COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON EMPLOYMENT AND WORKPLACE RELATIONS

Reference: Employment: increasing participation in paid work

FRIDAY, 6 FEBRUARY 2004

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HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON EMPLOYMENT & WORKPLACE RELATIONS

Friday, 6 February 2004

Members: Mr Baressi *(Chair)*, Mr Bevis, Mr Dutton, Ms Hall, Mr Hartsuyker, Mr Lloyd, Ms Panopoulos, Mr Randall, Ms Vamvakinou and Mr Wilkie

Members in attendance: Mr Baressi, Mr Dutton and Ms Hall

Terms of reference for the inquiry:

To inquire into and report on:

Employment issues in both rural/regional and urban and outer suburban areas, with particular reference to:

- Measures that can be implemented to increase the level of participation in paid work in Australia; and
- How a balance of assistance, incentives and obligations can increase participation, for income support recipients

WITNESSES

Committee met at 9.15 a.m.

ARNALL, Mr Peter John, Social Coordination Manager, Logan City Council

KELLAR, Mr Gary Russell, Chief Executive Officer, Logan City Council

CHAIR—I declare open this House of Representatives Standing Committee on Employment and Workplace Relations hearing into participation in paid work and welcome officers from the Logan City Council. The proceedings today are formal proceedings of the parliament. Although the parliament does not require witnesses to give evidence under oath, they should understand that these hearings are legal proceedings of parliament and warrant the same respect as the proceedings of parliament itself. Giving false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. The committee prefers that all evidence be given in public but if at any stage you should wish to give evidence in private please ask to do so and we will consider your request. I invite each of you to make a brief opening statement about the issues that you think are important to the inquiry. We will then move to questions and discussion.

Mr Kellar—We welcome the opportunity and thank you for allowing us to present to the committee. We have made our original submission, and today we would like to provide you with a supplementary submission. In the short time that is available for us to present to you, I would like to take a moment to introduce Logan, the Logan Employment Task Force and a niche issue that we want to present to you. We are aware that you have a wide-ranging brief, and I am sure you have most of that covered. We would like to address a particular issue that is special to us but not peculiar to Logan City. After my introduction, Mr Arnall will talk to you about a model that has been produced out of some consultation.

The Logan City Council is a local government council in Queensland. Logan City is the third-largest city in Queensland, with a population of 70,000 people. We have a particular interest in employment issues, as a high proportion of our population, particularly in certain areas of the city, are unemployed. We established the Logan Employment Task Force, which is a forum for government agencies, community groups and Commonwealth and state governments to collaborate on employment creation and unemployment-battling projects. There is a particular sector in Logan City that we would like to bring to the inquiry's attention, and that relates to the humanitarian entrant—the refugee—and the migrant population. In our city of 170,000 people, approximately 30 per cent are in the age bracket of 45 to 65. About one in four were born overseas. There are 161 different cultural backgrounds. About one-third of those who are employed earn less than $200 a week. In the three worst affected suburbs of our city—in the centre of our local government area—unemployment ranges between 14 per cent and 17 per cent.

The latest census figures tell us that those living in the areas of Woodridge, Kingston and Logan Central are more likely to be lowly educated, perhaps never having gone to school or at least never having reached year 12; they are likely to be unskilled and seeking employment in labouring or related areas; they are probably newly arrived in Australia, perhaps less than five years ago; they probably have come from a non-English-speaking background; or they may be part of a group, a high proportion of which are of Indigenous background. They are drawn together in that particular area because of the concentration of public and low-cost housing. Our focus on the plight of these groups is just to provide information on that niche to you.

We have partnered with the Department of Immigration and Multicultural and Indigenous Affairs and the Department of Employment and Workplace Relations in a series of workshops to identify ways to help these particular groups. The result has been some innovative proposals to again build on the partnering we have in intergovernmental relations. Peter will now address that issue for you.

Mr Arnall—I would like to expand on the supplementary submission that we made. It shows the action that has gone on after our first submission in August. A lot of work has happened, and I have been personally involved in the negotiations and consultations with the other government departments and the local community on developing a plan and a model for a project that we could actually present to you today. So rather than go into some of the details in the submission, which you will have time to read at a later stage, I would like to go straight into what we are proposing.

To cut a long story short, the biggest single aspect of the unemployment affecting our multicultural sector is that a lot of job seekers are fairly recent arrivals or have gained their qualifications overseas so they do not have recent work experience which they can present to the job networks or to employers. We have narrowed our pilot down to that particular target group, the idea being that there seems to be a lack of job matching of the skills the employer needs in his or her workplace with the skills and training needed for the actual job seeker to be able to be competitive in that employment. So what we are doing at the moment—and I have actually been out this week talking to employers about allowing us to use their businesses as a place of training—is in addition to the workplace model, but it would be much more tailored.

We would be seeking to obtain two sources of funding: one from the Department of Employment and Workplace Relations under the Employment Innovation Fund, which would be operational funds to run the project, and a second grant of funding from the Queensland Department of Employment and Training, which would allow us to provide the actual skills training to the job seekers and also allow us to seek from the employers the particular assessment based training they need for us to help our job seekers obtain work. That way there is a much better match between the skills of the job seekers and the requirements of the job. In a sense, that is a good summary of it.

I draw your attention also to the last page of our submission. This gives a diagrammatic flavour to the model. This is one of the aspects which we would be keen to develop as a best practice. At this stage the model is a draft which I have put together based on my experience from my days of working with Commonwealth Rehabilitation Services as a case manager. I know that this model works in the allied health field, so I have tried to apply the best parts of that to the employment field. There are some similarities between this and what the new directions are for the Job Network agencies from July last year. However, what we are trying to do here is deal with those clients, initially, who are not ready to be serviced by job networks. So we would make them more ready for employment and assistance through job networks if necessary. The crux of the matter is tailoring an individual employment plan for the job seeker based on our knowledge of the employer and the market and our contacts through TAFE, DET or whoever to ensure that the job seeker's skills base is enhanced to meet the job market. Something that came out from the consultations with the migrant sector in particular is that there are so many other non-employment or vocational aspects which affect a person's ability to seek work. Under our model, the case manager, for want of a better word, would be able to at least

identify them and refer them on to agencies such as welfare agencies to ensure that things like literacy aspects, child-care aspects or English-speaking aspects are taken control of. Coordination is the key to ensuring that these job seekers are able to compete in the job market.

Mr Kellar—I would like to just underline that the context of that is that, whilst we are focusing on our particular niche here, we have noticed that it is a usual attribute for the high unemployment areas to have not just a problem with skills matching but also a problem with social skills and life skills.

We believe that there has to be a more than two-dimensional approach. The aim of this model is to bring together all the agencies and community organisations that can help in addressing those other issues which are barriers to people seeking the technical skills to enter into employment. We encourage the inquiry to look into that further. Some organisations are doing very well at addressing those problems in their own niches. One of them is Boystown Link Up, in our area. That is an organisation dealing mostly with young people. It tends to tackle the social problems that those people have first and then move them into employment situations.

CHAIR—Thank you for that and for the additional submission that was presented today. I am sorry that we have not had a chance to go through it. Has any pilot similar to this been run anywhere else?

Mr Kellar—I do not believe so, in this form.

Mr Arnall—No, I do not think so. As I say, whilst this model is tailored to the particular circumstances, the idea of case managers is not new. I am not inventing that at all; what I am trying to do is tailor it to a specific client group. In that sense it is not new but I think it is very innovative in terms of the way we could apply it in our community.

CHAIR—If I understand it correctly, what you are seeking is funding for a pilot and, at the heart of that, funding to employ an employment coordinator whose responsibility it is to put together an employment plan for the city that brings the agencies together.

Mr Arnall—Absolutely.

CHAIR—Do you have an area consultative committee at the moment?

Mr Arnall—Yes, we have the GBACC, the Greater Brisbane Area Consultative Committee, which is available and Margaret Blade, who is also a member of the Logan Employment Task Force, is one of the consultants in this brief as well.

CHAIR—I would have thought your ACC might be doing some of these things at the moment.

Mr Kellar—They are involved in the consultative arrangements of it but the work that has been done here has been largely with DIMIA, the Department of Immigration and Multicultural and Indigenous Affairs, and DEWR. We are not putting our hand out specifically for funding from the inquiry but what we wanted to underline was the fact that some of these projects such as this particular model do not fit neatly into other funding sources. If anything, we would

probably put a suggestion to you that there needs to be some review of how many of those funding programs are administered and how the priorities for funding are established. For example, one area we were looking at was really based on: 'Here's our bundle of money for the year and it is on a first-come first-served basis, whereas we would think perhaps there needs to be a better model for prioritising to get the best outcomes for the money that is available.

CHAIR—The work that you have done involved DEWR as opposed to the forum that you held, which did not—the very first one—if I recall correctly.

Mr Arnall—No, they were involved in both forums.

CHAIR—Do you have a migrant resource centre or migrant information service?

Mr Kellar—We do.

CHAIR—What is their involvement? I do not see them listed anywhere as a partner.

Mr Arnall—In the first forum they were involved. They were invited by DIMIA and DEWR to the first forum and they were there in an open forum. In the second forum, which was the one I hosted earlier this year, an organisation called MEAN, which stands for Multicultural Employment Advocacy Network and MDA, Multicultural Development Association, were a party to this proposal. They were actually involved and they support this particular model as well.

CHAIR—But not in active way the Commonwealth funded migrant information service?

Mr Arnall—Only via the back door at this stage. We also have an organisation—

CHAIR—Twenty-five per cent of your population is born overseas. I would have thought your migrant groups would have been right behind this.

