be quite suitable. I do not think there is a shortage of young people who want to work.

**Mr MAREK**—Do you think that there might be the possibility of guidance or career training officers pushing grade 10, 11 and 12 students towards university types of careers rather than towards vocational work courses?

**Mr High**—I do not know about that. We would be very keen to have schools use our facilities for vocational training. I went to university and that was the norm. But there is such a high percentage of school leavers now finishing high school that there are too many to go to university anyhow. I think there are plenty of people who have graduated from high school who are looking for a job outside of universities.

Mr MAREK—What sorts of jobs can somebody expect to be able to do at your tourist resort?

Mr High—There is really only cleaning or farm labouring.

CHAIR—Who takes care of the golf course?

**Mr High**—A farm labourer. I have one man who is a greenkeeper; we are not at the stage of needing a trainee greenkeeper. Again, I do not have a fully qualified greenkeeper, therefore I cannot have an apprentice.

Mr MAREK—Did you build the golf course yourself?

Mr High—Yes.

Mr MAREK—Is it nine holes?

**Mr High**—It is a 54-hole complex. There are 18 holes, a putting green and the other 18 is a mini-golf course. It was built by my daughter and one man.

Mr MAREK—Mark, you are a carpenter?

Mr Simonds—By trade, yes.

Mr MAREK—How long have you been with Mr High?

Mr Simonds—On and off, on projects, for about seven years.

Mr High—We built our house seven years ago.

Mr MAREK—How many buildings would you have built in that time?

Mr Simonds—I have probably done about six or eight different projects there.

Mr MAREK—Did you have people come in and give you a hand to build those or did you build them on your own?

**Mr Simonds**—Like most builders, I used subcontractors where possible. I do have a couple of blokes that I employ. They are not full time but when the need arises I have a couple of men that are available.

Mr MAREK—Did you look at work training? There are places that have, say, 100 or 200 kids who are all doing apprenticeships and they just get placed. Did you look at that as a criterion?

**Mr High**—Mark joined this project, Manna Park, a little reluctantly at first, although I think he is enjoying the novelty of the experience. Mark works at Manna Park as the supervising builder and for that he gets his normal pay. In terms of who works there and the trainees, Mark has not been very involved. But he is going to get more involved, I hope, as we go on and we get involved with Skillshare and the local training groups. If it rained tomorrow we would have very little work. In a year's time I think Mark is much more likely to be involved in training a group, particularly in a real life situation, if that is what somebody wants to do outside TAFE.

The thing that really depressed me when I went to the TAFE at Moruya was that all the people who had been there doing a four-year apprenticeship course had built was a roof that had then been knocked apart and a shed that had been knocked apart. They had not built a bus shelter. What I would like to try to do is to get Mark to put up a building in conjunction with TAFE. That building would be one of the charity buildings at Manna Park.

Mr MOSSFIELD—These kids at TAFE would have been working for an employer, away from TAFE, and doing proper construction work there?

Mr Simonds—Yes, I would say that would be right.

Mr MOSSFIELD—I take your point relating to TAFE work.

**Mr Simonds**—I would agree with that. I went to tech, which is what it was in those days, and we did not do anything that was community minded. Thinking back, the training that we got at tech could have been utilised a lot better by us building something that the community, at the same time, could benefit from.

Mr MAREK—That is what I was saying about these group training companies.

**Mr Simonds**—They do have group training in Bega. I did take an apprentice through for four years in the mid-80s, when times were good and there was plenty of work. But these days construction-wise here I

would hate to take on an apprentice, even if it were for a period of time, and not be able to give him continual work through that period. I think that his morale would drop if I said, 'Sorry, mate, there is no work this week,' because we had no work.

**Mr MOSSFIELD**—Group training works very successfully in the engineering industry. Certainly in the area I come from in western Sydney, where they have a couple of large group training companies. They are not into construction but more engineering and manufacturing type work. You would know how it operates. Because they can move the apprentice around the apprentice is actually getting vastly more experience than if he or she were working for the one employer. The employer can utilise him during his peak production periods too, so it works very successfully. It works very successfully in small businesses where employers might not feel they can take on apprentices but, under the group training arrangement, they can.

