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SUBMISSION TO

House Of Representatives
Standing Committee on Employment,
Education & Workplace Relations.

Inquiry into social, economic and industrial issues
specific to workers over 45 years of age - seeking employment
or establishing a business following unemployment.

I refer to your Inquiry into social, economic and industrial issues specific to workers over 45 years of age -seeking employment or establishing a business following unemployment and wish to contribute by highlighting a number of key issues.

As a precursor to my submission I am mindful that a lot of what I will be saying may be dismissed as *Job Network bagging*, however that is not my intention. I fully support the competitive and outcome driven nature of the Job Network system which rewards organisations for performance. However within that environment there are inherent problems that work against mature unemployed people and through my paper I will be trying to expose them in order that they might be more fully investigated and where appropriate, corrected.

Accountability

- (accountability) seems lost in the operation of Job Network (which to simple people like myself, I thought was supposed to be a commercial mechanism to put the unemployed back into jobs),
- there should be a greater emphasis on **finding jobs**, there seems to be too much emphasis on giving people job search skills rather than just finding them jobs,
- the youth culture in society is perpetuated into Job Network with Job Network agencies paid on outcomes. Easy outcomes are youth with economic packages attached to them. Prof Encel summed the situation up in his evidence (Public Hearings p28) when he said, *"if older people are the toughest ones to employ then clearly they are not going to be terribly welcome as far as the network agencies are concerned"*
- my major criticism of Job Network is that there are no means to hold Job Network agencies accountable for **non performance**,
- true, agencies are paid **on performance**, but they are not held accountable for **non-performance**,
- in my own case, during 12 months of intensive assistance my case manager only ever referred me to one casual position (for which I was less than qualified for),
- when I formally raised the issue of non-performance, I was given a stereo response which extolled the virtues of the Job Network system, but (which) deliberately avoided the question of accountability,
- even under the terms and conditions of the new Job Network tender round, the question of accountability is avoided,
- if it is deemed necessary to make Job Network, outcome related, I would like to see a penalty clause inserted whereby (for example) Job Network agencies refunded 3/4of their up-front fee if they can not place a client into employment within the 12 month period,

Job Network Tactics - towards 50+ Mature Age Unemployed (MAU's)

- the approach seems to be - if you can't 'move' them - **park them**,
- Case Manager providers will take their up-front fee then 'negotiate' an activity agreement that is both demeaning and difficult to fulfil,
- then after 3 months they will advise over 50's of their 'right' to opt-out of their activity agreement,
- the net effect being, they –
 - keep all the up-front fee,
 - remove an 'oldie' from their books,
 - get a new client with a new up-front fee,
 - if its an 'oldie' repeat the process,
 - if its a 'young'n put then into a traineeship,
- I know of people who have been put into this situation and note that Mr Powers from the Sydney Area Consultative Committee admitted this practice existed in his evidence (Public Hearings p 104)

Information

- Centrelink and Job Network agencies are quick to point out your requirements re reporting, job searching & declaring income earnings,
- but they seem very reluctant to advise you of your rights/entitlements re:
 - redress from Centrelink for under-payments,
 - your right to access up-front funds for training, job search etc,
 - your freedom-of-information rights,
 - any rights to seek redress for non-performance (by Case Managers),
 - there is no explanation of how the Job Network system is supposed to work to put people back into employment,
 - no explanation of how clients can negotiate an activity agreement (including how to negotiate for the case manager to also undertake certain activities),
 - no explanation of the performance benchmarks Job Network providers are supposed to achieve,
 - no explanation of the transition process from Flex 1 to Flex 3 (or from job search to intensive assistance),
 - no explanation of what happens after 12 months on intensive assistance (and how a person can re-negotiate to go back into case management if they so choose),
 - no information on the merits of Job Network providers from which rational assessments can be made on their various capabilities (or their special qualities in providing intensive assistance), (eg comparative performance figures, outcomes based on special groupings and/or age groupings)
- it disturbs me that both Centrelink and Job Network providers prey on their intimidating effect on the unemployed,
- this is particularly so of MAU's, many of whom are in a vulnerable situation, in need of the support benefit, with little experience at dealing with government (and its agents), and, who are effectively bullied into toeing-the-line,
- for my part, because of former government involvement and through my interest in the employment industry, I learnt through various discussions with Centrelink, the Job Network providers, DEWRSB, the Minister's office, my work at DOME, preparing a Job Network Tender and researching a submission for your Committee - how the "system" operates and how people could make it work for them. But it has taken me 18 months to arrive at my present level of understanding.
- I would like to see a series of unemployment advocates set up in each state (perhaps funded by DEWRSB) but offering independent advice to Job Network customers on their rights, obligations and entitlements.

