

BHP

Human Resources & External Affairs
BHP Long Products

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

Thank you for the invitation to provide a submission to the inquiry.

BHP's Newcastle Steelworks ceases production this month. There will be approximately 900 over 45's leaving BHP as a result.

The attached report sets out some observations and specific initiatives which we hope will be helpful to your inquiry.

Yours sincerely

Bill Gately
Vice President Human resources and External Affairs

Attach.

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

Summary

This report outlines some of the common responses we have heard from over 45's planning for closure of steelmaking in Newcastle. It also explains the various initiatives taken under the company's "Pathways" programme to assist over 45 workers.

Background

In April 1997 the announcement was made that BHP's Newcastle Steelworks would cease production in 1999. This announcement has led to a major planning and adjustment programme for individuals affected. The programme which early in its life became known as "Pathways", involved employees, unions and management in designing and implementing programmes that would assist. It has, in many of its components, taken into consideration needs of the "over 45's".

Steelmaking in Newcastle ceases production on 23 September 1999 with the majority of the workforce leaving on 30 September 1999

When planning for closure began well over two years ago there were over 2800 employees potentially impacted. Voluntary Resignations, modified work practices and continued adjustments have meant that we now have approximately 2250 people remaining. 450 of these will stay as part of the ongoing business in the Rod and Bar Mills. This leaves an estimated 1800 employees directly affected. The average age of these employees is 42. The vast majority are male.

Of the 1800, approximately half that number are in the category of "over 45' covered by the inquiry.

We would anticipate the following pathways being taken by those people

Age Pension	30
Other retirement	200
Disability Pension	50
Small Business	70
Education	50
Immediate Job Search,	300
Job Search following significant break.	200
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TOTAL	900

The issues of age

Through a peak consultative team, the Transition Steering team, a consultative process was set up with employees, union and management to address issues of closure. This team signalled a number of the problems that were faced by the over 45's and became a sounding board for the programmes which addressed these. The Human Resources department has taken an active role in developing and implementing programmes to address these. These have been run by BHP personnel as well as by external professionals in specific areas.

Following are some typical concerns that have and are being faced by "over 45's " with comments on the response that BHP has taken to assist. By and large they represent legitimate and often expressed fears of people who see age adversely affecting them. The closure of the Steelworks has put this issue starkly in front of people. There have been dramatic positive moves by many. On the other hand there have been responses of anger and blame. And just days away from closure, there is still a minority of over 45's who have barely moved towards answers.

Some typical comments;

- *I'm too old, no-one will hire me*
- *It's not just my age. I'm not fit for work any more.*
- *I'm not good with English but I am too old to change*
- *I am too old to change. My skills are out of date.*
- *Forty five ... If I'm going to change its now or never.*
 - *I really want to work in ..*
 - *I have this idea for a small business. Is it for me?*
- *I'm at an awkward age, Should I retire? Should I work? What should I do with my package?*
- *Its not the money I'm worried about - but I'll go mad if I'm not working.*
- *You'd think at 45 Id be able to work this out myself.....But I'm a mess. All the stuff I've got on my plate and now closure!*
- *I'm 45 and have never been for an interview in my life. I've never needed a resume but now*
- *Forty five, kids, family ties....Moving from Newcastle is too big a leap.*

I'm too old, no-one will hire me

This comment has been made by some people under 40 but is generally more something heard in the over 45's. The biggest problem area appears to be in the early 50's where the perceived chances of employment in Newcastle are slim and where retirement is still too far off to consider seriously. The Transition Steering Committee specifically highlighted this perception in the workforce and asked that it be attacked directly.

Key initiative

"Over 40's Workshops"

The concerns were addressed directly via a series of workshops. These had two components.

- The first, facilitated by a psychologist, aimed to have participants acknowledging their concerns and fears and sharing these.
- The second part, developed and facilitated by experienced NSW Mature Workers Programme personnel opened the group to new work possibilities.

There were over 25 workshops which reached over half of our over 40's population. Some employees have since spoken directly to Mature Workers programme personnel to seek individual assistance. Feedback from the workshops was very powerful. Many who were undecided on their futures made positive decisions as a result. Others were at least "shaken and stirred."

It's not just age. I'm not fit for work any more.