**Mr High**—One of the things I feel strongly about in terms of local youth employment is that, realistically, a lot of the youths are faced with short-term, part-time employment. That was a major problem with new work opportunities and with the jobstart programs. The employer had to virtually guarantee six or 12 months continuous employment. The scheme I propose would enable any employer to take on somebody for five days a fortnight. They could even share an employee. The paperwork could easily be done by the DSS. Payment could be made to the DSS. WorkCover should be covered by the government, so that you would not get bogus claims. That would then share the work around. The current schemes do not have that flexibility.

**CHAIR**—Thank you very much. We hope to finish by June and put out a report. We do not intend to make a lot of recommendations; we intend to make a few very strong recommendations which we hope the government will pick up and which will help our youth to be more employable and help make more job opportunities available from people like you who employ people. We thank you for coming. You have shocked us a bit, I have to say, but we will no doubt discuss these issues further.

## [5.21 p.m.]

DEDMAN, Mr John, Executive Officer, South East NSW Area Consultative Committee, PO Box 37, Bega, New South Wales 2550

GRANT, Ms Joanne, Aboriginal Employment Development Officer, South East NSW Area Consultative Committee, C/- CES, Beach Road, Batemans Bay, New South Wales 2536

MOULTON, Ms Marea, Chairperson, South East NSW Area Consultative Committee, PO Box 37, Bega, New South Wales 2550

## TOWNEY, Ms Coral, Aboriginal Administration Assistant, South East NSW Area Consultative Committee, C/- CES, Beach Road, Batemans Bay, New South Wales 2536

**CHAIR**—I welcome the South East New South Wales Area Consultative Committee, appearing before the committee today in its inquiry into youth employment. Thank you for coming. Do you have any comments to make on the capacity in which you appear?

**Ms Moulton**—I am also the vice-chair of our local group training company, which is known as SERTEC and is located at Bega. I am a chef by trade. My husband and I have a motel here, with a restaurant, and I employ apprentices.

**CHAIR**—We thank you for your submission. Did you wish to speak to it briefly, because we will have heaps of questions?

**Ms Moulton**—If I could just recap for a moment: when the area consultative committee chairpeople met with the Prime Minister, Senator Vanstone, Mr Sharp and a representative from Dr Kemp's office on 4 December, I indicated strongly then that there were some areas missing in our youth report that we provided for you in August. That was the needs, or the barriers that should be identified to education, employment and training for indigenous people.

The first report that you received was the result of 14 specific consultations. We went back into a committee and Coral and Joanne conducted—and John and I conducted one—seven youth forums. So what you have here is another document that we have prepared for you. We finished typing it at 9.30 this morning and we have it here for you. I would implore you all to read it. It is the result of a lot of research. There are many recommendations in there. We have attempted to sheet home each recommendation to an existing organisation so that it would be easier for you to make decisions as to where they would rest. The girls will be talking to some of those recommendations later. So you are not allowed to leave town without one and there are plenty there for your colleagues. I believe this is quite a large committee. We got halfway through underlining the recommendations and the pen ran out. So you can consider all the recommendations underlined. I am sure you will pick up the key sentences.

I might begin by just agreeing with a lot of what Rob High has said to you in terms of the cash economy. I think there is a position for your committee to play in dealing with the Australian Chamber of

Commerce and Industry, the peak body, and asking it to look towards its members to do something about the cash economy that is absolutely rife. I know small examples do not prove the point, but I run my business exactly the same way Rob does. I know of businesses that could employ a trainee or an apprentice but insist on paying cash to four or five people who are on benefits and they work for about \$10 an hour for about four hours a week. I do not think you should underestimate the strength of the cash economy in this country.

Unemployment for the Eurobodalla is currently running at about 18.2 per cent. With the cashing out of new work opportunities soon, that will rise to in excess of about 20 per cent. In Bega Valley, unemployment is running at about 14.5 per cent. When the labour market programs are finished, it will rise significantly as well. Both economies are in recession and extremely flat. In Cooma-Monaro, unemployment will rise when the gaol closes soon. It is currently about six per cent and will rise possibly to about 10 per cent. Snowy River, because you have the Mount Kosciuszko complex and Jindabyne National Park, has a lot of great tourism infrastructure. I think that is the strength area of the region that our committee covers.

