COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON EMPLOYMENT, EDUCATION AND WORKPLACE RELATIONS

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

THURSDAY, 10 FEBRUARY 2000

SYDNEY

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON EMPLOYMENT, EDUCATION AND WORKPLACE RELATIONS

Thursday, 10 February 2000

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

Members in attendance: Ms Gambaro, Mrs Gash, Ms Gillard, Dr Nelson and Mr Wilkie

Terms of reference for the inquiry:

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

WITNESSES

Committee met at 9.02 a.m.

DODDS, Mr Christopher, Executive Member, Australian Council of Social Service

FIELD, Ms Wendy Patricia, Policy Officer, Australian Council of Social Service

HOUNSLOW, Ms Betty, Director, Australian Council of Social Service

THOMPSON, Mr David, Treasurer and Executive Member, and Principal Policy Coordinator – Employment, Australian Council of Social Service

CHAIR—I declare open this public hearing of the inquiry into mature age workers and welcome the representatives of ACOSS who are here to give evidence. I remind you that proceedings here today are legal proceedings of the parliament and warrant the same respect as proceedings in the House. The deliberate misleading of the committee may be regarded as contempt of parliament. The committee prefers that all evidence be given in public, but if at any stage there is something that you would like to say in camera, then please ask that that be the case and we will consider that. I now invite you to give us a precis of the submission and emphasise the things that in particular you think ought to be pointed out to us, and then we will discuss it, concluding at 9.45.

Mr Dodds—I am starting off. I had some prepared notes but, coming as I do from Newcastle, the government's decision yesterday for National Textiles means I do not have to say some of those things because there is a really good result for those particular workers at National Textiles.

ACOSS and all of our member organisations that deal with the unemployed have a lot of direct contact with mature age unemployed people. Not that ACOSS provide services, but we are an organisation that people actually ring up and complain to about different things and they talk to us about problems that they have. Probably the main experience that we get in feedback from mature age unemployed is about the experience of discrimination because of their age, the discrimination that is in the workplace or that they feel is in the workplace; the lack of interest on the part of employers and, as well, a fairly high level of anger and exasperation about some government policies and practices, particularly in the area of income support and a range of employment services.

There is real hardship suffered by mature age unemployed. I am sure you have heard some stories, but I will start with just a few. In terms of personal experiences, I am someone who is now in his late 40s. In 1993 I moved out of the full-time work force and like a lot of people became involved in doing casual or contract work. I did have a period of two years since that time when I was in permanent work, but the rest of it has just been two weeks here and three weeks there. Recently, I picked up five hours a week casual teaching. Mature age unemployed people like myself, whose partner is working, do not have access to any income support and do not have access under the present regime to any labour market programs for retraining or support. That is quite a difficulty. Previously, it did not matter whether you were in receipt of income support or not, once you had been registered as unemployed for six months you were eligible for labour market programs.

One of the important issues that I feel very strongly about is that there are a whole lot of mature age unemployed who are stuck in regions like the Hunter because of a whole range of issues, including in my case, my wife working. There are certainly some employment opportunities in Sydney, but we are one year away from paying off our house, which is in a working class suburb in Newcastle. Moving to Sydney, which means her giving up her secure job and coming down here on the off chance, is not really viable for us. And the sort of work that I can get would not pay for a house or even, in some cases, rent a house in Sydney. It is extremely difficult when your income becomes really limited. Last Christmas, for example, I had to give my daughter an IOU for a Christmas present because I had not had work through November and December and I knew there would not be any work until February came around again. The humiliation of that!

I am not a backward person and I am heavily involved in voluntary work like ACOSS. I am on the board of governors, not a paid worker. So when I was one of ACOSS's delegates to the big tax summit we had with the business chamber in Canberra a couple of years ago, we drove back to Sydney and I missed the train to Newcastle. Robert Fitzgerald was giving us a lift. He said to me as I hopped out of the car at Strathfield, 'Get a hotel room, that will be right, we will reimburse you.' He assumed that I had money in the bank to pay for a hotel room and I could just get a reimbursement. I missed the train by about three minutes so I sat on Strathfield station from about 9.30 until 11.30 on a Saturday night. Because I had been at the tax summit I was dressed in this suit. Every Westie in Sydney seemed to be walking up and down the platform! I would have preferred a hotel room, but it was not an option.

That sort of experience, when it is compounded, when you are involved in a whole range of things in your life that is voluntary and you do not have the resources, causes you to back away from those things. You do not want to have to say to people like Robert, 'You've got to give me the money.' Or when we go for a drink after a board meeting, you get sick of saying, 'You have to pay for me.' Many people back away. When they are not involved in the work force they start losing all their involvement and all their social networks as well because

they are not prepared to front people all the time and make other people pay their way. I think that is one of the aspects of unemployment that is forgotten about, particularly in the context of people whose partners are still working and so they are not on income support. There is a whole group of people like that. In the Hunter Valley it is particularly bad, given the huge number of retrenchments from dying manufacturing industries such as textiles, steel, et cetera. You have got a whole generation of people out of work from the one industry, basically, who do not really have work options and are left to just survive until they get to retirement age.

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For people in regional Australia, one of the big upsurges in calls we got was after Minister Anthony's annoucement about activity testing, and particularly having to move to areas of job opportunities. That was really disturbing for people like myself and other people in the Hunter. Moving is not really an option at our age. It is not something that you can just do. When it does happen it puts incredible stresses on families.

A very good friend of mine is the only Australian on the International Dewey Board of Classification in libraries and he was a grade 9 librarian worker at Newcastle University, which is right at the top of the general staff classification. He was made redundant about two years ago. He did get a job in Sydney at grade 6 and commuted every day. It is a 2½ hour journey minimum, or three hours if there is the slightest delay or if you miss one of the fast trains. That is six hours travelling and it put really high stresses on his family life. Of course, because he was such a good worker he is now working in the United States of America. There was no place for him in Australia at his age. Libraries did not want to employ someone of his age in this country, although his skills are such that he has now got a job in the US.

In our submission we look at employment services, and probably there are a whole number of issues there that my colleague, David Thompson, can provide more detail on. We look at employment services and access to employment services, and the level of income support for those who are eligible for income support. There are some issues about superannuation that we commented on as well; the provision of some flexibility so that, even though people have some money for when they retire, they do not have to live in poverty to get to a certain age. Then there is the whole issue of discrimination by employers.

Underlying all of those issues is the really important issue for people which is their sense of self-worth and identity. I think that is the crucial issue in the whole gamut of issues to do with mature age people who are removed from or forced to leave the work force before they want to. The impact on their ability to participate in society and the impact on their families when one member in that family loses their sense of self-esteem and identity is quite devastating. Society bears a whole lot of social consequences that are not really taken into account when we look at this problem. I would like to leave my remarks at that point. Some of my colleagues have detailed information about particular aspects of our submission.

Ms Hounslow—We could, but we thought it might be better if you wanted to just go to any points that you had. If you like, we could run through our particular concerns about social security or employment services, if that would help. Alternatively, we could take any questions or comments that you wanted to make. Which way would you like to proceed?

CHAIR—We might just go through things that we want to talk about.

Ms GAMBARO—I was very touched by your story, particularly the social aspects. As for the discriminatory factor with employers, I have had people say to me that it is not overt; everything is fine until age is mentioned at the interview stage. Do the people who contact ACOSS mention those concerns to you?

Mr Dodds—Yes. It is not that they are 45 or 50 and they are not worth it. In my own case, I do not have a degree. I got involved in welfare work almost by accident and ended up getting a job as a child-care worker in a women's refuge and then was a coordinator for a neighbourhood centre. I got involved in things like NCOSS and ACOSS. Employers look at me and the work I have done and they just think that I will not stick at a job because I have too many skills and that a really good job will come along. The reality is that in Newcastle in the welfare industry there are no policy jobs. There are not the really good jobs that these people expect I will go to. If I could get a job in a neighbourhood centre that I could just work in for the next 20 years, I would be really happy. I can understand it. If they look at my background and skills, I can understand that expectation that I am just applying for that job to hold it down while I get another job. I think myself that that is a really big part of the discrimination. Employers actually think that people with a lot of skills and experience are short-term employees, not so much because of their age, but because of the skills and experience that they have got.

Ms GAMBARO—Having had the number of part-time jobs that you have had can count against you, rather than the other way of you being seen as more flexible and adaptable. People are saying, 'Look, this person has no stickability.' Does that come across with the clients that you have as well? Do they mention that also?

Mr Dodds—I think that is part of it, yes. Also, a number of part-time Jobstarts are actually interfering in gaining full-time employment. I have got a commitment to teach at TAFE for one semester and at the end of

this semester they will make another commitment to me for another semester. I do not want to burn that bridge forever by quitting half-way through a semester.

Ms GAMBARO—And not knowing what is available out there?

Mr Dodds—Yes.

Ms GAMBARO—We have had groups come and speak to us about having a portfolio of different types of jobs whereby one day a week you might work at TAFE and another day you might work somewhere else. Do you see that trend being a solution to this problem about mature age employment, or do you have some other views on this?

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Mr Dodds—It is undeniable that part-time work, casualisation of employment opportunities, is the trend in the labour market. For many people that is going to be the case. But again, there are both taxation and income support aspects to it. If someone is on income support, that militates against heavy involvement in that. It is really difficult, for example, to make a decision where you put your tax file number and get your exemption for your first job when you have got three jobs of almost equal incomes. I actually sat down and worked that out mathematically and it was not as severe a penalty as I thought, but it can be. I know I will be working until the end of May at TAFE, so that is where my exemption is. But if I get offers, a three- or four-week job, a good job, then I pay a huge amount of taxation on that good job. There is a whole change which I am personally not eligible for, but if a person is on income support, getting a casual job can really muck around income support arrangements within the family structure as they go off unemployment benefits. Certainly, one of the things that we have called for is a re-assessment of the income earnings credit scheme that used to exist.

Ms Hounslow—The problem for a lot of people who are on social security payments is that it is very hard for them to take up the work when it becomes available because of the impact it has on their payment. The government has actually recognised this for students, so they have a provision that if you are a student it is assumed that you will need to work in vacation periods to tide you through the rest of the year. There is a provision where you can earn up to $230 a fortnight, up to a maximum of $6,000 a year, and it is averaged out over the year and it does not affect your income support payment. That arrangement used to exist for unemployed people but it does not exist any more. It seems really crazy not to have that sort of an income bank system, precisely because of the changing nature. Some people deliberately construct their lives to jigsaw a lot of work together, but they are usually high-income earners precisely for the reason that Chris is talking about. But if you do that deliberately and you have got low wages, you lose so much of your wage in the tax system. For people on unemployment benefits who can get only casual work, the system is actually structured against it.

We need really sophisticated policy design here to keep up with the reality of people's lives. Too many of our policy instruments are really blunt and are not finely tuned enough to take account of that. Another problem for mature age unemployed people that other unemployed people do not have is the new rule from 1997 that if you are over the age of 55 and you have been on income support for more than nine months, then your superannuation assets are taken into account. It is a real catch-22 situation. That is one of the reasons why we address superannuation. We believe at ACOSS that our superannuation system is excessively biased towards retirement as though the only crisis you are allowed to have in your life is old age. We actually have a whole proposal which we will put into you about a total restructure of the superannuation system which would better take account of people's lifecycle needs as well as their retirement needs.

But having said that, these people aged over 55 are caught in a catch-22 situation. They are basically told that these compulsory savings are only for retirement, and yet when they get to be 55 they are basically told, 'They are not for retirement really, they are because we don't want you to get income support if you've got any of it and we're going to take it into account and you have to draw your savings down.' It is another example of policy inconsistencies that exist in the system and it puts people in a terrible bind.

CHAIR—In fact, that is something we have been looking at. I certainly understand why the government took that step in the context of a major fiscal consolidation initiative, but the question is: does it in the long term deplete long-term savings? Do we find people who, having drawn down on their super and all that sort of business, might get back into the work force for three or four years and then finally retire, but who are on a pension in a couple of years because they had to live on it back in this period? So we are actually doing some costing on that at the moment.

Ms Hounslow—That is good.

Ms GAMBARO—I have one other question. You talked about the income threshold in your example of having three different jobs. What about superannuation? I know that we have made some changes there. What is your experience, for example, of having three part-time jobs with three different super funds and rolling them over into one? What is your experience, and have people spoken to you about their difficulties there?

Mr Dodds—My experience of it and what people have said to me about it is that a lot of people do not understand it. I know I have not got around to mine yet. My TAFE occupational super payment goes into the state scheme and I have a scheme left over from when I was employed in the welfare industry so that when I get casual work in that industry my super goes into HESTA. I know that I should get around to doing it.

Ms GAMBARO—Is it too hard?

Mr Dodds—I do not understand it really; I should. I think I have some advantages over other people and I know it is something that I have to do. I get five hours work a week at TAFE; that is $200 in the pocket. I think it comes down to $300 a fortnight paid into my bank account. The amount of super I am paying is just so small, I think, 'I will do that tomorrow,' and I never get around to doing it. I think that is the experience. I do not know what the solution is but certainly there are going to be a whole lot of people like myself who have got bits of money stuck here, there and everywhere, and when totalled up it is not going to be worth very much at all.

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Ms GAMBARO—It was not an easy process five years ago because – again from personal experience – I found myself doing three part-time jobs, and the paperwork was horrendous. I think we have made some attempts to streamline it. I just wanted to raise that issue with you to see if you have had similar experiences with people who come to you.

CHAIR—I should just say that Julia Gillard is the member for Lalor in Victoria, which is a strong Labor seat, and Joanna Gash is the member for Gilmore, which is a key marginal seat in the south coast of New South Wales, and both members represent significant numbers of low-income people, including this particular group. I would like to ask you a couple of things. One of the recommendations you made is something about which we are concerned, namely, that in the Job Network arrangements with FLEX 3, a number of people have said to us, 'Look, they are eligible for FLEX 3; they have gone into it; they have gone in and done all the interviews' – all this sort of business – and then the allegation is that the network provider basically pockets that part of the money and that is about all that happens. In fact, some of the things that have been suggested to us are even worse. You are suggesting that unemployed mature age people should be a defined target group. Some people have said that they should automatically go into FLEX 3 or at the very least FLEX 2 – and that is another issue we are looking at – and that there should be a formal report on placement outcomes and that assistance should be monitored by ANTA. Some sort of auditing process is something that others have spoken to us about. Can you elaborate on that one for us?

Mr Thompson—The ANTA thing is a separate point about access and equity in the VET system. I might come back to that. The first thing to say is that I do not think that anyone – including the officials in DWRSB who manage from the Commonwealth's part the Job Network – knows by dint of the arrangements that operate in the Job Network what is happening to any individual unemployed person, except when they go and actually have a look at files and so on. We acknowledge that the government, in the context of the three-year contracts which start at the end of this month, has taken a number of steps to actually make the providers more accountable so that they have to deliver what they say they will deliver in their tenders, particularly with respect to intensive assistance or FLEX 3 as it is currently known.

For people that have been in intensive assistance for 13 weeks without getting a job, there is another accountability measure. They have got to enter what are called intensive assistance support plans, which is an attempt to try and make the providers more accountable to the unemployed person about what they are going to do for them. I welcome the general direction the government is going in with that. I have an awful lot of contact with an awful lot of the Job Network providers. They are hearing the messages they are getting, both in the context of the tender process and from the government, about the sorts of things that the government is looking for. But in effect there are a couple of other changes. One is a reduction of the order of 20 to 30 per cent in up-front fees they get. This means that, if they are going to spend more money on delivery of things like training –anecdotally, one gets a picture that there is very little of that occurring in the Job Network or wage subsidies – they are going to have to risk a significant amount of their own capital to deliver that assistance.

Those theorists that constructed this market would have us believe that the incentive of the outcome payments will encourage the providers to risk their capital and deliver the subsidies, training and so on. It remains to be seen whether that is actually going to work. We would certainly encourage the committee to get the government to do something, to have a look at whether it is working like that and to see whether there is a need in the course of a three-year contract – the contracts are afoot now – to actually make adjustments. I suspect, given the labour force experience of this group of people, a little bit further down the track we are going to have to implement a set of arrangements akin to those which Peter Reith introduced with respect to indigenous unemployed people. This would be to say, 'There is the Job Network and they are eligible for that where they are.

But on top of that, the government will put in some more money earmarked subsidies for this group that we know are going to continue to experience particular problems and probably also resourcing for access to vocational training.' So for a lot of people, it will get them to a place where they can accept that they are capable of learning, developing new skills, identifying some of the skills they have, applying them in different contexts. It will take them into some more formal vocational education and training as well. My strong hunch – and it is reflected in our submission – is that the current arrangements will not be enough for this group of people, especially in those parts of the country which are seriously job poor and that there will be a need for some additional measures. The forces of the market operating in the constructed market that the Job Network is will not be sufficient to drive the providers to actually do what will be necessary for this group.

In terms of eligibility for everyone for FLEX 3, as we say in our submission, we are not talking about a highly homogenous group of people. There will be mature age unemployed people who do not need any help, who have got skills, both job search skills and relevant vocational skills, that will not need those resources, and we should not provide them to those people. As to whether they should all get access to Job Search assistance, again the same sort of issues arise. You get to another bunch of issues which I am sure you have heard about from others: the difficulty, particularly for some groups of mature age unemployed people, of being lumped in a class with a bunch of kids that are unemployed. For some of them it is fine but for others it is highly inappropriate. As Betty said, the mix of policies and interventions that need to be made are not clear. It is a bit like constructing a soup. And it needs to be done with some finesse.

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As with many other groups of disadvantaged people, one of the keys to it is getting people constructively and positively engaged and helping them identify some of the pathways they might follow to actually get more employment, to get full employment, to get the training they need and so on. In terms of the issue about discrimination from employers, which I think is clearly an issue, I have noted some of the submissions you have received, from the Recruiting and Consulting Services Association, for example. It is in part a marketing, sort of attitudinal thing. I think our best experience suggests that one of the best ways of dealing with that is with dollars in the form of wage subsidies to actually deal with those attitudes in an economic way rather than running a mega-advertising campaign, which I do not believe would work.

