



THE QUEENSLAND GOVERNMENT

SUBMISSION TO

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

**INQUIRY INTO ISSUES SPECIFIC TO
WORKERS OVER 45 YEARS OF AGE
SEEKING EMPLOYMENT OR ESTABLISHING
A SMALL BUSINESS
FOLLOWING UNEMPLOYMENT**

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DETIR SUBMISSION TO THE JOBS POLICY COUNCIL

QUEENSLAND FRAMEWORK FOR AGEING

PHONE-IN ON AGE DISCRIMINATION

POPULATION PYRAMIDS FOR JAPAN

1.0 INTRODUCTION

The Queensland Government welcomes the opportunity to contribute to the House of Representatives Standing Committee on Employment, Education and Workplace Relations' Inquiry into issues specific to workers over 45 years of age seeking employment or establishing a small business following unemployment.

This submission will present information about the labour force in Queensland which begins by outlining the magnitude of the problem of mature age (over 45) unemployment. Given the growing proportion of the population which is becoming mature aged, the problems of mature age long-term unemployment, particularly the increasing incidence of long-term unemployment, are already significant. Potentially, in view of the self-reinforcing nature of long-term unemployment even in times of increasing prosperity, the problem may well intensify.

'Revised unemployment rates', (VandenHeuvel, 1999) in which both the number of persons unemployed and the number of discouraged job seekers are combined, provide further indications of the magnitude of the problem of gaining or retaining employment for those people over 45 years in Queensland.

An analysis of barriers to retaining and regaining employment including the self-reinforcing nature of long-term unemployment which compounds the difficulties for those seeking employment (especially for the mature aged) and the issues relating to mature age training needs is included. The social, personal and economic costs of long-term unemployment are briefly discussed. An outline of the whole of government and intersectoral strategies which the Queensland Government has developed to address the challenges is provided.

A brief outline of OECD initiatives includes a discussion of the opportunity for Australia to consider co-operative development of solutions with Japan which is experiencing a rapidly ageing population.

It is clear that the Commonwealth needs to acknowledge the magnitude of the mature age unemployment and long term unemployment problem. In particular, the potential for the problem to intensify exists due to a range of factors including:

- Employer attitudes to older workers
- Employee attitudes which combine to reduce their real and perceived employability; and
- The potential increase in the mature aged proportion of the workforce
- Increasing levels of skills required in the workforce

The conclusion draws attention to the need for the Commonwealth to address the issue of training which targets mature aged people (both employed and unemployed) to achieve and maintain their employability. In addition, developing strategies to increase the levels of appreciation of the value of experience amongst employers and the community, and supporting the collaborative development of a federal Code of Conduct governing practice in the management of the mature age workforce, require consideration.

2.0 MAGNITUDE OF THE PROBLEM OF MATURE AGE UNEMPLOYMENT IN QUEENSLAND

The challenges and opportunities surrounding work and retirement for older people are becoming increasingly important as the mature aged proportion of the population increases due to declining fertility and increasing longevity. For example, the proportion of persons aged 45 years and over in Queensland is projected to increase from 32.9% in 1998 to 42.6% in 2021.

There has been considerable analysis already undertaken at both the national and state levels focusing on the magnitude of mature age unemployment relative to other age cohorts. It is not the intention of this submission to recount the details here. Rather the intention is to highlight areas requiring further investigation if we are to develop appropriate policy responses to assist the existing mature age unemployed and to prevent a re-occurrence in future generations.

On the one hand, employment growth figures over the past decade consistently show mature age job growth well above the average for other age cohorts. Over the 12 month period, June 1998 to June 1999, total employment in Queensland grew by 45,300 (original series). Of these jobs, 54% were taken by mature age workers. Similarly, over the ten year period from June 1988, 51% of the 369,900 jobs created have gone to mature age workers. While some of this growth will be explained by the age cohort effect, due to the aging population, it is clear that a significant part of this growth will also be due to job creation among the mature age cohorts. Overall, the mature aged face lower unemployment rates than younger age groups. In June 1999 the unemployment rate was 4.9% for those aged 45-54 and 5.8% for those aged 55-64, compared to 7.9% for the labour force as a whole.

On the other hand, while the mature aged, who comprised 30.6% of the labour force in June 1999, were under-represented in terms of the unemployed (20.3%) and discouraged job seekers (27.5%), they have an above labour market share of the long term unemployed (33.2%). In June 1999, 44.7% of unemployed persons aged 45-64 had been unemployed for more than 12 months, compared with only 25.4% of all unemployed persons out of work for 12 months or more.

In June 1999, the average duration of unemployment was 74 weeks for those aged 45-54 and 91 weeks for those aged 55-64, compared with 45 weeks for all age groups. Moreover, over the 12 months to June 1999 duration of unemployment increased for the mature age unemployed, while it decreased or remained stable for younger unemployed persons.

This duality of continued strong employment growth with persistent and increasing unemployment duration points to a segregated labour market for the mature age and requires further research to better understand the labour market characteristics of this age cohort.

In line with international trends, Queensland and Australia have exhibited significant job losses over the past two decades in unskilled jobs. As we have moved into the knowledge economy, with considerable job growth in new industries, many low-skilled jobs in manufacturing and other industries have been lost as a result of changes in technology and because developing countries can undertake such unskilled work at lower cost. To what extent are mature age workers over-represented amongst this group of unskilled job losers, who have little chance of gaining re-employment without considerable re-training? There is evidence that mature age workers are less likely to have qualifications than younger workers, and that they find it difficult to gain re-employment if they are displaced from their jobs.

Another possible (part) explanation for the over-representation of mature age among the long term unemployed may relate to the effect of redundancy payments on job search behaviour of retrenched workers, who may only show up in the unemployment statistics when they 're-enter' the labour market after a period of inactivity.

3.0 BARRIERS TO RETAINING AND GAINING EMPLOYMENT

3.1 Employer attitudes

Discriminatory attitudes prevent the harnessing and developing of multiple abilities at all levels which would benefit both organisations and individuals. Research amongst Queensland employers has indicated that 7% consider the age of an 'older worker' to be as young as 36-40. There is also minimal interest by employers in recruiting anyone over 45 years for any job (except for managers) and no preference for anyone over 56 years. (Steinberg et al, 1998). Hence, an unemployed person over 45 years of age has limited employment opportunities, which is reflected in the long-term unemployment statistics.

