

29 August 2003



The Secretary  
Standing Committee on Employment and Workplace Relations  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

EMP Inquiry  
**Submission No. 54**

Dear Sir/Madam

#### EMPLOYMENT: INCREASING PARTICIPATION IN PAID WORK

Thank you for the opportunity to contribute to the Committee's inquiry into increasing participation in paid work. Increasing participation is an important part of the Business Council of Australia's (BCA) policy agenda and we welcome the Government's interest in this area.

The BCA recognises increasing our rate of labour force participation is a major policy challenge. We have undertaken research in three key areas with the aim of highlighting the issues and proposing practical solutions. This work has focussed on valuing older workers, better supporting the participation of working parents through work-family balance policies, and reducing the number of early school leavers.

In April 2003 the BCA and the Australian Council of Trade Unions (ACTU) released *Age Can Work: The case for older Australians staying in the workplace*. This report highlighted the fact that for many people early retirement is not voluntary. There are many barriers to ongoing employment and participation.

Key among the barriers identified by this report, from the BCA perspective, was the need for widespread cultural change regarding the benefits of retaining older workers and to address the many false and misleading negative stereotypes about older workers. Achieving widespread changes in community attitudes and perceptions towards older workers requires comprehensive strategies that encompass and involve governments, employer organisations and unions. Recognising this, the BCA recently released *Age Can Work: A Business Guide for Supporting Older Workers*. The Guide aims to increase discussion and debate about the implications of population ageing for business and the challenges facing older workers and strategies for addressing these.

Improving the balance between work and family responsibilities is also an important factor in supporting participation in paid employment. The benefits are both short-term, as parents are able to return to the workforce sooner, and long-term, through addressing Australia's falling fertility rate.

BCA Member Companies, as Australia's largest employers, are well placed to lead the way in implementing work-family policies. Many of our Members have implemented policies aimed

at improving workplace flexibility and better supporting the efforts of employees to balance work and family obligations. These policies were the subject of a recent Member survey and the results will be released in our Annual Review in early October. We will use these to further promote the awareness and development of sound policies and their benefits.

Another area where we need to act to address projected declines in workforce participation is ensuring all young Australians have the opportunity to complete education or training to year 12 or equivalent (that is school or vocational education and training, including apprenticeships, or adult community education). A key finding of a BCA report, *The Cost of Dropping Out*, was that young people leaving school early who do not attain further relevant skills will find it increasingly difficult to attain employment given the increasing requirement for a skilled workforce.

To assist in addressing this problem the BCA strongly supports provision of well-organised, flexible options connecting initial education with work or further study or training. We believe there should be an ongoing and systematic approach to identifying and assisting early leavers from education and training. There needs to be an increase in school, VET and university flexibility to assist participation in education and training.

Please find copies of the above-mentioned reports attached. Do not hesitate to contact me if you would like to discuss these issues further.

Yours faithfully

**MELINDA CILENTO**  
**CHIEF ECONOMIST**