Ms Hounslow—I suppose one of the things that disturbs us is that I think there has been quite a strong public awareness and government awareness about the particular difficulties faced by mature age workers for at least the last couple of years. I think anybody with half an eye who lives in any community is struck by the number of older people who are out of the labour market unwillingly. So it was a surprise to us when the second Job Network tender round came out. One of the problems with the first round had been that there was not sufficient value placed on the services that provided specialist services to different cohorts of people with different needs. During the course of that first Job Network round I think that was acknowledged. And when the second round came up, certainly in the tender documents and in the attitude, there was a greater appreciation of the need for specialist services and people were actually encouraged by saying, 'If you feel you can deliver a special service to particular target groups, please do so.'

Then they listed examples of what particular groups there might be. It was a glaring omission that mature age workers were not even listed as a particular target group that people might be encouraged to think about providing specialist services for. Yet David was just talking about even the very simple, commonsense thing about how, if there is a provider that combines the 18-year-old kid with the 52-year-old man who has worked for 30 years, you would know that some specialist services would help. It is not there. Of course, if it is not there, it means that you do not measure the outcomes. If you do not specify them, they miss out. It is the same with ANTA, the training authority. We said in our submission that they do not classify mature age workers as a particular target group in their access and equity strategies. We rang them again this week to check whether that was still the case. We put in this submission in the middle of last year and then they said it was an issue. When we rang them this week, they said, 'Yes, it is an issue and we hope to get to it next year.' But there has not been any movement on it.

CHAIR—There are many reasons, I suppose, why people over the age of 45 are considered to be less valued by prospective employers and certainly are targeted, as we know, from the Drake research, amongst other things, for early redundancy. One of the issues I think is computer illiteracy. We have been putting an enormous amount of effort into basic numeracy and literacy for children, for good reasons. But there seems to be perhaps an argument that there ought to be just as much nationally put into computer literacy for people over the age of 45. We have noticed as we have gone through and spoken to various groups and organisations that computer training in particular is something that this group is seeking. Has ACOSS given any thought to that and, if so, how you might go about constructing a program?

Mr Dodds—I personally think there was an excellent model in the previous government's Skillshare and high-tech centres. That is speaking as an ex-chairperson of a Skillshare that was closed down because it did not

want to go into the new job market and do case management, et cetera. That was a computer training centre. Also ours was originally a CYSS program and we were one of the groups that fought long and hard with the then Liberal government to change the scheme. The government responded and changed the guidelines to all unemployed, not just under the 25s coming from Newcastle. Youth unemployment was a problem and mature age unemployment, even back in the late seventies and early eighties, was a significant problem as the dockyard was shut in about 1976. I think that model of training is a good model for unemployed people.

There are a whole lot of good models around. For example, if you look at what BHP did with their steelworkers in Newcastle, you have an excellent model of dealing with mature age workers, preparing them for a change in their work patterns, but what is missing is the access for a whole lot of people that are not being made redundant by a company that has some level of social responsibility. Again, in Newcastle all the people that did subcontract work and the businesses which are going to close over the next six to 12 months because the steelworks is not there any more do not have access to that whole retraining and redundancy program, which people in Newcastle think was an excellent model of how mature age workers should be assisted in transition.

CHAIR—It is not just the people who are unemployed. There are two generations of Australians who really do not know how to turn one on yet and a lot of them are protected in the sense that they are either not in the labour market at the moment or are in jobs – as many of these textile workers were, for example – where it is not really required, and then all of a sudden they are exposed to something. Thirty years ago, if you were trying to employ someone who could not read, you would find that person was almost unemployable. Similarly, if you cannot drive a computer today or even have a rudimentary understanding of it, you are almost in that category as well.

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Ms Hounslow—That is right, particularly for mature age workers. That is why the model of the centre that Chris was talking about was incredibly important. Otherwise what happens is that, even if you are lucky enough to get an employment service provider – and of course all the evidence is that expenditure on training has decreased in the current Job Network – they will buy you a day or two at an office in the city. You will go along to that with everybody else and then you will be out of there. You will not have a computer at home because that is the lifestyle that you have come from. You have nowhere to go to even consolidate anything that you have learnt and, when you turn up at a workplace and the employer says, 'Can you use the computer?', all you have to show is something like one of those certificates saying you have done Word 5 or Word 7 or Windows 95. Everybody knows those and, as long as you sit in a classroom for three hours, everybody gets that certificate. It is worth nothing. With that model of a centre, you are there with other people, you are constantly learning and you can go backward and forward. It is the same principle that we use for kids. We place the computers in the schools with kids having constant access to them – that is the way you learn.

Mr Thompson—There is a wealth of experience about how to do this stuff and how to do it well under various program names and settings. For disadvantaged older workers, particularly the unemployed ones that we have been talking about who are not used to formal institutional learning, there are several keys. These are to be non-institutional, not have people go into a big institution, that it be on the basis of not just training but also support, advice and assistance from somebody like a skilled person who can work with people and also that there be support from other people in the same sorts of circumstances. And in almost all cases it must always be combined with helping people understand the changes in the labour market and where they might find a place in the changing labour market.

CHAIR—One other thing we are looking at – which obviously does not solve the problem of mature age unemployment – is that losing a job, as you know from the people you work with, is in the same category as losing a partner, a limb and so on. It is a major life event, particularly after 30 years of not having known what it is like to not have a job. It seems to us that a number of the problems are rooted in the way in which the whole redundancy dismissal process is handled. Everybody who has spoken to us, other than one or two notable groups, has said that the earlier you can get to a person the better. The BHP Job Pathways in the steelworks is the best example of the lot, of course.

We are considering the idea of some sort of code of conduct, possibly even enforceable, that is appropriate to the size of the business which will, I suppose, humanise and improve the whole process by which a person is dismissed or made redundant. Apart from coming across people who were given totally inadequate, if not inappropriate, advice about their redundancy package and all that sort of stuff, we have found in our personal lives and from this inquiry that people have just been cleared out. They have come to work and found somebody else doing their job, they have been sent away, no assistance has been given to them at all, their families are unaware of what is going on and neither government nor non-government organisations have been involved in the process. Is that something that you have given thought to? For example, we were told yesterday

that in the textiles case the first they were aware of it was a bit of speculation in the paper, that there was never any notification from the company to Centrelink or to anybody else that this was happening.

Mr Dodds—A friend of mine was a carpenter at National Textiles. He had his own tools and it took him two weeks to get them back after they locked the gates. He actually found another job fairly quickly but could not start because he did not have his tools. They were locked away. A whole lot stricter rules and regulations about how firms treat their workers are needed, particularly in the context of a sudden closure.

Mr Thompson—I have an apocalyptic real story from Glenorchy in Tasmania which occurred about three years ago. The former – I think it is still called – Glenorchy Skillshare, a fine and innovative trainer and deliverer of employment services organisation –

CHAIR—I used to work there on Wednesday afternoons!

Ms Hounslow—You can vouch for it then, Dr Nelson – an excellent service!

Mr Thompson—They were contracted by one of the large local companies to do an outplacement program for a bunch of workers who were being retrenched. It occurred to me as I was reflecting on that that it was a modified version of the sort of job search training thing. It was not the same as FLEX 2 but it had a lot of those things in it. I think that sort of analysis of the labour market stuff is a key to some of this. The company contracted for 30 people to turn up on Monday to go through a three-day program. What they did not tell the Glenorchy Skillshare people was that they were there because they were being retrenched. They had not told them. It was just outrageous. So you have a point. But whether you could actually achieve it by regulation or by shaming them –

CHAIR—We have a roundtable coming up with the ACTU, the business council, ACCI, Centrelink, COTA and a few people like that in a couple of weeks to try to give some thought to this. The emphasis recently on employee entitlements is obviously something that is long overdue, but surely a basic entitlement for people is to be treated reasonably. Often the businesses themselves are in trouble, of course, and that is why it is all happening. But there has to be a better way of doing it.

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Ms Hounslow—We would be really supportive of anything like that that you could develop. There is one other issue we want to raise.

CHAIR—Could you take that on notice and think about how to design something that could work and what sorts or organisations could be enlisted to assist in that process?

Ms Hounslow—Yes.

CHAIR—Betty, did you want to say something else? Our next witness has not arrived, so we can continue.

Ms Hounslow—I just want to say that it is right to have a focus on mature age unemployed people and to look as well for policies that are specifically designed to help them, but there are also policies in relation to all unemployed people that affect mature age people as well. I suppose you know that our specific brief always is poverty and we have specific concerns about the levels of payments to unemployed people. We have just got the latest poverty line figures from September from the Melbourne Institute. We might have got an advanced copy, I am not sure, but they are just out. Still they show that the unemployment benefit is only 80 per cent of the poverty line for a single adult. It is worse than that, of course, for young people. The mature age allowance used to be paid at the pension rate. You would know that there is a big distinction between the rate for single pensioner and the rate for single allowee.

If you are a single pensioner you get at the moment $19.90 a week more than a single unemployed person. That is a hangover from the early construction of our social security system when it was assumed that, if you were going to be on a pension, you were going to be on a pension for a long time and, therefore, you needed a higher level of income to keep you going, and if you were going to be on unemployment benefits, you were going to be on them for a very short time when long-term unemployment was six weeks. Therefore it was paid at a lower rate. You know that that is not the situation anymore and that up to a third of all unemployed people are unemployed for more than a year, and half of them are unemployed for more than two years, but we still have this hangover of paying almost $20 a week less.

Then we have now this anomaly in the situation with the mature age allowance which is that, if you are over the age of 60, you can go onto a mature age allowance which is paid at a point between the regular unemployment rate and the pension rate. I think the latest figure for that is that if you go onto mature age allowance instead of onto the single unemployment rate you get $14.35 a week extra. That puts you at 85 per cent of the poverty line. In return for that extra $14 a week you have to say that you will get no employment training assistance. So people are being forced into this terrible trade-off that – for the sake of $14 a week which they desperately need because that lifts them from 80 per cent of the poverty line to 85 per cent of the poverty line – they have to sign away any employment assistance. Now, we are not going to be able to deal

with that problem until we deal with this basic anomaly of why on earth is the single unemployment benefit $20 a week less than what is paid to a single pensioner when in fact the unemployed person has got all the extra costs associated with work. So that issue of the adequacy of income support is critical, particularly when you put it in the context of all of the extra obligations we are putting on unemployed people. A stamp is 45c. If you have 10 job applications a fortnight, what is that out of a payment when the payment for mature age people is $214.

I know that it is not directly pertinent to your brief in relation to mature age unemployed people, but I think that people who are looking at this issue actually have to come to grips with the fact that we are requiring people to live on below poverty payments at the same time as we are increasing their obligations: they have to take trains and buses to jobs, there are stamps, et cetera. It is very interesting to us. When we have meetings with unemployed people, we try to talk about broader issues to do with employment, the broad economic policies that are necessary to generate more jobs because that is the only answer, and the second part of that answer is to make sure that unemployed people get their fair share of those jobs, which at the moment they do not - they get proportionately less of the new jobs than they should by their numbers. Those are the issues we want to talk about. We have now discovered that we have to make those meetings of four hours duration because the first hour has to be people just talking about their immediate lives – how can they live now, because they cannot – before they can even begin to contribute to the broader discussions. We have to look after people's presents as well as their futures, and the level of the payment is critical.

Ms Field—I just add that the level of payment is particularly critical for older unemployed people, because they are so highly represented among the ranks of the long-term unemployed, so they suffer those cumulative poverty effects.

CHAIR—I know my colleagues who represent a lot of low income people in their electorates have the same experience. I know Kim, Joanna and Teresa often spend the first half of their interviews with constituents talking about these sorts of things.

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Mr WILKIE—First of all, I would like to make a couple of comments in relation to Skillshare and then ask a question. Having been an ex-Skillshare provider myself, I always thought it was criminal when the Skillshare network was disbanded, because it took away that opportunity for unemployed people to get free, quality training. How we go back to providing that, I think is going to be difficult, given that that whole structure has been dismantled. Also, having written one of the tenders for the first round of Job Network when I was out there in the field, I thought it was farcical that you could expect to cash out all the labour market programs, pay it as profit to a provider and expect them to actually pay it as training money or subsidy money, when the potential was there for them to pocket it. But, given that that is the system we currently have, do you think there is scope – and I think David might have touched on this – to actually have a pocket of money that could be attached to a job seeker that could be used by a provider purely for training or for subsidies or some other programs, which could not be touched by the provider, so that those people can get their training and can get their other sorts of activities that they need to get a job? Right now, I have seen no evidence to suggest that providers are actually paying for training or paying for subsidies, and we have had a lot of trouble even getting that information out of the department.

Mr Thompson—The department would not know, because it does not collect the information. The initial design of the Job Network was based on a premise that there had been historically far too much prescription on process and many programs had been designed and categorised on the basis of the processes – training, wage subsidies, all those things. As you may know, the OECD commentators on this call this Australian experiment 'radical' and 'heroic'. The experience of the first iteration of the Job Network has been – and, certainly, your colleague Tony Abbott would agree with this, and I have talked about it on numerous occasions – that going almost completely away from process and looking only at outcomes has been at the cost of some of those things and that the balance is not right.

Some of the adjustments that have been made to the Jobs Network have been about coming off some of the outcome emphasis and putting some more emphasis on process. My own view would be that that is still not right. The greater accountability of providers to the Commonwealth – and, to some extent, to job seekers – for what they do is an attempt to try to get some more accountability. But I firmly believe that the only way we can be sure that they will deliver particular processes for people – and I think that is relevant, when we know there are large proportions of the people we are talking about who will need particular processes, like training, like wage subsidies – will be to add them on in much the same manner, as I said earlier, as has been done in the special indigenous employment strategy that Peter Reith announced last year saying, 'Here's the Job Network. You can have all that and on top, because you are particularly disadvantaged in the labour market, here are some add ons.'

Ms Hounslow—One of the add ons we have suggested, as well as wage subsidies, is something that we would like to call 'special apprenticeships', which are specifically directed at long-term unemployed people, who usually are not attractive in relation to the existing apprenticeships or trainee system; special apprenticeships with a particular focus on areas like the community services sector and the Public Service itself. There is currently a situation between the Commonwealth government and the South Australia government where they have an entry level type of apprenticeship system in the Public Service with departments then taking a specific responsibility to try to ensure that the graduates of that program stay employed in the Public Service. It is a very good partnership program between the Commonwealth and the South Australian government, and we would like to see that extended. We have actually developed these proposals in our budget submission which we are putting to government and launching next Monday. I will make sure that you get a copy of our budget submission document with various proposals like that.

Mr Dodds—To a certain extent, ACOSS has argued in terms of the issue that you raised Mr Wilkie: accountability can flow from the unemployed to the provider, as well. At the moment unemployed people are not provided with enough information about what they have a right to in the context of mutual obligation – and mutual obligation is two-sided. I personally would argue that when an unemployed person is referred from Centrelink to a labour market provider, that person should be fully informed about the amount of money that is attached to him or her so as to know what can be expected from the provider. The person should have a right to say, 'I know I am level 3. I know you have got X thousand dollars for me. I want training or a job subsidy.' At the moment unemployed people are being shunted –

Mr WILKIE—Yes, that is right. They are disenchanted.

Mr Dodds—They are not experiencing it. They go to Centrelink; they go to another place, and they take whatever they get and are really grateful without knowing they are not getting what they are entitled to.

CHAIR—That is right.

Mr WILKIE—You are getting around to a common thread. People are coming along, being assessed and they are not even being called back, let alone being told what their entitlements are and where they should be going.

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Mr Thompson—My own organisation with Jobs Australia, which was formerly the National Skillshare Association, in conjunction with the Welfare Rights Centre in New South Wales, actually published a leaflet to try to get some more information out. The fact that we published the fees that providers get so that unemployed people could know about them was very unpopular amongst some of the providers. Providers said, 'They would not understand the overheads.'

CHAIR—It is perfectly reasonable though. It is public money; they are providing a service and the person to whom a service is being provided needs to be informed. There should not be any problem with that. It is to be encouraged.

Mr Dodds—They have to be sophisticated enough to understand issues like on costs, price of rented vehicles –

Ms Hounslow—It also goes to the question that you raised before about access to information as to exactly what is happening. There is a real difficulty in our current situation that because the focus is on the end point any data about what happens to people in the meantime has been lost. We have always said that that is something that seriously needs to be addressed in this new system so that there is some form of monitoring system and an independent regulator. This is a critically important market which has been left to self-regulation without any guidelines. Even in other industries where we have self-regulation there are strong guidelines and standards set down. This is an industry where you have the most vulnerable people and, firstly, it is wrongly left to self-regulation, we believe. There used to be an independent regulator and there no longer is. But, secondly, it is left to self-regulation without any standards being set for what it is or any system of monitoring of the outcomes. It is one of the fatal flaws in the design of the new system that could be easily rectified.

CHAIR—Given the nature of a lot of the providers, I suspect the Pope and the Anglican Primate are looking after a few of them, making sure that they stay on the straight and narrow.

Mrs GASH—I missed the introduction. It has been very interesting listening. I cannot totally agree with Skillshare comments. We had a number of Skillshare operators and a lot of them cost a lot of money and did not provide opportunities that they should have provided. There are two sides to the coin in that area. I am not being political on this; this is actual fact. We can agree to disagree on that one. Even the skill providers who have now gone into job training have come and admitted that some of the areas were not as good as they should have been – but you will get that in anything.

I am still very concerned about the mature aged. I have a number of those in my electorate. Whilst we try to do whatever we can, I am very interested to hear your comments. I certainly know we are going to be

discussing those further because, whilst I hear it from job providers – and I have got one of my own people coming very shortly to present their stories, so to speak – we still have to put things into action. That is the area that we can perhaps learn from each other on. Thank you for your comments.