Mr Arnall—They are. We are utilising the local community organisation, which is also federally funded, to run programs. The Logan City Multicultural Neighbourhood Centre recently reincorporated as Multilink Inc. and they are one of the main peak bodies locally who also access multicultural services. In fact, they are the most active agency in Logan. There is one other called ACCESS Inc. and they are also involved in this consultation. They are the two main organisations that work with multicultural organisations in Logan.

CHAIR—In terms of a pilot, what are you looking at? Is it a two-year project? What are the dollar figures? What do you estimate it will take?

Mr Arnall—I am not exactly sure. We would need to develop that in terms of the funding submission. The council would be considering being a partner in the funding arrangements. It may be on a fifty-fifty basis but I am not sure what the council might agree to. It is certainly something that we would consider. In round figures, it would be about $70,000 to $100,000 per annum for this particular project.

CHAIR—Is there any contribution from or involvement of business groups? I was not talking about dollar contribution. There is a pay-off here for them as well.

Mr Kellar—My experience is that they tend to prefer in kind contributions where they may, in fact, be active partners in it through the placement of people in workplace situations and subsiding those sorts of things rather than putting raw dollars into a fund.

Mr Arnall—I would like to clarify the funding. In terms of the actual program operation, it would probably tend to be around $150,000 over two years. That would cover the operational side. I have been working closely with the senior employment officer for DET. The actual training funding would be additional to the project.

CHAIR—You also do not want to be duplicating services, do you? You already have some good agencies there. The coordinator's job is not to replace those agencies and their services.

Mr Kellar—That is how the Logan Employment Task Force works. We do not want to set up another structure, another bureaucracy and another funding body. Everybody has a part to play and a component of the project to deliver. In fact, that is where some of the contributions may come from again in kind through those agency budgets themselves, providing people, time or resources.

Mr Arnall—The coordinating body would be the Logan Employment Task Force but the actuator would be primarily the Logan City Council.

Ms HALL—Peter, I must firstly say that we have a common background. I worked for CRS as a rehabilitation counsellor and did a case manager job. So we have a very common background. I can understand why, when I was reading this, I felt that it was quite familiar and would work. I want to clarify something: you are not asking the committee for funding, are you?

Mr Arnall—No.

Ms HALL—The recommendation that you are making is to do with the way funding is allocated?

Mr Kellar—Yes, we would hope the inquiry, if it is not now, might look at how resourcing for various projects takes place, how the priorities are established and how the bulk funding is provided.

Ms HALL—I think that is a very good recommendation for us to look at. Are there any other recommendations that you are making to the committee?

Mr Kellar—Broadly, what we are saying also is that we believe we have a good model in Logan where collaboration between all the agencies at all levels of government works very well. They integrate into their ordinary operating programs the initiatives that we talk about at the Logan Employment Task Force. We would probably put that forward as a model that could work across the state and across the nation perhaps and could be encouraged. Particularly we know that agency representatives both at Commonwealth and at state level often have some difficulty in convincing their executive ranks of the value of those collaborative efforts.

Ms HALL—What is the age of your work force?

Mr Arnall—There are some statistics included here.

Ms HALL—I wrote a few down from some of the demographics you identified earlier.

Mr Arnall—The mature aged—and we include it here because of the migrant population—is 45 to 65. They represent almost 30 per cent of our entire population. Those born overseas represent nearly 25 per cent of the population.

Ms HALL—I see it here. Thank you. Is it difficult for mature aged workers to find work in Logan?

Mr Arnall—Absolutely, yes. They are a fairly marginalised group. In fact, in the strategic plan of the Logan Employment Task Force the mature aged are one of the high priorities for the task force to look at.

Ms HALL—Are there any local employers that are actively involved on the task force. Are they part of the partnership?

Mr Kellar—Individually, no, but through the Logan Office of Economic Development and interest by the Chamber of Commerce there are connections there. In fact, we have been trying to encourage some individual representative to become involved on the task force. We have not secured one yet.

Ms HALL—They send a representative along to the task force?

Mr Kellar—Certainly the Logan Office of Economic Development is a regular. The Chamber of Commerce keeps a connect with us but they are not regular representatives.

Ms HALL—Is there general community support for the project among the Logan people?

Mr Kellar—Yes. Our biggest project in any year and over the last three years has been the jobs and business expo. Everybody has been involved with that: community groups, job network providers, training organisations, educationalists, and the agencies as well.

Ms HALL—Has council received favourable feedback from the ratepayers about being involved in this project and about the project itself?

Mr Kellar—I think there is something of an apathy in terms of those issues. They know that unemployment is an issue in the city, but I am not sure that the ratepayers generally understand the strategies that have been put to work.

Ms HALL—They are not aware of the task force?

Mr Kellar—They are aware of it but we do not get a lot of feedback on it.

Mr Arnall—And if they were to read the council's corporate plan, it is itemised there as one of our major goals in terms of increasing the employability of our population.

Ms HALL—That is all I wish to ask. I just congratulate you on taking an initiative to improve the employment and economy of Logan.

CHAIR—I am still a bit confused, though, as to why you are seeking a recommendation for a pilot project. You already mentioned there is a fund—the employment innovation fund. Could you not just simply seek funding through that fund now?

Mr Kellar—Our advice is that there are just no adequate funds available to meet the need. Regardless of the merits of the project it would be unlikely to be funded.

CHAIR—Due to what?

Mr Kellar—A lack of funding.

CHAIR—Is it a cap on the fund? You are outside the funding time frame?

Mr Arnall—No, it is simply due to the timing of the fund. Basically there is $4 million over four years Australia-wide. Any project can be funded up to a maximum of $100,000; however, it is first come first served, so in a given financial year you get your application in. We are working with closely with DEWR at the moment and it was made clear to me that, even though the state manager or state director of DEWR may well think it is a wonderful project, if you get that into an application form, which we will be working on in the next few weeks, by the time it gets to Canberra it may well not be able to be funded, simply because the funds are allocated on a first come first served basis.

CHAIR—Perhaps we should look at recommending an examination of the size of that innovation fund bucket and the eligibility for accessing it rather than perhaps pointing to a specific pilot project. Otherwise we will get into pilots all over the country, which is pick and choose rather saying: 'Here's the money. Let's just increase the access to it,' and the quantum amount of money that people can also source.

Mr Kellar—That is correct. Our aim was merely to bring to you that there are models and we think this a good model to perhaps be endorsed. Also, that issue of how you prioritise the limited funding that is there amongst all these types of models really needs to be looked at.

Mr Arnall—And we have made the recommendation here that merit is the way we would be more happy with.

Mr DUTTON—In relation to the figures you have provided, you have the unemployment rate at Woodridge at just under 17 per cent in the supplementary but at 22.4 per cent as at June 2002 in your main submission. What is it at the moment? Is there an upward or downward trend?

Mr Arnall—It does fluctuate, because we have a very transient population because of the socioeconomic group of those people. The other thing I want to say about those statistics is that they do give a false impression to some extent that all of Logan is disadvantaged; that is not true.

You find that even within the disadvantaged sections of, say, Woodridge, Logan Central, Kingston, Loganlea. And there are another six suburbs that are very close that I have not mentioned. When you look at collector districts you find that there are pockets of unemployment even in the more affluent suburbs like Springwood, where there is a pocket with 21 per cent unemployment. So it depends on which collector districts you aggregate. What we have tried to do with the three suburbs that I have presented is make sure that those collector districts are currently well contained within those suburbs, because they do not always line up with SLAs and things like that. So there will be some variation in the figures quoted but, in essence, they are pretty well on the mark.

Mr DUTTON—The only reason I ask is that there is obviously a significant difference. If you look at Woodridge—and I understand the problem with your CCDs compared to you SLAs—you have a figure of 17 per cent compared to 22.4 per cent. That is a five per cent difference and it paints a different picture of where the actual level is. Again, my original question was: is there an upward trend in some of these suburbs, or has it plateaued or is it dropping off?

Mr Arnall—I honestly cannot answer that question. My feeling is that it fluctuates from year to year and depends on the migratory trends of people. Unfortunately, one trend in our population is that as people obtain employment they often move out of the area to somewhere else and then the next flow of unemployed people comes in. So I am sorry I cannot actually answer that.

Mr DUTTON—I understand that, but I guess it is one of the key indicators of whether these programs are working or not. If there has been a reduction from 22 per cent down to 17 per cent it has been incredibly successful, but if it is the other way it obviously speaks against some of the initiatives. So that would be helpful for us to try and determine what some of these projects are doing.

Mr Kellar—One of the difficulties we do have is in finding good measures and good statistics on a regular basis. The publication and gathering of statistics through various agencies is not as accessible as it could be, and it would be helpful if that was better as well.

Mr DUTTON—The other question I have is in relation to a breakdown of some of those statistics, particularly for ethnic groupings. I know that you have representation on the committee but is there a particular ethnic community that does it better than others—for example, are literacy rates and participation rates equal across the Samoan community and the Chinese community? As we go through each of the states to hear evidence, we have found that there is sometimes a difficulty in grouping minority groups together, because some have quite a successful participation rate, and there are all sorts of reasons for that, and some are at the other end of the scale. Do you have a breakdown of which groups are doing better than others, and what lessons we can learn from that?

Mr Arnall—I do not have any evidence to present to you, but I can give you some anecdotal information that Job Network and other providers have given me. For example, the South Sudanese migrants tend to be more educated than the average immigrant in Logan because they got basic literacy and numeracy skills in their own country or in places along the way. They also have a very high work ethic and their culture is very much motivated to get higher-level jobs. So they would be the group that would use employment training schemes as a stepping stone to get

to higher education and higher-level jobs. The largest group, of course, are the New Zealand entrants, many of whom are of Samoan background, and they would probably have a lower level of education than the ones that we are talking about as the largest group in the unemployed regions.

Mr DUTTON—They would not share the same high level of motivation or work ethic that, say, the South Sudanese would?