The impact of attitudinal barriers to employment is demonstrated in age discrimination statistics collected by the Anti-Discrimination Commission of Queensland (ADCQ). The ADCQ administers the *Anti-Discrimination Act 1991* which prohibits age discrimination in a number of areas of public life. During the period 1/7/98 to 30/4/99 the Commission received 434 telephone enquiries about age discrimination, 311 of which were about being regarded as too old or about concerns with compulsory retirement. (The balance was from people complaining about discrimination because they were perceived as 'too young'). A total of 80 matters of age discrimination were lodged of which 70% were in the area of work, a pattern confirmed by the age discrimination phone in referred to later in this submission. A recent discussion paper on age discrimination '*Age Matters?*' released by the Human Rights and Equal Opportunity Commission in April 1999 includes many case studies which demonstrate the impact of such discrimination.'

Employer behaviour which compounds long-term unemployment:

- Job destruction: particularly in the manufacturing, mining, electricity and cultural and recreational areas, the use of retrenchments as a strategy to shed labour in downsizing in recessions, followed by casual take-up with growth places a disproportionate burden on blue collar workers (O'Loughlin and Watson, 1997).
- Increasing growth of precarious employment which can trap workers into frustrating patterns of intermittent work, under employment, unemployment and low opportunities for on the job training, career planning etc which in the long term increase the likelihood that retrenchees will not find new employment.
- The quality of on the job training which emphasises short term immediate application of skills in the workplace at the expense of developing long term transferable skills.
- The pattern of '*duration dependence*' which results from recruitment practices which continually favour new entrants to the workforce or the recently unemployed. Those who are long term unemployed lose, or are perceived by employers as having lost, skills, relevance and their network amongst the employed, and therefore have a reduced probability of being selected by employers.
- The existence of myths and stereotypes against some groups in the population, e.g. the mature aged, NESB, the recently institutionalised e.g. prisoners

Mature age unemployed people may face additional difficulties in finding paid work. Older unemployed people often have fewer labour market contacts which diminishes opportunities to

identify job vacancies. They may lack the skills required for employability in the knowledge economy. Often already less qualified than younger Australians, their skills may erode and they may suffer from reduced confidence and morale.

Even amongst the employed, 19% of the mature aged are 'underemployed', i.e. they would prefer to be working longer hours which means that as part of the non-standard workforce they may well miss out on work-based training.

Australian studies have indicated that possibly up to 70% of the Australian workforce have neither the disposition nor adequate skills in self-directed learning which would suggest that skill development will happen unassisted. A survey (see section 7.6, *1997 Survey*) of Australian literacy and numeracy skills showed that up to 45% experience difficulty with literacy and numeracy requirements of daily life thus presenting a considerable obstacle to unassisted preparation for employment or re-employment through self-directed retraining. (Warner, Christie and Choy, 1998)

3.2 Mobility and employment

Apart from the lack of available jobs, location has a direct bearing on chances of finding work. There are wide regional variations in unemployment within Queensland, the hardest hit areas being, in June 1999, the South and East Brisbane region with 10.3% unemployment and the Wide Bay Burnett region (12.8%) while Brisbane City Outer Ring experienced an unemployment rate of 5.7%. (*ABS, Labour Force Status, Queensland Regions, June 1999*).

Anecdotal evidence from experience gained in the interviews undertaken by the Immediate Response Teams supports the view that the mature aged are less prepared to move away to find employment. There have been a number of cases where retrenched workers felt that they were unable to move to another community even when work was available.

Reasons given included:

- Did not wish to disrupt the family (schooling, friends, relatives) or unable to move due to housing repayments
- Not prepared to leave family behind and work in another location or unable to sell house in depressed community
- Too old to move and start again
- Limited range of skills
- Lack of confidence in ability
- Too old to retrain

While it may seem logical that older workers without a young family to consider should be more able to move, the reality from our experience is that they are not. We are also talking about a generation that is generally less prepared to relocate and are often prepared to be unemployed and stay in a community that is familiar rather than venture out into the unknown.

On the other hand, young people who have no financial commitments are quite often very willing to move.

Mobility may be affected by family responsibilities to a greater extent than for earlier generations. As parents have postponed the age at which they have children there is going to be an increasing number of people who are over 45 and still have the expensive teen years

before them. In addition increasingly the over 45's are looking after ageing parents. With heavily reduced access to nursing homes, the cost and the 'ties' for many mature aged people for aged care is considerable.

4.0 SOCIAL, ECONOMIC AND EQUITY EFFECTS OF HIGH LEVELS OF LONG TERM UNEMPLOYMENT

4.1 Far Reaching Adverse Effects

The consequences of long-term unemployment (which is clearly a major mature age issue) threaten the Australian ideal of equity, have far-reaching adverse effects on economic performance and undermine social cohesion and individual wellbeing.

4.1.1 Equity

The pattern for mature age long term unemployment for Australia (and elsewhere) is reflected in the Queensland picture and shows that those most affected are generally among those already most disadvantaged in the community. (in terms of educational attainment, literacy, NESB, etc see *Monograph Series No 2*, May, 1999, enclosed)

Long term unemployment helps reinforce the disadvantage. Chapman (1994) (302) further notes

'over time the unemployed become increasingly different from the employed... The incomes of the latter group typically increase ... because the employed acquire more labour market experience, move to better jobs and /or receive promotions ... the long term unemployed are not accumulating work experience, and are instead probably losing job skills through non-use and a lack of access to technological improvements and on-the-job training.'*

In 1994 the percentage of long term unemployed gaining employment in Australia with no government assistance was less than a quarter of that experienced by the short-term unemployed.(Chapman, 1994)

4.1.2 Economic

The presence of a large pool of long term unemployed persons can also have adverse economic effects. The economic costs of long term unemployment are set out clearly in Keating (1994: 107):

Persistently high levels of long term unemployment reduce the efficiency of the labour market and impede economic growth.

This happens for two major reasons. First, job vacancies are filled more slowly. People who have been unemployed for long periods are likely to lose their skills, motivation and access to 'word of mouth' information on job vacancies. Some employers view a long spell of unemployment as a signal that an individual is unsuitable for work. As a result, long term unemployed people can effectively become detached from the labour force and employers will take longer to find suitable workers. Employment, national income and output will be reduced.

Second, if there is a large number of long term unemployed people who are not considered to be effective competitors for jobs, pressures for wage increases will emerge while unemployment remains unacceptably high. If the long term unemployed can be absorbed

into the labour market, it will enable a lowering of the unemployment rate for a given level of inflation [the Non-accelerating inflation rate of unemployment], producing a more favourable environment for further growth.