Employer attitudes

- I too have been advised that I was over-qualified for many jobs I have applied for,
- but I had a new twist to the story the other month in a discussion with a (new) Job Network provider when I was told they would prefer not to take me on because my CV was too intimidating for the companies they deal with,
- the provider advised me she would not forward my CV to an employer where it appeared I might know more than the boss,
- in effect she was saying (that in order to maximise her chances of getting an outcome) she would only refer candidates (to an employer) where the candidates were less intelligent than the employer,
- so much for utilising the wealth of knowledge among the unemployed to revitalise and improve the competitiveness of industry. Job Network has reduced employee assessment to the lowest common denominator - in the pursuit of outcomes,

Training

- I notice there is much comment in submissions concerning the relationship between those skills that MAU's possess and what industry is supposed to want,
- this is given as a reason why so many MAUs can not return to the workforce,
- however I have some difficulty coming to terms with the realities of the situation,
- it is easy to make a broad-brush statement but where is the quantifiable evidence of the situation,
- I know from an analysis of DOME members' particulars that (collectively) MAUs have the full range of contemporary computer packages, have their fork-lift licenses, their first-aid certificates and can throw in decades of experience as well - but still face an uphill battle getting a look-in for a job,
- in a survey undertaken by DOME I note that 36% of DOME members (ie people aged 40+) had completed tertiary studies compared with 37% of all job seekers (and that includes all young unemployed graduates), so on that score MAUs, are comparable to all unemployed people,
- I am the first to admit that many MAUs would benefit from skills upgrading programs (but then that could apply to **all** unemployed people),
- my concern in this area is that *lack of skills* is being disguised as yet another discrimination against MAU's,
- I would be happy to be proved wrong on this issue and in that regard would welcome a quantifiable survey being undertaken to measure:
 - the collective skills of MAU (and compare that with)
 - the skills requirements of key employment industries

Honesty in Government

This is an area of particular concern to me and perhaps goes some way to explaining why there is so much anger towards (all) government by mature unemployed people.

- why will the government not admit there are **not enough** jobs to go around. The Flinders University Dept of Labour Studies advised there were 10.5 unemployed (in Australia) for every vacancy?
- if a contributing factor leading to long term unemployment is a scarcity of jobs - why make the unemployed feel as though they are to blame for their predicament?
- we have a situation in this country (both Federally and at a State level) where government leadership, government fiscal management and government economic management have been euphemisms for 'downsizing' and retrenching public servants,

- is it any wonder that the private sector latched onto the government's 'leadership' role and brought in restructuring consultants to slash and burn the workforce - all in the name of economic rationalisation?
- over the past 5 years governments (of all persuasions) have 'tipped' 200,000+ Australians out of (public sector) positions - and now blame the unemployed for their own predicament,
- the reality is - government were instrumental in creating the problem ∴ they must accept major responsibility for resolving it,
- I note from Mr Sawford's evidence (Public Hearings on 15th July, p83) that 'the guru of downsizing' is now advocating that organisations should reverse those policies and re-build to former employee numbers. Given that government was such a fervent disciple of economic rationalism, and, now that that policy has been discredited, can the Committee seek an assurance from all governments that former staffing levels will be restored?