Mr Arnall—As a pilot, this project is designed to target the more recent arrivals—that is, those who arrived within the last five years—who have no recent work experience and therefore are not competitive in the work market, and to develop a model of job matching skills and training with the employer. That is the crux of it.

Mr Kellar—On the wider scale of things, if we take our model a bit further, we start to say that those groups who have either a social or cultural background that represents a barrier to gaining new skills or to work ethic or those sorts of things need that support, and they could be fitted into that model in another way. They still require a multidimensional approach to their problems, not just skills acquisition.

Mr Arnall—This is why we have chosen three groups, actually. We have the humanitarian entrants, who have been here under five years; the mature aged, who are a priority for the Logan Employment Task Force; and also the broader group of people from culturally and linguistically diverse backgrounds.

Mr DUTTON—What I am getting at is that it is difficult to have one entry point for all of these groupings. Just because they do not come from a white Anglo-Saxon background or are not Australian born we put them into this ethnic grouping, yet they differ in very much the same way that Australian society differs across different regions and factors. I think it is sometimes difficult to categorise all these people into one group. Some are in need of high-level support, while others are happy to go about their business without any support. I do not know if we have any indicators to try to pick that up, instead of dragging everybody through the same program.

Mr Arnall—That would not be the intention. We have two very high profile multicultural organisations which are the focal points of all multicultural activities in Logan, the Logan City Multicultural Neighbourhood Centre and ACCESS Inc., and we host diversity network meetings with these two groups, as well as MAQ and DIMIA, on a monthly basis. They are our source of information and the coordination group for all multicultural information throughout the area. Logan itself employs a LAMP worker, a Local Area Multicultural Partnership Program worker, whose primary job is to make sure the liaison between these organisations is effective. That position is funded by Multicultural Affairs Queensland.

Mr Kellar—And the whole point is to personalise.

CHAIR—Your proposal so far is dealing with the supply side of the labour market, those who are seeking work. What is the employment coordinator for Logan City Council doing in terms of the demand side? Are you attracting and enticing businesses to move into your city at the moment?

Mr Kellar—Yes. There is a local economic development strategy in place, and that has been quite successful at this stage. There is a two-year program of major activities involved in drawing new businesses in and, more importantly, making new land available for industrial development and the like.

CHAIR—Does the coordinator have a role in that as well?

Mr Kellar—The area that Peter coordinates with the employment coordinator—

Mr Arnall—We call her the community employment development officer.

Mr Kellar—is totally involved not only in the employment task force but also any of the local economic development activities. The council actually has an economic development unit, which works with the independent Logan Office of Economic Development on those issues.

CHAIR—Good luck with what you are doing. I congratulate you on the forum that you held. I have been trying to get my area to do something similar to that, so if you do not mind I might get them to contact you at some stage.

Mr Kellar—We are always pleased to share, because we do not say that we are the fount of all this knowledge either. We are quite happy to share with others and plagiarise as need be as well.

CHAIR—The forum that you held with the Department of Immigration and Multicultural and Indigenous Affairs and the Department of Employment and Workplace Relations was a good forum. Well done.

Mr Kellar—Partnerships are the cornerstone of our work.

CHAIR—How much funding did you get for that? Did you get any funding at all, or were they simply players in the process?

Mr Arnall—We just did it ourselves.

CHAIR—So it was funded by Logan.

Mr Arnall—Yes.

CHAIR—Thank you very much.

[9.51 a.m.]

SPARKS, Mr Alan John, Chief Executive Officer, East Coast Apprenticeships

YOUNG, Mr John, Industrial Relations Manager, East Coast Apprenticeships

CHAIR—Welcome. Thank you for meeting with us today. The proceedings here today are formal proceedings of parliament. Although the committee does not require witnesses to give evidence under oath you should understand that these hearings are legal proceedings of parliament and warrant the same respect as proceedings of the parliament itself. Giving false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. The committee prefers that evidence be given in public, but if at any stage you should wish to give evidence in private please ask to do so and the committee will consider your request. I invite you to make some preliminary comments about the issues that you believe are important to this inquiry and then we will move to questions and general discussion.

Mr Sparks—Thank you for the opportunity to address the committee and to expand on the matters already placed before you in my original submission. East Coast Apprenticeships is an incorporated not-for-profit community organisation with considerable expertise in the development, implementation and evaluation of training and employment initiatives. The organisation has been in operation for 15 years and carries a high profile and credibility within the community and with the stakeholders it is involved with, which include government, non-government community organisations, employers and clients—job seekers, apprentices, trainees and the general public. In my original submission I raised three issues that I believe to be relevant to your terms of reference: the opportunities in aged care; opportunities in traditional trade training for apprentices—in particular, adult entry; and the lack of relevant support functions defining opportunity, capability and ambition for young and not so young Australians. I would like now to expand on each item separately before summarising my presentation and then taking questions.

I look first at the opportunities in aged care. In my original submission, I referred to our efforts on behalf of the Department of Science, Education and Training to complete a research paper on an industry training strategy for aged care. The paper is now finalized and I offer a copy to the committee. While it is not my intent to dwell on that report in detail, I draw your attention to the following conclusions: the aged care industry is set to become Australia's largest single industry, challenging economic, employment and social needs; a unique feature of the aged care industry is that over 55 per cent of those engaged in the industry are volunteers; there is and will continue to be significant growth in community and home care needs, a strategy promoted by all governments to increase the length of stay in one's own home before seeking residential and/or high care; the growing pool of personal carers left alienated from society and the work force after caring for loved ones who have moved on to residential care or passed away; and the impact of the infusion of increasing aged care specific needs into our general health system.

I offer the following comments. In relation to the growth of the aged care industry, it would be both naive and dangerous to ignore the potential of the expanding aged care industry and its

impact on increasing participation in paid employment. Simple modelling would demonstrate the significant potential for an increased paid work force, perhaps the single most important national growth factor in your deliberations. The tabled report identifies the simple fact that an improved industry framework is essential if the predicted and essential growth in the employment is to be realised, viable and sustainable.

There is evidence that this framework does not exist in many aged care enterprises where business management functions, administration and compliance requirements are consuming directors of nursing and others, diverting their attention from their principal care and staff supervision and development roles. Rationalising roles and responsibilities in the industry is critical and will promote employment growth. The significant volunteer base is a major source for increasing the essential future paid work force to meet the needs of the very industry that created them as volunteers. There is a need to accredit the substantial skills of volunteers acquired through the necessity of caring for loved ones and to encourage these volunteers to transfer to the paid employment work force.

The growth of community and home care requirements creates new opportunities for increasing the paid work force directly within communities. It opens up a range of possibilities including: employment of members of a community, engaged in paid work within their community, to service their communities; a reduction in travel and response times; flexible work times and increased opportunities for share and part-time employment; promoting the volunteer ethos into the paid work force culture; and increasing self worth and the reduction in the alienation of previous voluntary carers.

The increasing infusion of aged care needs into the general health system will continue to draw on the roles of existing paid workers. With an ageing population, demands on the general health system will grow substantially. Additional paid workers will be required in the general health system as an essential adjunct to the demands for additional staffing in the aged care industry. Denying one feeds the demands of the other. It would be sensible to create a paid work force of the future that offers greater transferability between systems. Transferable skill sets could be identified in an accreditation process relevant to volunteers and, indeed, existing paid workers.

I turn my attention to the second point, which dealt with traditional trade training for apprentices and, in particular, adult entry. I will start with a quote from the latest edition of *Human Resources*, dated 28 January 2004:

> Even though Australia will see stronger economic growth conditions in 2004, potential shortages in the skilled labour market may put a brake on economic growth.

In my original submission, I identified how it is incredible that the nation's requirements for trade training in all the traditional industry roles are, in practice, generally recruited from Australians between the ages of 18 and 20. This restricted three-year window is driven by, firstly, the necessity to have a licence and a vehicle for mobility in most cases and, secondly, the imposition of an adult wage as an inhibitor for employers. In construction, for example, the adult wage can add an additional $250 a week over the wage of an apprentice who is 18 to 20. Over the full period of an apprenticeship, this adds in excess of $28,000 to the employer's costs.

I draw the committee's attention to the following matters: statistics clearly show the negative trend over the past years in the take-up rate of traditional trades; over 52 per cent of job applications received by East Coast Apprenticeships are ineligible for apprenticeships on the basis of age, and in 2002-03 we received approximately 13,000 resumes; an adequate trade base is as essential to our work force and the future of this nation as tertiary qualified skills; the vocational spirit needs resurrecting; and denying access to trade training on the basis of age may also be discriminatory.

Despite a plethora of initiatives to increase the take-up of traditional trades, many trade areas are at crisis point. Last year I attended a Bricklayers Association meeting on the Sunshine Coast. Just over 400 registered bricklayers are engaged on the coast, and at the time there were 14 apprentices. In August 2003, Construction Training Queensland reported apprentice shortfalls to be: bricklaying, 64 per cent; concreting, 94 per cent; joinery-machinery, 63 per cent; painting and decorating, 53 per cent; solid plastering, 54 per cent; plumbing and draining, 22 per cent; roof tiling, 77 per cent; and floor tiling, 88 per cent.

The adults aged over 21 who regularly seek to take up a trade, only to be turned away, could address this significant shortfall. Late last year I offered the Minister for Education, Science and Training, Dr Brendan Nelson, a submission detailing options to address the wage differential between the 18- to 20-year-olds and the over-21s. In the construction industry, this equates, as I said, to approximately $28,300 over the first three years of the apprenticeship, on a sliding scale of approximately $14,000 in the first year, $8,800 in the second year and $5,500 in the third year. At the fourth year, the apprentice wage meets the minimum adult wage.