CHAIR—The Shoalhaven ACC, which is in Jo's area, are coming along. Amongst other things they have argued – fairly stridently, I might add – for the Work for the Dole program to be extended to over-45s. I think the Vietnamese community in Melbourne put the same thing to us. They desperately wanted it, in fact. Yet others have said to us, 'We don't want Work for the Dole or mutual obligation, if that is what it is to be called, applied to that particular age group.' How does ACOSS feel about Work for the Dole – that is the name that has been given to it – for this age group?

Ms Hounslow—We actually want Work for the Dole replaced by something better for every age group. That essentially is our position. We do not see the sense in using a program and expending funds on a program which is not deliberately designed to enhance people's job prospects and their job outcomes. Work for the Dole is not designed to do that. It is not individually tailored. It is not specified to what people's past experience and future aspirations are. We believe it is like misdirected public money. In saying that we acknowledge that there can be good outcomes with Work for the Dole.

Mrs GASH—I have a very strong argument against that, Betty, because in our area we actually initiated work for the dole privately, as opposed to the government, and gave them $10 extra. We did it ourselves as a community. What you said is totally wrong. The people who are on our programs for Work for the Dole are almost standing in line wanting to do something because most of the places they have gone into have provided training and the whole mental attitude of these people has totally changed.

Ms Hounslow—I do not disagree with that. The question though is: why do we need it in the first place? We already had systems in place which really facilitated and encouraged people in volunteer activities in the community without compelling them to do so and, as you said, people lined up.

Mrs GASH—When it was voluntary they did not line up, come on.

Ms Hounslow—Sorry, the statistics you get from the ABS for voluntary work show that a huge number of unemployed people were doing voluntary work. That is not to say there are not more of them now because they are compelled to go; that is true. Not denying what you are saying – from the personal experience people have, from the research done and from the anecdotal evidence you have – many people find it a positive experience.

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Why are we doing it then in that way? Why don't we basically say that it is a voluntary program, because there are more people coming? There are more people being turned away trying to get into Intensive Assistance or anything else than you could poke a stick at. We currently give only one in three long-term unemployed people any assistance under Intensive Assistance. Of course people are going to line up for anything they can get. Why then do we use that money which could have gone into the pool to actually do tailored assistance which is deliberately enhanced to increase those people's job prospects? We do not understand the logic of it.

Mrs GASH—Can I ask you a parochial question?

Ms Hounslow—Sure.

Mrs GASH—How would you feel about allowing Work for the Dole in private enterprise with training programs attached to it?

Ms Hounslow—Our position would be to oppose it.

Mrs GASH—That is what I thought you would say.

CHAIR—The Shoalhaven submission says that Work for the Dole should be available for over-45s and it should take the form of one person in one position rather than working in groups or with teams of other unemployed people – they also do not like the name of course – so they can acquire proper work experience and develop a network of employed people and employers. I think they are suggesting a formalised work experience program for over-45s.

Ms Field—I think one of ACOSS's key concerns with the Work for the Dole program is that there is no obligation to provide recognised training. While quite often training is a spin-off from that, there is no obligation at all to provide recognised training. That is a key flaw with the Work for the Dole scheme. It is a matter of luck whether you do or do not get trained.

Mrs GASH—No, it is because Work for the Dole is based on community programs. It is not based in the private industry where the training would be provided. Community programs do not always have a training component. It is mainly a workforce as opposed to a training area.

Ms Field—Exactly.

Mr Thompson—There are serious industrial relations or other legal issues associated with the operation of Work for the Dole in the private sector.

Mrs GASH—Absolutely, I understand that.

Mr Thompson—And questions about workers compensation and other things. As it is currently constructed, it is based on a premise that people receive the equivalent of the national training wage award, which is constructed on the basis that people get recognised training. But there is long experience to suggest that short periods of highly structured, purposeful work experience in the private sector, designed in a way that do not create situations of substitution, are an effective way of helping people back to work. The former Skillshare program used to do that all the time. It was paid to do it for about 165,000 unemployed people a year and was actually very cheaply doing it for about a quarter of a million unemployed people a year. There is no argument about the private sector thing. It has a role to play. It cannot be long term because, as soon as it is long term, you run into serious issues of industrial relations and other issues and the serious risk that there will be substitution.

Ms Hounslow—We have always been strong supporters of those programs which are about a subsidised job, an ongoing mentoring and training in the work force. ACOSS, ourselves, always have had a worker in that situation. We participated in those schemes of taking on entry level people. We basically always worked with migrant women in our workplace while the training program of six months existed.

CHAIR—Go to the Prime Minister's social coalition concepts and the whole business of business and corporate philanthropy. I was thinking only last night about this whole question of computer literacy in the over-45s. The larger companies, in particular, are running internal computer training programs all the time. There is no reason why, for example, they could not add a couple of people who are unemployed to each of their training courses.

Ms Hounslow—It is absolutely fine to do it like that. I think the issue is that, if people are going to be working for private enterprise, they should be paid a wage. That is the ultimate baseline: private enterprise is making a profit out of them in a way in which a community agency is not. If they are working there, they get a wage.

CHAIR—I have three people working as volunteers in my office. None of them are getting a wage. I have one bloke there who has applied for over 200 jobs.

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Ms Hounslow—But you are not making a profit out of your office, are you, Mr Nelson?

CHAIR—Of course not. At one stage I did run a business in the medical world and we always had a volunteer in that office. They got much more out of it than we ever got. There are benefits for people who no longer feel they are of any value to themselves, their families or to society generally. I know you deal with this every day of your lives, but there are benefits that seem intangible. As Albert Camus said, without work all life goes rotten. As critically important as income and training and skills are, just feeling we are of value to other people is what keeps us all alive.

Mr Dodds—Of course, what is happening is that there is a lumping of unemployed people into a category of not having the capacity or willingness to be involved in a whole range of things in the volunteer capacity in their own right, anyway. I think that is a misrepresentation. Enforced volunteering denies a reality that the bulk of unemployed people are just as involved in their local communities and are volunteers, whether it be in surf-lifesaving, little athletics, P&C, groups like ACOSS and all of those things. They are treated as a lump sum of people out there who are just bludgers and the only way you can make them be involved in the community is have compulsory programs.

I think many unemployed people find it quite offensive to say, 'There is a mutual obligation to be involved in society. You are unemployed, therefore we are going to make it compulsory for you.' I would argue that many community organisations already have many unemployed people as volunteers and understand the benefits of that. It is the compulsory nature of it that they do not like. There are many good Work for the Dole schemes, but there are also many that are just depressing and have a negative impact on the unemployed people involved, particularly mature age people who, with 20 or 30 years experience in a particular industry, do not see a point in going out and, for example in Newcastle, repairing aeroplanes, for God's sake. There are not going to be many job opportunities in repairing Tiger Moths, quite frankly.

Ms Hounslow—ACOSS actually did a three-year research project on volunteering, from 1993 to 1996, with the federal department of employment, education and training. We are very strong supporters of volunteering, and part of that project actually looked at how you could construct volunteer schemes to be deliberately designed to provide people with stepping stones into the work force. So please do not think we have an objection to volunteering or that we do not understand that volunteering itself can lead to paid work. What we are saying is that in a situation where we have inadequate properly designed, directly targeted labour market

assistance programs to get people into full-time work, or at least into permanent part-time work or somewhere where they improve their employment prospects very directly, we do not see the logic in putting money into a Work for the Dole program rather than supporting the already existing voluntary programs supported by federal money and instead using the labour market money to go directly into labour market programs for people to get the best outcomes possible for them. That is our difference. It is a difference of emphasis and a very strong difference of opinion, but it should not be taken in any way that we say that we do not support volunteering and that we do not acknowledge that many of the Work for the Dole programs are having good outcomes for people. We are saying that it is not the best use of public money for the outcomes that we want.

CHAIR—Okay.

Mrs GASH—Just as a last comment, there is a 46 per cent success rate in my electorate for Work for the Dole, as opposed to the national average.

Mr Thompson—But you must compare – I have been in this game for 25 years – the cohort of people going in with another cohort that have not. It is just not a valid comparison.

Mrs GASH—It matters to that 46 per cent in my electorate whether or not they are working.

Mr Thompson—But it may well be the case that they would have secured those outcomes without the intervention, by the very nature of the people.

Mr WILKIE—That is the point I was going to make. Work for the Dole is not a labour market program at all. In fact, the government does not even call it a labour market program. One of the reasons I believe that to be the case is that they cannot measure the outcomes and compare apples with apples. The reality is that the number of placements being achieved by Work for the Dole is probably no greater than those people who are finding their own jobs anyway and being assisted through other means. Until we start doing some real comparisons, I do not think we can say whether or not it is effective.

Mr Thompson—I think if you go back to the very basics of it, people should be given positive and constructive support, engagement, training and all those other things – the issue of the name is a big issue for a lot of people – but the thing we think is missing in some of that which is made up in some organisations is the delivery of training and so on. The processes involved in helping the group you are concerned with back to work are the same sorts of processes that involve all those things. The labels that they are given and some of the other connotations are unfortunate. You can construct a program and call it whatever you like. If it is voluntary – and I suspect it needs to be voluntary for this group of people, because that is part of the constructive engagement – if they get experience, if they get to participate, if they get to make a contribution and if they get the learning and all those things, we will actually get somewhere.

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CHAIR—Thank you very much for all that. I appreciate it.

Ms Hounslow—Can I just make one correction to our submission before we go?

CHAIR—Yes.

Ms Hounslow—There was a transcription error. We actually put an extraordinary statistic in there which said that the participation rate in the labour market for people over the age of 65 was 31.8 per cent, which is clearly wrong. It is on page 2 in the last line of our submission. That participation rate for over 65s should read 5.8 per cent, not 31.8 per cent. The wrong column was followed down and I apologise.

CHAIR—Thank you for coming along, taking the time to put together a submission and focusing your recommendations in the areas that we are in fact already looking at.

Ms Hounslow—You have our best wishes for your deliberations and your report.

Proceedings suspended from 10.15 a.m. to 10.27 a.m.

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ASHWORTH, Mr John, Consultant, Australasian Industry Support Services

LAY, Mr Milton Robert, Executive Officer, Shoalhaven Area Consultative Committee

CHAIR—I welcome to our public hearing today the representatives from the Shoalhaven Area Consultative Committee. Could you give us a precis of the submission, emphasising the things that you think are most important, and then we will spend the time up until a quarter past 11 discussing it.

Mr Ashworth—I was a consultant for OZISS – Australasian Industry Support Services. We were contracted to carry out the survey on behalf of the Shoalhaven Area Consultative Committee.

Mr Lay—In the first quarter of 1999, the Area Consultative Committee got regional assistance program funding to carry out a survey. In the second quarter of the year, that survey was conducted, as John said, by OZISS. We did that because there was a general belief in the Shoalhaven that the very skills and work experience of the target group, the mature age workers over-45, were in fact underutilised. So we really wanted to set out to see if that was the case. That survey or study was to identify the number of job seekers, the job opportunities, the barriers to employment and the various skill levels and work experience that that group had. The study not only included a survey of the target group but it also had focus groups with them and with industry groups.

The major issue that came out of that was that the variability of this group was substantial, particularly in regards to their education qualifications, their work experience and their industry coverage. With regards to volunteers, we found that 30 per cent of the target group were currently involved in voluntary activity, and another 20 per cent said they were willing to undertake some. The employers identified that in the next two years some 2,000 new jobs would be created in the Shoalhaven, and two-thirds of those would come from small to medium business. In particular to the over-55 group, who represent 14 per cent of the labour force in the Shoalhaven, only two per cent of those new jobs were to go to them. So they were identified as a very distinct disadvantaged group as far as potential job activity.

Seventy-one per cent of job seekers, whether they were on benefit or not but who identified themselves clearly as job seekers, stated that they believed they were discriminated against because of their age. That study, which this committee has got, made recommendations for government, for the local region and for the Job Network. I guess that is a fair summary of the activity of the survey.

CHAIR—Thank you. Is there anything else to add in relation to the whole issue, or will we start talking about it now?

Mr Lay—The only thing is that we did take those findings into the public arena, and obviously this is one of those processes today. We did specifically hold focus groups and take the findings into the public arena, including industry groups and the Job Network, and via the various media sources.

CHAIR—It is interesting that the survey found that only 18 per cent of jobs were going to those over the age of 45, yet the Department of Employment, Workplace Relations and Small Business, who contributed to the paper that Minister Bronwyn Bishop released on mature age employment, says that two out of three jobs nationally over the last three years have gone to people in this age group. So can you tell me how you worked out that only 18 per cent were going to the over-45s? I do not doubt it, but –

Mr Ashworth—This was the direct result of a survey of employers. We did a mail drop of employers, sending them a questionnaire. We sent it as widely as we could through the addresses held by SACC and also by the local chamber of manufactures. We distributed it quite widely, to some 600 employers, we had about 90 replies, and from that we were able to assess the number of new jobs. We asked those employers in what age group they were prepared to employ and we gave them a breakdown of each five-year range, and we looked at it statistically.

CHAIR—So these were the age groups they were prepared to employ, as distinct from the people they had employed?

Mr Ashworth—Yes. We talked about the future, we talked about new jobs coming up, and we asked them what age group they would be looking for or that they were prepared to employ?

CHAIR—And only 18 per cent said they would go for the over-45s?

Mr Ashworth—That is right. It was purely a statistical figure. We might add to that that most of the job seekers we interviewed said they were discriminated against on account of age. Some 71 per cent said they were at a great disadvantage. Job Network providers and employers directly said they did not discriminate against older people but, nevertheless, when they were asked what age group they would employ, employers broke it down with only 18 per cent of jobs available being for people over 45, so it is a statistical figure.

CHAIR—Just before you arrived – and it is a pity, in a way, that you were not here then – we had a discussion with ACOSS, the Australian Council of Social Service, about work for the dole, if you could call it that, for people over the age of 45. I raised with them your submission, which argues, amongst other things, that there ought to be something like that available. Can you expand on your suggestion? I think we have got the basic concept, but can you tell us how you think it would work, why you think people over the age of 45 in your area would perhaps want this sort of thing, to what extent you think business would be prepared to work with you, and how you would go about getting it up and running?

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Mr Ashworth—Again, the figures were statistical figures from the survey of the job seekers. We made our survey as available as we could, through the Job Network providers, through public buildings such as libraries, through service clubs and community centres, so we tried to approach or get into our survey as large a number of people as we could. Forty-one per cent of those said they would like or were willing to work for the dole or to take part in the local employment scheme in the Shoalhaven which is called SEAL. Bear in mind, then, that 60-odd per cent did not indicate that they particularly wanted to take part in it.

I am not really sure how it would work because we did not ask that question, but it does seem that the 41 per cent who were willing also represented people who were well educated and well skilled, and who had a great deal of industrial experience. They certainly did not want to join a labour gang and be sweeping streets or taking part in some menial job which would lead nowhere. Most people expressed an opinion that they really wanted to work alongside a current employee in a small company on a one-to-one basis so that, by the end of a period, they would have gained some experience and some skill, and an employer could look at them as a future employee. They did not want to be part of a large gang doing manual work which would not lead anywhere. That was universal. The ones who wanted to take part in the scheme wanted to progress and improve their employment opportunities. It was the one-to-one that appeared to be important.

Mr Lay—There are a number of initiatives that are new and current, and hopefully they are being taken up in the Shoalhaven. Those are things like Work for the Dole coordinators, with people on the ground who are actually coordinating projects and then obviously going through this matching process of seeing what the various needs of a region are and identifying specific projects that people can get involved in – say, a Work for the Dole type project. The over-45s need to be brought into that group, if you like, to participate in Work for the Dole projects simply because surveys like this have said that X percentage of them want to participate using the various skills that they have. Many of them have work experience and resources they could bring to such community type projects that would benefit all regions. It is really about a strategic way of identifying a region's needs and then saying what resources we have at our disposal to do it. Who should do it? Government agencies and Job Network contracted providers, and some of the community groups, are in a strong position to coordinate that sort of activity.

CHAIR—In terms of Work for the Dole, people either like or dislike the name, but the further up the age you go the least popular it is, at least with those who do not have work. Have you given thought to what the program could be named?

Mr Lay—The Shoalhaven Area Consultative Committee, together with some other stakeholders in the shire, piloted a scheme in late 1996 going into early 1997 that we called Shoalhaven Earning a Living. It had various components that the government took up and incorporated into the Work for the Dole legislation. We were fairly proud of that. The basic idea was to utilise those existing labour resources in an area and to coordinate that activity with existing stakeholders that had the resources to do that coordination process. We thought that the on-the-ground community organisations such as surf clubs, fire brigades and the various service organisations that are spread throughout most communities had not only accredited training that they were able to provide but also some resources that could be assisted by government agencies and directly by government funding. I guess the belief came from us looking at the Shoalhaven region. There were 5,000 people at the time across all age groups who were unemployed and who were underutilised. Many of those 5,000 wanted to participate but, for whatever reason, found there were obstacles to them participating either straight to employment or in a community driven activity. Shoalhaven Earning a Living was the name – SEAL. We saw seals all over the place or eels or whatever they might have been.

Mr Ashworth—If there is going to be a change you need to make it more positive. Certainly the implication of ‘dole’ is negative and should come out, as should any word that implies charity or a hand-out. The positive words are ‘earning’, ‘working’, ‘improving’ or ‘employing’. They have to be positive words, not negative words. I have not progressed as far as SEAL.

Mr Lay—One of the basic philosophies of this was really trying to sell it in a positive way. I am not saying the government has not tried to sell it in a positive way, but the positives we saw were that from the time a student left school and entered the labour force, as either a worker or a job seeker, there were a whole lot of

options available. One option was to go to work and work on an employer-employee relationship, and another option was training.

But another option beside all that was not just to be unemployed and get benefits and have to go and supposedly look for jobs that might not at that time or in that region exist; what we really wanted to say to that person, irrespective of age by the way, was, 'There is another option.' There are a whole series of options, and we even thought it was worth while getting into activities such as offering a young person, for example, the opportunity to become a soccer referee. They might not like any of the Work for the Dole activities that were currently offered, but if you went down the list of options, eventually they would strike one they liked – whether it was learning to be a basketball referee, a soccer referee, a junior fire brigade person, a surf life saver or any of those sorts of things.