There is a lot of work to be done on why unemployment is as it is. Our economy is extremely flat. The tourism infrastructure that will bring us tourists who will make a difference to peoples' incomes is a long way in coming yet. So we decided to prepare a regional approach to work for the dole entitlement for all people who are on unemployment benefits—not just youth. I echo Rob's words once again that the highest number of unemployed people in this region is in the 25- to 39-year age group.

You have generational unemployment and all the effects of that detailed by this excellent research report out of South Australia. You have a young boy saying goodbye to his parents as he is heading off on a compulsory or voluntary work for the dole scheme. He looks back and says to dad, 'How come I've got to earn my benefit and you haven't?' We have generational unemployment and the attitudes associated with that are absolutely entrenched.

We welcome the government's undertaking to encourage people to work for the dole, but we also encourage the fact that the area consultative committees—and there are 61 of them that cover the whole of Australia—are in the strongest position, in that they respond to DEETYA, to work out the implications on how the work for the dole scheme should look for their region. In view of that, we employed the services of Dr Joe Baker, who is the ACT Commissioner for the Environment. We invited all environment representative groups to a meeting in the Bemboka Town Hall. We are taking environmental repair and employment projects from every single environment group in the five shires. We are using our local skillshares and group training companies to underpin how this can be done. This can be done by a work for the dole type scheme, by some sort of labour market program.

**CHAIR**—I should have told you this is not a government committee. This is an all-party committee of the House of Representatives. We are not just looking at government programs.

### Ms Moulton—Yes.

CHAIR—Nor do we necessarily have any effect on government programs as such, except what we recommend for the future.

**Ms Moulton**—Yes. We are trying to construct a future for people in an environment that has a very, very flat economy. We are bereft of employment opportunities, but we are not bereft of ideas, hence our employment driven program, which is going to be dressed up as a labour market program. In all honesty, that is exactly what it is. It is about changing attitudes and giving people something to do for the day. We think how it spins out should be left to the region—that is, to the area consultative committees to work out the implications of what it should look like in their region. I think John had a couple of points he wanted to make on our report to this committee.

**Mr Dedman**—I would like to make a few comments to get things in perspective. First, we identified that country youth have a very different set of problems to what we perceived city youth as having. Mainly, there is a lack of a labour market in most of the towns that we service. We discovered in our research last year that up to 90 per cent of year 12 school leavers leave the area for employment, education training, seeking employment opportunities. That leaves us with 10 per cent of year 12s. I could not help but think earlier about the literacy problems at Bega Cheese when all the better educated people have left the scene.

We have atrocious public transport, so it is difficult for people to get to jobs between towns. We seem to be basically exporting our unemployment to other centres like Canberra, Sydney and, perhaps, Melbourne. We are a great exporter of unemployment because people have to leave here. That is probably fairly consistent across the country in regard to rural communities.

**Ms Moulton**—On the other hand, Hospitality Group Training in Chatswood consistently lists 160 vacancies for second year apprentice chefs and they cannot fill them. There is a significant decrease in the number of apprentices in trade areas and the industry association bodies are really worried about that for future implications when there is an upturn in the economy. There is this real gap that needs to be filled. We are trying to work out some way of getting youth from the country to take up those vacancies in the city. That led to another whole range of investigations.

**Mr Dedman**—We found out too, that with all these youth leaving our area, it was up to the families here to support them in the cities in whatever they were doing. We found out that there are families supporting their children to the tune of about \$12,000 to \$14,000 per annum in the cities. That money is being earned in this area and it goes out of the area, so we are exporting hard earned dollars, which there are not too many of in regional areas, back to the city. We feel that that is quite unfair and perhaps worth looking at on a taxation side as to whether there should be something to address it. Another concern is that youth do not have access to case management until they qualify to become long-term unemployed. That needs to be addressed.