The Beveridge curve (which measures mismatch between unemployment and vacancies) has worsened since the 1960s in many developed countries including Australia. It has been argued that this largely reflects increases in long term unemployment. There is also some evidence that labour market programs can reduce this mismatch. Using data from 14 OECD countries for the period 1971 to 1988, Jackman, Pissarides and Savouri (1990) found evidence that labour market programs shift the Beveridge curve inward (reducing mismatch). However, a recent Australian study by Webster (1997) did not find unambiguous evidence that labour market program expenditure had an impact on the Beveridge curve between 1978 and 1996.

There is also some evidence that increases in long term unemployment have led to upward pressure on wages. Flatau, Lewis and Rushton (1991) found a positive and significant relationship between the number of long term unemployed and the real wage, but the size of the effect was small. Webster and Summers (1999) found that while outside wages and expected prices account for most of the increase in nominal wages, variations in the proportion of labour market program participants across industries and over time appear to have a small moderating effect as well. Using data for the period 1989 to 1996, they estimated that a doubling of labour market programs reduces nominal wages by 1%, other things being equal.

Conversely, providing training for the long-term unemployed which is relevant to the needs of employers is seen as having the potential to reduce inflation.

changing (i.e improving) the actual and perceived skills of the long term unemployed allows a larger pool of prospective labour for employers to choose from, reducing the potential for wages pressure given economic expansion. (Chapman, 1994)

Adverse effects on output and budget outcomes have been attributed to high levels of long term unemployment. Chapman, B.J. and Smith, P., (1993) calculated that for the 1980's, the absence of long term unemployed would have meant production of an additional \$1.3 billion of goods and services per annum and 'reductions in the structural deficit from higher taxes and lower social security payments of the order of \$750 million each year'.

4.1.3 Social

Many of the mature aged long-term unemployed report feelings of alienation, loss of dignity, experiencing the effects of a 'blaming the victim' mentality, being let down by the system, loss of self-esteem, loss of identity, being a second class citizen'. (Senate Report, 1995).

In Queensland in 1998 the Office of Ageing and the Anti-Discrimination Commission of Queensland conducted a phone-in on age discrimination. While this provided only anecdotal information it is interesting that 76% of callers reported that they had experienced discrimination in relation to employment. Of these, 64.3% had experienced difficulties when applying for a job. Thirty-four percent had been told by prospective employers that they were too old; 16.5% were told by other employees that they were too old and 24% based this belief/assumption on their personal feelings. Recruitment agencies were identified by callers as being a particular problem in this area. (A full report of the phone-in is at attachment 2).

A major cost to the Australian community is the threat to social cohesion posed by the increasing division caused by the widening range of incomes and the lack of equity in opportunities to close the gap. There is often an expectation that the mature aged are financially secure. However, the mature aged often still have school age dependants, mortgages and/or have yet to save for retirement. Anecdotal evidence indicates that frequently inadequate early retirement or redundancy packages are accepted without full knowledge of what will be required to maintain a reasonable lifestyle.

Contributing to the growth of an 'underclass' is a possible consequence of long term unemployment for the mature aged. A link between low incomes and long term unemployment to increased crime rates, suicide rates, lower educational attainment, family breakdown, drug abuse, high incidence of poor health and low levels of reported wellbeing is supported by considerable research over time. (Senate Report, 1995), (Junankar and Kapuscinski, 1992), (Chapman 1994), (Durrance and Hughes, 1996).

An example of the effects of unemployment on one major group was raised by **The Queensland Office of Women's Policy**. The office noted that priority attention should be given to mature aged women's unemployment for a number of reasons:

- the need for those women who do not have a superannuation plan to have skills that enable them to remain in the workforce for as long as possible is critical. Married women, within this group, who have relied on their husbands as the sole providers are particularly vulnerable, as men on average die younger than women, leaving them to survive on small government benefits.
- At the 1996 Census, 39% of men and 57% of women aged 55-64 years of age indicated that they had a weekly income of between \$120 and \$299. The proportion of persons with this income level increased markedly for those aged 65 and over (72% of men and 80% of women).
- The need for women to have financial security is increased by the fact that life expectancy for women is 81 years and for men 75 years. In the 1996 Census, 53.9% of people aged 60 years and over in Queensland were females.

5.0 COMMONWEALTH GOVERNMENT EMPLOYMENT PROGRAMS

5.1 Programs for Youth

The Federal Government, concerned with the relatively high unemployment rates of younger workers, has introduced policies and programs to increase the participation in work and education of younger Australians. Currently there are no Commonwealth labour market programs specifically targeted to older unemployed workers.

5.2 Less attention for the Mature Aged

Recent changes to the Commonwealth Government employment assistance programs have been widely criticised. The Flexible Labour Exchange Services (Flex) system was introduced on 1st May 1998. Anecdotal observations suggest that mature age unemployed people may not receive the training and assistance they need because community and private sector providers:

- target only those whom they perceive to be more likely to obtain jobs quickly (e.g. the young -15-20 year olds) in order to maximise their profits;
- place emphasis on low quality short term outcomes for mature people rather than sustainable full time employment opportunities; and
- acknowledge that they lack resources and incentive to provide the intensive assistance which may be needed by the long term mature age unemployed.

People over 60 years of age are disadvantaged in access to employment and training assistance under the new system. If in receipt of a new start mature age allowance or the age pension they cannot receive a job seeker identification card, which allows providers to match and place them into job vacancies. Such policies not only deter older job seekers, but are also in conflict with other government policies e.g. deferring the age pension.

Individuals working for more than 15 hours a week and ineligible for a new start allowance (i.e. unemployment benefits) are also unable to obtain a job seeker identification card.

This gives rise to equity considerations, e.g. the opportunity for older people to:

- work or to have equal access to other income generating opportunities;
- participate in determining when and at what pace withdrawal from the labour force takes place; and
- have equal access to appropriate educational and training programs.

The Commonwealth Government claims that the issue of mature age employment has been grossly exaggerated and that while there is no case for specific policies to deal with this group rather than those suggested for the long term unemployed, there is capacity to 'badge' existing programs. (Unpublished letter, The Hon Peter Reith, Minister for Workplace Relations and Small Business, to the Prime Minister, 1999).

It is difficult to reconcile the proposition that no specific policies are required when research and experience support the self-reinforcing nature of long term unemployment, and suggest that there are multiple barriers to the mature aged gaining employment, such as the stereotyped views held by many employers. It is similarly difficult to endorse the facile dismissal of such a major problem during the United Nations Year of the Older Person, which is not mentioned in the Reith document.