Creating opportunities for full adult entry to traditional trade training should be given priority. There is a risk that in the pursuit of higher education standards we have ignored the need for a balanced, trade based work force. My four-year-old grandson, Jake, is captivated by Bob the Builder. He has the hat, the hammer and the saw. In the past, many like him never lost that passion and went on to enjoy that vocation in their life's work. Today, that vocational spirit is destroyed between the young age of my grandson and the late teens. We need to resurrect the vocational spirit; we need to reclaim the value of: 'When I grow up, I want to be ...' If we can once more instil this spirit in our youth, we will harness self-motivation and see this energy surge into the paid work force. Not so many years ago, if you wanted to become a pharmacist you did an apprenticeship. It is imperative that the traditional values of trade training be re-established and that the availability of such training be opened up to more than just the 18- to 20-year-olds.

In everyone's life there is a time when opportunity, capability and ambition determine a pathway. One such pathway is the choice of a career. It is the key to expanding participation in the paid work force. I have already referred to the vocational spirit, and for those of us who find our vocation early in life the decision making is simplified. We can capitalise on our passion to provide self-motivation as we strive to achieve. When I ask a host employer, 'What do you seek in an apprentice?' I have never had anyone say to me they want someone who can drive a nail or cut a piece of wood. What they do say is that they seek somebody with enthusiasm, commitment and reliability and that they will teach them the rest.

An analysis of the high attrition rates from training and employment would show that, of knowledge, skills and attitude, attitude is the most common factor that denies, or terminates,

employment. I offer the following: to improve successful entry to paid employment we must recognise that developing attitude requires the same commitment that is devoted to training and education. There are times when we may not be able to chose what we do, but we can chose how we do it—that is, attitude.

Huge sums are spent annually on inappropriate or unnecessary training, and no more so than when it is used as an excuse to find employment where opportunity, capability and ambition have not been adequately defined. If existing funding were allocated to improving the ability to define opportunity, capability and ambition then training and education would be specific, relevant and timely. The recipients of such training and education would be responsive and motivated. Daily, I see people with significant training and education qualifications but no job. Recent statistics suggest that 80 per cent of university graduates seek further vocational training to find employment. The Education and Training Reform Framework policy in this state seeks to keep young people at school longer so that they can decide what they want to do. Vocational spirit, rest in peace

In summary, I commend to this committee three important areas for deliberation, and I deliberately take my last point first: if Australia is to increase employment in the paid work force, we must reinforce the importance of attitude and return to a balance between it and knowledge and skills. Only when we can harness the passion and energy of the vocational spirit will we take a step towards realising the true extent of our individual and national potentials.

The broad issues of our ageing population and in particular the staffing needs of the aged care industry and the parallel general health industry offer extraordinary opportunities to increase paid employment and a ready source of candidates. At present the aged care industry is ill-prepared for future demands. It would be at our peril to ignore this as this industry becomes Australia's largest.

Finally, we must open up apprenticeships to other than 18- to 20-year-olds. Despite all the initiatives and incentives currently on offer, the negative trend of trade take-up trade training cannot be denied. The impact of increasing costs, unacceptable delays, and sourcing tradespeople offshore are evident and can only increase in intensity. Remember my quote: '... shortages in the skilled labour market may put a brake on economic growth', and I would not say 'may' but, rather, 'is' and 'will continue to'. Once again, I thank the committee for their time and wish you well in your deliberations.

CHAIR—Thank you very much, Mr Sparks, for your very comprehensive opening statement. Certainly your concern regarding the demographic changes of our nation and the challenges that they pose for us are central to this inquiry. We have had various submissions addressing that very point. Yours is a unique one, looking at the aged care sector itself, and I am sure we will move to questions on that in a moment. I have a general question. The paper you presented to Brendan Nelson—where is that at the moment? Have you had a reply to that?

Mr Sparks—The reply that I got was that the options of addressing that wage differential were well received and that they were still under consideration.

CHAIR—Is it possible for us to get a copy of that as well?

Mr Sparks—I could certainly forward it to the secretary.

CHAIR—Not necessarily that letter, but the submission and the arguments that you made. That letter to the minister would be a letter to him, but we would be interested in those very issues that you raised in that letter and your model for addressing the adult wage disincentive to employ adult apprentices.

Mr Sparks—I could talk very briefly about a couple of the options, if you like, just for the committee's sake. As I said, the differential in the wages slides because as the apprentice's wage goes up it closes the gap between the adult wage, which they are required to be paid, and what the apprentice wage is. It crosses the line in the third year. The fourth year of an apprenticeship is not the issue; it is those earlier years of trade training. It is principally the first and the second years. The third year it is down to $5,500 difference, and many employers out there would be prepared to pay that difference because of the quality of the person that they are getting at that point.

I have suggested in my submission that there were some ways of addressing it, not the least of which would be to allow people who are participating in trade training to contribute to that amount. If you draw a comparison with people going to university and incurring a HECS liability, why shouldn't a 25-year-old who has decided he wants to become a builder be allowed to make some form of contribution to his own training? If you took the instance that a first-year 25-year-old will start on the adult wage, if he were then prepared to return some of that—perhaps $100 a week or something—to offset that differential, it would at the end of the day be seen as something similar to a liability in a HECS scheme. That was one option.

The other option I proposed was to look at the unemployment benefit, which currently is about $181 a week. If one out of 10 people who are unemployed meet the criteria and have the motivation to become a tradesperson and if that $181 a week were allowed to be transferred to the cost of the apprenticeship, then there would be no cost. In fact the reality would be that, instead of receiving $181 a week, the would-be apprentice wage would be up around $380 a week, and that contribution is taxable. So the $181 it is costing the government right now to pay an unemployment benefit would be reduced as well because there is a taxable form of income generated by simply transferring that cost. I might leave it there, but they were certainly two of the options I put forward for consideration.

CHAIR—They are very innovative. Thank you very much for that. On the HECS like model that you presented, what is the average starting salary for a graduate coming out of university?

Mr Sparks—In the current papers, the salary for a university graduate without experience is probably around $33,000 to $37,000.

CHAIR—And for a first-year tradie?

Mr Sparks—A thousand dollars a week—

CHAIR—I guess there is no such thing as a first-year tradie. You are either a tradie or you are not.

Mr Sparks—For someone trade qualified.

Ms HALL—Did you say $1,000 a week—so $52,000 a year?

Mr Sparks—It would be around that figure.

CHAIR—That is for a carpenter.

Mr Sparks—For some of the trades, yes. It would be much higher than that in others. For instance, I am aware of cases where a roof plumber can earn $150,000 a year for doing tin roofs and things like that.

CHAIR—That is my second career, by the way!

Mr Sparks—We ought to all know that, if you call a tradesman in to fix your hot water system or something like that, you pay $60 or $70 an hour for them.

CHAIR—Is there recognition amongst the apprentices of the kind of salary remuneration that they can get when they finish their four years? I am sceptical in that I doubt whether many apprentices or job seekers do know that.

Mr Sparks—I would agree that there is significant ignorance of that, and also of the longer term pathway through a trade. I use two examples. It is my understanding that the state manager of Holden in Queensland started off as a car detailer, and the manager of a major construction company here in Queensland started off as a bricklayer. It is clearly a very substantial career path, but I think it is being ignored and denied.

CHAIR—How much does a first-year apprentice carpenter earn?

Mr Sparks—About $300 a week. That is without allowances and the like, but it is about that.

CHAIR—How much does a second-year apprentice earn? I want to get a view of the progression of salary right through to that $1,000.

Mr Sparks—It might be easier if I give it in terms of a percentage of the tradesman's wage; I can quote those. My colleague might be able to help me out with a dollar figure. It is approximately 40 per cent of the tradesman's wage for the first year, 55 per cent for the second year, 75 per cent for the third year and 90 per cent for the fourth year.

CHAIR—So by the time you get to your fourth year you are almost there.

Mr Sparks—You are pretty close to tradesman's rates. Over time, obviously, money in the hand plays a major part in that. If the industry is very active and there is a lot of overtime, people can bring back a reasonable income.

Mr DUTTON—I might inform my committee members that East Coast Apprenticeships are housed within the Dickson electorate, and I am very proud to have Alan Sparks here today. They are without any doubt one of the great success stories in Pine Rivers and right across south-east

Queensland because of the work that they do. Alan, thank you for your submission today and, in particular, for the submission in relation to aged care, which I had a look at after you presented it to me earlier this week. The aged care submission is, as the chair said, unique. I think it will be of great assistance to the committee in our deliberations. I want to concentrate my questioning on this concept relating to adult entry for apprentices. It is something that we have spoken about before, and I know that you share a passion for it. I commend you for that because I think the model that you have put up is excellent, particularly with regard to the comments you make about the possibility of some sort of HECS scheme or that style of two-way input and commitment, both from the trainer and from the apprentice.

There were some comments from Brendan Nelson in the last 24 hours or so about entrants into university. I stand to be corrected, but the figures as I recall them were that 260,000 students would go into university this year but only 160,000 of those would go on to complete their degrees—so 100,000 would drop out at the end of the first year. That is my recollection of the figures. Suffice it to say that a fair proportion of people drop out. I think it stands as testament to your comments about the barriers that we face in society at the moment about kids entering an apprenticeship after school. There are social norms there. Part of the problem are parents who have the perception that their kids need to go to school. You spoke about attitude before, which I suppose in some ways is related to this as well. How do we break down that barrier and bring, say, those kids who have fallen out of university, those who have gone on to university incorrectly in the first place—who might be in their third year and over 20 years of age—or those who may have just matured later and decided to take this up as a later employment opportunity? How do we break down those barriers?