Assurance of Implementation

I don't wish to be seen as too cynical on this issue, but I have looked at some previous government sponsored papers on the subject of unemployment (and in particular mature age unemployment), namely:

- the 1983 Bureau of Labour Market Research, *Changes in the Australian Labour Market for Older Workers*,
 - the 1984 Victorian Government study *Older Unemployed - the Hidden Statistics*,
 - the 1986 Social Security Review, *Too Old for a Job, Too Young for a Pension*,
 - the 1988 HOR Steering Committee report, *Getting to Work*,
 - Brian Howe's 1990 report, *Reforming Income Support for the Unemployed*,
 - the 1993 *Innovative Solutions to Long-term Unemployment*, report,
 - (and) the 1995 Coalition's document, *Pathways to Real Jobs*,
- and note that the same recommendations continue to be made (over and again) to improve the lot of mature aged unemployed people,
 - specifically:
 - the 1983 Bureau of Labour Market Research report, *Changes in the Australian Labour Market for Older Workers*, recommended:
 - "thought ... be given to mounting a publicity campaign extolling some of the advantages of hiring older workers" and noted:
 - "be emphasis towards youth in CES operations"
 - "most older workers who loose jobs and continue to search for employment, experience very long periods of unemployment"
 - the 1984 Victorian Government study *Older Unemployed - the Hidden Statistics*, noted:
 - "older workers who become unemployed generally remain so for significantly longer periods"
 - the 1986 Social Security Review report, *Too Old for a Job. Too Young for a Pension*, noted:
 - "older people do tend to face blanket exclusions from (job) opportunities"
 - "there is ... a general reluctance on the part of employers to hire older people"
 - (and) older people are subject to "pressure to accept retrenchment"

- the 1988 HOR Steering Committee, *Getting to Work* Report recommended: tea community education campaign (for) middle age workers ... be developed through the CES".
 and noted:
 - "there are currently some 450,000 more unemployed ... than there are job vacancies"
 - "middle age people seeking to enter ... the workforce are assessed primarily on their age"

- Brian Howe's 1990 *Reforming Income Support for the Unemployed* Report recommended:
 - "special additional support for the older unemployed
 - "a more active approach to getting older job seekers ... back into the workforce"
 - "providing more adequate, equitable and realistic income support for those with few employment prospects"
 - "a long-term strategy to change community attitudes towards older people ... in the workforce"
 and noted:
 - the "futile job search exercises" for mature age workers,
 - "employer prejudice against hiring older people"

- the 1993 *Innovative Solutions to Long-term Unemployment*, report noted " that for a substantial number of unemployed people, secure full time employment is not an option in the foreseeable future"

- the 1995 Coalition's *Patways to Real Jobs* document recommended:
 - "ensuring that people aged 45 years have immediate eligibility for ... case management when they register with the CES"
 - "assisting mid-life and older persons to re enter the workforce after the experience of retrenchment or unemployment by equipping them with skills which will increase prospects of employment

- having obtained copies of all publicly released submissions to this Inquiry I also note that similar recommendations are being put by individuals, industry members and those offering services to MAU's,
- (and I have no doubt) that similar recommendations will be made by your Committee after you have taken on board all your evidence,
- the point I want to make here is that discrimination against MAUs (in every form) has been credibly documented for the best part of 20 years and is still going on!!,
- and every time it is documented, and brought to governments' attention, **it is ignored**,
- what I want to know is - *when can we, the mature aged unemployed, expect that recommendations, to redress inequalities in the system, WILL BE IMPLEMENTED?*
- (and) what assurances can this Committee give MAUs that **your** recommendations will be received any more favourably than past recommendations,
- in other words, **where is the government resolve to address this issue!!!**

Let me finish by re-stating an earlier qualification; this paper has not been written just as a criticism of Centrelink or Job Network. It is intended to highlight inherent problems in the system that work against mature aged unemployed people in order that they might be more fully investigated and where appropriate, corrected.

I thank you for your attention in this matter,

Keith Hope