

***Submission to the Standing Committee on Employment, Education and Workplace Relations re “Inquiry into issues specific to older workers seeking employment, or establishing a business, following unemployment”.***

As a community based, not for profit organisation which won Flex 1 and 3 funding (Job Matching and Intensive Assistance) Pep Employment Services (Inc.) is well placed to observe the impact of unemployment on the target group of this particular inquiry.

For the purpose of determining which issue is being addressed this submission will be broken down into the following subject areas: ‘Social’, ‘Economic’ and ‘Industrial’. This will enable readers to locate information and identify issues more readily. There will however be certain issues which do in fact comprise of all the above and these will be raised at the end of the first part of this submission.

The submission will be in two parts. The first will raise the issues Pep identifies amongst its clients; the second will contain suggestions for strategies to assist in overcoming certain of these issues.

**Social**

Unemployment as a mature age person has some unique aspects. For example it can mean not only loss of income but also loss of many other integral parts of a person’s life. These range from loss of lifestyle, loss of quality of life, loss of expectations, loss of a partner, loss of social status, loss of identity, loss of social network, loss of confidence; the list is vast. Obviously to deal with all this in a small submission would be difficult but it is even more difficult for people who are trying to deal with the collapse of their world.

As unemployment becomes long-term the impact on a person’s life becomes ever more far reaching. Not all have been able to complete paying off a home and some are reduced to selling up as they are unable to continue repayments. If paying a mortgage becomes difficult other social impacts are also deeply felt. The ability to entertain friends becomes a financial issue. Reciprocity is an integral part of friendship and yet people are unable to return hospitality. This is felt as a severe embarrassment by many who simply cease to have a social life.

Once this happens the social network (often a useful tool for gaining employment) dwindles. As the majority of us are social creatures such social isolation leads in-turn to other negative developments. These include depression, low self-esteem (particularly in males who were socialised in the era of the concept of the man being the ‘bread winner’), anxiety attacks, drug and/or alcohol abuse, loss of motivation, anger, mood swings and self-blame. During such times of crisis (and unemployment is, for many, a *life crisis*) relationships can break down, expectations of the future are reduced as many envision a poverty-stricken old age lacking in quality and the ability to chose. In fact, this last statement probably contains one of the key issues within unemployment...*that of choice*.

Unemployed people have a severely restricted ability to choose almost anything,

including lifestyle. Income means the ability to spend which equates to the ability to choose. Dining out, attending theatres, travel, purchasing new white goods, updating a vehicle, buying a child a new bicycle, topping up the petrol tank when petrol is cheap, spending a little extra on 'nibblies' at the supermarket are all choices unemployed people no longer have. The lack of ability to choose impacts negatively on all aspects of a person's life and on their family. It ranges from small everyday things we take for granted to matters which may well have far reaching effects, such as the lack of financial ability to assist children access tertiary education if they wish to. In ways such as this unemployment does impact greatly on individuals and families and their opportunities to achieve their full potential as human and social beings.

The consequences of being locked in to the welfare system are capable of doing long-term damage to individuals. People can and do become dependent on benefits and government assistance. Long-term unemployed frequently believe they are powerless to change their situation, some become fearful of empowering themselves and do not believe they are capable of so doing. In such instances they can be offered opportunities to create change and are unable to utilise those opportunities. Whilst on the one hand they resent what they see as government interference in their lives, on the other they are reluctant to relinquish it as it offers the only form of security they have. People become 'stuck' in a form of 'comfort zone', which offers little comfort in reality but is 'safer' because it is known. To step out of that requires more confidence and self-esteem than some people are able to muster. At times a 'buddy' system may be of assistance so that people can access opportunities they are offered with support until they are ready to stand alone. So great can the fear of participating 'out there' be that some clients experience panic attacks when asked to attend an information seminar. Such instances are a direct result of unemployment and the resultant loss of confidence and social isolation.

Society itself views 'the unemployed' generally in negative terms. Terms such as 'dole bludger' abound so that not only is a person's self image negative, it is reflected back at them via the media and society in general. Our socialisation has been such that we are raised to believe that we will have a job. When this fails or ceases to occur much of our life purpose is removed in our own eyes and that of society. Suddenly we cease to be operative human beings and are seen as being a burden on taxpayers because we are welfare dependent. So great is society's focus on measuring success in terms of employment that it fails to value those who are unemployed no matter what other attributes they may have as individuals. Frequently mature unemployed clients put in what amounts to a full working week undertaking voluntary positions. A range of organisations tap into these peoples' skills and abilities and survive through their efforts. This type of activity undertaken by jobseekers is a hidden factor and one that needs to be made more public so their efforts are acknowledged and given the credit they deserve. Such measures could go a long way towards assisting people to maintain a healthy self-image.