With the new system of MAATS—now called the new apprenticeship system—all this entry level training stuff has become very confused. We have VET committees, we have local industry employment network committees, shelters, entry level training coming up. There is just a massive amount of confusion out there when you talk about apprenticeships and traineeships and what is going on. It is just a confusing scene and that is not helping very much.

Our committee sees the need for youth to become more enterprising in their thought and in the way that they are being educated. We believe that it starts in the home and that parents need to start encouraging their youth to be more enterprising in the way that they address their lives. We have done some work and we have had Dr John Bailey, who was part of the Karpin committee, talk to us about some of this stuff. Our ACC has picked up this agenda and will be pushing in our communities the need to develop an enterprise culture within our community and specifically within our youth.

We held a forum recently to try to start to publicise the need for enterprise training in our school system. We were successful in getting a number of the school headmasters there. Their feeling was that they had vaguely heard about this enterprise agenda and thought it had dropped off. This concept of developing enterprise culture in our youth needs to be revved up.

We are concerned too that, with the new employment system that is coming up, disadvantaged groups such as Aboriginals and disabled people—and youth as well—could find that all the subsidies which are of encouragement to employers now will not be apparent in the new system. Unless you are in an employment assistance sector of that new system, where the case managers can offer certain amounts of money, a lot of these people will not get into that case management structure for a period of time. So I think we are going to see a lot of youth, Aboriginals and disabled people lose any advantage, if you want to call it that, in terms of subsidies in the near future.

The other thing we also found in talking to youth is the need for personal development training to be lifted or the effort put into that at schools. We found that a lot of young people who leave school early are missing out on some of this personal development in regard to job applications, how to present for interviews and also life skills—how to arrange your financial affairs, nutrition and all those sorts of things. We feel that a number of youth are missing out on that sort of education.

There is another area to be looked at. We feel strongly that there needs to be some work done with parents. We have all these training systems but no-one trains parents how to be parents. It is a very difficult thing to say, 'This is how you bring up a kid'.

Mr MAREK—A lot of people comment on that sort of thing.

**Mr Dedman**—I know it is a minefield but we were talking about the idea of trying to generate some seminars for parents with a range of things that will affect bringing up their child.

CHAIR—The ones that would go are the ones that do not need it.

Mr Dedman—That is right.

**Ms Moulton**—We feel that particularly strongly because so many young Aboriginal girls are parents and the blocks of curriculum that teach them about parenting skills—human development in society et cetera—were delivered too late in the curriculum.

**Ms Grant**—Even contraception information is delivered in years 9 and 10, and it is too late then: they have left school and got their babies. Following on from what John said on youth leaving the area, it is completely the opposite with Aboriginal youth. They will not leave the area unless the whole family goes with them. They stay here with no skills and no jobs.

Mrs ELSON—What is the percentage of Aboriginal youth in your area? It is probably in here, I know.

Ms Grant—I can give you a breakdown. In regard to the unemployment rates in the Batemans Bay area, there are between 15 and 24—

Mrs ELSON—This is a percentage, is it?

**Ms Grant**—No, these are actually registered unemployed people: there are about 170 unemployed. That is the statistic. It does not incorporate sole parents.

Ms Moulton—There are a whole lot of people not included in that statistic; you have to appreciate that.

Mr MAREK—Where did you formulate that judgment from?

Ms Grant—What judgment is that?

Mr MAREK—The judgment that the Aboriginal children—

Ms Grant—We asked them.

Mr MAREK—Whereabouts?

Ms Grant—From Batemans Bay to Eden. We met with individuals and schools.

**Mr MAREK**—It is unusual because I personally know a lot of Aboriginal people and people in Aboriginal settlements—and this would be totally indicative of the Aboriginal settlement that you have. For instance, you might have one that has strong elders. If you have an Aboriginal settlement that has not been infiltrated by too many different tribes, the elders will be strong and the community will be strong. They are usually a better community. Whereas in other Aboriginal communities, you might have anywhere between six, 10 or 15 different tribes all in the one community, and the elders do not have the same strength and the kids leave.