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The future really lies in communities being encouraged both in a training sense and in some funding behind them to do it, and communities need to get resourced to do that with their own people and take on the role and responsibility of actually doing that. I think there are great benefits in that. That involves all three levels of government sticking up their hand and being conscious that that is a responsibility for them, and also the various community groups that exist right through, including schools. It is really a philosophy to be sold in a positive light. It is all about options; that is what I see.

CHAIR—I strongly agree with you.

Ms GILLARD—I have a question on a slightly different area, so people might want to come back to that. I was interested in your recommendation about the NIES scheme. We have heard a fair bit of evidence during the course of this inquiry about the NEIS scheme, what it is achieving now and what possibly could be done so it achieves more. Obviously, one of the problems is that by the time people qualify for it, often their personal resources are pretty exhausted, and that can affect the prospects of them actually getting a business up and running. I note that you have made a recommendation about having a HECS style repayment scheme. Could you outline your ideas in relation to that?

Mr Ashworth—The ideas about NEIS really arose from the fact that, when we surveyed employers, we estimated on a pro rata basis that 2,000 odd new jobs would become available in the Shoalhaven. Some two-thirds of those jobs were going to come from small business, which currently employs fewer than 40 per cent of the people employed, so there is a big imbalance. The growth in jobs appear to be with small and medium businesses, not large businesses that are still cost cutting and finding improved technologies to cut employment further.

So it seemed that if the growth was with small business, that is where any available funds should be put. The idea was that NEIS was a scheme that encouraged small business and we should recommend that the encouragement be continued or increased. That is why we made the recommendations. How it would be implemented over and above the current system, I guess we have not thought through. Milton might want to add to that.

Mr Lay—I do not know if I have a lot to offer there because I am not familiar with the number of people, for example, in the Shoalhaven who have gone through the NEIS scheme in the last two years, what their outcomes have been and how many businesses are still successfully there. Maybe that is something that the Area Consultative Committee could go back and really have a look at, given that was a strong recommendation coming out of that study.

Ms GILLARD—I guess our concern is the question of expanding it so it is more valuable to people. Another concern is the outcome. Obviously, a lot of people have ideas for businesses but we know just as a general rule that most small businesses fail and fail in the early development period. So whether you are actually leading people down a path that is going to get them a productive work future – whether that be as a small business person or an employee – or leading them down a blind alley is an interesting question.

Mr Ashworth—There really needs to be a critical review of those people or small businesses who have gone through the scheme and taken advantage of the scheme and the results. Obviously, you are trying to pick winners with limited funds. I guess you need to understand just where the success rate was highest and follow those leads.

Mrs GASH—If you had one item that you would like to see come out of this, as far as government policy is concerned, what would you like to see, that you feel could benefit the over-45s?

Mr Ashworth—There needs to be some positive action towards employment for over-45s. There are a great deal of negatives about – about people being too old, reluctant to change, unable to change, unable to take the pressure, unable to take the pace. Most of these are probably not true. There needs to be some sort of affirmative action to get over that. As we saw, most people in the over-45 age group thought they were being

discriminated against. Most employers did not recognise any form of discrimination. There is a difference there between the two levels of perception. There needs to be some positive action to promote over-45s.

Mrs GASH—Do you see that as happening through incentives? How do you see that happening?

Mr Ashworth—Mainly through education but also incentives. Incentives are expensive; education is probably not quite as expensive. Education is the first step; incentives are the second. But from where we sat, all the jobs available to the over-45s over the next two years in the Shoalhaven could have been filled by someone with a degree or higher, who could speak, write and read English well. Those people as a group covered all industries and had experience in all categories. There did not seem any job likely to come up in the Shoalhaven over the next two years which could not be covered by someone out of work in the over-45 group with the minimum of training. This is quite different from someone who is 18 or 25 who has just left school but has got very little of the living skills behind them. There are enough over-45s – and I must admit there is broad range of over-45s – with a complete range of skills to cover positions. But there is that impasse, because employers think of them as being past it; they do not think of them as being a very valuable asset which can be used.

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Mr Lay—Maybe I could just make a comment. If there was one single thing, I think that is improving the effectiveness and efficiency of someone, particularly in that age group, moving out of a benefit dependent state into a full-time job. I am sure that John has got the figures that the study found, but the study would have found that many people in that age group have a lifestyle where they are on benefit or part benefit. They may even have casual or part-time work as well. They play golf on a Thursday and they have other social activities. They have a lifestyle that they are very accustomed to and very happy with. They are quite content. They might live near a waterway or a beach, so their lifestyle is reasonably good. If the community and the government – and the government is the community – wants to move that group and utilise their resources and expertise and work experience, I think it really needs to be identified how that transition can be done more effectively. There is a fear in that group that, if they suddenly go and find a job, they will lose not only the direct benefits of unemployment benefits but the substantial other things they have that the benefit provides – that is, the golf afternoon on Thursday or being able to go to the club on Tuesday night for bingo, or whatever the case may be. That is an area that could be looked at.

Mr Ashworth—We tend to think of this group of over-45s as a homogenous group and, of course, they are not. We have already split them into categories, and we could split them again and again. It is probably not very sensible to split them too far, but certainly we seem to have two ends of the spectrum. One group is very keen for employment. They are doing community service. If they are not, they are quite willing to. They are willing to work for the dole or for SEAL. Perhaps the question is, 'What would you like to do for this group?'

Then you have the other half, and I think some of the people that Milton is talking about are in this group. They are not very worried whether they get a job or not. They are surviving. Perhaps they do not have as much money as they would like but their lifestyle is pleasant enough, as long as it is not disturbed too much. This is quite a separate group.

What you want to do for one group is quite separate and different from what you want to do for another group. I suppose it depends on what outcomes you want. If you wanted to bring down unemployment per se – knock another one per cent or two per cent off – you should target the ones that are very keen. If you want to teach everyone a lesson, make the rest of the community happy that we are not wasting our money, perhaps you have to get a bigger stick and whack the other half. It really depends on what outcomes you are seeking. I think fuller employment is the most basic outcome and, therefore, perhaps we should direct those thoughts at the ones who are very keen to work and give them the opportunities.

Mrs GASH—Did you find any resistance to the word 'training' with the over-45s when you suggested retraining? Was it demeaning for them? Did they encourage it?

Mr Ashworth—Again, it depends on the group. The ones who are positive would do anything to get a job. Some of them have already demonstrated it by commuting to Wollongong or even trying to commute to Sydney, which is almost impossible to keep doing for a long time. They demonstrated that they would do anything for work. The others did not demonstrate that they would do very much.

Ms GAMBARO—You were speaking about a transition period where there is a group that wants to go back and a group that has learnt to live a certain lifestyle – I think Joanna has the sort of electorate that I have with a beautiful scenic ocean, fishing and a very good lifestyle. I do not know what your transport issues are like. In my electorate, I have no railway link and they will not go across the bridge to Brisbane, which is a 20- to 25-minute ride – citing transport issues. How often is that used?

I had a fellow come to see me the other day who went through all the benefits that he and his family received – you mentioned something about the benefits payment schedules. He gave me a really logical reason

why he should not work on the basis of a single income family earning $40,000 and two people earning $20,000 each, income splitting. He said, 'I'm not working because I'll be $2,000 a year worse off,' and he went through the figures. How do we get people who are thinking, 'I'll survive with a bit of part-time work' – they may not have any work at all but are relying totally on benefits – back into the work force? Is a lot of it also psychological in that they are very fearful of the unknown? I think you mentioned some of those.

Mr Lay—On the transport issue firstly, yes, in the Shoalhaven everyone quotes transport as a major issue not only to access to the jobs areas of the shire but also to do basic things and other social activities – go shopping, go out or whatever. Just at the moment, in fact, through the regional assistance program, there are three levels of government approach to transport issues in the Shoalhaven. There is an integrated transport study currently being done and I know that they went to 49 towns and villages and tried to encourage participation in that study. Maybe something can come out of that. That study has as one of its objectives a major focus on employment and employment issues with regard to travel.

With regard to the other issue – and I do not know whether the survey proved this –it is about options. For example, the other day I heard that three of our Meals on Wheels groups could not find or were frantic about getting volunteers to participate in their activity. That seems crazy to me when there is a pool of people probably living very close to those Meals on Wheels coordinated points who are unemployed who might fall in this group and have the various social skills and the time to participate in that sort of activity.

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I think somehow the community – whether it is acting on a government instruction, or whether it is people that are unemployed or find themselves in that job seeking role and have time on their hands, and I am talking about everyone – will have to fulfil a couple of days or one day a week in this community volunteer type activity. It is a social issue, and I think it is of benefit to the very society and community they live in. I do not see any problem with that. I think the survey said that at least 50 per cent were already doing that, or would participate in that sort of activity, particularly if it was coordinated efficiently. That is the word, I guess.

Ms GAMBARO—Just going back to people who are unemployed, we have heard various groups tell us about social isolation. Do you think the reason they are not volunteering themselves is because they are probably ashamed of their status? There are people who are unemployed that do voluntary work, but then there is a large group that just will not leave their environment. How much of it is this psychological negativity? Do they feel that they are worthless because they have not got a job and they do not want to be placed in a situation where their vulnerabilities are exposed? Do you think that is a factor?

Let me give it to you in another way. There are older women and older men who lock themselves up in their homes; it is much easier for them to do that. They really need someone and some sort of community program that takes them out of their homes and gets them involved in activities – a whole range of things. Unless somebody actively does it in an appropriate manner, they will still lock themselves up in their homes. There is a group of people that are socially active and involved in the community, but there is also a large group that nobody ever gets to.

Mr Ashworth—There is a large group that have taken on the habit of not working, and they accept that whether it is paid work or voluntary work. The answer I think is that someone has to ask them. They will not make the first step. They do not know that they are needed. They do not know that somebody wants their skills and their time and their effort. They just do not realise that. They have got into the habit of not being wanted by an employer and, therefore, perhaps not being wanted by the community. They will react, I think, if someone shows them the way and shows them that they are wanted and that there is a need for their work. But it has to be coordinated by someone locally who has to go to them first. I do not think a lot of people will make the first step. They want to be loved, but someone has to show them that there is an opportunity.

Ms GAMBARO—How can members of parliament assist in that process? Do you see us having a role there? Do you see us as being a focal point for community groups or that people who want to take that first step can come through us? You cannot really knock on people's doors, but I do understand what you are saying, that they have to be asked.

Mr Ashworth—Yes.

Mr Lay—The other day I was at an interagency of school committees and there was a gentleman there from Norway. He was talking about unemployed youth per se that probably had some other social disadvantages, if you like, in Norway. He said, 'In Norway, we just don't allow that to happen. We just all close.' He said that 'we' means the schools, industry groups, industry representatives. So they have these community councils and they literally mentor these individuals on a one-on-one basis. I did not ask him about mature age people that found themselves out of work or whatever. I know Norway is a very small place and it is probably easily controllable, but they have that sort of mentality. It is not only the government that probably provides some

resource for that to happen, but it is the community that believes that people should not be unemployed and should not be left on their own in their own houses to be socially disadvantaged as they are.

Ms GAMBARO—You are talking about mentors. What about mature age mentors? Do you see a place for them?

Mr Ashworth—I think some mature age people that we surveyed could well be the mentors for young people. That is a start, but I think it needs somehow to have a government-led, community-endorsed activity that everyone is aware of – and that gets back to John's point about education – and accepts.

Ms GAMBARO—Yes.

Mr Lay—Under that might be a number of programs, many of which exist now, with specific target groups or with specific outcomes, some specific to ethnic groups et cetera. But I think it needs to have that community awareness, it needs to be government driven and it needs to have agreement across the three levels of government. And I think the communities need to own it.

Ms GAMBARO—I think it is a good suggestion. A lot of the focus from groups who have come to us has been on employer education, but I think what you are saying is very valid and you can extend it even further in having older and younger people working together in a community.

Mr Lay—Mind you, I did say to the guy from Norway, 'You must have young people who really go off the rails and who are drug dependent or whatever.' He said, 'They all go to Holland.'

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Mr Ashworth—You started off with your question about transport and location. The Shoalhaven is a very fragmented community. There are large areas of population which cannot be easily linked by public transport. Of course, as we have said, a lot of people go to Shoalhaven for the lifestyle and they go there because a lifestyle is available at a relatively low cost. I think sometimes they go there not recognising that public transport is not available. So in the surveys some 34 per cent said that a barrier to employment was their location within the Shoalhaven rather than the Shoalhaven per se. Another 15 per cent indicated lack of transport. When you put those two together, somewhere between 34 and 49 per cent, say 40 to 45 per cent, would blame where they live and lack of transport for the reason they cannot get work. It seems that the simplest way to overcome that is to put work of some sort there, whether it is paid work or voluntary work, and try and encourage them to work in their communities. Some people said they would not countenance voluntary work because it might cost them. They were already without transport or transport would cost them the meagre funds they had. They were very keen that any voluntary work they did was at least cost neutral. That is very important too. But the idea of community work or work in their own community I think is very attractive.

Mr Lay—I think we fail people, including mature age people, who find themselves unemployed and have not got the initiative, if you like, to go out in that time of unemployment and do other things. I think we fail them by not giving them the very options that are available in just about every community by saying, 'These are the options available to you.' Perhaps Centrelink could administer that activity. But it needs to be, as I said earlier, really sold in a very positive way that the community is not going to fail them. I think we fail them by not asking them to participate, because by participating in whatever sort of community activity I think the experience is that it directly needs to be a retained interest or regained interest in community activity. In fact, the very new skills that they might develop could get them a job or get them a new direction in their life.

I guess there are some elements of Work for the Dole and other like programs that are there at the moment. They just need to be very much aware. For example, not many people know about it but last night we had at our area consultative committee meeting someone who presented on behalf of a full service skills program. They work specifically with disadvantaged or students at risk, with the sole objective of getting them back to school, into training or into jobs. That is not to say that there could not be such a program, if there is not already, that works with mature age workers, for example, in any community that says, 'Let's get them participating, let's recognise their skills, ascertain their levels of expertise and match it with the needs of the very community they live in,' and somehow there has got to be worked out a fee for service payment. Even Work for the Dole, I think, contains an element of some reimbursement of out-of-pocket expenses back to the individual. So those sorts of activities could be very closely looked at. The community is going to benefit and I am sure the individuals would benefit.

CHAIR—In terms of what we can do, to me at least, we as a society need to have a vision for our country where we place as much importance on the integrity and health of human life as we do on our economic objectives and build, from the time of birth, the kind of society where every person basically knows that they will be cared for but in return are expected to make some kind of contribution to the society of which they are a part. Then you build policy on that. It needs to be a fundamental part of our cultural norm. It is interesting

that the Norwegians, with all the things that they do there, are still at the top of the pops for suicides of 15- to 24-year-olds.

Mr WILKIE—You have mentioned the importance of training. I could not agree more with that. Have you got a problem with lack of training providers? Or what are the main issues with training that you have in the Shoalhaven and how can you go about addressing that?

Mr Lay—There is definitely not a lack of training providers. There is a TAFE network down there of two major campuses. There is a new university coming on board. There are the various private colleges and a network, obviously, of schools and whatever. So I do not think access to training is a problem. Maybe it is, again, awareness. It is not so much in the individual organisations being able to promote and market the very courses and the availability of them. I guess it is that linkage that says to someone – and, let us be specific, to mature age people – 'There is the availability. If you retrain in a certain area, you are more likely to get a job.'

For example, if someone was skilled in a factory workshop activity, that was their work experience and they are now unemployed, is there the ability for them to get retrained in hospitality or a tourism type activity?

Mr WILKIE—All those places charge fees for their training. How would you propose that those people pay for it if they are unemployed?

Mr Ashworth—If I can go back, computer skills was the only area where a large number of people indicated that they were at a disadvantage because of skills. Remember we have already said they have got skills in all the industries and they have got qualifications and a large number of them speak and write English. The new generation learn computer skills as a matter of course but here the over-45s are out of a job for the first time for a long time and they do not have computer skills.

That was the only area. There were a number of suggestions about how they can pay for it. They indicated exactly as you did that they have got no money. Their resources are scarce. They cannot really afford it. The training would have to be made available at minimal cost or free. There were some suggestions that the local community itself could offer it. Some of the community centres had computers. If there were enough, people could help themselves or they could learn basic computer skills by being taught by another member of the community in a 'we help us' sort of project. That was one way put forward. Of course there are costs in that. The equipment has to be found and someone has to be in charge. But perhaps it could be done at a minimum cost for people who are really keen. Certainly, they thought they were unable to pay the full price for college training. But computing was the only area where they thought they were deficient.

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CHAIR—We know that employer attitudes really favour people under the age of 40 and in fact preferably under the age of 35. Does it relate to a perception that that generation under the age of 40 have inculcated in them basic computer literacy whereas older people perhaps do not? Do you think that is a part of it?

Mr Ashworth—I am sure that is part of it, but if it is balanced up, if someone takes an audit of the skills of an over-45 and the skills of a young guy, sure that younger guy has a terrific advantage. He understands computers. He is not fazed by them. He can learn. But the older guy has all the living skills and the social skills. It should balance out. Four days on a computer would teach a reasonably intelligent fellow an awful lot. This kid may have spent years with them, but he has not learnt a lot. He might have only learnt about five days worth of work and then he has played. The older person says, 'I could catch up with this fellow and be in front of him with a minimum of training on computers. I have got all the other skills. I know how to order. I know how to drive. I know how to talk to people. I know how to use the phone and how to keep books. With a little bit of computer skilling I would be way in front of this young fellow.'

Mr WILKIE—That leads on to my next question in terms of the payments. Job Network providers are supposedly having access to money to pay for courses for long-term unemployed people to go out and learn these skills. Are they providing that training money to the long-term unemployed, mature aged, in your environment?

Mr Lay—I could not answer that. We do not get the specific information about the breakdown of how much of their funds are applied to training particular clients. If they are not doing it then there is a need to do it. I can talk about the Shoalhaven area because we do have a higher than state average percentage of over-45s in our population and so there is a need for some retraining to happen. I could not answer that question.