Because finances are severely restricted during unemployment people's lives may become limited to staying at home and watching TV and/or videos. As this becomes

more of a lifestyle the ability to communicate wanes, fitness levels drop, motivation diminishes and, in general terms, life experiences shrink to the confines of the home or what can be vicariously lived through others. People no longer feel they are part of the wider society, many feel they have no place. There is a sense of powerlessness

This sense of social isolation, lack of belonging or alienation from one's society is peculiar to industrialised/highly urbanised centres and was named "anomie" by an early sociologist named Durkheim. In extreme cases it can lead to suicide. It occurs as a direct result of members of a society feeling they no longer have a place, are disempowered, and have no expectations. "Anomie" is what many mature-age unemployed are experiencing.

### **Economic**

The economic impact of unemployment is felt in every aspect of life. Some individuals are fortunate enough to have received a large redundancy package that will enable them to survive comfortably until retirement, however these individuals are in the minority. For the majority, loss of a secure, sustainable income is a severe blow. It adds to the already existing barriers they have in terms of gaining employment via such issues as lack of a vehicle. As unemployment becomes long-term, some will be forced to sell their car as they can no longer afford to run it. Therefore, some employment opportunities are lost because people cannot access the work location by public transport. If they can, it may mean that public transport does not operate at the times needed to arrive at work on time.

As the economic impact of unemployment is closely tied to the social aspects of people's lives many of the issues have been covered to some extent under the previous heading. However some matters which cause hardship are instances such as the lack of financial support for home owners/purchasers who are unable to pay their council rates. Whilst pensioners are able to access reduced rate amounts no such assistance is in place for the unemployed many of whom accrue large council debts or face selling their only asset, the family home.

Mature-age migrants frequently either do not gain employment in their field of expertise due to such factors as lack of recognition of qualifications, lack of transferable/marketable skills, language barriers or indirect discrimination. Many are reduced to becoming outsource workers where they are paid a minimal sum to do such things as sew clothing for a manufacturing company. This enables people to exist but usually does not pay them enough to come off unemployment benefits totally so they are still tied to government assistance which many would rather not have but are unable to live without. These people are 'locked in' to a lifestyle which is barely more than subsistence and from which they can see no escape no matter how hard they try. For such people the barriers are numerous. Because they are migrants, and for people who are visibly different from the mainstream this is more so, there is not only the age barrier but also the aforementioned factors. Many will remain dependent on government assistance as opportunities for them are limited. Thus they will not be self-supporting financially, will

not be able to free themselves of dependency, will not be able to contribute greatly to the market-place as consumers and may not be able to give their children the opportunities they would wish to.

Frequently mature-age job seekers have physically reached a time when they can no longer continue a certain type of employment eg. labour intensive. As result of their employment history or the aging process itself, people often suffer from back and muscular disorders which prevent them from continuing in that line. Many have few options when this occurs as they do not possess the skills required for other employment avenues. Again this affects their ability to earn and become independent of government support. Again their economic future is bleak and therefore other aspects of life are affected as previously discussed.

Many mature age clients are interested in pursuing self-employment. However, apart from lack of skills or a marketable idea, their financial situation is such that they are unable to make this a reality. Understandably they do not wish to risk whatever asset/s they have to finance the venture, they are not so far from retirement age that they feel they can always start again, reality has demonstrated the opposite. In such instances people continue to pursue employment as their only viable option.

### **Industrial**

The industrial factors which impact on the mature-age unemployed are numerous and varied. Pep's clients come from a wide range of employment backgrounds and include several ex-managers from large companies, low-skilled manual workers, newly arrived migrants, university qualified workers, those with administrative and office skills and previously self-employed people. The life circumstances which have reduced them to unemployment are as varied as their backgrounds and range from the down-turn in the mining industry in WA to the 'down sizing' of large companies who have reduced not only staff numbers but have also closed inter-state offices and now only have one 'head' office, usually in Sydney or Melbourne.

