

To The Secretary
House of Representatives Standing Committee on Employment,
Education and Workplace Relations.

From: Keith Stockley
6 Gemas Place
ST IVES CHASE
NSW 2075

Dear Sir,

EMPLOYMENT OF MATURE WORKERS

I am a new emigrant to Australia (two months) aged 63 years. Having been self-employed for the past 20 years or so and one of my companies employing over 390 people, I would like to contribute to your deliberations.

My story may be long-winded and inappropriate, but I have had some experience of the problem of mature employment as an employer and I have come into direct contact with facilities for self-employment in Australia which I believe may be of value.

These comments are not submitted for any personal reasons, but because I think they may be of some use. They are of no use and/or it is none of my business so I honestly do not expect a response from you.

1. It is the case in just about every country that when you reach 40 years of age you become basically unemployable. When you reach 50 yrs forget it! In South Africa from where I have come, I used to fill as many executive/senior positions as possible with older people.

My reasons were simply that these people once they reach an older age, realise that they are unemployable and consequently tend to be much more loyal. They worked harder at their jobs, they gave more of themselves and generally stayed until retirement age.

In addition, with the acceleration of technology, key employees needed to be sent on training courses in technology, industrial relations etc. and this was an expensive process. Older people often had already been on these courses and accordingly saved money by employing them.

I speak as a generalisation of course and I certainly don't overlook the importance of individual productivity as a factor.

2. I found that when I employed personnel in the 25 to 35 years age group in key positions, they were normally worth employing them, however, they seldom stayed for longer than 3 years, moving on to bigger and better salaries and/or prospects. Their loyalty span, in general, was a lot less than the older person.

I therefore suggest to the Committee that it might be useful to carry out a survey amongst specific employers (the bigger guys) along the lines of collecting information on people employed as to age, starting dates, termination dates, cost to the business during the stay with the business etc.

Obviously, self-employment if jobs are not available, is one of your areas of enquiry. In this regard, I may tell you something now which will surprise you.

Being in the category of potential self-employment, I have over the past two months tried to ascertain what may be required of me as a small entrepreneur. For example, in South Africa, people are totally afraid of starting their own business because of the huge volume of bureaucratic infrastructure that has to be circumnavigated.

There are six registrations with government necessary such as Unemployment Insurance, Workmen's Compensation, VAT, PAYE etc. etc. Skilled artisans such as plumbers and electricians, for example, may be excellent at what they do, but the enormous amount of "red tape" scares them off completely. The current labour laws in South Africa are also a frightening factor.

I am ignorant of the "red tape" required in Australia. This is the surprise! because for two months I have been trying to find out what may be needed, and have been unsuccessful in so doing.

I was enormously impressed at the breadth and depth of the information available when one looks in the telephone directory. If one wants to learn about almost anything, there is a department or organisation one can telephone. It was really impressive.

Unfortunately, the availability of information on certain employment and self-employment opportunities simply doesn't meet up with the window display. I only speak of course in regard to the specific areas of activity in which I have been involved.

Firstly let me say that my enquiry to the State Revenue service produced three very helpful manuals, however, that's about where everything stopped.

An enquiry about child-care/kindergartens was made. My daughter and I are highly qualified in certain areas, however, it was suggested that any teaching qualifications be assessed by the National Office of Skills Recognition. They referred us to the Dept. of Community Services who referred us to the Dept. in charge of Education Employment and Training. They asked my daughter to send her application in for assessment (although we have been informed by one lady - a teacher from New Zealand - that this process takes 7 months). However, it was noticed that adverts for teachers state specifically things such as "Wanted K2 teacher" or " K6" etc. An enquiry of the Education dept. of Employment as to the exact meaning of these symbols produced no-one able to explain it!

Please do not mis-understand, this is NOT a complaint! This is just stated for information.

Also for information purposes, I can tell you that "information packages" regarding Child Care Centres (setting up or taking over one) with information on registrations and legal requirements are according to the telephone Directory , available on request. So far we have been unable to find anyone able to send us such a package.

The point behind all this is that should the government decide to say "guarantee" a bank for financing the start of a new business by a mature person (obviously only to approved applicants who meet with specified conditions), it may be necessary for government to simultaneously establish special departments to assist with the "paperwork" and to provide adequate information to enable such businesses to get off the ground.

In summary, therefore, as an outsider who is more ignorant than knowledgeable I suggest the following:

1. That the government initiate statistical surveys of larger employers to establish the value or otherwise of employing predominantly 25 to 35 yr olds rather than more mature people.

This is suggested not so much as to encourage companies to employ older people but to get them to voluntarily realise that there is merit and value to maybe revising their employment policies.

I am all for the enthusiasm of youth, but if you add some of the wisdom of age, you will have a combination which is powerful enough to move mountains, and as we all know, the mountains are out there.

2. That because of the advantages overall offered to business by mature people, that a low-key marketing programme be undertaken to point out the advantages.

3. That incentives be considered for businesses that employ people over 40 yrs of age. (Taxation, allowances or what have you).

4. That government consider the possibility of assisting mature people to start a new business, perhaps by means of bank guarantees, according to specific and stringent conditions.

5. That in the latter event, a department be established to provide information on infrastructures as well as practical help with the "red tape" involved in getting a small business of the ground.

As a matter of interest some of the Small Business Centres (no names or packdrill) are positively rude when asked questions they cannot answer.

It is a well known fact that people tend to look to the government to look after them when they reach pensionable age. It is also a wellknown tendency for the retirement age to be reduced from the traditional figure of 65.

This puts impossible pressure on unemployment funds and superannuation, neither of which can possibly provide sufficient to meet the needs of a group of former tax-payers that is growing in size annually. This clearly puts pressure on the Treasury to provide more funds, which must result in higher taxation - yet another reason perhaps for business to seriously rethink its situation concerning mature employment?

Once again, I emphasise that I am not writing this letter out of personal spite, especially as someone who has never contributed one cent in tax to Australia as yet, but it is written out of empathy with the group of people concerned.

Yours faithfully,

K R STOCKLEY