Mr Sparks—I will make a couple of observations. The first is that not so many years ago a 15-year-old could start an apprenticeship, which meant that by the time he was 19 or 20 he was on those full tradesman's wages. Because of the social endeavours to keep people at school longer, they are now starting at 18, so they are 22 before they get those adult wages. So there is a social impact in that in terms of the value of what an apprenticeship is about. It is a lot easier as a 15-year-old still living at home to live on that first-year wage. That would be my first comment. I have not seen the most recent figures about university attrition rates, but the last ones I saw certainly suggested that in the first year somewhere around 35 per cent or 40 per cent of that first year intake dropped out. It may now in fact be higher. Again, in my time there was the suggestion that you went to university and, if you were not good enough for university, you took up a trade; if you were not good enough for a trade, you joined the Army. I confess that I joined the Army, so that probably says a fair bit about that.

I think it comes down to this issue of vocational spirit—and I use that term specifically. We have to get our young at that early stage when they do not necessarily understand what it means to have a desire to become a doctor or a builder. We must engender in them the desire that was traditional, where they were growing up saying, 'I want to be … ' That then motivated them towards a university pathway or it motivated them into a trade pathway. One of the simplest things that could occur to address your point that people sometimes are taking a little bit longer to decide what they want to do—and I would suggest it as a general statement in society these days—is a recognition that you are lucky if at age 19 you have decided what you want to do, given that you are in an educational system that is mass-producing people and you really do not have that freedom of choice and of deciding until you leave that. At 19 it is too late in some cases, in the apprenticeship arena in particular.

It is my view that a simple step that could be taken right now is simply to raise the entry age for apprentices to 25. Make it consistent, so that kids can go to university and still be eligible for appropriate allowances as a full-time student up to that age. Then leave it up to the individuals, even without making any issue about wage subsidy. Leave it up to the individuals to decide whether they are prepared to accept the apprentice wage at 24 because that is what they want to do. Then, without necessarily imposing a HECS style charge on them, they would accept that liability as part of the overall package. Is it any different at the end of the day? 'I create a HECS liability if I choose to go to university or I accept that my training package wage, which will give me training to become a tradesman, is the liability that I am wearing at that point in time.'

Mr DUTTON—I think that is a very good point.

CHAIR—Isn't there a mature age apprenticeship scheme in operation at the moment?

Mr Sparks—I speak of our own. In Queensland, in conjunction with the local Brisbane TAFE, we introduced an adult apprenticeship scheme for the building and construction industry. We tackled that offset of wage that I was talking about in an innovative way by targeting people who were engaged in an industry that supports trades assistants or labourers and who had worked within the industry and thereby gained the necessary hands-on skills. By using the existing recognition of prior learning process we could take a labourer in the building industry who had worked there for perhaps 10 years and give him the accreditation for the first and second year of the apprenticeship. Having passed that accreditation process, he could enter as a third-year apprentice. Therefore, we eliminated the bulk of that wage differential. We are running a pilot study at the moment with 40 places in it, and it is working extremely well. That model applies to industries where there are trades assistant type arenas, so it would extend to the engineering industry, to the printing industry and certainly to the building and construction industry. It does not necessarily apply to others—the electrical industry is one. You do not have trades assistants in the electoral field, because of the safety implications. They must be either a qualified tradesman or an apprentice.

Mr DUTTON—The other point that needs to be made is that people who decide that they want to go into a trade at, say, age 25 or 26 are a demographic that would have to be classified as at high risk of long-term unemployment. When you take into account the resources, over and above unemployment and Newstart, that the government puts into those sorts of people to try to re-engage them in work, it seems it would be a timely investment to make if you were able to engage people at that age into a trade—for government somehow to subsidise them, as you have spoken about. It is at that age that they are most vulnerable of falling into medium- to long-term unemployment and becoming lost in the system.

Mr Sparks—The advantage of looking specifically at those traditional trades is that there is a very clear focus for people, which in itself becomes a motivational point. They know that they are undertaking legitimate, traditional training and that, at the end of it, they are going to have a licence to build a house or do something else. I think that, if we look back in a critical sense at the programs that have been run over the last decade to support employment, we see that this is one area that has been sadly neglected. I think there is huge potential there. I have mentioned turning away people over the age of 20. On a regular basis we have people come to us and say, 'I don't care about the wage. I want to be a builder.' We put one on under our adult apprenticeship scheme who is 44 years of age. He is doing a great job. Again, I suggest that, as our ageing

population continues, we have to shift our focus from the boy apprentice or girl apprentice at 14 or 15 through to 18 and realise that there is a trade skills requirement for this nation. We have to open up that window of opportunity. Is it wrong that a 30-year-old should suddenly decide that he wants to become a motor mechanic? I do not think it is these days. But, at the moment, he or she is being denied the opportunity. It is that regulation aspect that is causing us the concern.

CHAIR—What kind of legislation is that required by? Is it Commonwealth legislation or are there some sorts of state considerations as well?

Mr Sparks—The various industrial relations awards under which apprenticeships operate are both state and federal. It really is dictated by the award that applies to the area they are working in. It is complicated these days with enterprise bargaining agreements and Australian workplace agreements as well. It has an impact in both areas. Interestingly enough, at the moment there are three trade areas where the age issue does not apply: plumbing, cabinet-making and commercial cookery. A 40-year-old could front up to any of those trades as long as they were prepared to accept the apprentice wage and undertake an apprenticeship. There may be others but they are in the minority. That is in Queensland. Those three particular trade areas may vary in other states depending on what the state industrial relations instruments are.

Mr DUTTON—Why is that discrepancy there? Why those three?

Mr Sparks—At no stage has the industrial relations instrument excluded people over the age of 21. I could not comment on the history behind that.

CHAIR—Have you had any discussions with the trade union movement regarding possible changes to award conditions for adult apprentices?

Mr Sparks—Not really. Certainly a range of industry organisations have been very supportive of this pilot that we are running for adult apprenticeship schemes, but I suspect that there would be some resistance from the union movement in terms of what they might see as a reduction in the take-home pay for adults. There are two sides to the argument there: on the one hand, should we deny an adult the right if they choose to take on the lower wage because that is what they want to do at the end of the day, and on the other hand there are the social obligations we have to ensure that an adult doing an apprenticeship with family in tow can afford it. In my nearly six years with this organisation there have been only two occasions, to my memory, where we have started an apprentice on a trade and he has come back to us at some point and said, ‘I can’t live on this wage because I’ve got a wife and young child.’ The majority of them accept that, but there are clearly some social issues about it.

CHAIR—So Australian workplace agreements or even a certified agreement that a company has would not override the wage barrier?

Mr Sparks—It takes it above the standard award rate; it cannot take it below. Everything defaults back to what the parent award would be.

CHAIR—Thank you. Ms Hall has some questions.

Ms HALL—Firstly, why 25? Why not 30? Why not 40? Isn't that in itself an artificial barrier that you are putting in and preventing older workers from entering the system?

Mr Sparks—In a perfect world it should be open slather. I am suggesting 25 at the moment for two reasons. One is that it is consistent with university full-time student recognition. You can be a full-time student up to the age of 25 and receive certain allowances if you are still living at home and the like. The other reason is that it would just provide the consistency. And that is why I have set it at 25. I believe that in reality it should be open.

Ms HALL—But after 25 you can still receive those allowances at university. Twenty-five is a bit of a barrier.

Mr Sparks—Then I would take the barrier away.

Ms HALL—I was just interested in that. I come from an area where every young person that wants to leave school wants to get an apprenticeship. It is very restricted—they cannot get them.

Mr Sparks—They are very lucky.

Ms HALL—Well, they are not! We have a great group apprenticeship training scheme, both in the Hunter and on the Central Coast. They do very good work. What initiatives need to be put in place to open up more apprenticeships for young people? That is the other side of the equation, I believe.

Mr Sparks—I think it comes back to the point I made earlier about defining that moment of what people want to do. It is a personal educational process. At the moment the focus is on completing your formal education.

Ms HALL—I think you may have misunderstood me. From the employers' point of view, we have had a shrinkage of the number of apprenticeships that have been offered in the Hunter—a drastic decline in the number of apprenticeships. We have an excess of people wanting apprenticeships over the number that have been offered. How do you think that needs to be addressed?

Mr Sparks—I would suggest that perhaps part of the reason why that has occurred across the nation is to some extent the complexity of the compliance and the industrial relations instruments for apprentices. A lot of businesses are shying away from what they see to be a complexity and a life that they cannot look after. They look at the wages for the apprentice and then at all the allowances and the various compliance issues for ensuring training. And I guess to some extent there is a philosophy of outsourcing, where the larger organisations that used to have the apprentice bodies and the master apprentice who looked after them—and I am talking about perhaps state rail organisations or large mining organisations—no longer do that. They have outsourced that. They have stepped away from an obligation to train young people to then move them through. I do not think there is a simple answer that I can give you, because there are a number of complex factors. I think the migratory nature of our country these days, where there is a lot more mobility—people moving from one location to another—impacts on that. I believe we have got to somehow very clearly redefine those traditional values to say, 'Here is a worthwhile career, one you can hold your head up and be very proud about, one that will give

you great economic return and the prospect of pursuing academic tuition beyond that point to gain university degrees or whatever.' But we are not doing that.

Ms HALL—I would argue very strongly that that is the aspiration of probably 50 per cent of the students that leave school in the area I represent. There are a higher number of students that aspire to have an apprenticeship than there are that aspire to attend university, but the opportunity no longer exists for them. I will flick now to the aged care submission that you have there. I look forward to reading it with great interest because ageing is one of my areas of interest. I think you have concentrated on the care aspect of ageing in your submission. Is that correct?

Mr Sparks—It is the role of the carers, from the lower levels of caring right through to professional nursing contributions.

Ms HALL—You have not looked at the opportunities that ageing creates for employment in the community in areas other than the care sector?