6.0 QUEENSLAND GOVERNMENT INITIATIVES

6.1 Whole of government major employment initiative

On coming into office in June 1998, the Beattie Labor Government established a whole of government major employment initiative with the principal objective of bringing unemployment in Queensland down to 5% within 5 years. The Jobs Policy Council (JPC) was set up as a peak policy council comprised of the Minister for Employment, Training and Industrial Relations and the Chief Executive Officers of all the relevant government departments.

In February 1999, research findings detailing the current and potential issues flowing from mature age (over 45) employment and unemployment prepared by the Employment Taskforce of the Department of Employment, Training and Industrial Relations (DETIR), working with the Healthy Ageing Research Unit of the University of Queensland, were submitted to the Jobs Policy Council. The Council endorsed recommendations for a program of concerted government and intersectoral action to combat mature aged unemployment. (see attachment 1)

However, while the Queensland Government is directing a major effort to reducing unemployment it is also of the view that the Commonwealth Government has primary responsibility for employment policy and should not abrogate its duty. Consequently, the Commonwealth must urgently review its economic policies and labour market programs if mature age unemployment is to be confronted effectively.

6.2 'Breaking the Unemployment Cycle'

The Queensland Government has a major objective of achieving an overall reduction in unemployment to 5%. The '*Breaking the Unemployment Cycle*' initiative, administered by the Employment Taskforce, DETIR, addresses unemployment as a whole (including mature aged unemployment) and has adopted a multisectoral and whole of government approach to strategic policy and action directions.

As mentioned, Cabinet has established the Jobs Policy Council (JPC) as the key mechanism to implement and oversee the *Breaking the Unemployment Cycle* initiatives and to identify future employment creation opportunities. The JPC reports to the special purpose cabinet committee on employment which, is responsible for setting the broad strategic direction for whole-of-government employment initiatives. The JPC also consults with the Youth Jobs Taskforce (Premiers Department) and other employment creation programs to ensure there is a comprehensive, whole of government approach to employment creation.

6.2.1 The Community Employment Assistance Program

DETIR, through the Community Employment Assistance Program,(CEAP), funds community organisations to provide job search, placement and vocational training assistance to individuals who are long-term unemployed. Mid August 1999 nine organisations had received grants for projects which specifically assist mature aged unemployed people while many other projects include mature aged within their target groups.

One example is the Cairns Employment Services for Mature Aged which incorporates a combination of intensive job searching activities, work experience and direct canvassing of employers for mature aged job seekers from 35 to 60 years of age. The project supervisor will also be involved in directly marketing mature aged employment to employers to increase the organisation's employer database and the chances of sustainable employment.

6.2.2 The Community Jobs Plan

The Community Jobs Plan is a government initiative which funds job placement opportunities in community organisations, local councils and statutory authorities of three to six months duration for people who are long-term unemployed. Mid August 1999, four organisations had received grants for projects designed to provide employment opportunities for disadvantaged mature age job seekers who are from culturally diverse backgrounds. An example of these projects is the Gladstone Mosquito Survey and Eradication Project in which participants will undertake complete door-to-door (9,500) inspections of the city, provide advice on mosquito management, identify and survey breeding sites and carry out preventative action. The project will target mature aged long-term unemployed people.

6.2.3 Queensland Government expenditure specifically directed to Mature Age Participants in CEAP/CJP

In the twelve months 1998-99 \$19.05m was expended under the CEAP and CJP programs; of this \$3.65m was directed to mature age workers who participated in the programs. It is expected that in the twelve months 1999-00 the amount directed to mature age participants in these programs will be in excess of \$10m.

6.2.4 Regional Forums

Through Regional Forums, the Queensland Government has seized the opportunity to take a leadership role in the development of appropriate policies and strategies to address, not only unemployment as a whole, but mature aged unemployment.

Representatives of the Jobs Policy Council have undertaken visits throughout Queensland, particularly in priority unemployment black spots and areas with high levels of skills shortages. The Commissioner for Training and a number of Members of Legislative Assembly hosted the forums, which were attended by representatives from business, unions, employer organisations, community organisations, training providers, schools, local councils and government. Responses and strategies to address the issues raised at the forums are now being considered through consultations led by the Department of Employment, Training and Industrial Relations with other Queensland Government Departments. Information regarding these actions will be distributed to the public in the next few months.

6.2.5 Employment brokerage response teams

The Response Teams have been established to provide an immediate service to retrenched workers from communities facing major social and economic dislocation.

The process involves supporting retrenched workers through an interview, where discussions are held on future employment and training options. Information is also provided on other areas of support such as financial assistance.

It is interesting to note that the mature aged worker is often less able to relocate to areas where alternative employment is available. This is often due to existing family and financial commitments. Many also seem loath to look at alternative training and employment options. They often indicate that they are too old to retrain, or be re-employed.

This information is anecdotal and comes from experience in dealing with workers from the Meat Processing Industry and the Mining Industry.

6.2.6 Worker Assistance Program

The Worker Assistance Program is an early intervention labour market program that aims to

assist workers displaced as a result of large scale retrenchments to make the transition to alternative employment. The program will act as a circuit breaker to help prevent displaced workers from becoming long-term unemployed and reduce the likelihood of considerable detriment to local communities resulting from substantial job losses. The Worker Assistance Program forms an integral part of the Government's employment initiatives, linking to four of the seven priorities the Government aims to achieve in its first term.

Although all eligible workers are given the same level of service and consideration, the primary target group are those assessed by the Immediate Response Teams as being at risk of becoming long-term unemployed. This group includes eligible workers who are:

- Aged 45 and over
- Disabled
- From non-English speaking backgrounds
- Indigenous
- Lacking literacy and numeracy skills
- Low skilled

6.3 Jobs Policy Council Mature Age Employment and Unemployment Initiative

The Council has authorised a major initiative to be co-ordinated by the Department of Employment, Training and Industrial Relations to address the issue of mature aged employment and unemployment in Queensland. (attachment 1)

The initiative will involve research and implementation of strategies to address the following:

- a) Existing barriers to mature age employment in the areas of:
- job recruitment, retirement, early retirement, and redundancy and exit
 - training, development and promotion
 - flexible working practice, including part-time
 - ergonomics and job design

Research will also focus on processes to bring about change in managers' and workers' attitudes to older workers possibly involving an Action Research methodology where the effect of interventions in HRM practice is evaluated, the findings serving as a basis for policy development.