I would make a comment on the availability of training and the cost of training. The two TAFE colleges do offer a lot of specific re-entry, if you like, or almost hobby type training, but much of that is based around computer skilling. It ranges from the very basic introduction to computers, introduction to the Internet, through to advanced Windows 97 or 98 and whatever. Those courses are available, and some of them are very accessible, even the cost of them. Whether community groups, or licensed clubs that are supposed in New South Wales to make a contribution under the casino set up, could direct some of those funds into retraining unemployed people or specific people who need that retraining may be an avenue to explore as well.

Mr Ashworth—You asked whether the funds were being directed to the over-45s for retraining. Like Milton, I have got no idea how the Job Network providers allocate their funds. But the stories we got when we spoke to people face to face would indicate that they were not spending the money. In fact, most of the over-45s thought the Job Network providers put them on a list and when jobs came up they ran through their list of eligible people. But the over-45s thought that the Job Network providers did not think they were eligible anyway and ran their scheme that way. It seemed that the over-45s thought they were not considered for jobs and they certainly were not considered for training. Those are stories from the job seekers. We have got no idea of the facts.

CHAIR—We have to finish at this point, I am sorry. Thanks to both of you for everything you are doing with the ACC and for taking the time to come up and speak to us about this. We very much appreciate it. There are some very good ideas in the things you have put. Thank you.

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[11.17 a.m.]

MACIVER, Ms Lynette Kay, (Private capacity)

CHAIR—Welcome to our public hearing today.

Ms Maciver—I am appearing in a private capacity. What has actually happened in my life and my husband's life is deeply personal, but it is also a lesson to all of us that at times we have perhaps a gross misunderstanding of our own levels of security in this community. I have been asked to make a preliminary statement and to put things in context. I should probably go back 10 years to when I was a tenured academic at the University of Technology, Sydney, and my husband was a project manager with Telecom. We lived in the electorate of Bradfield. We had a Californian bungalow which we owned outright and which we had renovated lovingly over 15 years. We were actually very comfortable. We had two children who had just completed high school and a daughter who was just going into high school. We have never lived extravagantly, but we have always lived generously. We both came from working class families and things started to go amiss when the whole notion of privatisation of Telstra came about. I should mention that at the time my husband had project managed the installation and supervision of the telecommunications for the ABC national network, David Jones, Woolworths national network and Government House in Sydney. So he was a very senior project manager.

At that time, and given the notions of privatisation that have permeated every level of our society in the last decade, it was decided by, I believe, a marketing guru in Melbourne that my husband's section of Telstra was too profitable in a deregulated economy and it would not be fair to the international competition, so they had what was called 'executive led redundancy', which meant that his financial and technical bosses each took packages of over a million and left the rest of the project managers in limbo for a period of two years. During that time a variety of things happened. Firstly, the whole thing was handled very badly. My husband was 51 years of age. He was subjected to a fair degree of personal indignity: his telephone was taken; his office disappeared and he found himself in a corridor. He was shifted around from various parts of the organisation, at which point he took some medical leave – he had worked for 36 years without any leave, and he was an enormously conscientiously man. I should also mention that he was a Queen's scout and an Australian champion rower. He comes from a long line of hardworking, long-living Scots, I might mention.

At 51 he was too young to get an indexed pension, which should have been his right, and so he was forced to take a package, which he did. I said, 'What would you like to do?' He said, 'I would like to breed Scottish Highland cattle.' I said, 'What are they?' At that point I thought that this man has had his nose to the grindstone for 36 years and it was time that he perhaps did something he wanted to do with this life, so I said, 'Yes, I am right behind you.' At that stage, we looked for a property, which we found in the Central Highlands, and we purchased the property. I was still working at the University of Technology, Sydney, but in that year I was also approached to apply for a senior lectureship at Charles Sturt University. I thought that that was wonderful: I would be in a position where I could just drive 65 kilometres and I could be the financial breadwinner. We knew the farm was not going to make money in the short term.

So we started with two cows and two calves. We now have a herd of 60 and we are very successful farmers. But if you know anything about rural life, it takes a while to build up a breeding herd. We had just actually started to niche market at the end of last year – we had found a restaurant in the region which wanted to feature highland beef. We were not going to make a fortune but we thought we would do reasonably well.

I left a tenured position at the University of Technology, Sydney, and went to Charles Sturt on a tenurable contract. Unfortunately, it was a very bad move. I was actually advised by the union at the time not to do so, but I said I liked a challenge. I was told it was a very sexist campus and I was the only senior woman in the school that I was teaching in.

Almost from day one problems started to occur for me. They culminated at the end of the three-year period by me speaking out in defence of one of my colleagues who had been non-renewed and terminated four days before Christmas – a man with a non-working wife and three children under nine. I wrote a fairly strong letter to my dean and the next day I had my dismissal notice shoved under the door. The union took it to the industrial commission twice and then we were told that the vice-chancellor had a very large fighting fund for recalcitrants like myself. I had also opposed the notion that we should be giving a degree in one year to a fee paying overseas student when highly selected Australian students had to do a three-year course. I was asked to take in 65 students, when I had only 50 Australian students in the course. I said that I did not believe it was fair to the Australian students and that we were going to have a lot of problems with resources which would cause cultural problems between the overseas students and the Australian students.

I had been in education since 1966 so I know a fair bit about it. Unfortunately, I have always been fairly outspoken. That meant that I was unemployed, similarly, at age 51, and there followed two years of unemployment where we stayed on the farm and just about used up all our resources. We were saved by the fact that Don had a small inheritance when his mother died, which we also used. The result was that in February last year I wrote a submission to this committee when I heard of its existence. In May I decided that we could not continue as we were. I came back to Sydney in May last year and took up a senior consultant's position in the recruitment industry. It is my second experience in that area. I had had a short period with the Professional Employment Service of the CES back in the late 1980s, so I saw the professional employment area for professional unemployed people and now I am at the privatised end. I have seen it from both sides.

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I think there were a lot of things in place then through the CES network which were extremely valuable, including Skillshare and a number of community based programs. I now have the experience of having, in some instances, employer clients tell me that 33-year-olds are too senior. I have practically no chance whatsoever of getting a 50-year-old a job and the only reason I am working is that I have a high level of expertise in my area and I happen to work for an employer who employs older people because she believes that if you are going to be advising people about their careers and their lives you should have had a fair degree of career experience yourself.

I came to Sydney in May and until September I lived with my brother-in-law and sister-in-law. In September we decided to bite the bullet and repurchase in Sydney. I committed to a very large mortgage in September last year. I do not have a particularly grand house. I have bought a townhouse in Epping, but on 3 December – I was going home every weekend to my husband at our farm: he was still managing the farm – I went home and when I got there at 9 o'clock at night my husband was unconscious on the kitchen floor. He had suffered a massive cerebral haemorrhage and he had probably been there for 13 hours. He has been in hospital for the last 10 weeks. He was in intensive care for seven weeks, then in the neurological ward for two, and three weeks ago I was told to go and find a nursing home which would be appropriate because he would be in no condition to ever recover.

But the weekend before last he started to make a slow recovery and then it became quite rapid, until last Friday they had assessed that he would be able to go to Coorabel, which is a public rehabilitation hospital as part of the Royal Ryde complex, which is the best place he could possibly be. He is still paralysed on the right side. He has very little speech, but he is very conscious; he is very frustrated. He was 58 years of age when this happened and I believe it is as a direct result of his unemployment situation, because he was extremely independent. I think the fact that I had to go back to work and be living apart, as we were, was also an additional pressure on him. He will probably be in Coorabel for about 10 weeks. My employer has been reasonably supportive. In fact, when this first happened she gave me three weeks off, until Christmas time, to be with him. But since I have returned to work I have realised that I am not going to be able to negotiate part-time work with her. In seven weeks time I have to make a decision, based on how much progress my husband has then made, and I think the decision will be that I will have to give up employment, which takes us back to square one.

The other point to be made is that, in the period of our unemployment and the relocation to Sydney, we did not have the money to maintain our private medical benefits, which we had done all our lives until we were unemployed. Fortunately, we still have a public health system for critical care, and I can only say that my husband has had the most amazing treatment at Royal Prince Alfred Hospital. I have nothing but respect for the nurses and doctors there, but if I have a criticism, it is that they are extraordinarily invasive with their use of drugs and that brings up another issue about regional health.

When my husband had the stroke, fortunately the ambulance came from Oberon hospital. He was taken first to Oberon hospital, a very small community hospital which has been under threat of closure for many years. He then was taken to a private medical practice in Bathurst to have a CAT scan because Bathurst base hospital does not have the equipment to do CAT scans. Then he was taken to Bathurst base hospital and from there he was taken by air ambulance to RPA. So it was 24 hours between when he had the stroke and when he actually got into RPA. Fortunately, Coorabel is also part of the public health system and he is again, I believe, in extraordinarily good care. So we are very lucky from that point of view.

Amongst our own group of friends, we have a number of extremely affluent and prosperous people of our baby boomer generation and we expected ourselves to be in that situation. I turn 55 next Sunday. I think if I lose this job, it is highly unlikely that I will get another one. In the two years we were unemployed, I did attempt to set up a consultancy business in Bathurst because when I was in Sydney previously I had been a consultant in the communication area and I was able to command salaries of up to $1,000 a day. So I was quite good in my area. I found that working in regional Australia those opportunities do not exist and, despite innumerable submissions for work, I had the complaint that we are too small, we are regionally based, we are

this we are that, we are the other. Even though I pointed out that we had a virtual company of about 19 people, so I had a virtual network of 19 people I could call upon with a broad range of skills from all over Australia, that did not seem to convince.

After putting about $10,000 in to try to get this business off the ground, with absolutely no assistance from the Bathurst employment organisations – in fact, when we went to the Bathurst Enterprise Centre the manager of that centre said, 'But you'll be setting up in competition to us.' I said, 'No, I don't see it that way.' I have done a lot of training and a lot of advisory work over the years, but we simply could not crack it in Bathurst. After seeing $10,000 go down the drain, we decided that was probably not the way to go.

I think there is also a very grave difference between official unemployment statistics and real statistics because, as I mentioned before to Dr Nelson, I believe there are a lot of gentile poor in our community and a lot of people of our age group have been working all their lives, get to 50 and suddenly find themselves maybe with their own houses, but they have put resources into bringing up their children, looking after aged parents, et cetera, and they find themselves at 50 unemployed and they cannot eat the bricks in their houses. If the population statistics are any indication, they are going to lives for another 30 years. How on earth are they going to survive? A lot of them are doing what we did – go to the country because it is cheaper to get a house in the country, but the resources in other ways are not there. I think there should be a total review of the validity and reliability of statistics on unemployment. I do not believe it should be a political football and at present I think it is a gross misrepresentation of the real figures.

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I am pleased to know that this committee is very cross-sectional. I think that advisory committees in parliament itself should represent a much broader cross-section of the community. In terms of gender, there certainly should be more females in parliament and that is happening. As far as occupation is concerned, I think there should be fewer male lawyers and economists in parliament. I think we should have a much broader multicultural mix, and there should also be a much stronger regional representation. I believe preparations for retirement and notions of savings should be taught seriously from around year 11, but, having said that, any notions I have of control over one's destiny have been sadly shaken in the last decade. We certainly were prepared. We had worked hard, but things did not turn out quite the way we thought they would.

I also have great concern about notions of privatisation and competition. I think we need to be looking much more at community based solutions to problems and to much more cooperative strategies, and that means also bipartisan work between parties in parliament. We have to get away from this head-on notion that you stand on one side of the parliament and scream and yell and abuse each other. It is a pretty primitive way to go about solving problems.

One of my jobs which I loved very much when I was in government service was as an industry adviser with the Affirmative Action Agency. That agency seemingly has to do with only gender issues, but a great many other things came up. I remember speaking to a gentleman one day about an industry that was underrepresented by women. He said, 'We couldn't possibly have women in this industry.' I asked, 'Why is that?' He said, 'Because we use cadmium processing.' I said, 'Yes. What do you mean?' He said, 'Cadmium processing ruins the kidneys and liver.' I asked, 'Don't men have kidneys and livers?' There are a whole range of issues that we need to look at in terms of health and safety and the physical and psychological impacts of restructuring. If there is one word I would like to never hear again it is 'restructuring'.

There are another two words that I would like erased from public consciousness and they are the two words 'young' and 'dynamic'. I hope I never hear of one more young and dynamic organisation that wants young and dynamic people. I know a lot of extraordinarily lethargic young people and I know a number of extraordinarily dynamic old people. We need to really start looking at the stereotypes. Some of the advertisements on television for the year of older citizens have been valuable. I know that the cultural lag between a year of anything – be it the Year of the Disabled, the Year of Indigenous People or the Year of Peace – and what actually is motivated and initiated and when it actually starts seeping into public consciousness is about ten years. Maybe this year is a start for us to look in a long-term way at our ageing population. I think even the word 'ageing' needs to be reformulated. We need to look at language, because language is enormously powerful in how it moulds our thinking.

I have some major problems also with means testing. My husband and I have never been in the situation where we have had government assistance, except we have certainly had some assistance from the health scheme in recent times. We have to look at what happens in Holland, for example. They actually have a system where people receive a payment in proportion to their incomes during their lives based on what they have actually contributed. For most of our working lives my husband and I have contributed at the rate of 49 per cent of our income in tax. Like most people – and I strongly believe it is most people – we intended and would still like to maintain a level of financial independence. I also think that government should emulate long-term planning which should be encouraged in the population. We live in a society where short-term solutions are all

too prevalent and where we really do not look further than the next election, or we do not look further than what may be of some sort of strategic advantage to us in terms of alliances with countries like the United States.

I believe we have for far too long allowed the thinking of countries like the United States to permeate our way of going about things. I do not think, for example, privatisation of the telecommunication networks is or will be a good thing. That network was returning to the government a huge amount of money in dividends annually. When it is totally privatised that money will no longer be here to be spent on the other things that we need to spend it on. I think it is still highly debatable as to whether or not the privatisation of the telecommunications network has led or will in fact lead to any positive advantages. Probably I have said about as much as I can at this point. I am very open to any questions you might like to ask.

CHAIR—Thank you very much, Ms Maciver. We only have a couple of minutes left so it is hard to ask you something that does justice to everything you have experienced and shared with us by coming here today. I can only say that from listening to you if there is another career move for you it is probably going to be politics. I have to say though that, with the exception of indigenous and non-English speaking background, parliament is pretty representative.

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Ms Maciver—Increasingly so, I know that.

CHAIR—In fact, this committee is a subcommittee of the parliament.

Ms GAMBARO—I liked your comments about female and ethnic but do I get points taken off me because I am an economist?

Ms Maciver—Actually I have to tell you I have a major in economics too but mine is political economics and not just econometrics.

CHAIR—Your summary of your life reflects bits and pieces of different things that individuals have said to us as we have gone through the inquiry. One of the things perhaps you might think about giving us in a supplementary letter of some sort is your current work experience in trying to place older people in employment.

Ms Maciver—I actually had planned to have a written submission to give you today but I am sorry the events of the last few weeks have just meant that I leave home at half past six. I leave work about six; I get to the hospital then I get home at 10. It does not leave me a lot of time, I am afraid, to have the luxury of sitting down and actually getting things done.

CHAIR—You have gone to an enormous amount of effort to come here today. It is not easy to talk about these things – a whole series of major life events which test one's resilience.

Ms Maciver—Mind you, I have to say the learning experiences I have had in the last couple of months have been tremendous. I have had insights into things I would never have had before.

CHAIR—If I had an electorate office in Bathurst and I was able to change your mind on Telstra, I would think about giving you a job. Anyway we had better not get into that. We need to finish. I am sorry to have to say that to you in some ways but thank you. It has been a privilege to have you come and speak with us.

Ms Maciver—Thank you very much.

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[11.48 a.m.]

KEATS, Mr Michael, Project Officer, Older Men: New Ideas

ZINN, Mr Jack, Project Manager, Older Men: New Ideas

CHAIR—We welcome the representatives from the Older Men: New Ideas. If you could give us an overview, we will then discuss it for half an hour.

Mr Keats—I guess I should start off by establishing the credibility of Older Men: New Ideas. I will do that very briefly, if I may. Firstly, it is an initiative of the Council of Ageing, New South Wales. It is funded by the NRMA. It has the support of the Psychogeriatric Nurses Association. We are represented on the Men's Health Information Research Centre and a number of its committees. So we will be involved in the fourth National Men's Health Conference coming up next year and we are also involved in health week issues for older men.

The organisation is growing at a very rapid rate. We only got our funding in September last year. We have already established four or five active groups and we have 23 more in the pipeline – and there is only Jack and I working part time. The growth is mainly in the Sydney area at this time. We have received inquiries from rural New South Wales and also from most states and territories. We produce a monthly publication, copies of which have been circulated to you. You will gain from an overview of that. If that could be incorporated into *Hansard*, it would add enormously to the backgrounding of the organisation.

We are a very inclusive organisation. We welcome such groups as older men with disabilities, gay older men, older Aboriginal men and older men of ethnic background and, most importantly, isolated older men whether they are either in city communities and are housebound or whether they are in rural or remote Australia. We have a strategic plan and identified goals as to where we are going. Significantly, OM:NI is involved in work – and I guess that is where we interface with this particular committee. I have handed out what I call an opening statement, which I would like to see incorporated in *Hansard* as well, which brings to the fore the main points in our submission and also updates it a little, as our submission was 1 August. That is what I want to say for my opening remarks. I think we could perhaps use the rest of the time to most advantage with questions.

Mr Zinn—Yes, I think that is probably best.

CHAIR—Thanks very much. I just noticed that the New South Wales government gave $300 and I thought, 'Surely that is $300,000,' then I realised what it was for, so every dollar counts. Thanks for coming along. As you know, what we are specifically looking at are the issues that face mature age workers in going through the whole career transition issue. What sort of new skills have you identified that older, in this case, men need to acquire to help their career transition?