Mr Sparks—Not in this particular report, because it was centred around identifying innovative training strategies for the aged care industry. I would certainly acknowledge that there is great benefit in an ageing population in terms of the experience levels, the stability levels and the genuine commitment that older people have for employment. Any astute employer out there should be thinking very seriously when they are looking at putting on staff at whether they can get somebody who has more maturity perhaps than a younger person, particularly for the traineeships where there is no age barrier. The oldest trainee in Queensland is 72 years of age, I think. That might be a little bit high but, if you are looking at increasing your work force and a traineeship is available, it makes a lot of sense if you can get perhaps a housewife in her mid-30s or so looking to return to the work force, with all of that level of experience and skills gained in raising a family, and pay her the same amount that you would have to pay for a 16- or 17-year-old. I know where my preference would probably go.

Ms HALL—I was looking at other economic opportunities that are created by our ageing population. You are right in saying that there will be implications on mature age apprenticeships further down the track because we have only got a birth rate of 1.7 now, which is one of the lowest birth rates in the world. Getting back to the care component that you are talking about, and the aspect of people working voluntarily within that sector: are you talking about maybe a certificate level III type of accreditation being undertaken by volunteers so that they can move into the aged care industry?

Mr Sparks—I am talking about accreditation under the Australian qualifications framework. I am suggesting that, if a carer is taught how to inject a loved one, manually move them around beds, sponge them and all those sorts of things, they will have skills that could be accredited. If they receive that accreditation as a necessity to care for their loved ones, they then have transferable skills that might not just make the aged care industry a future career prospect, but also be transferable into a range of other qualifications that they could pursue.

Ms HALL—Are you looking at developing an equivalent to a qualification or accreditation level that already exists?

Mr Sparks—No, I am not duplicating anything.

Ms HALL—Not duplicating, but having a similar level. Would you say, 'A person has done this; therefore they are equal to a certificate level III care worker and, if they do decide to go into that industry, they do not have to undertake formal training'?

Mr Sparks—Yes. I would use the existing system, which would provide accreditation for competencies or training elements as part of a certificate training package that already exists and is approved. At one end of the scale they might only receive one or two competencies of certificate III. On the other end of the scale, they may achieve the whole lot.

CHAIR—What you are basically saying is that there are people out there that care for their loved one at home and have developed these caring skills. When their loved one is deceased, they may choose to volunteer their services to an organisation as an aged care carer. But we are not recognising those skills at the moment and we should be formalising that through an accreditation scheme that they can participate in if they so choose.

Mr Sparks—Yes.

CHAIR—There would be many, I would imagine, at the moment whose literacy skills, self-esteem, numeracy skills, social skills or other qualities are such that they make it very difficult for them to go back into an accreditation system.

Mr Sparks—There would be many, I believe, that would take up the opportunity. The opportunity should be presented as soon as they start learning those skills. It would probably have at least two particular benefits. Firstly, it would increase the quality of the care of their loved one, because they would receive training and be assessed at an accredited stage. Secondly, it would break down some of the alienation effects of being at home looking after a loved one and not getting out or socialising. Somebody would have to have some form of engagement with them and say, 'What you are learning is not just because of necessity; it is an acquired skill,' which would increase their self-esteem and their self-confidence. Also, I believe it would give them at that point something towards an ambition further down the track.

CHAIR—So you are saying that the accreditation process starts even when they are caring for their loved one.

Mr Sparks—That is where I see it starting, and that is what the focus would be.

Ms HALL—They are developing transferable skills.

CHAIR—My concern with that would be about the implications down the track. At the moment they are getting a carers allowance. There will be those who go for accreditation because they have the confidence and the skills to do it and those who do not. Are we then going to be looking at a differentiation in the carers allowance as a result, and, if so, what are the costs involved?

Mr Sparks—I might need to reflect on it a bit more deeply, but I do not see the carers allowance as necessarily being the issue. What I would suggest in terms of providing that

opportunity for accreditation is that we have many professionally qualified people who go into the home, perhaps through Blue Care, and show the carer how to bathe, inject, aspirate or whatever. If those people also had the assessor qualifications, they would deliver the training and they would then certify the carer as being competent in those skills. They are doing that by default now; otherwise they would not let them inject, bathe or aspirate. What I am suggesting is that, by formalising the accreditation of the skills which people are gaining at that very early stage, we give them hope. It would increase the quality of care that carers give and open up a range of opportunities.

You are quite right, Chair, in saying that many people, after they have cared for somebody who has passed away, immediately front up to an aged care facility and say, 'I would like to work here.' In some cases that is driven by guilt. Most of the homes that we deal with in those circumstances would say, 'Thank you very much, but what you need to do is go away for a few months and go through a grieving process. Then, if you still have that desire, come back.' There would certainly be considerable value in tackling it. I am talking about tackling it as soon as a skill is transferred across to an individual, and not just tackling the skill but looking at a process of accrediting them with that skill.

Mr Young—A lot of the aged care facilities will only take on people that have a qualification. This would be giving them some way towards that qualification.

Ms HALL—I think it is a requirement for them.

Mr DUTTON—Alan, following on from your comments before and going back to the adult apprenticeship issue, when faced with the prospect of putting on an apprentice, if they have a choice of an 18-year-old fresh out of school or a 28-year-old who has gained some life experience and settled down and who can offer more in the overall scheme of things, would your critics ask: what incentive is there for the builder or whoever the case may be to take on the 18-year-old over the older person, who is more mature and who has more life skills and much more to offer in that regard? Isn't there an incentive removed to employ younger apprentices if their wages are equal?

Mr Sparks—If the wages were equal I think most employers would probably be looking for the stability and the commitment which would come with the maturity. With a differential in the wages, as exists at the moment, most employers will go for the cheaper wage, particularly with the first-year apprentice or the start-up apprentice, because they have no skills level. The more astute employers out there who will take on that young person would then put in a lot of effort, because the more they can transfer in terms of skills in that early stage the better productivity and value they are getting. A lot of small businesses do not have the time to devote more than just what is necessary to move them along. It could go either way. I would think, though, that the majority of people out there at the moment are looking economically at what that implication is. But the sadness and the reality of it is that in terms of productivity they would probably be better off with somebody more mature, coming back to my enthusiasm, commitment and reliability factors.

CHAIR—Mr Sparks and Mr Young, thank you for your submission. Thank you for your evidence today, which was very comprehensive. It has been an excellent submission, from my perspective anyway, as has been the discussion that we have had on apprenticeships. If the

committee has any more questions, we will get back to you at some stage. We have received from East Coast Apprenticeships *A report on an aged care industry training strategy*. We accept that into the evidence.

Proceedings suspended from 10.43 a.m. to 10.58 a.m.

BRENNAN, Mr Kevin John, (Private capacity)

CHAIR—The committee welcomes Mr Kevin Brennan from Unemployment Australia. Do you have any comments about the capacity in which you appear?

Mr Brennan—I am not sure where the Unemployment Australia came from. In the original submission I indicated that I was a founder of a couple of organisations, but I am appearing as an individual.

CHAIR—We apologise. The proceedings here today are formal proceedings of the parliament. Although the committee does not require witnesses to give evidence under oath, you should understand that these hearings are legal proceedings of parliament and warrant the same respect as the proceedings of parliament itself. The giving of false or misleading evidence is a serious matter and may be regarded as contempt of the parliament. The committee prefers that all evidence be given in public, but if at any stage you wish to give evidence in private please ask to do so and the committee will consider your request. I invite you to make some preliminary comments about the issues you think are important to this inquiry, and then we will move to questions and general discussion.

Mr Brennan—I want to clarify the issue of representation at the very beginning. I am not here in a capacity of either claiming to or actually representing anybody. However, I should add that one of interesting things I have found—I have been doing work similar to the sort of things being raised here for probably the last 10 years, maybe little more—is that whenever I write something or say something it does tend to be representative. So I am not claiming to represent, but often what I have to say is very representative particularly of the group most commonly known as long-term unemployed people.

CHAIR—I am sorry to interrupt your introduction, but could you tell us little bit about your background and why you are in such a unique position.

Mr Brennan—I think it is largely because I have lived it for a long time myself; that is, being a long-term unemployed person and in latter years being a mature age person in that kind of category and going through all the processes—retraining three times only to find that, when you get to the end of the training, the work that you set out to train for is no longer a viable thing. I have retrained in a range of different areas and gone back to university. I have a graduate diploma that is in the area of adult education and in 2000 I completed a Master of Public Sector Management at Griffith University.

I am a husband and the father of three children. The reason for saying that is that we have spent many, many hours assisting our children through the processes to avoid the kind of things that I have confronted. My eldest daughter is currently a bit over halfway through her training to be a teacher and my middle daughter starts university next month in a totally different area. We have spent many hours going through the issues of being unemployed and how to avoid it and giving them guidance that is useful.

My initial foray into this area was a letter to Graham Richardson when he was the employment minister. That is when it started.

Ms HALL—Can you tell us your story. Obviously you were made redundant or were retrenched or your job disappeared for some reason or another and then you had to go through this process. If you could tell us your story, maybe it will help us understand.

Mr Brennan—It was a combination of several of those things, in actual fact. I became ill in one of the jobs I was in due to a combination of factors—I was trying to be six different people at once in that employment situation—and I took three months off to sort out some of those issues.

Ms HALL—What kind of work did you do at that stage?

Mr Brennan—I was working for the church at that point in time. It is not necessarily a recommended occupation.

CHAIR—We do not want to break your train of thought. If you have a statement to make, go ahead and make it.

Mr Brennan—No, that is fine. I am happy to give you a bit of an outline. What I did in that three months was determine whether or not I was going to go back into that employment situation, and that was contingent upon there being significant changes on the basis of the sort of things I had said to them. I said to them, 'I can't do this,' referring to their expectations, and they said, 'There isn't going to be any change to the situation.' So I said, 'Well, I'm not coming back.' It has been virtually impossible to move into any other area of significant employment since then. Prior to that I worked for what are now the universities—the colleges of advanced education. I was in administration in that area. I am an administrator at heart; that is what I do well.