Overseas experience in combating age barriers including successful employer initiatives which have positive bottom line consequences while increasing retention and recruitment levels for older workers will be shared in workshops and featured in the information kit.

b) A number of Queensland businesses will cooperate in developing strategies to inform employers of the business benefits to employers of retaining/retraining mature age employees, such as:

- accurately determining magnitude of turnover costs to support the value of retaining/retraining the older worker
- using to advantage the responsiveness of mature age employees to mature age clients
- avoiding loss of corporate memory through work-to-retirement transition

- benefiting from the experience and mentoring capacity of older workers
- c) Researching best practice models in leading Queensland organisations in the facilitation of recruitment and retention of older workers. This may involve an Action Research methodology where the effect of an intervention in Human Resource Management practice is evaluated, the findings serving as the basis for policy development.
- d) Conducting a major education and awareness raising program for employers, managers and the community including
- a major workforce symposium *Experience Pays* which was conducted in August 1999 for 150 participants
 - the development of an information kit to assist employers to understand the value of having older workers, to manage the older workforce effectively and to assist employees in preparing for the new knowledge economy
 - a series of regional workshops designed to inform employers and the community about the mature aged workforce and the value of experience and to commence a process of collaborative strategy development
- e) The development of systemic policies to allow the public service to lead by example in the employment of older workers
- f) The development of supportive infrastructures where necessary; and
- g) An intersectoral approach to resolving the issues.

6.4 The Queensland Department of Main Roads

has made a start on researching and implementing strategies to address the challenges presented by its mature age workers. Within that agency over 50% of its workers are aged 40 and over, and the segment is growing. The real risk of significant loss of experience and corporate memory as these people approach the age of retirement has been acknowledged.

The Department's Workforce Capability Unit will undertake the Mature Age Worker Project to develop options and choices for their mature age workers based on mutual benefit. This may include flexible working arrangements, mentoring and work shadowing to create a different type of work relationship and allowing a greater range of lifestyle choices.

6.5 The Queensland Office of The Public Service (OPS)

is also commencing a major project to address the problem of loss of intellectual capital due to large numbers of employees across the Queensland Public Service being over 50 (19.27%) and 8.3% being over 55.

The project will provide recommendations on strategies to reduce barriers to mature age employment. It will also investigate potential effects on agency performance, and the implications for employee entitlements, part-time employment, taxation, superannuation, leave and possible legislative and employee relations issues.

A seminar on successful mentoring conducted for the Queensland Public Service by OPS will further promote continuity of corporate knowledge and also formally valuing the contribution of the older worker.

6.6 The Office of the Public Service, with the **Employment Taskforce (DETIR)**, is steering the development of strategies which will allow the Queensland Public Service to 'lead by example' in its employment practices with respect to the mature age employee, as initiated by the Jobs Policy Council.

6.7 Office of Ageing, Department of Families, Youth and Community Care.

The Office of Ageing is developing the *Queensland Framework for Ageing 2000-2004*, which incorporates employment and retirement planning issues as one of the four key areas for action. Community consultation meetings that included the issue of employment and mature age workers were held throughout the State. In addition a specific consultation meeting focussing on this issue was held in Brisbane. (Attachment 2 provides full details of the consultation findings).

The Office of Ageing in conjunction with the Anti-Discrimination Commission Queensland (ADCQ) jointly conducted a phone-in on age discrimination during 1998. The majority of callers (76%) telephoned in relation to alleged incidents of age discrimination in the area of employment. A summary and full copy of this report is provided as attachment 3. Please note that this report is embargoed until 1 October when it is being publicly launched, on International Day of Older People, in Brisbane. A published copy can be sent to the Committee following this date.

6.8 Establishing a business

The Department of State Development provides a range of programs aimed at improving business diversity, prosperity and economic growth. The Office of Small Business has responsibility for the development and coordination of services aimed specifically at small business and intenders. Given the size of the intended market and the relatively long incubation period between when a client thinks of working for themselves and when they may actually do so, the Department has chosen to refrain from providing high levels of personalised advice. The Department does not differentiate between different types of business intenders as anyone from school leavers to retired ethnic groups are attracted to self-employment.

The key program offered to business intenders is the '*Your First Step Kit*.' The Kit can be ordered by mail, internet or purchased directly from the Department's 15 State Development Centres or 14 Regional Business Advisors. The Kit retails for \$40 and includes a video, workbook, checklists and a wealth of information on establishing a business. If clients are interested, each State Development Centre runs monthly information sessions to support the Kit where remaining questions can be aired. This session is relatively unstructured and offered on demand to Kit purchasers.

The Department's Resource Centre provides industry specific statistical and trend information to those people wishing to research a market or prepare a business plan. Information is provided at minimal cost and sent to a Departmental Officer in the field who then explains the information to the client before handing over the data. It has been shown in a number of studies that effective research and preparation improve business success rates and minimise the losses incurred when a business fails.

The Department also runs 'Smart Licence'. This Call Centre receives phone calls from across the State from people requiring business permits, registration and licensing information. 'Smart Licence' has agreements with a range of commonwealth, state and local government agencies to advise clients of their legislative responsibilities and receive payment.

The majority of people using 'Smart Licence' are business intenders. Their details are sent to State Development Centre field staff for follow up to increase the number of business intenders who have access to advice before commencing their operation.

While there is no focus on assisting the mature aged to start-up a business, anecdotal reports indicate that the majority of clients are over 40, they are 'lifewise' and that they appreciate the need to learn and are anxious to avoid making unnecessary mistakes. Many have been forced into making life changes.

The Commonwealth's *New Enterprise Incentive Scheme* (NEIS), designed to provide assistance in setting up a small business including training, advice and mentoring for the first year of operation and administered by DETYA, is not available to those receiving the Age Pension or a Mature Age Allowance.

6.9 The Anti Discrimination Commission, Queensland

has a statutory duty to raise community awareness about discrimination issues. The Commission conducts an average of four education/training sessions per week in roughly equal proportions across the public, private and community sectors throughout Queensland which is served by four offices in Brisbane, Rockhampton, Townsville and Cairns. All sessions include reference to age discrimination. The Commission has published a brochure entitled '*Age discrimination - your rights and responsibilities*' which is widely distributed, including on the Commission's website."

6.10 Vocational Education Training and Employment Commission (VETEC)

The Division of Training has developed a wide range of programs to facilitate access to training for all age groups. The Division is committed to the progressive expansion of quality vocational education and training programs to enhance the career and employment opportunities for young people and the mature aged to develop a skilled and competitive workforce.

VET Qualifications

A VET qualification can be achieved through a number of pathways:

(a) Structured Training

Apprenticeships and traineeships provide formal learning through workbased training with contractual arrangements between the employee and employer. Over the last few years, the number of people over 25 years entering apprenticeships and traineeships has increased in line with increasing demand for higher levels of skills in the workforce. A significant proportion of older trainees are already employed (20 %). To a large extent the take-up of apprenticeships and traineeships by older workers has arisen from a perception that they provide the only pathway for people to have their skills recognised.