Mr Keats—Particularly computing skills. A number of the groups already established have a focus on the men who have the skills teaching the other men those skills. The age group that we are attracting tend to be, I will not say post work period, but certainly more interested in enhancing lifestyle skills rather than work, although there are a number of them who have got small enterprises that they are conducting.

CHAIR—Do you actually provide any services at all to help people with retraining and finding a job?

Mr Zinn—No, not yet.

CHAIR—But that is the intention?

Mr Zinn—Yes.

Mr Keats—It is an intention.

CHAIR—A lot of the problem that we deal with is essentially not only societal but employer attitudes towards older people generally. When we say older in this particular context we are talking about over 45. Although the Chamber of Commerce and Industry told us that there was not discrimination against older workers by employers, everyone else seems to feel there is, including two other major business groups. How would you go about changing those sorts of –

Mr Keats—If I can just take an example and then address your question, we have a relationship with Morgan and Banks, who are a major recruitment agency in this city. We have participated in group sessions with people who have been out of work for extended periods, ranging from six weeks to three years, and we have been involved in helping them devise questions about what sort of discrimination these people feel in their exclusion from the work force. Those discussions have been very helpful. In fact, the input or output from those discussions forms part of the submission which was submitted by our parent body, COTA Australia. I do not know if you have already interviewed those people, but certainly it is there.

There is a passive discrimination, and it happens by the specification which employers give to recruiting agencies about what they want in the new recruits that they want to induct into their organisations. The specification will come forward saying, 'We want a person up to 45 years of age to be marketing manager of X division.' That immediately creates an exclusion. That never comes out in public, but, when the applications are being culled, as soon as the date of birth comes up or the years of experience come up, the recruiter tends to discard those applications. There is quite a lot of informal, undocumented evidence about that – and it is probably not documented for very good reasons.

CHAIR—How do we go about changing employer attitudes? How would you do it?

Mr Zinn—Nobody is going to change their attitudes all that easily if it does not serve them some purpose. Education is very important and, obviously, employers have to be educated in the need to employ older people. But in order to really get some sort of result and this is a personal observation the organisations need to be made aware of the fact that in not too long a time, in 10 years time or something like that, they are not going to have any choice. What is going to happen is that there will be fewer and fewer younger people, demographically speaking, coming in to fill the work force and they are going to have to employ older people. They have not got this into their heads yet, that this is something that must happen. They have to be educated to that; they have to be made to understand that, in the years to come, that is what is going to happen.

Mr Keats—I think the employers also need to be investing more money in training, retraining and reskilling older people to retain them in the work force so that they are more useful to them.

CHAIR—Yes, that is another big issue.

Mr Keats—There appears to be a discrimination when training courses are being offered to exclude the older workers from those training courses. That only reinforces the devaluing of older people.

CHAIR—Have you put forward any proposals for assisting employers to understand the need to provide retraining programs for all members of their work force, including older ones?

Mr Keats—No, we have not as yet. Part of our problem is that we are only funded to work 20 hours a week each. We are so overworked at the moment that we are having difficulty keeping up with the growth that we have got. We realise there is an enormous need for this, and if we had more resources, we would certainly be doing it. It is certainly on our agenda and within our charter.

CHAIR—Is this a job sharing program!

Mr Zinn—Yes. We work four hours a day each. Michael takes the other four hours a day for his policy work.

Mr Keats—Which is still in nursing homes and retirement villages.

CHAIR—Yes. The other thing is computer literacy. Have you or has COTA done any work on what level of computer illiteracy exists in the over-45 age group?

Mr Zinn—I will take that a little further. From 45 to 55, there are probably a number of people who handle it quite well, who are interested and can take lessons and whatever is required. But after that it drops away very sharply. When it does happen, it is on a very low level.

CHAIR—Computer literacy seems to be one of the themes coming through in terms of what sort of training is required. Certainly among the community based education programs being provided, the greatest interest seems to be in computer training.

Mr Zinn—Yes, that is so.

CHAIR—Perhaps there is a place for some concerted national effort in this regard.

Mr Keats—Computer ability is going to be essential for survival, the way we are going. You will have to do all your banking, maybe a lot of your shopping and a lot of other transactions for surviving in the community. You are going to be computer driven.

Mr Zinn—In some of the OM:NI groups that we run, they are doing this themselves. They are picking up the need for computer training and they are setting up their own little computer groups amongst themselves. There are clearly a number of people who want to do this and are finding ways to do it. There is of course Computer Pals for Seniors, which is a pretty good organisation.

CHAIR—I am not aware of it.

Mr Keats—It has a membership of 50,000.

Mr Zinn—An awful lot of people – all of them older people.

Mr WILKIE—Are many of your clients eligible for job services provided by the Job Network, and would they be registered as long-term unemployed?

Mr Keats—Very few.

Mr WILKIE—How would they access job vacancies or referrals to jobs at the moment if they are not being provided for by those means?

Mr Zinn—To be perfectly frank, they would not even think of it. The whole idea is that it is a waste of time and, 'Nobody's going to look at us', so they do not bother.

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Mr WILKIE—So they are not looking, because they do not believe there are opportunities there.

Mr Keats—There is a certain point in time when disillusion sets in and even the idea of having another go at banging the head against the wall just does not have any attraction.

Mr WILKIE—How would you go about reversing that trend?

Mr Keats—It is an education process. We have a monthly publication with a circulation of nearly 500 an issue now, and we are happy to use that for any purpose that furthers our objectives, and that would certainly be one of them. If there was assistance there to enable us to do that, we would certainly be pushing it.

Mr Zinn—We are very aware of all the various things that need to be done. There are dozens of them, and we cannot even begin. That is what it amounts to. Or we have begun – and we are going very nicely – but it is tough going. These things are all very important, but we have not got around to them.

Ms GAMBARO—I thank you for your comments about training courses being offered to younger people in the place of older people, and that is very demeaning in itself. We have had groups presenting themselves to us. From groups that I have mentioned, women seem to keep their computer skills and training skills. Is that a product of them being offered the training courses or is it because women seek out the courses – I am getting you to make a subjective comment here – much more so than men who have, let us say, been employed long term with companies?

Mr Keats—There is a perception, probably a mild perception – pardon me for being sexist – that keyboard work is not men's work.

Ms GAMBARO—Yes.

Mr Keats—I think that is one of the issues. I was completely computer illiterate three years ago, and now people come into the office and ask me how to do things, which is terrifying.

Ms GAMBARO—You have to keep the illusion alive.

Mr Keats—Exactly. I, personally, see it as a survival thing. If I am going to survive in society for the next 25 or 30 years, I am going to need computer skills. If I want to get money from the bank, if I want to pay my bills and all these other things, I need those skills. Increasingly, we have to make sure that that is something that everybody can do. The younger generation that is coming forward are computer literate almost as they are at drinking water or beer. It is a straightforward thing to do. But for the group that we are looking at, it does not come easily. It is a thing where you have to deliberately say, 'I am going to do this. I am going to challenge this thing and I am going to succeed.'

Ms GAMBARO—Are older men more hesitant to ask for help?

Mr Zinn—Yes.

Ms GAMBARO—Have you found that?

Mr Zinn—Yes, most certainly.

Ms GAMBARO—So they are more hesitant to, say, ask for a training course because it will indicate that they have a weakness in a particular area?

Mr Zinn—A lot of men are very subject to feeling vulnerable about themselves – you know the old macho sort of attitude: I can handle this; I am a 'can do' sort of person. When it comes to asking for help, I am afraid we tend to fall down very badly.

Mr Keats—Part of the thing is how men are brought up. It starts off when men are very young, as boys at their first football match. Dad is on the sideline. They get belted, and they come off the field and they want to cry. The first thing Dad says is, 'Don't cry. Be a man.' That internalisation of emotion transfers on and on and on. It is reinforced right through life. So, as Jack has answered, when it comes to asking for something and saying, 'I want to do something,' they do not ask, because they hope either the problem will go away or it will not happen. It is this denial problem that we have to overcome.

Ms GAMBARO—I have one more question on depression and your self-help groups here, where you encourage people to come together and speak about their experiences. Again, I am asking about emotional and depressive conditions. Do people open up about their experiences?

Mr Zinn—Yes. It is surprising. They really do. It takes a while within the group. But we very often have some of the men breaking down in tears, particularly when they are talking about their fathers, for some

reason. I have read a lot about it subsequently to try to find out why that happens. It is actually quite heartbreaking to see them recalling things that their fathers did or did not do and how that has affected them and how they would have liked it to have been different. There is another place there for education, for fathers of boys in how to handle their boys.

Mr Keats—One of the things we find is that, once they go through this trauma of downloading all of their emotional baggage, they are far more active within the group and far more receptive, then, to new ideas and to training and participation.

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Ms GAMBARO—Is there a time lag, when people come to you for help, when they are in, say, an emotional state? Does that accelerate, if you can get to people at an early stage? Is that one of the big challenges – getting them to talk about their emotional problems at an early stage?

Mr Zinn—We do not try at all to get them to talk about anything. We allow it to come quite naturally. That is something that you must also understand about men. If you say to them, 'Tell me how feel,' and 'Are you feeling rotten?' and so on, they will switch off immediately and take off for the hills.

Ms GAMBARO—I am still trying to understand how it works. That is really good. I have been given a lot of insights. I knew this. I suspected this all along, but I am really glad to have your wisdom here today. Thank you.

CHAIR—You could have asked me that.

Ms GAMBARO—No; these guys have got much more maturity and experience.

CHAIR—Oh, right. I do not know whether that is complementing me or insulting you. I was thinking that, in terms of getting your meetings moving, you should approach Orlando and get a bit of sponsorship under the Omni champagne banner.

Mr Keats—We had thought of that.

Ms GAMBARO—I am interested in the question of employer attitudes and how we break that down. It has been a theme of this inquiry that older workers believe they are discriminated on on the basis of age. There is some reliable data that has been submitted to us that shows that there is discrimination on the basis of age. And yet a number of employers – I am not sure if you heard some of the earlier material today – would, whilst in the same breath as saying that they would tend to recruit people under 45 would deny that they are motivated by any discriminatory characteristics. And yet that clearly must be in place.

Where do you think that perception arises from, on what is it based, and how could we get to those causes? Even looking at your submission, in 1994 and 1995, you have got the New South Wales government Mature Workers Advisory Committee making a statement about not discriminating on the basis of age and here we are, five years later, and obviously it is as endemic now as it was then.

Mr Keats—There are a number of factors. One is that the managing directors and human resources managers of a lot of corporations are tending to be younger. There is also a male thing here about threat; they want younger people under them rather than older people. They want to feel in charge and not threatened by anyone who has more experience, more knowledge and more skills. I think that is part of the story. The previous presenter talked about the fact that corporations want to have this young image. Older people or women as salespersons or as representatives of the corporation at any level do not reflect what they want to see as a dynamic, forward thinking, forward thrusting active corporation. Those sorts of images and those sorts of notions have to be taken out of the system. We have to look at people for the value that they are, not how they happen to appear. I think it is a psychology that is in industry and manufacturing that needs to change.

Ms GILLARD—Given how entrenched that is – we have had evidence about the hospitality and retail areas where it is quite clear that there is an image based preference for younger people – how could we go about changing that perception?

Mr Keats—Again, it is education. I do not know how you actually educate the leaders of those corporations and those employer groups to make that happen. The most telling thing will be the following. I think this was included in a statement put out by your colleague the Minister for Aged Care, where she identified the declining number of people coming into the work force in the next 20 years. Even if we were to up immigration we still would not solve the problem of available workers. That is going to be the most significant challenge: we are just not going to have younger workers; they just will not be there. So older workers have to be massaged in some way as being acceptable. The sooner that industry grabs hold of the notion that they have to do something about it, the better. That is something that perhaps government agencies and others could do, through things like the Business Council of Australia and so on, to start that education process now. Otherwise they are going to come to a real shock when the time comes.

CHAIR—The VCA have been working on it themselves, quite independently of our inquiry. One of the things that is fairly clear that we need which we do not do – the Deputy Chair, Mr Sawford, is not here today so I will now switch into his fairly standard approach to this - is much longitudinal research. So we are not in a position to break down a perception that older workers are less reliable; that they are not going to work for you as long as a younger person will; that they are not as enthusiastic and so on. We need this international research – very little has been done in Australia – to show that an older or mature age worker is more likely to stay with your firm for 10 years than someone who is 30; that they are less likely to be absent from work for periods – a whole range of things. We need to get that sort of research and then that feeds into the accounting industry, so if a company's accountant is saying, 'Look, you will improve your productivity and your bottom line if you have a few more older people in your work force,' they will be out there tomorrow getting them.

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Mr Keats—Professor David Thompson from Massey University in New Zealand I think is quoted in our submission. He has done a lot of cohort studies about what is going on in the work force over there. Perhaps we need to encourage some of the Australian universities that are attuned to employment issues to start doing some of this work. We would certainly want to be there as an organisation shaping some of the criteria and so on for studies. We certainly would want to be involved.

Ms GILLARD—What was your view of the effectiveness of the TV advertising for the International Year of Older Persons? It was not a heavy blitz in terms of the frequency with which it was shown.

Mr Keats—The public at large is fairly cynical about the images they see on TV these days, anyway. But I think the long-term benefits of IYOP are going to be enormous. We certainly have been part of a thing called A Platform for Action, which is to take IYOP into the next 10 years. A whole lot of issues we have addressed: employment, transport, housing, communities – a whole lot of things. That initiative, which is from the New South Wales based committee, will feed into the national committee. The employment segment of that, which is where we are going if that is followed up and given some resourcing, will have some very positive outcomes.

CHAIR—That is interesting as I have had quite a few abusive letters about the current advertising campaign. In fact, all of the letters were from older people. I write to them and point out to them, amongst other things, that if we want to deal with issues like elder abuse and discrimination in the work force, we need to effect a major cultural change in the way that we think about ageing generally. Of course a lot of them are not thinking this way. But it just seems so important that we continue with this and that there be a bipartisan commitment by whomever is in government to funding more of this sort of stuff, otherwise I cannot see that we are going to get there.

Ms GILLARD—Did people think the ads were patronising?

CHAIR—Wasting government money and how outrageous that was, considering that we have hospitals that cannot treat people. They were legitimate views being put, such as, 'You must be spending millions of dollars on this advertising campaign and it does not do anything,' which suggest that perhaps the advertising has not appeared in a correct political context. It is interesting. Mind you, my constituents, perhaps more so that many, are always interested in how their taxes are being spent, so it is one of those things.

Mr WILKIE—Whilst I might agree that the government is wasting money, I would have thought these ads were pretty good. I have not had any complaints.

Mr Zinn—We had a media watch going for quite some time in connection with this sort of thing, particularly ads that have been directed towards older people, and in fact we are tied up with the discrimination board about that. With these ads that say there is no such thing as old but older, the attitude of a lot of older people is, 'What a lot of nonsense. We're old. Just leave us alone. We're old and this is the way it is, and we want to be able to live our lives knowing that. We don't want to have to think, is there is something wrong with being old? Should we be something else? Should we be younger or older?'

Mr Keats—There is a very interesting media phenomenon that for 90 per cent of the time people over 55 disappear – they become invisible. The media just do not cover those things. If they are going to do a story on someone who is in their seventies who has been very successful in business, they will take a picture of that person when they were 45 or younger. They will not use an image which they think will be offensive to their readers or their viewers. So the invisibility is another big factor for older people – they just disappear and are not seen.

Mr WILKIE—You mentioned the view that a lot of people say, 'We are old, just treat us that way.' I find it interesting that, when I go to a whole raft of areas in my electorate where there is a lot of seniors, someone who is 50 says, 'I will worry about that when I'm old.' They do not see themselves as old. Someone who is 60 says the same thing and someone who is 70 says the same thing. In fact, my father is about 83 and he says the same thing – he will worry about it when he is old.

Mr Keats—Yes, I talked earlier about denial.

CHAIR—I remember that at my wedding last year I talked about a few people who had been important in my life, one of them being Bruce Shepherd. I was just about to say, 'In many ways he has been like a second father to me,' but then I said, 'No, in fact he is more like a second son as he seems so young.' As Kennedy says, it is not a time of life but a state of mind. Would you like to add anything? Everything you have in your submission are things that I agree with. Is there anything else that you would like to put?

Mr Keats—You have given us a pretty fair go. I do not have anything that I want to add at this stage.

Mr Zinn—Except that we would like to be able to get on with all of these things, and that will take time.

Mr Keats—If one of the outcomes of the inquiry is that resources are going to be available for us to do work, we would love to be part of it.

Mr Zinn—Yes, please.

CHAIR—You know how the system works. We will write a report. We will have a range of recommendations in it. Some of the key ones we will have costed before we write it and then we will do what we can to persuade the government to accept them.

Mr WILKIE—I am concerned that many of your members are not actually registered as long-term unemployed.

Mr Zinn—I am sure they are not.

Mr WILKIE—The main way to have an effective voice is to be registered and to be recognised so that your say actually has some clout with government, but that will not happen if they are not registered.

Mr Zinn—We can certainly do that. We can put that into the next issue of OM:NIBUSiness and let each group know that they should ask their members if they are registered.

Mr WILKIE—There are programs available for people who are long-term unemployed and a lot of people in your category would be long-term unemployed. There is supposedly training money there, which we have yet to find evidence is being spent, which they should be able to access. If they are not getting the opportunity to utilise those services, we need to be aware of that.

Mr Keats—We will certainly find that out.

Ms GAMBARO—Can I also comment on the effectiveness of your brochure. It is very good.

Mr Zinn—Thanks to the NRMA.

Mr Keats—We also have some very large posters. I was going to bring one along, but I thought perhaps I had better not.

CHAIR—If you have a few spare, send them along. It is the sort of thing I would put up in my office.

Mr Keats—They are based on the same colour format and tell the story.

CHAIR—Thanks, Michael and thank you very much, Jack.

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

That this committee receives as evidence and authorises for public release the opening statement tabled by OM:NI at the public hearing today.