**Ms Grant**—I think you will find that is what is happening Australia wide. Every Aboriginal community is very diverse now. We do not stay where we came from. We go and live—

Mr MAREK—Exactly, that is why I question that statement. I have read that in here, too.

**Ms Grant**—From this region. We have asked the youth, 'Would you would go to Canberra to university or for jobs' and they replied, 'No, not unless mum and dad came'. They will not go unless the whole family comes with them; they need that support network.

Ms Moulton—And the statistics are pretty common. The other thing in terms of Aboriginal elders that is happening is the habitat program.

**Ms Towney**—We have habitat in Nowra. They walk the streets at night trying to get the Aboriginal youth to stay off the streets. They have got this program going—

Mr MAREK—Yes, but white kids are doing the same thing. There are probably more white kids doing it than Aboriginal kids anyway.

**Ms Grant**—They do not go around the white kids and report to the whole community what those white kids are doing at night. They do with Aboriginal kids. We can highlight it all the time.

Ms Towney—With the Aboriginal elders in Nowra, the Koori youth respect these elders that go out and talk to them. They will not take any notice of a police officer.

**Ms Grant**—You have to understand why they are not taking notice of police officers because, in the past, it was police officers who took children away. In the past, it was police officers who could come in and uplift your house and pretend that they were looking for things and find nothing. This sort of hatred is carried down from generations.

**Ms Moulton**—Yes, but I think that the surveillance of youth on the streets by the police is minimised where community groups—such as the habitat group that we support—actually deal with the issue itself. You will read in the report that that has significantly decreased—police cautioning issues and vandalism and those sorts of things. There are a number of community programs where that exists. What you are saying, Paul, is absolutely right. My question is: who is left on the streets of Nowra at night with nowhere to go? It is white youth.

#### Ms Grant—Yes.

**Mr MOSSFIELD**—Do you see different solutions to the difficulties we have got with young unemployed Aboriginal people and white people? So that you know where we are coming from, last week we were in Central Queensland. We had quite a few people presenting submissions to us on the issue of the best way of getting Aboriginal people into schools, getting them to stay at school and getting them into the work force. What we were told is exactly the point that you are making and that is that the first thing in your culture is family—they will not move away from their family—and, secondly, with no disrespect, that work is not part of the culture.

**Ms Grant**—Well, it has not been and this is where the big breakdown has been, I think. It has not been fostered as part of our culture. In the mainstream, yes, it is. Where we are part of the mainstream, we still do not foster an enterprising sort of culture or a small business culture. Why don't we? These systems are set up for everybody to have this. Why aren't we thinking like that? Why aren't we having businesses? It is a communication breakdown.

**Mr MOSSFIELD**—Could we talk about work for the dole? We have been discussing that quite extensively. In the parliament, the Liberal government has introduced it and the Labor Party is not opposing it, but it is suggesting some amendments that may improve it. I think the whole thing is still open for general debate and discussion for us to come up with the best possible scheme that we can. Among the things that we

are being told is that the name just does not ring right; it is degrading. Some suggestion was made this morning in a group that we should be calling it 'work for the community'. I think that is what was said. What would influence me greatly in supporting it would be what community groups like yours could make out of it. If you could make it work, it would obviously have a big impact on the final decision relating to it. To make it work, what would you like to see built into the work for the dole scheme?

**Ms Moulton**—If I could respond, Frank, by saying that what I think is the feeling of the committee is that our region is best equipped to deal with how it looks in our region. Sure there has to be some sort of similarity of contract for everybody who is on one of these schemes. Where you have entrepreneurs—like Rob High—who have committed a financial investment and who have worked intensively with group training and skillshare, you have opportunities to know who are the best people in the private sector—to go back to Jeff Kennett's argument. They are the best to know in a small region who are the best people in the private sector to administer it. A body such as ours that is an honorary committee therefore has those benevolent interests at heart.

Mr MOSSFIELD—It is where you have got ownership of it.