Since that incident, which was probably a bit of a defining factor, I have spent a lot of time picking up bit work—the little I have been able to find. The shortest time I had was a week and the longest was about 18 months—again working for the church, which was a mistake, because I got chewed up and spat out. That was a situation where they structured my job out of existence for various reasons.

I have been back to the university on a number of occasions and have done contract work, mostly being contracts for jobs that nobody else wanted to do but had to be done, so they would say, 'Can we get somebody in to do them?' In that respect my most senior position was campus coordinator in an acting capacity at the Mount Gravatt campus of what is now Griffith University. It was a fairly senior administrative position. I have done a range of other things and, as I said, I have retrained as well. I have also worked for the Electoral Commission on quite a number of occasions. I also ran the 1997 elections for a major organisation with 22,000 constituents and introduced a computer system to them for that process. I have done continuous voluntary work across that period of time, which probably amounts to the rough equivalent of 10 years of full-time work. Most of that time I did not qualify for any government assistance at all, partly because my wife had part-time work and that excluded me from assistance, so I was left to fend for myself. When I approached the private job agencies they said, 'We've got hundreds of

people like you and we're not adding anybody else to the books.' So I sought to take matters into my own hands and sort out a whole lot of things.

I have reached that point in my life where the crucial thing for me is that I have masses of resources, heaps of skills and plenty of qualifications but the resource that is missing is the financial resource to actually do what I want to do. One of the things that I would like to do is to be able to set up a process to attempt to bring an end to many of the things that came across part of my journey which I do not believe have to exist; they do not need to be there. That has led me to the situation where I have spent a lot of time, in association with colleagues around the country, in the hope of forming an association of unemployed workers, in a framework completely different from that that existed in the seventies and early eighties, for the purpose of saying to anybody who will listen: 'Here we are; we're ready to go. We just want somebody to give us a bit of assistance to move forward.' That has led to the situation where a few years ago I and a colleague set up in Brisbane a group called Unemployed Persons Advocacy. Arising out of that, one of the objectives of that group was to link up with similar groups around the country, which led, with the assistance of a few other people, to a 'house of cards' kind of situation to try to establish a national association of groups so that we could deal more effectively as a single body with, for example, the Commonwealth government, rather than as 15 different associations around the country.

Generally speaking, that group goes under the name of the Australian National Organisation of the Unemployed. It has never been formally constituted, because that costs money which we do not have. That is a little bit of my story. To bring you right up to date, most recently I reached a point where a disability that I was born with has started to kick in and complications of that have now combined to make life very difficult at times when moving about. That has led to a situation where I have got three diagnoses from hospital but no treatments, because I cannot afford the treatments. They are all private ones; they are not available through the public system. I took 2003 off as a year in which to try to recuperate, as a self-imposed sabbatical to try to refocus on a lot of things, to try to put a lot of stuff down so that I can put it there, have it on the record and move forward without trying to drag that stuff along with me all the time. So 2003 was that time for me to regroup, to try to get on top of some of the health issues and to take time out to distil what I knew, what I felt in my heart, as I said, 'What am I going to do now?' That is where I am at at this point in time.

I still do not have any clear answers. However, I had a meeting yesterday which was very productive and perhaps will even open up a way. This links into what I wanted to say as part of my introductory statement. I was impressed with the general comments made by the previous speaker in relation to the issue of qualifications and what is commonly known as RPL—recognition of prior learning. The biggest difficulty for me with this process is that I have all the qualifications under the sun theoretically, but nothing on paper. When I was a senior administrator on the campus of the university there was no such thing as a certificate 3 or a certificate 4 in administration. I am more than competent, not simply to do that administration but to train in it. But I cannot get a job doing that because nobody will give me the certificate that says I am competent.

That is one of the things I want to bring to the fore in all of this. We need a system where mature age people in particular, and long-term unemployed people in general, can go along and have their skills assessed and be given the certificates or some sort of statement that says, 'This

is an equivalent of this particular certificate,' so that as they go out there they are not being told, 'You don't have the certificate; we're not interested.' That is what does happen a huge number of times. A classic example of that is that I was looking at doing some training for an equivalent of the TAFE system at certificate 2 level in administration. That is pretty basic certificate 2 stuff. I will never be employed in that area because I do not have a certificate 3, and the requirement in the front of the training manual is that you have got to have the certificate 3—one level higher than what you are teaching—plus your certificate 4 in assessment and workplace training. I have my certificate 4 in assessment and workplace training but no other certificates, but I am more than competent to do all that training. It is a very similar thing with computer training. I can do training in computer based stuff but I do not have the certificate 2 or certificate 3 in computers and IT.

There should be some system that would enable people such as me and others—in fact I believe it is something that should be national, right across the board—to come along and say, 'I want my skills assessed and I want the certificates that say I am competent in this and this and this,' so that I can go to an employer and say, 'Yes, I can do that, and there is the evidence.' Employers are loath to accept word of mouth evidence that is not backed up by recent experience. That qualification rules out anybody who is long-term unemployed. They do not get a look-in because they do not have recent experience by virtue of being long-term unemployed. That is a core issue, so I want to reinforce that whole thing. I believe that there is an absolute glaring gap in that area of qualifications and RPL, and it is an absolute necessity that we do something about that. I would love to say that I have the sponsors to go ahead and do this but I do not have links into ANTA and so on.

CHAIR—Having a system of assessment for RPL is an interesting proposition. Yours is a fairly extensive submission. I think we must only have part of what you have in front of you.

Mr Brennan—I should explain that. In that submission you will find reference to a whole lot of things. Instead of just putting down the name—the writing that says this is what I am referring to—this submission includes a copy of it. So where there is a document that is referred to, I have given the committee a copy of the document rather than just a reference to it.

CHAIR—I understand you have come here as an individual, but who is Unemployment Australia?

Mr Brennan—I have no idea. I do not know where that came from. It could have been something that has been said at some stage—something that was floating around. On the front of the submission it mentions that I am co-founder of Unemployed Persons Advocacy and a founding partner of the Australian National Organisation of the Unemployed. I am not sure where that other term came from. I am not trying to point the finger but I do not know where it came from.

CHAIR—That is all right; we will deal with that. Your submission is titled *Jobs for All*; we have that.

Mr Brennan—Yes, *Jobs for All*.

CHAIR—I imagine that the assessment of RPL that you were talking about would be akin to the National Office of Overseas Skills Recognition.

Mr Brennan—Yes.

CHAIR—Are we creating an enormous bureaucracy by having a whole lot of assessors running around this country assessing people who have been made redundant, who were retrenched or who left work of their own volition for what prior learning they have got? I can just see an army of people out there doing the assessment. How would you see it happening? Would it be through the TAFE system that you would have this assessment take place?

Mr Brennan—I believe it should be a combination, through the TAFE system and through the current Job Network agencies. That should be something that is given to each person who registers.

CHAIR—So the agencies have assessors within their own organisations?

Mr Brennan—They engage people like me and others who can do that assessment for them.

CHAIR—What about putting it back onto the previous employer to provide an RPL assessment before you actually walk out the door?

Mr Brennan—I would love to see that. I suspect that many of the employers would be very loath to go through that process formally. I think some of them would be prepared to write a statement—and I think that statement could be very productive—of what duties this person performed. A lot of the stuff that is out there now is no longer full time and permanent. Our experience with talking to these people is that employers are loath to do anything beyond put up the advertisement that says, 'We want somebody to do this,' and make sure that they get paid for doing that. There seems to often be a reluctance to deal with paperwork that might be something like that. That is the difficulty that many of these people have had. They front up and say, 'Can you give me something that I can take to the Job Network agency or Centrelink to say that these are the skills that I have and this is what I have done for you?' Some employers would probably jump at the opportunity, but I suspect that many others would not. It may be useful for them to say, 'Here's a statement of what this person did, a job description and the sorts of skills that they have,' which would facilitate much more easily a Job Network agency or a TAFE to tick the box and say: 'Yes, that fits there, there and there. There are a few gaps. Let's now fill those gaps.' It would be that sort of process.

CHAIR—I can understand why an employer may be reluctant if it is a situation of a dismissal, because it could very well be thrown back in their face—if this person has got these skills then why are they leaving? But where there are retrenchments and downsizing taking place it would be in their best interests to do that. It could very well be simply signing off on a resume that you have prepared prior to walking out the door, and giving their authorisation that that resume is an accurate statement of what you have done.

Mr Brennan—I am not silly enough to think that it is as simple as ticking a few boxes, but I believe that it would not be that difficult to do if we used existing structures. I believe it would be of immense value if we could work out the best way of doing it.

CHAIR—Throughout your submission you talk about the obligation of governments or the nation to achieve full employment. What do you believe full employment means?

Mr Brennan—I think I have actually written a definition in there. As a starting definition, my understanding of it, essentially, is a situation where people who genuinely want to work can achieve that paid employment situation that they are looking for within a reasonable period of time. The reason it is a little bit floppy is that you have some people who only want part-time work. It might be useful for you to know—and things have probably changed now—that at one stage when I was unemployed and I told both the employment service provider and the employer that I wanted part-time work they would not believe me. They simply would not believe that a male of my age would want part-time work. I was happy to have a situation where I worked part-time and my wife worked part time, and it became more or less the equivalent of full-time. Neither the employment service provider nor the employer would believe me when I said that. I was tearing my hair saying, 'How can I get you to believe me?' I understand there is a situation where some people will want part-time work.

If I am looking for 25 hours a week, for me a full employment situation is one in which I can find paid work at that sort of level within a reasonable period of time. It is the case for many today that they are not actually looking for an 'employment' situation; they are looking for contracts—another scenario which can be quite useful—and a series of contracts, one after another, would be the ideal situation. You might say, 'Give me nine months, then I'll have a month off and then I might look at one for six months beyond that'—that sort of scenario. I am sensible enough and have studied enough to know that the percentage figures that relate to full employment and those sorts of issues are a nonsense now; they just do not fit anywhere.