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

That this committee receives as exhibits to the inquiry into mature age workers the following two documents:

(1) OM:NI pamphlet,

(2) OM:NIBUSiness Newsletters for January and February 2000 - Volume 2, Nos 1 and 2; November and December 1999 - Volume 1, Nos 1 and 2.

Proceedings suspended from 12.18 p.m. to 1.30 p.m.

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BITTMAN, Mr Michael Paul, Senior Research Fellow, Social Policy Research Centre, University of New South Wales

RICE, Mr James Mahmud, Research Officer, Social Policy Research Centre, University of New South Wales

CHAIR—Welcome. If you could give us an overview of the submission and focus on the things you believe are most important, we will then discuss those.

Mr Bittman—We are here to talk about our research on the working day and how that impacts on older workers. I have a short summary. Should I speak to that?

CHAIR—Sure. Fire away.

Mr Bittman—I think this is a very important topic that the committee is inquiring into. There have been three really major changes since World War II in our labour market. The first of those that everyone talks about is the mass entry of women, especially married women, into paid work. The second has been the drastic shrinkage in the youth labour market, and the third is the exit of men over 55 years of age from the work force. This last one has probably been the least discussed and the least best understood. It has been almost like an invisible change that no-one has been paying attention to. Our research shows that the gain in female labour force participation has been almost exactly balanced by an exit of men in those higher age groups out of the work force, so we are watching a redistribution of work in this process.

In the 1960s it was widely predicted that by the end of the century Australians would be living in a society of leisure. Instead, we have had rising unemployment and mounting anxiety about overwork. A large number of people have no hours of work and an even bigger proportion have more hours of work than they want. Many people think that significant unemployment and overwork are just two sides of the one condition: insecure employment. They say the answer to the maldistribution of working hours is the regulation of the working day.

We have been using time diaries to study changes in working time over a 23-year period in Australia. Diary data is the only source of information that can shed light on a number of issues. These include: firstly, what has happened to the length of the working day; secondly, how much work takes place on different days of the week and, finally, has there been any change in the time of day when paid work takes place? Our research leads us to believe there has been a simultaneous growth in unemployment and in long hours of work over the last quarter of a century. There has been a significant increase in weekend work and work outside the hours of nine to five. The so-called unsociable hours acquired this name because they make participation in family and community life more difficult.

There are also more families where both parents devote more time to work and where juggling work and family commitments has become a far more delicate balance to maintenance. We also show this in our data because we have diaries for everyone in households. We can see what the whole household supplies by way of paid labour to the labour market. We can also, through the diaries, study how much domestic workload there is. That is another great advantage of diaries. This has been accompanied by a growing sense amongst working age Australians that they feel more rushed and pressed for time. We have the capacity to compare that across almost 25 years.

How do these changes affect Australian workers over the age of 45? Long hours have been associated with downsizing. All other things being equal, you might think that downsizing is fuelled by long hours. This makes less work available. The most socially acceptable group for employers to make redundant is older workers. If you read the studies of employers' attitudes it is quite plain that they think the community supports the idea that, if someone has to be dismissed, you should start at the top of the age range and work down.

Everyone in this age group knows someone of a similar age who has been made redundant or is having difficulty finding new employment. For those in work, long hours increase stress, interfere with good family functioning and make early retirement attractive. Among workers over 45 there are probably four groups – those in the work force, those made redundant and looking for work, those who are genuinely voluntarily retired at an early age and those who took retirement as a way of pre-empting redundancy. No-one yet knows the size of this last group and their prospects for a decent life in retirement. So that is basically where we have got to.

CHAIR—Thank you very much. Do you have anything to add to that, James?

Mr Rice—I have nothing to add.

CHAIR—Firstly, what is the technical definition of a prime aged person?

Mr Bittman—Normally I think it is considered to be people who are beyond the age at which they might still be studying. Typically, that has been operationalised as about 25. Because of this phenomenon of early retirement, people have been looking at the work force that is below 55 years of age.

CHAIR—The term itself reinforces the very thing we are trying to overcome, that there is a prime age – that presumably means not that it cannot be divided by two but that there is a prime age which is the ideal age of life – and then there are old people or young people.

Mr Bittman—I think that the term is really about when earnings are at their peak. It is partly a convention that has developed to take into account those big changes in the labour market I was talking about. So, if you took averages across the entire age range, then you might think employment was falling, but actually there were more young people studying or there were just fewer men in the older age groups in the work force.

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CHAIR—Is there any practical way in which work could be redistributed? We are certainly a group of people who easily work the hours of two people. Michael, do you have practical suggestions as to how governments might start to play a role in redistributing work?

Mr Bittman—I suppose the best known example is the French one. They have actually capped hours legislatively. So there is across Europe a revival of the idea that one should regulate hours and put in maximum hours and penalise employers who design jobs that are longer than that. That is one solution that has been kicked around.

Another possibility, it seems to me, is the idea of a time bank. When you ask employees how they would like their time off, there tends to be a preference for longer blocks of time off. So, where you could have half an hour off a work day or you could have half a day every fortnight, people would rather have the half a day a fortnight than the half hour every day. If you say, 'Instead of the half hour a fortnight, would you rather have an extra week of annual leave?' they will say, 'Yes, I'll have the annual leave.' If you say to them, 'If you could work for 30 years and have a one year sabbatical, would you prefer the one year sabbatical?' they will say, 'Yes, please.' That suggests to me that perhaps people could be banking their hours. They could work at the sort of intensity they are currently working at, if they wanted to, but then have some long entitlements to substantial leave away from work without necessarily ending their employment for life. That would create space for other people to move into those longer gaps that they made vacant. So there are at least two schemes for redistributing working hours.

CHAIR—In your work have you given thought to phased retirement? If so, what model might you put forward there?

Mr Bittman—Phased retirement is really targeting the idea that what workers miss most is what economists call the process benefits of work – that is, according to Adam Smith, you are not actually meant to enjoy doing paid work; you are being compensated with money for doing something you do not like. But in truth we know that people actually derive some pleasure from their work. That may also explain long hours. I think what a lot of retired people find is a rather large shock when this source of identity and pleasure from social usefulness is withdrawn from their life, and the idea of phased retirement is a kind of more gradual disengagement.

I think a lot of retired people find it is a rather large shock when this source of identity and pleasure from social usefulness is withdrawn from their life and the idea is to provide somehow a kind of more gradual disengagement. There is a problem that I am aware of which is that when you do qualitative work with older workers and talk to them about their retirement there is still a very strong link between the idea of being masculine and the capacity to provide income. The theory is that this died and we are in the era of the dual career family and men are not supposed to think like this but, in fact, I find that they do. One piece of evidence for this comes when you try to measure the effect of a wife's share in a couple's earnings and the way that translates or fails to translate into the domestic division of labour. Does having a higher proportion of the wage actually give you the capacity to do less around the house? That is the bargaining theory.

What I have found in the last two Australian surveys, which are the best surveys in the world to do this with, is that bargaining has very little effect on the hours of men. It does not seem to matter what proportion of income they provide they just give roughly about 18 hours a week to the household in terms of unpaid labour. Women on the other hand seem to get a bargaining effect over their own time. As their share of the income increases up to about 50 per cent they gradually reduce the housework that they are doing but then, after 50 per cent, the whole thing goes into reverse and goes up in the other direction. The only theory we have for this reversal of direction so that when a woman is providing 100 per cent of the income she is doing as much housework as she was when she provided zero per cent is that there is some sort of gender display going on there. There is behaviour which is meant to shore up people's gender identity, either her femininity or his masculinity. Perhaps his lack of response to the changes in income shares is also a way of confirming that

masculine identity. Masculine identity is still sort of bound up with not being in the position where you automatically have to accept more load.

My feeling is that that has been a significant part of the identity which has been not so well studied and, consequently, I am personally not convinced that a phased retirement actually addresses all these process benefits of work that I think the scheme is designed to do. It would certainly create more employment because it is a form of sharing, all other things being equal, of course. We do not know what the effect on growth is but it would make jobs available for other people. I suspect that people would prefer a sabbatical model to a part-time model.

CHAIR—In the analysis you did of Australian social trends, you pointed out the number of hours – I think 13 hours a day – that people over the age 65 go without human contact. Phased retirement would be, I suppose, one way of addressing that.

Mr Bittman—I suppose one of the major process benefits of work is that it does give you sociability. I suppose it is a worry also with people who are likely to work in future in teleworking or in some more virtual environment that they are going to loose that social contact that is very important to them.

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Ms GAMBARO—I want to ask you about job sharing. Is there a role for job sharing particularly in the retirement scenario you painted? It is being used in the work force at the moment particularly with women who have children or women who are coming back to the work force sharing the position. It takes care of the highs and lows of a flexible workforce. What are your thoughts on job sharing? Is there a role it can play in these mature age issues or again does the earning potential that you spoke about not lend itself to that, particularly for a male worker?

Mr Bittman—This is more anecdotal than anything else, but the information I have had from people who job share is that they find it is difficult to actually manage to share the job. They have the feeling that in place of two part-timers there are actually two full-time jobs that develop in these situations. There are some sectors of the Australian labour market where there are better conditions to handle, say, absences from the work force due to child-bearing.

Ms GAMBARO—Was that the public sector largely?

Mr Bittman—Yes, largely. There is very little take-up of what maternity provisions there are in the private sector. We are well off mature workers here, unless we imagine women are going to start having higher rates of fertility after 45.

Certainly, in the Public Service there is data to show that women do actually use these permanent part-time provisions. What worries a lot of people about the part-time is the insecurity. I think the insecurity also drives the culture of long hours. When you interview these people, they say, 'I stay back at work longer because, if I don't, Joe will and I will look like I'm underperforming.' So there actually develops, especially in some male dominated workplaces, a kind of macho culture of who can stay the longest.

Ms GAMBARO—In Japan they don't even go home.

Mr Bittman—Japan is another kettle of fish altogether.

Ms GAMBARO—Again, that is their macho image. With the trend for second families and men in their 50s and mid 50s beginning a new family and then having their second lot of children, what dangers and problems do you see again with the social work environment? At an age where typically they should be thinking about retirement or phased retirement, they then enter a new life cycle. What impact will that have?

Mr Bittman—I am extrapolating from what happens with the first family. One of the characteristics of males in the first family is that the point in their life course where they commit the most hours to paid work is when their youngest child is between two and four. My guess is that this is partly related to the fact that they are more likely to be a single income family at that point. In a way, both the individuals in that family are structurally locked into a division of labour which maybe neither imagined. I think these days that is increasingly the case. The woman is surprised to find herself at home with the child, and the husband is surprised to find himself working such long hours, but they have a mortgage, they have a child, et cetera. Maybe there is also that effect with the second marriage, but there actually has not been very much systematic study of these second marriages.

There has been a lot of work done on women's answers to the question of the choice between work and family – much more than with men. In fact it is very rare to ask men about this. A lot has been made of the fact that women typically choose family before work. They say that is the most important thing to them. The interesting thing is that, when you poll men, they say the same thing. In practice, the two groups do something different, but I still think there is actually quite a strong commitment by men to the idea of family life. If you

look at the structure that people who are investigating quality of life create, they create a set of factors that predict people's general feeling of happiness, then you find satisfaction with family life is very important.

Ms GAMBARO—I have one other question. You were talking about what happens when women are the main breadwinners in terms of the level of division of labour in the household. You said that, when women had the larger share of the family income, their work around the home increased. Could that be because of the guilt that a woman may feel because she is working longer hours – that somehow she has to assume her role of femininity and a nurturer and have to be seen to also invest in the family structure?

Mr Bittman—That was the explanation I was putting forward. I was giving slightly different words to it; I was describing it as gender display and so forth.

Ms GAMBARO—We work more hours. If you are a female, you try to compensate for the guilt that you are working longer hours and that you are away from the family, and putting doubly more pressure on yourself. That has come through in your research quite clearly.

Mr Bittman—There is certainly this upward effect which – I have to tell you – completely bamboozled me. I thought, if there was going to be a bargaining relationship, it would be steady and in the one direction – that the people who contributed nothing to the household income would most likely do the longest hours of unpaid work and the people who contributed the most would do the least. I did not expect it to turn at equality of earnings, which is exactly, amazingly symmetrical and not in any way anticipated by me. But it does actually do this; it is just very curvilinear. It just goes down, hits equal earnings and then starts turning up again.

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Ms GAMBARO—Was this across all age groups? Was it the baby boomers?

Mr Bittman—This is controlling for age. This is an effect independent of age. There would be a series of complex interactions between age and those kinds of things.

Ms GAMBARO—Or attitude towards housework from older, more mature men.

Mr Bittman—There are only a few studies in Australia where they have actually asked about attitudes to housework and had some system for measuring the amount of housework that was done. Unfortunately, those studies typically used the cheaper and dirtier method of measuring the housework that is done. They just asked people, 'How many hours did you do last week?' People give you an answer, but I know from comparison with diaries and with other methods of measuring the time that the answers are wildly off the mark.

Ms GILLARD—Can I just ask you for a bit more detail about the French example. I know there has been some publicity given to those attempts to regulate working hours but, in particular, how is it enforced? How long has that regulation been in place? Has it had any effect, positive or negative, on economic growth and the macro-economy?

Mr Bittman—I am getting beyond my specialist capacities here. I will answer what I can, but I think you should really talk to someone who has studied the French situation. But, as far as I understand it, there is some sort of penalty – or it is illegal in some way – associated with asking for more than 38 hours a week. That is what they have capped it at. Maybe the penalty is like a penalty rate. If we go back to older industrial times, the bargain between the employer and the employees mediated through unions was typically, 'You could have our labour power at these hours, but you would pay for it.' So there was an incentive for them to avoid work at those hours. Probably if you looked at the whole century, that is not a terribly long time in Australian history where those conditions held. Saturday work is within my limited memory – I know I have a grey beard, so I have a long memory.

The French thing is relatively recent. I think it is something like two or three years since it was actually passed into law. I think no-one has successfully measured any effect in either direction on macro-economic performance. My conclusion from that is that maybe it does not have much of an effect, although that could be because the studies are not yet sophisticated enough. The people from ACIRRT – the Australian Centre for Industrial Relations Research and Training – have done a lot of work on the politics of working time. I know enough about this topic to know that in Europe that is at the moment the hottest industrial topic. There are a lot of North Americans who are very interested in it too, partly because of Juliet Schor's book, *The Overworked American: The Unexpected Decline of Leisure*. The Americans are worried that their prosperity has turned into a kind of living hell, really. So that has been fuelling the discussion there.

Ms GILLARD—It would be interesting to get some more information on the French example, but I cannot visualise the current government being attracted to it really. When we look at mature age unemployment we are saying you have said it and it has certainly been a theme of this inquiry that if there is unfettered employer choice then they will tend to hire younger employees and retain younger employees rather than older employees in circumstances of redundancy. If we have an excess capacity of mature age workers who are not being positively discriminated in favour of or, indeed, even treated fairly in terms of hiring and firing decisions and if we are going to say, 'Let us try to redistribute some work to them and fix the excess hours that are being

worked by other age groups' – the French policy instrument is obviously one way of doing that, although it seems to be a fairly blunt instrument in some senses – what other policy ideas would you have about how that could be achieved?

Mr Bittman—There was this time bank idea which I think some German unions proposed they have very large unions such as IG Metall, which is a huge union but I am not sure that it has actually been implemented anywhere. People are very interested in Holland at the moment. Holland has suddenly replaced Sweden as the most interesting state in Europe, partly because Holland has minimal unemployment, vigorous economic growth and a very flexible set of working hours. They have the most interesting working time outcomes of any country in Europe. What happened there was that there were corporate agreements between union representatives, employees and employers where people actually traded off income in favour of hours. This has not really happened anywhere else normally it is very unpopular –but there are some peculiarities about Holland.

So Holland is the kind of society that has most pioneered the part-time solution. Holland has high levels of female part-time labour force participation. That is a change, because they used to have Europe's lowest levels of female labour force participation; there was astonishingly little female labour force participation in Holland. The men have also moved into part-time work, with a lot of them being quite happy to take less than a full-time job. Holland has a very extensive welfare net, as you are probably aware. As a percentage of GDP, they spend as much as Scandinavians do.

The one cloud on the Dutch horizon is probably the disability allowance. There is an extraordinary number of Dutch people who are declared too disabled to work. I gather that in Australia that is also becoming a concern for the relevant departments. The numbers on disability allowance are really starting to climb. Mind you, there is hardly anyone left who is claiming the veterans' allowance, so it might effectively be just category jumping to some extent.

CHAIR—Do you have anything you would like to table?

Mr Bittman—There is just that one page I read from.

CHAIR—I appreciate that. I enjoyed the two papers you gave us.

Ms GILLARD—That thirteen hours without any human contact included in the paper was fairly startling.

Mr Bittman—That is very interesting work, isn't it. It is very novel work, and that is done within the Bureau of Statistics. Our Bureau of Statistics is such an incredible national treasure. Seriously, the rest of the world knows that they collect very good data. It makes all this other work possible.

CHAIR—Thank you, James and Michael.

[2.01 p.m.]

BAKER, Mr Denis Gerard, (Private capacity)

CHAIR—Welcome. For the benefit of my colleagues, let me say I was contacted by Denis after a radio program. Denis came along and saw me and showed me, basically, what he does. It was more to do with that part of the inquiry which is looking at the practical things, with what we can actually do to help people find work, particularly in this age group. Therefore, I thought it might be a useful thing for him to come to speak to us about it. Denis, fire away, and then we will talk about it.

Mr Baker—I will not specifically talk about the little books at the moment as there are three areas that I want to mention as a prelude to what we are talking about. In the last month or more much thought has gone into trying to narrow the range of things that should be brought to your attention and allow me to seize this opportunity.

I came up with three key points that I think are most important to assist that mature age job seeker. Firstly, we need to address the attitudes of the job seekers themselves and the public perception of the older job seekers as well. Secondly, we need to encourage community involvement in the process of creating job opportunities rather than just simply pump more government funds into training programs. In fact, I have even suggested that spending fewer government funds may produce better outcomes, but I will come to that in a minute. Thirdly, governments need to provide some limited venture capital that may support initiatives that communities develop, and significantly look at promotion and advertising to promote the fact that people who are over 45 are very worthwhile workers. That would help combat the problem of attitude or perception that other people may have.