Key initiative - Referral for employees with work restrictions

Disability pension applications handled on site by Centrelink.

Over 60 employees have to date taken advantage of intensive case management of their job searches. These people have a variety of physical and other restrictions which, apart from their age, will present a barrier in their chances of finding work.

Intensive assistance has been provided by Castle Personnel and by CRS Australia. Assistance includes assessments of restrictions, advice on career preferences and abilities, finding suitable job placements, resume and interview assistance and in some cases, on the job training support. Referrals will continue after closure. The referrals are backed up by any retraining needed to achieve the chosen outcome.

Some examples of successful placements to date include, retail hardware, laundry, nursing, and security. Others under way include aquaculture, Council Rangers, chemical plant operator and gardener.

BHP and Centrelink have worked together to set up a Centrelink site office. This commenced in August and has to date served more than 700 BHP customers as well as some contractors affected by closure. The office has pensions and Newstart officers as

well as a full time Disability Support Officer and part time Medials Officer to assess disability claims where there are serious work restrictions.

Centrelink is using the "Job Seeker Classification Index" to assess levels of support needed. In some cases support would generally not be available until the Newstart waiting period has been served. BHP has undertaken to commence intensive assistance earlier than this for any employee in this category who requests this. The undertaking gives the equivalent of 6 months intensive assistance to eligible employees.

I am too old to change..... I'm not good with English.

Key initiative;

Literacy support, translations and individual tuition.

BHP has provided access to literacy training for many years. With closure, the need for access to literacy assistance becomes more immediate. Few people have taken up long term literacy training options. Access has been made to interpreter services for financial, Workers Compensation and Centrelink advice. Translations of the key Transition newsletters have been done.

A number of people who identified needs for specific training have received personal tuition to obtain licences and WorkCover qualifications.

I am too old to change.....My skills are out of date.

Key initiative;

Retraining through personal action plans, referral to Labour Hire

Personal Action plans allowed each person affected by closure to discuss fully their work situation and gain support in retraining to a position outside the Steelworks. Any people have taken the opportunity of improving their work skills in related areas such as plant operation or in transport and warehousing. There are also dramatic examples of a shift away from this including careers like massage therapy, aquaculture, hospitality and retail sales.

Access to labouring positions has shifted to casual and part time work, much of it accessible through the many labour hire firms in Newcastle. Employees wanting to remain in this line of work have are advised to strongly consider labour hire option as a way of remaining in this type of work. Our perception is that traditional unskilled labouring work is less readily available than it was. Those labourer/operators who have not re-skilled either through Job model retraining or pathways will find job search very difficult in Newcastle.

Forty five ... If I'm going to change its now or never. I've had this idea for a small business. Is it for me?

Key initiative;

Small Business training through Business Enterprise Centre

The Business Enterprise Centre in Newcastle has run Small business introductory and more comprehensive training programmes for people considering this option. In addition a course on "How to be as successful consultant" has been run. A number of senior management personnel intend to take the specialist skills gained at BHP and market them outside following closure.

Forty five ... If I'm going to change its now or never. I really want to work in

Key initiatives;

Personal Action plans, Career Planning workshops, Job Search workshops, Teacher training

It seems that the announcement of closure coincided with, or in some case precipitated some "mid life crises". Many people took the opportunity to reflect on what was happening and make some decisions about what they now wanted to do with their work lives and lifestyles generally. A number of Pathways initiatives assisted this.

Career planning workshops of 4 hour duration allowed people to assess their interests and aptitudes. It also gave them an overview of the change in the nature of work, especially in the Hunter so that they would be better able to choose a path that would lead to employment.

Allied to these, every person who wanted to could then develop a personal action plan. These plans included a complete step by step review of a persons plan from

1. Clarifying future direction
2. Financial and lifestyle planning
3. Work record and references
4. Work Experience
5. Personal development needs
6. Training and Education
7. Job search assistance

Directions chosen have been diverse and have included areas such as OH&S, business management, massage therapy, aircraft restoration, workplace training and financial investment

In addition there has been a joint initiative between BHP and the University of Newcastle and the Department of Education to help cover shortages in design and technology teaching. BHP has funded approximately 70 people (many of them over 45) to become design and technology teachers. This training upgraded existing trade skills, experience and on the job instruction experience to Diploma of Education standards.