A recent review of the quality and effectiveness of the training system in Queensland pointed to the urgent need for more appropriate responses to existing workers, particularly to gain new skills and retrain, as well as to have their competencies formally recognised. The recommendations of the review will be implemented over the next 12 months. While

apprenticeships and traineeships will focus on new labour entrants and people under 24 years, new options for older people will be developed to ensure their continued employment readiness

(b) Competitive Funding, TAFE Direct Grant and ACEVET

Vocational education and training qualifications can be gained through courses at TAFE Institutes (funded by their Direct Grants), through tendered courses conducted by private providers and TAFE under the Competitive Purchasing Program, and through the ACEVET program. The ACEVET programs are conducted by community organisations in partnership with registered training organisations. The informal nature of these venues and the additional support provided in a community setting tend to make this a popular way for women, particularly those who face other forms of disadvantage, to gain qualifications.

Access Courses

These are generally non-award courses, many of which are personal development courses. Many individuals tend to underestimate their basic educational skills and skills gained through previous work or raising families and prefer to consolidate these skills prior to entry to formal training. Programs currently funded by the State include:

English Language, literacy and numeracy classes

These classes are very important for those who have not had consistent schooling. This may include people with a disability, Aboriginal and Torres Strait Islander and people from ethnic communities. English language skills is often a major issue in attempting to gain employment.

Access to Employment Outcomes

This program is for anyone out of the workforce for over 6 months so it includes for example, those who have been engaged in caring, engaged in home duties, assisted in running a two person family business or have had an illness. It enables spouses who are not eligible for unemployment benefits to retrain. Courses include jobskills, workplace information, personal development, Certificate I and II courses.

Specific Programs

Specific State funded programs include:

Programs for People with a Disability

These programs are delivered in a flexible mode and provide the appropriate support services required by the participant while ensuring the integrity and outcomes of the training provided. These programs span a range of vocations and include pre-vocational courses. Individuals accessing these programs vary from those with high support needs to those recovering from a long term illness needing skills to re-enter the workforce.

Women Re-entering the Workforce

The program (\$150 000) is contracted by the Open Learning Network to provide training for up to 400 women in rural areas. The training includes basic workplace skills, understanding of the workplace, small business and computer skills.

Aboriginal Torres Strait Islander Programs

A number of programs across a range of industries are offered to youth and mature aged workers to gain skills for employment. These programs are specially designed and flexibly delivered to suit the needs and cultural differences of the communities.

7.0 TRAINING, JOB READINESS AND THE SKILLS NEEDS OF THE 'KNOWLEDGE' ECONOMY

7.1 Matching skills to vacancies

There may well be unemployed people who hold skills for which there *are* vacancies. The matching process may be unable to adequately assess and describe skills either at the recruiting stage or at the placement stage.

For example, in 1998 in Queensland there were 15,400 job vacancies (ABS 6354.0 - advertised and open to the public) and 147,300 listed as unemployed, of whom 44,200 were long term unemployed. Without data on skills requirements of the vacancies (which is not available) it is not possible to determine why some of the available unemployed could not be matched with at least some of those vacancies.

In 1994, in the White Paper on *Working Nation*, it was stated that 'most jobs are obtained when job-seekers go directly to employers in advance, not knowing if a vacancy exists' and 'that only CES referrals given to clients after they finish training courses improve job outcomes significantly'. This would suggest that in situations where there is a relatively accurate knowledge of the competencies held by the job seeker matching can be more effective.

The mature aged unemployed tend to have fewer formal qualifications than younger unemployed but more workforce experience. Analysing what that experience means in terms of competence or employability is a complex and time consuming process. More individual casework and assessment are needed to allow optimum matching of the mature age unemployed to existing vacancies or to determine what is needed by way of skilling to increase job-readiness.

7.2 Educational Attainment levels of the long-term unemployed

Large proportions of the long-term unemployed, amongst whom as noted there is a preponderance of mature aged, have minimal educational qualifications. For example, 20,696 of the 42,038 persons long-term unemployed in Queensland in June 1998 had not completed secondary school. In addition, of these 42,038 long-term unemployed, 7,300 had only completed year 12.

Many have spent 30 years in the workforce in labouring jobs such as council workers, factory hands, liftmen, wharfies. These jobs have now been upgraded through technology so that a different array of skills is required including moderate levels of literacy, problem solving, analysing and recording of data. It is very difficult for these workers to adapt to office work, unless there is a substantial program including basic education applied to the workplace. The Workplace English Language and Literacy Program which has been operating since 1993 has played a significant role in assisting thousands of people in this category to adjust to demands of quality assurance, increased productivity, changed work practices and technological change. A similar program focussed on acquisition of computer skills would facilitate a similar need to change and assist workers of all ages to retain their jobs.

7.3 Technological skills and mature age employment

7.3.1 Queensland Research Findings

The Healthy Ageing Research Unit (University of Queensland) and the Workforce Strategy Unit (DETIR), drawing on a study funded by the Australian Research Council, have prepared a report *Technology Skills and Experience Implications for the Queensland Labour Force* examining the use of technology by Queensland employers and the community. A major focus was on the need for training.

Findings noted in the report include:

- One third of respondents aged 40-64 describe themselves as having no computer literacy contrasted with only 11% of the youngest age group.
- Sixty per cent of unemployed compared with 31% of full-time employees reported never using a computer.
- Sixty per cent of those aged 18-39, and 34% of those aged 40-64 agreed that they would need to obtain technology skills to be employable. This could indicate that mature age respondents are less aware of the skills they will need in order to remain employable in the future
- Over 85% of employers who worked in construction, community service, and gas/electricity industries believed their employees would need to develop technology skills in the future to obtain a paid job. Seventy-five per cent of employers from retail organisations; 69% from finance organisations; 67% from tourism justice and transport organisations; and 59% from manufacturing organisations agreed
- Of those respondents who had received training in information technology in the last 2 years 61% were employed full-time and 3% were unemployed
- Of those who had received training in technology in the last 2 years, 77% wanted more training in information technology.
- The Report notes that most new jobs are predicted to be in the knowledge based service industries. A lack of technology skill may be less disadvantageous whilst employed but it may become a serious barrier when individuals have to compete for jobs in the external labour market. It is generally accepted that computer literacy improves an individual's options and job opportunities.

However, the technology skills training needs of younger people have dominated the minds of government and are a key feature of initiatives (e.g. connecting all State schools to the Internet).