**Ms Moulton**—I think that is the best way. Our street programs here will not look like street programs anywhere else. For example, the youth homelessness program that operates in Merimbula out of a shop looks nothing like the one in Eden that is a drop-in centre and it will look nothing like the other one 30 minutes down the road in Bega. They are completely different. Towns, through their chambers of commerce, their industry associations, their different service groups, should be able to determine the most meaningful way for that community. I entirely support the disinvestment of the phrase 'work for the dole.' It is horrid; it must be changed.

Mr MOSSFIELD—Could I ask how the Aboriginal community would fit into the work for the dole?

**Ms Grant**—They have been doing it now for years and years. So there would be no impact. Except when you say 'work for the dole', there has to be something given back to the person. To work costs money, so some of that money is going to be coming out of their work money. There has to be money for them. The social standards these days to go to work mean you have to have perfume, lipsticks, stockings and things like that. That all costs money, so that has to be taken into consideration.

CHAIR—Does CDEP work here?

Ms Grant—Yes, we have CDEP here.

CHAIR—And it works?

Ms Grant—Yes.

CHAIR—The kids do not find it degrading?

Ms Grant—No.

CHAIR—That is completely different evidence from what we took last week.

Ms Grant—But they are building for themselves, for their community.

**CHAIR**—So it must be the community itself that values what the young people are doing. The people we talked to last week said the community did not value it and the young people are seen as second-class kids.

**Ms Moulton**—I think that what happens is a downwards approach rather than a bottom up approach. There has to be a social assessment for the people who are going to be involved in the programs. There has to be some social assessment of what it means for them to work for a benefit on a particular program to build a sense of inclusion in what they are doing. Nobody has bothered to undertake any social assessment. What does it actually mean to have to go to work for the dole? It means different things to different people in different parts of Australia from different backgrounds.

**Mr MAREK**—We are talking about work for the dole. We are talking about CDEP in an Aboriginal settlement. It is totally different from work for the dole in a widely European settlement. People in the Aboriginal communities love it, they think it is great, they want to keep doing it, but that is the difference.

CHAIR—Some of the remote area people said it did not work—Mount Isa, Alice springs. They said it was no good.

Ms Grant—You have to get your whole community involved.

**Mr MAREK**—That is because it was in town with the people, the white people. While it is out in the Aboriginal settlements, it is fine.

CHAIR—No, they said that did not work.

**Ms Moulton**—One of our recommendations in our Aboriginal youth report is having a case management system constructed in consultation with Aboriginal people. Case management, as we all know, has all of its foibles, but there are only five examples nationally of case management for Aboriginal people by Aboriginal people.

What we are looking at here in the south-east is a partnership arrangement because how can the most marginalised employed group in Australia be able to assist other people, other Aboriginal youth, get into jobs? There have to be partnerships forged with group training companies and all sorts of people to develop role models to get kids into training assisted with youth in urban areas. It is extremely complex.

**CHAIR**—Could we just change tack for a minute. One of the things this committee has consistently heard—and I would like to understand this in relation to this region—is that the world of work has changed a lot in the last couple of decades, certainly in the last 15 years. Kids are staying on at school heaps longer, so the entry level job market is completely different from what it was 15 or 20 years ago. It is not only groups like yours but employers and, indeed, young people themselves who are telling us consistently that young people today seem to have very little concept of what careers might be available, what work might be

available and what sorts of incomes they might earn.

Robert Edwin back there reckons he has not had a kid apply for a bed making job. That is disgraceful. I am having difficulty coming to grips with that. I would like to hear your views, since you deal with young people, on whether you think the school system, the parents or the business community itself is doing a reasonable job of telling young people what kind of work they might have.

**Ms Moulton**—John attended a conference of careers teachers from the region, and careers teachers need assistance. There is the Australian Studentship and Traineeship Foundation—the ASTF system—with ASTF officers who assist career teachers in putting together proper work experience packages for youth in an industry they want to get into. We believe that works. There is one ASTF officer in the Eurobodalla. There is also another ASTF officer who works with people who have been out of school for 12 months and are unemployed. So he is attempting to get them back into some sort of training and employment.

Making the connection from an industry viewpoint is different from having a careers teacher assist the kid to stitch up work experience out there somewhere. So it is a person coming into the school and assisting to do it that way.