Several factors which have created mature-age unemployment appear to be such issues as the privatisation of government services, the amount of positions which require manual work diminishing (eg. factory/labouring positions), lack of manufacturing industries in WA; as result there is increased competition for 'blue-collar' positions with younger people usually gaining the jobs, lack of English language skills appropriate to the workplace (eg. technical terminology), lack of Australian industry/employment experience, down-sizing in both private and government sectors, lack of adherence by employers to equal opportunity (mature workers discriminated against on basis of age, this is both covert and overt), lack of appropriate skills held by mature age unemployed for today's job market and the lack of technological skills which many overseas qualified people need prior to gaining employment here; whilst their qualifications are recognised their country may not have had the technology used in Australia and so they are unable to utilise those qualifications. Added to the aforementioned factors is also lack of diversity in the job market. In Western Australia we have an insubstantial industry base which

tends to fluctuate. Trends point to ‘boom or bust’ scenarios, particularly in areas such as the housing industry (building) and mining. As a country we remain somewhat dependent on selling off our resources and are therefore much at the whim of others in terms of employment in primary industry. This impacts greatly on the labour market. WA would benefit from long-term, sustainable industries to bring down its unemployment figures.

To conclude this section of the submission it should be pointed out that the three areas to be addressed in regard to mature-age unemployed; those of social, economic and industrial factors remain difficult to isolate from each other. A more holistic approach is required to fully address these as each impacts on the other in terms of their affect on people’s ability to reach their potential not only in the workplace but also as successful members of our society. In order to do this it is important to recognise that success does not only exist within the workplace but that people need to feel and believe they have a place in society and a role to play. “Success” is measurable and quantifiable within the workplace. It can also be measured outside that environment via reduced dependency issues, lower crime rates, stable home lives and fewer emotional crises.

### **Suggested Strategies to Assist in Reducing Mature-Age Unemployment**

Push to encourage employers to take on more mature-age staff by: -

- ❖ Promoting maturity as a positive eg. more life skills, experience, more likely to stay on, greater stability.
- ❖ Providing appropriate-skilling’/re-training courses which give hands-on knowledge and experience. An ex-labourer is unlikely to want to learn office skills, realistic and accessible courses need to be available.
- ❖ Locate and encourage via incentives/subsidies employers who *are* willing to take on mature-age job seekers.
- ❖ Ensure training on offer is positive, constructive and useful to employers ie industry specific.
- ❖ Provide effective and practical workplace language training for LOTE job seekers.
- ❖ Measures put in place *before* people are retrenched to ensure an improved ability to compete in today’s job market, ie. re-skilling.
- ❖ To assist people to survive emotionally, low-cost or free quality counselling services.
- ❖ Low or interest free loans to assist those who wish to set up in business.
- ❖ Employer subsidies to cover costs of re-training/re-skilling ageing workers.

- ❖ Greater assistance for migrants to gain technical expertise they may require in order to gain employment.
- ❖ Tighter monitoring of Equal Employment Opportunity practises in the workplace.
- ❖ Council rate and other concessions to be available to long-term unemployed.
- ❖ Mature-age traineeships
- ❖ Skills analysis so that people can identify what skills they have which are readily transferable
- ❖ Raise awareness amongst employers on matters related to mature-age employees eg they do have energy and can be valuable in ‘buddying’ younger workers
- ❖ ‘Buddy’ systems in place to assist people back into the workforce.

### Conclusion

Due to the constraints of time this submission has only briefly and superficially discussed some of the areas of concern to Pep as a service provider and to our clients. However we hope it will be of interest and use to the Standing Committee and will assist in providing information so necessary on this matter. One client load of approximately one hundred clients has a ratio of thirty two percent who are over forty-five, of these thirty are male and several are in their late fifties and early sixties. We are therefore familiar with the issues confronting this age range and are concerned about their limited opportunities and the negative impact of this on their well being.

In conclusion we wish to reiterate that the effects of unemployment on mature-age job seekers need to be addressed holistically as they are all felt and experienced as a direct result of job loss. The majority of these clients wish fervently to be employed and deal daily with the frustration of rejection along with all their other issues. In order to reduce their stress and alleviate some of their need we must have effective structures in place with which these people can be assisted. This means not only industrial/workplace training but also mediation, quality family and individual counselling which is accessible and affordable as people adjust to a change in lifestyle. Training provided must meet needs in the private or public sector so that there is a *real* opportunity to gain employment at the completion of a course.

Pep Employment Services (Inc.) wishes to thank the Standing Committee on Employment, Education and Workplace Relations for the opportunity to contribute to the Inquiry and hopes its contribution will be taken into account during the decision making process.