- *Training programs*

As organisations continue to apply electronic communications to deliver information, employees need to be trained to use computer and communications technology comfortably and confidently. Having access to technology at work does not ensure that employees will be able to use it efficiently or effectively.

Research by the University of Queensland has found that younger workers are significantly more likely than older workers to receive on the job training and financial and other training assistance (Steinberg et al, 1994). Negative views towards training may be held by older workers but this is also something of a self fulfilling prophecy, as organisations tend to exclude this group from training opportunities.

The development and implementation of appropriate technology training depends partly upon abolishing myths about the capacities and commitment of older workers, as well as clarifying what skills are required. (see 'Debunking the Myths' information resource, enclosed)

As the Queensland labour force ages, and for the present cohort of older workers, it may be important to generate self-confidence and awareness of the benefits of further technology training and to develop individually tailored programs taking into account adult learning needs. Research undertaken by the UK government to identify good practice (Training and Enterprise Council) suggests that effective programs to assist older adults in acquiring technology skills, such as computing skills, should:

- place them in a learning environment which does not invite direct comparison with younger learners;
- allow more time for training;
- allow older people to work in groups or pairs and at their own pace;
- allow information to be presented in a non threatening way (the source of information also has to be credible); and
- facilitate peer support

- *Small Business and information technology training needs*

In Queensland, small business is a major source of employment and new jobs. There are specific training issues, which arise from the situation of individuals who are employed in small businesses or who are self-employed. The opportunity and direct costs of attending technology training may be a disincentive. Small businesses may experience significant problems in releasing people for training. Individuals may find it difficult to assess the merits of external training courses on offer. However without computer training/upgrading these individuals will lack employment mobility.

- *Technological change and unemployed older workers*

technological change is not the sole cause of unacceptably high levels of mature age unemployment. Nevertheless many organisations do use technology to reduce their workforce and increase productivity when possible, to give competitive advantage. Older workers have frequently found themselves redundant because of technological change and when seeking work they are commonly confronted by stereotypical views about their inability to adapt to new technology (European Commission, 1998). Employers and managers often regard older workers as being much less likely than younger ones to accept new technology. Scope for displaced older workers to re-enter the workforce may be limited unless they have specific information technology skills. Older workers are most at risk in terms of long-term unemployment and there is a need for specific assistance and job creation activities for this age group.

- *Role and content of labour market programs*

One of the most effective precursors for reducing unemployment is to ensure strong and sustainable economic growth. However, economic growth by itself does not necessarily lead to reductions in long term unemployment. For example if many new jobs are created within the high technology/high skill industries this may do little to affect the levels of unemployment especially if those who are unemployed do not have the skills to meet the new demands created for labour.

It is likely that with the speed of technological developments and the rate at which systems become obsolete, personnel involved with employment and training programs

will need to become ever more skilled at helping their clients pursue educational and training opportunities, in order to keep up with the pace of change. However this will entail greater numbers of current employees as well as those who are unemployed accessing employment and/or training services. There is concern that those who are long term unemployed and most disadvantaged in the labour market will become more excluded unless special preventive strategies are implemented.

Training needs for Technology Competence

Training is critical to assist the entry or re-entry of unemployed people into the workforce. Training the unemployed in technology skills will better equip them to be more able to take up existing or new jobs. The high levels of computer use among those in employment demonstrate the importance of information technology experience in the workplace. However the new technological needs of unemployed people do not appear to be recognised, let alone met, even partially.

The technology training needs of unemployed people differ according to their initial education, previous training as well as the industry sector and occupation in which they wish to obtain work. The needs of older women returning to the labour market are likely to be different from those of men in their early fifties who have been retrenched. The technology training needs of displaced blue-collar workers are likely to be greater than those of white-collar workers.

It has been argued that unemployed people who have not had any experience of computers might be discouraged from seeking technology training because they fear formal training, of which they have little experience and are concerned about being embarrassed or looking foolish. Unemployed people may have had negative experiences with learning and so it is necessary for trainers to promote their involvement, interest and confidence.

Research in the UK undertaken by Cassell et al (1988) indicated that although the emphasis of technology training for unemployed people is on self improvement to give individuals more opportunities in the labour market, new skills may extend beyond computing and include new communication and organisational skills. Other benefits from being involved may include the development of social contacts, an increase in self-confidence and constructive use of time.

The training of unemployed people in computer technology needs to reflect their support preferences. Unemployed people may prefer personal contact with training providers to answer technical queries, reflecting a wish for human interaction, rather than using 'flexible' or 'distance' delivery mechanisms. On the other hand the lifestyles of unemployed people may permit the use of training and support delivery by television and radio (perhaps in non-peak hours) and this potential use should be further investigated in program development.

Inappropriately targeted training (which may include general development and personal skills as well as technology skills) for unemployed people without regard to realistic employment prospects may prove counterproductive, reinforcing the unemployed individual's personal feelings of worthlessness and failure if job opportunities do not materialise as a result. Training programs therefore need to be developed on the basis of an assessment of current and future labour market needs.

For unemployed people seeking work, support is necessary to assess not only training needs but how to plan careers, identify suitable jobs and be successful in applying for them.

Unemployed workers may require to learn new technology skills for job search, particularly if:

- jobs are advertised on the Internet;
- application forms have to be submitted electronically; and
- tests using computers are required.

- *Access to technology*

Access to computers appears problematic for unemployed people who do not have a computer at home. Whilst public access points are available, appropriate training and support is generally not provided at such locations. Educational background and costs associated with access may deter unemployed people accessing computers at public places (eg libraries). Some unemployed people with low literacy may not normally visit a library and feel uncomfortable in such an environment.

There is a need to ensure access is appropriately sited at points which are convenient, familiar and currently used by unemployed Queenslanders including community centres.

An OECD report examining investment in human capital (1998) suggests that although there is no way of measuring the exact degree to which family spending contributes to the creation of skills and competencies. The availability of computers in the home is one indicator. A major purpose of personal computers is education and informal learning. Consequently, disparities in home ownership of computers may have considerable consequences for educational achievements. The presence of children in the household and the educational uses of personal computers may be a critical driver to acquisition.

- *Cost a barrier*

Unemployed people may not have the disposable income to purchase computing equipment for use at home. Cost may represent a barrier to uptake. Although prices are falling because of the reducing cost of technology and because of increased competition in computer markets it is likely that ownership of personal computers will remain in the domain of middle and high earning households for some time to come. Lack of ownership of computer technologies in lower income households however does not necessarily reflect lack of interest.

There is a need for equity of access to computer technology regardless of economic situation. Employment and training programs should be designed to ensure that the cost base for the development of computer skills is appropriately targeted to meet lower income needs and that strategies are in place to reduce and defray the costs of access and use.