Going back to the generational issue for a moment, the research conducted here indicates that the most depressed attitude and self-esteem towards work for the future is with young girls whose parents have been long-term unemployed. That is just a statistical thing that you would have to take on board from that. You have one in three families in Australia being blended, you have high employment here and you have the average wage in the Bega valley being \$20,000. There is not a lot of optimism and hope around.

Then you have something which I think is great and that is the key competencies information which has broken the curriculum down into those eight areas that will be taught across the curriculum which include understanding things and working in teams. I think they have finally got it right with this particular trialling.

**CHAIR**—You have not answered the question. You have talked about everything else. Do the kids understand what careers are available or what jobs there might be available, whether they are here or somewhere else, and what career opportunities there are in the world today? Or are the kids here the same as kids in other places who are told by their parents and teachers, 'If you do not go to university, you are doomed'?

**Mr Dedman**—The labour market is changing so rapidly at this point in time. You talked about the last 15 years, but I think in the last 3 or 4 years there has been an enormous change and sense of accelerating. It is really difficult to keep up to date with giving kids the right advice. Jobs are not like they were, where you have a career job any more. Kids are going to be in ten or 15 jobs throughout their lifetime and contracting or whatever they can get once they develop some skills. That is something we have not really come to grips with at this stage.

To enhance their prospects—and I am coming back to enterprise—the kids have to be taught about small business, because that is one of the options available. They have to have a good grounding in how small business works. Another thing I picked up at a recent meeting with the vocational education training

committee in this area was that school teachers had the opportunity of going back into industry under a schools program to get up to speed with what is going on. They are finding it difficult because teachers are not putting up their hands to go back into industry and find out. In fact, at Bega High only three teachers had and two of them ended up staying in industry.

**CHAIR**—That has been the experience of those programs around Australia. I understand it has changed a bit recently, but there is a very high defection rate.

**Ms Moulton**—If I could add to that. Remember when we spoke to that group of students at Narooma High and Monaro High and there were about 20 kids in each class? We asked them to tell us about an apprenticeship. We asked, 'What is an apprenticeship or traineeship?' We were trying to work out whether they knew. We were appalled, to answer your question.

Mrs ELSON—So there is not enough training within the school system to let them know what their options are?

**Ms Moulton**—When we spoke to the teachers afterwards—and we were bailed up because we were appalled—they then said, 'But we have taught them this and that.' We said, 'You think you have, but they have not retained it.' They said, 'But there is Internet, information and all these sorts of things.' There is a gap between what is taught and the perception of whether they have retained it.

**CHAIR**—You said that the world of work has changed that rapidly. Do you recognise that we still need mechanics, painters, plasterers, carpenters, fitters and turners and toolmakers?

**Mr Dedman**—As an example, I heard that the Colonial State Bank is going to franchise their branches and so on. I talked to social security the other day about how they are going to get into tendering for contracts and other sorts of contracts apart from what they are doing. It is all happening in a very different way. I suppose what I am really looking at is that the nature of a lot of work would be short-term contract work, rather than spending 30 or 40 years in a particular job.

**Mr MAREK**—I want to talk about another area which we spoke about with other people today. Firstly, I would open the statement by saying that you cannot tell me that I did not have a same problem 15 years ago when I left school and you cannot tell me that 20-odd years ago when you left school you did not have the same problem of travelling, having to leave the country, going to the city, go to university and all those sorts of things. Someone made a profound statement to us today that 80 per cent of the people who leave school will make it; the other 20 per cent will not. Does that make sense?

What he was saying is that it does not matter. Whether they had problems with numeracy or literacy, they have finished school and are going out there. Eighty per cent of the people will get jobs—they will make it. It is the other 20 per cent who will not, and it is that 20 per cent who really need to be focused on.

It was really like just turning on the lights. All of a sudden to me this whole puzzle of youth employment started coming together. That is what I am trying to say to you. Does that make sense? There is probably only a bracket of people in today's society who we need to really look after. If we work on everybody, we are not going to be able to get everybody. There is a certain group of people we really have to focus on.