On the first point, there are a few other minor points that should be mentioned. One is that too many job seekers wrongly believe they are too old. When someone at 45 or 50 finds themselves out of a job, more times than not those people themselves believe they are too old to look for a job, and that then conveys an image to people. So even if they do apply for a job, it is a negative image that they convey. As much as anything, that acts as a barrier to them getting a job, even more than the fact that they are 45, 50 or 55. There is a public

perception of older job seekers that is false, and it is self-fulfilling. It is even enhanced by the media and by support organisations. The perception is that if we present older job seekers as having some limitation, that they need some special funding or support, you create an impression that there is something wrong with them. That is why you are giving the extra funding to be able to support them. That feeds a perception that there is something wrong.

I was thinking about this again last night. If you look at an older worker, they have life skills that come with living that extra time. They have work experience, qualifications, retirement expectations and needs. For that reason they are more likely to work harder because they are looking 10 or 15 years down the track to retirement. They have maturity, they have knowledge, they have patience, all elements that make for a very good worker. In fact, in many ways that probably makes them a better proposition than someone who can be under 45 years of age.

I spoke with a woman only very recently who was doing a course at Mount Druitt TAFE college in western Sydney. When I was talking to her about the way in which she was applying for jobs, she was apologising. The first thing she said was, 'I am sorry, I am 48 or 49 years of age', as though there was something wrong with being that age. The first thing that I tried to beat out of her was this sense of there being something wrong with being that age.

Employers now do not look upon employees in the same way as they did 20 years ago. There is not an expectancy that employees will be lifetime employees. My father worked 35 years for the one company. I worked 22 years in public service life before I escaped five or six years ago. But nowadays I do not believe that that expectation goes beyond maybe five or 10 years, or perhaps 15 years. Things like geography, skill, gender and ethnicity are barriers that affect all age groups; they are common throughout. I got hold of a little bit of information from a Morgan and Banks survey on retrenched and redundant workers, and the survey pointed to the fact that the rate of placement for over-45-year-olds was no different to the rate of placement for under-45-year-olds. The only difference was that it took longer. So if eight out of ten under-45s get a job eight out of ten over-45s will, but the difference was that on their survey 18- to 26-year-olds averaged about five weeks each in getting hold of a job from the time they started their job search while for 45-plus it was twelve weeks each. I was told that primarily a lot of that was being fed by that self-perception and by the public perception of the older age worker which added to the time that they were out of work.

In the USA at the moment the trend is growing more to inducing people to stay beyond retiring age because there is a growing skill shortage. Sydney is now suffering a similar sort of skill shortage because of the Olympic impact, and we are running with quite low unemployment rates compared with other parts of the country as well, so maybe that problem is there too. Time and perception are primary barriers, and that is why one of the principles I have tried to promote with little job books and things I have done all my life in helping people get work is to try and give them some ownership so that you empower people to do more for themselves. That in fact will help the process of their getting work.

Very quickly on point 2 about encouraging the community to take great ownership of processes, I am pretty sure it was Leeton down in the Riverina that had the Letona factory close down. The community bought the factory and the same workers who were retrenched went back into the place and are now running a productive business because they own the business and the community was involved. Funding from government levels would have been minimal really because the government is not funding it, it is the people who are running it. If we can look towards training that enhances the attitude of the job seeker then the job seeker will present themselves in a better way, which will then enhance their getting jobs within community opportunities that get created. Maybe organisations like Rotary might be in a position to support that community activity as well.

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On the third point, limited venture capital might be needed to be provided from a government level to enhance what a community tries to start. For heaven's sake, do not go back to Community Youth Support Scheme ideas or community employment programs which, in my experience, too many times became self-funding. It became another level of government and people turn the running of the organisation into a job more so than what the outcome could have been with it as well. I really do believe that advertising is a key. Government advertising of the positive aspects and qualities of mature age workers is necessary. We need to kill the myth that older workers do not get jobs, because they do. We need also to avoid and refute any suggestion that older workers keep younger workers out of jobs, because they do not. We need to encourage adventure and initiative in job seeking, improve that self-esteem and again come back to that ownership and empowerment. That is what formed the basis of these little books.

In conclusion, one prime example is that in 1996, under what was SIP funding, Skills Intervention Program funding, I, along with a business partner of mine who is a chartered accountant, sat down one on one with several hundred long-term unemployed people who had been out of work for in excess of three years each in various CES offices around western Sydney. We sat down and just talked them back into work and gave them a

copy of the little book, and nearly 50 per cent of the people were off the books within a six-week period, and closer to 70 per cent of the people we saw were no longer registered with the CES within ten weeks of that contact. These were people who had been out of work for three years. Something impacted on them, and I know what it was. It was the sense of empowerment that went with it that then created in their own mind the feeling that they could do something to create their own jobs and make things happen.

CHAIR—Thank you very much, Dennis. That is excellent. Ms Gambaro.

Ms GAMBARO—Most people think that the only way they can get a job is through the newspaper. You have given some innovative ways of working out what it is people want to do by sitting down looking at the phone book. I think that is a really good suggestion, because a lot of unemployed people do not necessarily know what it is they want to do.

Mr Baker—That is true. In fact, the Australian Bureau of Statistics indicate that in excess of 70 per cent of the jobs that people get in Australia are through what I call the non-advertised job market. They are jobs that are never advertised. They are secured by people who knock on doors, ring up on the telephone or write letters, or they are through a friend of a friend the networking process. Even internal promotions contribute to that as well. We have a pool of people out here who are looking for jobs. About 90 per cent of the pool are trying to squeeze into about 30 per cent of the available jobs. There is a huge pool of other jobs that people could be accessing and they do not, mainly because they are not educated enough to do it. Or maybe they have not read the book. The simple fact is that if you can encourage people to do more and to broaden their job searching base, then you increase the likelihood of them getting hold of a job.

I will give you another simple example. I spend a fair bit of time enjoying the life on the New South Wales Central Coast. I have a home up there. Only in the last six months I have seen a 56-year-old man retire from a long-term position he had with a government body and suggest that he did not want to retire and just stop, he wanted to do something else. He promoted himself to a local caravan park. He started mowing lawns at the caravan park. That caravan park spoke to another caravan park, so he went from doing one day a week to doing two days a week with another, which became three and then four. Within four or five months he was working full time again and had to stop doing some of the work. I think he is now job sharing with somebody else at the local bowling club. The reality was that he created the opportunity. That is where empowerment has its real strength in supporting people. You ask about the non-advertised jobs: 70 per cent of the jobs that exist are never advertised.

Ms GAMBARO—Having worked in the personnel industry in the past, what sets apart someone who is highly motivated? Clearly, in the example that you used that person was highly motivated. How does one give someone who is not highly motivated the skills to move from a position where perhaps they have not been working for four years if it is a motivational thing? How do we get people motivated? Or is it something that you either have or you do not have?

Mr Baker—Probably some people would be more willing or ready to make something happen or to create the opportunity. But I think you can put it into people. Take, for example, labour market programs. There is no longer the same money being spent on them but when it was, and even here in New South Wales in relation to Get Skilled courses that are still being run through TAFE colleges, in every case you could take a group of people who started a course – who could all be long-term unemployed people – and put them into an eight-week course, and by the fifth or sixth week of that course those people would be more motivated and more inclined to do something to try to get hold of a job and create an opportunity than they were five weeks earlier. That is primarily because they are given some degree of learning and they have been given a reason to believe that they have got something to offer in terms of a job as well. You are looking at creating a mind-set in people so that they believe there is an opportunity of getting a job.

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I will give you another example, and a very real one. In 1992 there was a man I came in contact with at Mount Druitt TAFE college in western Sydney. He was 48 years of age and he had been unemployed for 12 years. This is actually in notes that I sent along with the little books. He was semiliterate. He had wall to wall tattoos. Every second word he spoke was a swear word. Everything about him was obnoxious. I sat down with him near the end of the course and said, 'If I could wave a magic wand in front of you and you could do anything at all that you wanted, what would it be?' He told me that if he could move his wife and children out of western Sydney and take them back up the North Coast, to the Kempsey area where he was born, that would be his dream. He could not do that because, if he could not get a job in the last 12 years in Sydney, how would he get a job up there?

e followed a simple principle. I told him to go down to the local post office with his wife, grab the phone book for the mid North Coast, find out how many commercial cleaners were there and write a letter – but not out of there; he had to write it out of there. From memory, the first line in this letter was along the lines of, 'Dear Sir, I have been out of work for 12 years. I have an 11-year-old son that has never seen his father go to a

job. You can help me change that.' That was the first thing he said to them. So it was coming out of there. He wrote the letters and sent them to the five commercial cleaners. He had a reply within two or three days from one who had just won a cleaning contract with a resort at Coffs Harbour and who simply said, 'I am impressed by your initiative. If you come up here for the interview and you are half good, I will give you the job. I then don't have to put an ad in the paper and get a hundred applications. I will have got the person who has shown the initiative.'

The fellow went up, had the interview and got the job. His wife and kids packed up and, within a period of less than two weeks, this man had completely relocated his family after 12 years out of work. I did not do it; he did it. But the reality was that I created for him some opportunity or belief in his own mind that maybe he could just make something happen here. Maybe he could do something for himself. He is probably an extreme case in that it happened so quickly. But that is one of the things: if you can do something at a government level just to look at trying to change that mindset that people have within the community.

I heard Brendan speaking on a radio session that I then followed up with Angela Catterns some months ago. Brendan made that comment that what this group was hoping to do was look at issues that would include changing the mindset, thoughts or perceptions that people have within the community. Now if you can do that through advertising, if we can sell Pokemons to kids, then why can't we sell the idea to the community that someone at 45 or 50 years of age still has a lot to offer a good job. Let us focus on the positives and the skills they have got and we might just create some more job opportunities. Instead of having 45- or 50-year-olds sitting at home and saying, 'I can't get a job', they might now be saying, 'I saw that ad on telly last night; maybe I can do it. I will go out and knock on a door tomorrow. I'll try.' Maybe because they have knocked on that door, they will get an employer who will say, 'I like the initiative you've shown; you've done something more than I expected to see.' And hence they get a job. A job gets created in response to their action. That is where strength comes from.

Ms GAMBARO—I guess that is what I was trying to say. It is a matter of inner strength and motivation. You can plant the seed, but you have to get the person to then take the next step. And fear is certainly a factor in that. When you have been unemployed for 12 years, it is a huge step: the fear of the unknown. Your booklet is very good.

Mr Baker—You are not going to get every mature age worker into a job.

Ms GAMBARO—You are not going to have success with everything, I know.

Mr Baker— But there are so many people out there who have reached a point where they have given up. They have often tried or they have reached a point where they are being told that positions are only available to younger people. It is wrong and it is wrong because I know that you could take any one of any age. When I give lectures to groups of unemployed people, young people say, 'I can't get a job because I haven't got enough experience.' I tell them to turn around and say, 'Look, I'm like that whiteboard behind me; it is bare at the moment, ready for you to fill it up. Tell me the way you want the job to be done. We will put it up on a whiteboard and I'll do it the way you want it done.' For the mature age worker I will tell them to say, when they walk into the room, 'Hi, I'm like that whiteboard behind. See all the stuff that is filled up on that whiteboard, all that experience and knowledge that I've got: I'm going to give that to your company. You employ me and what comes with me is all this experience, keenness and willingness to work. I've got needs, too, because I hope to retire maybe in five or 10 years from now. I want to retire comfortable, so I'm going to work hard for you for the next five or 10 years.' That sort of presentation, if you can convey that, is one that is a very hard argument for employers to refute.

Ms GAMBARO—That is a good idea.

Ms GILLARD—In respect of current employment services, you have not worked directly in them, but you would be familiar with the current system with the FLEX 1, FLEX 2, FLEX 3, do you think those systems are providing appropriate assistance? It just seems to me that, if you have seen a need for this sort of material, obviously you must be of the view that it is not available generally. So is that a flaw in terms of what Job Network providers are doing for people?

Mr Baker—That is interesting. They are probably not providing it. As I was a CES worker for a long time, my first feeling was to lament the demise of CES and yet I knew full well that there were many CES officers that were probably less effective than others and many staff within offices that were less effective as well. From the experience I have had with some of the Job Network providers, the service they are providing is quality service. They have some genuine care and interest. It is interesting, though. I am talking about people who may well have been prior CES people as well. I will say one thing . There is a downfall with the effectiveness of the Job Network if you measure the number of placements they actually get. What you have got to look at is what you are providing to influence people maybe to do that little bit extra as well. So what you are trying to say to people is, 'Okay, a Job Network provider is one source of getting hold of a job, but your doing something looking through newspapers is another. Your doing something by knocking on doors is

another. Your doing something by writing letters is another.' So you have to try and provide an overall package for people on the way to look for work. There should not be a sole dependence upon a Job Network provider to get that job.

There was no difference 10 years ago when somebody would come to a CES counter and bang their fist and say, 'You haven't got me a job.' When you ask them, 'What have you done for yourself as well?' They would say, 'No, you're the one that's got the job of trying to help me get work.' That was wrong. It did not happen very often, but occasionally it would.

I suppose we could always do more, but I still believe that there is more that we can do by fostering in people's own minds a belief that they take ownership of that process. There is a saying that I heard years ago that if you are not in control of your life, somebody else will be. That tends to apply to people who are on unemployment benefits. If you can present to people the fact that they can take greater control of the process of getting work and acknowledge that, then so be it.

That is why there is a flaw with announcements, even recent ones, about a further crackdown on compliance for people on unemployment benefits. The greatest crooks ripping off unemployment benefits are not unemployed people who are trying to get a job, the greatest crooks are people who are currently working and still claiming benefits. A person who is out of work may want to give up because of the frustration of not getting a job. He is now being told that he is not meeting the compliance requirements of Centrelink. He may become frustrated and reach a point where he just does not think it is worth trying any more. And then you crack the whip and say, `You are not doing the right thing.' That is not the right sort of stick to be hitting them with. That is my opinion.

Mr WILKIE—I was just wondering what sort of advice you would offer to the older people from non-English speaking backgrounds and how they would go about getting a job.

Mr Baker—That's a great question. These books were bought by AMES when they first came out and have been used by CES officers and Job Network providers in and around Cabramatta and Fairfield, areas with high migrant areas. In fact, if someone from a non-English speaking background has some literacy shortfall or communications shortfall, I often tell them to make their first contact a written contract if they want to make a good impression.

If they are able to put together a good letter, whether with the help of somebody to put it into the right grammar to make it look good, it does not matter what their nationality is as that first impression has been a good one because of the well-presented letter. That is a better way to make contact and create a good first impression rather than a hesitant phone conversation that ends up being terminated because the employer cannot understand what they are saying. Because they cannot speak the language as well as somebody else, or create that good first impression through verbal contact, does not necessarily mean they are going to be a bad worker. For people from a non-English speaking background, a written contact, although that seems contradictory, is probably going to be a stronger one for them in touching base.

Mr WILKIE—You mentioned earlier the strengths of motivational type courses. Because they build some self-esteem, people therefore go out and get jobs. I take it you are advocating those types of courses. Who do you believe should pay to have the people undertake those courses?

Mr Baker—We are talking about funding that would be generated at a government level. If you look back at labour market programs in years gone by – for example, a labour market program course that could be run through a TAFE college – in New South Wales they developed folders that were called job orientation skills folders. There was one in regard to job search technique. There was another folder that was in regard to personal skills. In fact, for the course that they were doing at that LMP course, there would have been a certain number of hours each week that were being spent on things to do with sexuality, with communication skills, and with interpersonal skills. They were important, particularly when you saw in some areas people who just lacked totally any sort of personal communications skill. That was provided as part of that course. Therefore, maybe funding should come in that way.

But I am not talking now about just opening up a whole rebirth of programs that are just spending money, where someone goes and does a course and then six weeks later, after that course has finished, they get enrolled again in another course and another course. I think that becomes a waste of good money. But things could be modified. There are organisations out there that are able to do it. There are private colleges, let alone TAFEs, that would provide that cost effectively. If, in fact, you were spending something on that, I still think the return would largely come from people then getting off benefits because they are getting into jobs.

Mr WILKIE—What about other skills type training? We have heard that a lot of mature age people have problems with computer literacy, for example. Do you think it is a requirement that people in that situation need computer training?

Mr Baker—Yes, I do, dependent upon the sort of work that they want to get into. I think it is a shame that there has been what appears to be pretty much a complete wipe-out of labour market programs in the last three or four years. But where there was a problem, going back five or six years, were situations where the same person could have done five or six courses – an office skills course, a retail course and a hospitality course – and they were still unemployed 18 months later. I do not believe it was effective spending of government funds to train those people. But if there was specific training in computer areas and keyboard skills and so on, yes, that would be very supportive of them. I do not think that would hurt at all.

CHAIR—Denis, in your *Personal Job Hunting* brochure you have some suggested basic resume outlines. Should an older worker put their date of birth on a resume?

Mr Baker—I do not think it hurts, but I am not fussed one way or the other. I look at it two ways. You could say that by putting it on the resume it will turn a potential employer off, because they think they are too old. But, at the same time, it might also highlight to an employer that they are not getting an inexperienced young person applying for the job. It is probably not that necessary, because the resume that is going to show life skills and experience over a period will help to date the person anyway. So date of birth on it or not is not going to cause much of a blockage for them.

CHAIR—Thank you very much, Denis. It has been very good. I would like to thank Ms Chan, Gaye, Hansard reporters, and all of those people in the public galleries and the media here at the moment for everything they have done to help us.

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

That the committee receives as evidence and authorises the public release of a submission from Mr Michael Bittman, Senior Research Fellow, University of New South Wales, tabled at today's public hearing.

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

That this committee authorises publication, including publication on the parliamentary database, of the proof transcript of the evidence given before it at the public hearing this day.