7.4 The Queensland Department of Public Works

has taken several initiatives to meet the training needs identified in the report. The Department has a diverse workforce spread over a wide range of industry and occupational groupings. The average age of the Department's workforce is 40 years and approximately 26% are 50 years or

over. The Department has established that a critical factor in maintaining a skilled workforce is the fostering of lifelong learning attitudes and capacities. To quote:

In the Department's experience, gaining and maintaining a contemporary skill-set in the use and application of emerging technology, particularly information technology, is often the key consideration affecting the employability of older workers.

This experience has been particularly noticeable in the building and construction related trades and professions. In many cases, the core skills and competencies required by industry have changed significantly since the time that many older workers originally gained their professional, trade or technical qualifications. These workers must develop new skills, or find themselves unable to compete effectively in the employment market.

7.5 Casualisation of the workforce – training implications

In Australia the 'level of non-standard employment is in excess of most European countries with the possible exception of Spain' (Mangan, 1999).

The implications for public policy are in terms of 'income distribution, job stability and issues relating to the provision of training and workplace health and safety' (Mangan, unpublished paper, 1999).

Queensland has higher rates of casual employment than Australia as a whole and it has already been noted that underemployment is a problem amongst mature age workers in Queensland. Mangan further notes that:

In an institutional sense, the cultures of most workplaces still see non-standard workers as peripheral and as a result do not fully include them in their training and development plans.

Whether non-standard working arrangements will encourage or hinder training for the workforce as a whole will depend largely upon how the potential conflict between labour force flexibility and skill enhancement for employees is managed and the role governments are prepared to play.

Increased casualisation may affect the type of training which will be undertaken in the future, with implications for the mature age casual or part-time worker's future employability. Many mature age workers who were retrenched in a downsizing process were subsequently re-employed as casuals. As casuals they are unlikely to receive on-the-job training, as they are not seen by employers as a good risk for return on investment. At the same time many of these workers are less likely than younger ones to take on formal tertiary training as they tend to lack the entry qualifications and they do not have a background of successful experience in training to give them the confidence or motivation to enrol.

Mangan states 'it is likely that technical and vocational training that requires on-the-job experience will decline, while formal tertiary and on-campus training will expand.' As seen above this may further exclude the mature age worker from the kind of training needed to remain or become 'job ready' or employable.

To address the need to improve and/or sustain levels of employability for mature age non-standard employees the federal Government has a role to play in co-ordinating and supporting training for non-standard employees possibly through funding, subsidies and other incentives.

7.6 Low levels of literacy and training needs amongst the mature age unemployed

The Australian Bureau of Statistics released the *Aspects of Literacy Survey* in 1997 showing that almost half of Australians aged 15-74 (6.2 million) have poor or very poor prose literacy skills. Another 35.3% (4.7 million) could be expected to cope with many of the demands of daily life but not always at a high level of proficiency. Seventeen point five percent (2.3 million) have prose literacy skills of a high order. Similar results apply to document literacy and quantitative literacy (using numbers embedded in text). Twelve per cent of employed people have level I skills and 22% have level 4/5 skills. For unemployed Australians the corresponding figures are 30% and 11%. In Queensland ABS unpublished data show that 10% of employed people had level 1 skills and 22% had level 4/5 skills, while for unemployed people the corresponding figures were 28% and 9%. It is therefore likely that amongst the mature age unemployed there are at least 30% in need of literacy training.

8.0 POLICIES AND STRATEGIES IN THE OTHER OECD COUNTRIES

Populations in European OECD countries are also getting older although currently the bulge of baby boomers of working age are supporting a smaller proportion in the older age group. By 2020 in most OECD countries the baby boomers will have reached retirement age while the working age population will have reduced. People are living longer and the working life-span has been reducing with later entry and earlier departure. It is expected that the working age population could fall by as much as 24% in Germany and 18% in Italy by 2030 (OECD, Social Policy No 20).

The risk to living standards and of the perceived possibility of intergenerational conflict are being addressed through comprehensive government strategies which include promoting incentives to reduce early retirement and equally incentives for older people to remain in the workforce. Education campaigns to ensure that employers and employees are aware of the respective benefits of encouraging older people to continue with at least some form of work after usual retirement age are being conducted in most European OECD countries.

Within the region most major countries, while moving slowly towards the projected populations pyramids of the European OECD countries, will not experience commencement of the population ageing process until at least 2050. However, according to the January 1998 edition of *Japan Access*:

Faced with a decline in its birthrate and the realisation that it has the world's highest life expectancy for both men and women, Japan has become the world's most rapidly ageing society.

In 1995, each Japanese person over 65 was 'supported' by 4.4 persons in the so-called productive age bracket, by 2025 this will change to 2.2 persons in the so-called productive age bracket. These figures reflect the very rapid ageing of the society, caused by declining birthrates and, to a much lesser extent, by the expected growth in average life expectancy.

Japan is taking an integrated, whole of government approach in six areas 'administration, budget, social welfare, the economy, finance and education.' Japan plans to produce, for example, 'education appropriate for the ageing society, training programs for those with special talents in the fields of science and technology.' (Japan Access, January 1998) The population pyramids for Japan to 2050 (US Census Bureau) are enclosed. (attachment 4)

9.0 CONCLUSION

Given the magnitude of the problem of mature age unemployment in Queensland, especially in the area of long term unemployment, it is clear that the Commonwealth must adopt far ranging new policies. Suggested areas for immediate focus are:

- *An education campaign for the whole community but targeting in particular employers and employees;*
- *Labour market programs which include training opportunities to respond to the diversity of needs of the mature age workforce in the knowledge economy as well as employer incentives for employing and training mature age workers;*
- *Support for research to identify examples of best practice in managing so as to benefit from a diverse workforce including the mature age worker;*
- *The Australian Public Service, in conjunction with the states, be asked to develop exemplary human resource management practices with respect to older workers in order to 'lead by example';*
- *Support for research into the real costs of mature age unemployment (social, economic and personal);*
- *Investigate the potential for co-operative research and strategy development with Japan;*
- *That support be given to initiatives to develop specific new life-long learning programs for older people focusing on information technology;*
- *Research be supported for an assessment of the potential adverse effects of casualisation on employer provided on-the-job training and strategies to ensure access to relevant, appropriate training and education for mature age workers;*
- *Access to appropriate support and training be provided for all mature age people wishing to start a small business;*
- *The collaborative development by Commonwealth and State Governments of a federal Code of Conduct governing management for age diversity including best practice in managing a mature aged workforce.*

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