Mrs ELSON—Or they slip through the system and stay like they are.

Mr MAREK—That is right.

Ms Moulton—That is the worry, and I think that is why the girls work is so intense too, because they are dealing with people who largely are not successful.

CHAIR—Why does most of the tourist industry in Merimbula close on weekends?

Ms Moulton—Because of a poor attitude to the industry.

CHAIR—How do you expect to keep the tourists?

**Ms Moulton**—Exactly. What I was saying earlier was that there are remarkably few people actually employed in the tourist industry in Merimbula where there could be lots of traineeships offered.

CHAIR—The shops are part of the tourism industry, aren't they?

**Ms Moulton**—That is absolutely right. In turn, you can see what the salary level is and the rates of tourism, visitations, et cetera. I have no explanation for poor practice. I am open seven days a week.

CHAIR—Good on you.

Ms Moulton—So is Rob High.

CHAIR—Well done.

**Mr Dedman**—Another point I will take the opportunity to make is that amongst employers there is an amount of confusion about various programs of assistance. Enterprise bargaining is one of the issues where I think there is ignorance, which was brought up earlier today. There probably needs to be some sort of concerted effort to re-educate the employers in regard to the new sorts of systems that are emerging.

There is still that great fear about the unfair dismissal legislation. While the government has made some changes federally, I think they still apply on a state basis. So there is confusion there again. If there was a sponsored arrangement where that could be addressed to employers to open their eyes as to what the system is, what the procedures are to employ people and that it is not as fearsome as it might appear, I think that would be a positive thing to do.

**Ms Moulton**—What you are saying is absolutely right, John. When you approach employers, they say they will not employ someone because of the industrial relations legislation and how do you get rid of them if you do not want it. There is a lot of information dissemination that could be undertaken by organisations like

the chamber of commerce in explaining to employers how the legislation is procedurally based. It is a matter of educating small business and following the procedures and you will not get into trouble. But that is easier said than done.

**Mr MOSSFIELD**—I agree with you. I think at least 80 per cent of the problem with unfair dismissals was that people worked outside the system. Employers did not go to their employer organisation to get advice, and workers did not go to their trade union. In some cases they went to a local solicitor who came up with the best deal for himself, not for the employer and not for the worker. In most cases, he told the employer, 'Settle for X amount of dollars', which cost the employer money, and the worker went away with something in his pocket. That was not the way the system should have worked. In my humble opinion, each group of people need to belong to an organisation that represents their interests and can give them the appropriate advice on how to work through these systems.

**Ms Moulton**—Yes, and that is the same with the enterprise agreement system as well. With the number of agreements that are struck in this country, there should be some sort of comprehensive education system about how you do bargain around the table, information about the work groups that are set together, and all those sorts of things. I was dismayed to hear that there would be that degree of animosity between the employers and the workers over at Bega Cheese. That is appalling. Had there been sufficient preparation by both associations—the union and the cooperative society—to get people geared up to do it properly, you would have avoided all of that.

**CHAIR**—As there are no further questions, thank you very much for coming. We appreciate your input. We will read your report. As I have told the other witnesses today, we hope to finish by the end of June. We will certainly send you a copy of the report with our recommendations when we finish.

#### Resolved (on motion by Mrs Elson):

That the committee receive as evidence and authorise the publication of the submissions received from the South East NSW Area Consultative Committee and from Shoalcare; and that the committee receive as evidence and include in its records as exhibits documents received from Shoalcare entitled *The Elders, Shoalcare Annual Report* and *Shoalcare— Programs*, and a document received from the Shoalhaven Area Consultative Committee entitled *Shoalhaven—Earning a Living*, as well as a document received from Mr Rob High entitled *Manna Park Youth Training Centre—Hostel*.

CHAIR—Thank you, Hansard. Thank you, participants. Thank you, colleagues. Thank you, staff.

Resolved (on motion by Mrs Elson):

That this committee authorises publication, including publication on the parliamentary database, of the proof transcript of the evidence given before it at public hearing this day.

### Committee adjourned at 6.03 p.m.