More recently BHP has funded approximately 20 people to undertake Certificate training in Cultural and heritage studies. This flowed from employee involvement in the "Ribbons of steel festival". Involvement covers areas such as Photography, heritage tours, garment manufacture, museum and heritage preservation. There is a strong business component to the training which aims to convert the cultural skills into self employment opportunities.

I'm at an awkward age, Should I retire? Should I work? What should do I do with my package?

Key initiative;

Retirement workshops, Financial advice, Centrelink on site.

Over 30 Retirement workshops have been run. These comprehensive workshops cover all aspects of retirement. These two day workshops are run by a professional consultant in the area and hosted by Human Resources personnel. They cover financial planning, health and emotional and psychological issues of closure.

Financial advisers from three major companies have been available on site. Full details of estimated retrenchment packages and superannuation amounts have been made available along with advice on options within BHP's own Superannuation scheme.

Centrelink's site office has allowed age pension claims to be processed on site

Its not the money I'm worried about, but I'll go mad if I'm not working.

Key initiatives;

Volunteering and part time work.

Representatives of the Hunter Volunteer centre have made presentations for those considering retirement as well as others in the "semi retired" category. Many of the over 50's who are not yet ready for retirement are considering these options seriously. For some, part time work is not a forced option but a preferred lifestyle choice.

You'd think at 45 I'd be able to work this out myself ... All the stuff I've got on my plate and now closure!

Key initiatives;

Employee assistance programme, Chaplaincy, Support line via Hunter Institute of Mental Health.

The pressures of closure have been felt heavily by some over 45's particularly where there were pre-existing pressures from other sources as well. This was recognised early in the Pathways programme. The existing Employee Assistance programme has been utilised as well as a Personal support line service which provides free confidential counselling through the Hunter Institute of Mental Health. In addition ITEA has

maintained its service through a chaplaincy which, like the support line will continue to be available for some time after closure.

I'm 45 and have never been for an interview in my life. I've never needed a resume but now

Key initiatives;

The Employment Centre, Workshops

This is a critical issue for most BHP over 45's. They have not had to compete as heavily for positions in the past. Many have not had a resume before and there is little knowledge of interview skills or of how to approach job search. This has been handled in two key ways

1. In the 12 months before closure Human resources staff have developed and run many workshops in

Written applications and resumes

Interview skills

Networking / Job search

2. Recently the BHP Employment Centre has been established to comprehensively support individuals' job search. There has been a major marketing campaign with emphasis on skills and quality. There has been heavy inclusion of over 45's images in this mix, stressing quality of experience rather than age.

The Employment Centre provides individual case management to anyone who registers. It is a voluntary process so far accessed by approximately 600 job seekers. Birth date is not included in registration details but we would estimate that over 45's are proportionally represented in client registrations to date.

The centre will be open till December 2000. It provides ongoing assistance with job matching, resumes, interviews as well as continuing to market BHP people to Hunter employers.

There is a well resourced drop in centre with Job Boards, Job Network touch screen computer, six PC's with internet access, photocopying, phones, faxes and the like.

Forty five, kids, family ties Moving from Newcastle is too big a leap.

Key initiatives;

Transfers within BHP, information on Job Search prospects in regions

BHP has encouraged transfers within BHP and has had placement successes with over 45's to Port Kembla in particular. Removal expenses and initial accommodation is supported for these people and time is given for employee and family to assess the Wollongong area.

There has been a large effort to explain the implications of searching for work in high unemployment region vs low unemployment. Comparisons have been drawn between the several days taken for Sydney Wire Mill people to gain work in Sydney to the several months taken to score work in Newcastle. ie we have deliberately not gilded the lily. Despite this, most people have adopted the position of wanting to remain in Newcastle and try their chances before considering other options.

Conclusion

Pathways has provided many opportunities to work on all the questions they face with closure. It has not been prescriptive. It has not aimed to give false hope but has insisted that positive choices be available. Once people have made their own decisions the programme has supported whatever direction has been chosen. Hard result have I yet to be seen. In particular the litmus test will be how many over 45 job seekers successfully find work.