CHAIR—It is a fact though, based on the demographic changes in our nation, that there is going to be greater demand than supply, regardless of what governments do. This inquiry has heard evidence that by 2020, because of demographic shifts, 500,000 jobs will be unfilled in this country; there will be no-one to fill those jobs. We are talking about 15 or 16 years from now and 500,000 jobs with no-one to go into them. We will get to the situation of not only full employment but also over-demand, and that will be a challenge for us as a nation.

Mr Brennan—It may very well be. I do not believe that something 15 years off has to be inevitable. I believe that if we look at it and say, 'It's 15 years out,' then we can start now to do something about that.

CHAIR—What I am trying to say is that a counter-argument to what you are saying is that we are moving to the situation in which there will be a job for everybody—in fact more than one job available for everybody—with the passage of time. You talk about the failure of current macroeconomic policy to ensure that there are enough jobs. We have seen unemployment come down. We have a 14-year low at the moment. We are constantly told that the current level—it is 5.6 per cent—has not been bettered in 22 years. That cannot be a failure of macroeconomic policy.

Mr Brennan—I believe it is a failure because it has not come down anywhere near far enough or anywhere near quickly enough. The situation in Ireland was massively different. Their level was much higher and became much lower in a very compressed period of time because of the decisions they made. Some of those decisions relate to employment policy and some of them

relate to other areas of policy, which is very pertinent in this situation. I am assuming, perhaps wrongly—correct me if I am wrong—that this committee will have heard from the Centre of Full Employment and Equity at the University of Newcastle.

CHAIR—We are going to Newcastle some time in March.

Mr Brennan—Those guys are very well qualified and well equipped to go into much more detail on that. I was intrigued when I found the work that they were doing, because I was reading stuff that I have seen about other places in various parts of the world and stuff that I believe myself. I am not going to cover territory that I believe they will cover quite well. They are called the Centre of Full Employment and Equity, and I believe that those two things go hand in hand. The flip side of this—which is the reason why we started the group in the first place—is to talk not so much about generating jobs as about how people are treated while they are unemployed. Policy in that area is also very important. We have reached a situation in which, if you are unemployed, you can walk down the street and be maligned, ridiculed and vilified.

CHAIR—Where does this take place?

Mr Brennan—It takes place in the suburbs; it takes place in the streets around where I live. You turn up at a place and immediately you are suspect if you look as if you should be working and are not. The security guards are always watching you. On the trains it is always a certain group of people who get checked. There have been many times when I could have got on and off a train without paying a fare. They never come and check my tickets, but boy they are going up and down checking a whole lot of people's tickets.

There is a certain group of people that they have been told are a key group; they dress a certain way, they have a particular look. There are lots of little things around the place. The classic line is: 'Go and get a job'. If only we could work out what a job is. Isn't the work that I do voluntarily a job? If it is, doesn't that count somewhere in the scheme of things? For me, part of the problem is other issues besides the job creation thing: it is way people are treated while ever they are unemployed. Policy in that area has made life extremely difficult for a lot of people, including me. A classic example of that is if I separated from my wife we would all be better off. My wife would be better off financially, I would be better off financially and the kids would be better off financially. Because I stay married to her I am treated as a partner not as an individual, and everything I get is not only means tested against what I am doing but also against what my wife is doing. Consequently, that led to a situation where for years I could get no assistance whatsoever.

That sort of treatment of people who are actually going out there and doing the right thing and staying married so as not to be a burden on anybody else makes life very difficult. It is policy in those areas. From my study in public sector management, I suspect it relates to the fact that sometimes when policy is developed there is inadequate or insufficient advice to address the issue of unintended consequences. We have offered on many occasions to be available to policy developers, whoever they might be—whether it is done in a university, in the public sector or within parliament—to be that kind of advice because we can point to unintended consequences. Nobody has ever taken us up on our offer.

CHAIR—Can you give me a summary of some of the job creation schemes that you believe are needed. You have compared Ireland's rapid progress to what you call our 'slower progress' in reducing unemployment. Are you advocating a more interventionist approach by governments in making that kind of statement?

Mr Brennan—Probably, but not necessarily in huge way. The type of intervention is, to me, really the crucial thing. I do not see it as automatically a case of the government having to put up the money to provide this employment. For example, why can't funding that goes to groups go to an individual? I was pointing to a situation before—this is what I was talking about to this person yesterday—where I as an individual have skills and contacts and I could go out and do all this stuff and, in a very short space of time, get a whole lot of mature age unemployed people back into the paid work force. At the moment I would have to do that unpaid. Why? Trying to find an organisation that is struggling to do that and convince them to employ me is like trying to climb Mount Everest in these clothes I am wearing now. I need to be able to say, 'Here is a situation where we can get funding, but it does not have to be to an organisation or to a registered business per se but to an individual.' I have registered an ABN, for example.

CHAIR—Just taking that up, governments are only custodians of taxpayers' money so there is an obligation on us to make sure the taxpayers' money is used wisely. Sometimes we get it right; sometimes we get it wrong. We have seen examples where money has been given to organisations and it has been a disaster. There were a couple of examples a couple of years ago when that took place. How could we be assured that giving it to an individual—where there is no organisation or structure and perhaps the probity requirements are lacking—will be money well spent? If we withdrew the money from you then you could very well fall in a heap and be financially destitute, and the government would be accused—

Mr Brennan—I believe that all those options can be covered and I believe that, in fact, it is easier to keep tabs on that sort of thing than it is on money in an organisation. It is much easier to hide money in an organisation than it is with an individual. I believe there are accountability mechanisms which would not be that difficult to put in place and would be simpler because it is an individual not an organisation. In that situation I would be more than happy to work with, for example, a public servant who had responsibility for X number of individuals like me, and I would be delighted to be directly accountable to them. I believe that it would in fact be more effective and more efficient than doing it through organisations.

Ms HALL—You made a very interesting submission, pushing the boundaries and getting us to think about all sorts of different issues. You are saying that being long-term unemployed and being a mature age person are barriers to employment. Could you highlight for me other barriers to finding employment and strategies to get around those barriers. I know you have highlighted some strategies along the way today but a person who has had your experiences and looked at it from the academic point of view as well must definitely have some ideas for us.

Mr Brennan—I am assuming that I do not have to repeat the things I said earlier. One of the things that I hit on—and just about every person I have spoken to has said the same thing, particularly in relation to mature age long term, as well as quite a number of individuals working in the field—is that the whole process of job readiness is upside-down thinking. For example, I decided to retrain in a particular area. I made some inquiries and I did a huge amount of work to try to work out how I was going to pay for this retraining because I had no assistance. I did the

retraining, which took X number of months. It was a self-paced thing and I did it one month short of the required time. I came out with flying colours—but by the end of that period of time there was a glut of people doing what I had trained to do, which had not been the case at the beginning of that time. I believe that one of the really important things we have to start to emphasise is to find the job first and fit the training to the job.

Ms HALL—So you are saying that the labour market information that is out there that people look at before they undertake training in a certain area is inadequate or not really reflecting the true situation?

Mr Brennan—That has certainly been my experience in a lot of the stuff I have done. Not just in conversations but in some training work I have managed to get contacts for, the students, the participants in those programs are saying, 'We got this information but, when we actually went there to do something about it, it just did not mesh together. It did not mesh together with the availability of the training, the cost of the training, employers who might be interested in taking me on when I finished—none of that was there.' It was a matter of 'Go and get the qualifications and then we will see.' I believe that is a counterproductive approach. Apart from a whole lot of things, one of the things that it does is put a negative thought in the mind of the person: 'No matter what I do, I cannot move forward.'

Some people who are major employers and in the industry are saying to me—and I concur—that what we have to do is identify the job and get the person moving towards that job and then work out what training is required to complete the process, not the other way around. That, of necessity, then means that there is an RPL process in there. So a lot of that RPL mixture can be blended into the process. In terms of how we actually do that, I know that, when I do this kind of work as a private individual off my own bat, that is what I do, and I find it much more successful than saying to people, 'Go to TAFE and get the qualification.'

The second issue that relates to that and is a very definite barrier is simply the cost of the training. It is just too expensive. Put it this way: maybe it is not too expensive but the person has not got the money to put up for it. In some cases of the retraining that I wanted to do, the only place I could get it in the time that I was looking at was a private college. I borrowed $6,000 from my father to do it. As a matter of interest, I finally did get a little bit of work in that area and I earned just enough to pay my father back. I made no net gain out of that entire process because I had to pay back the loan. I believe there are other and better ways of doing that, and if there is one thing that stands out in this process it is that I and a lot of people like me around the country are sitting with good ideas, a readiness to run immediately and the skills to be productive from day one, but we never get asked. Nobody ever comes along and says, 'Will you come and sit down with us and talk about signing a contract to come and do some of this work?' It is something that I would love to do, because I believe there are things that we can do.

At the core of what I am saying is this: unemployed people, and it is not that hard to find them, need to actually be directly involved in the processes. Rather than being seen as people that we work on, they should be seen as people that we are working with. That philosophical change would make a huge difference. It is certainly my experience that the people I have had to deal with—and there are hundreds and hundreds of them all over the country who just ring out of the blue—have said the same thing. I suppose at the core of it is that particular thing.

As for another part of the answer to that question—strategies—there are levels of strategy, as I probably do not need to point out to you. There are certain strategies that we can do, but there are the levels of strategy. One of the issues is that on the ground at the coalface there are hundreds of things that we could do but there is a level of strategy above that which is to say that we get organised so that we can do these things. I am particularly interested in that other level of strategy, because things may change. I direct your attention to one of the CofFEE papers, the one on the community development job guarantee. They are implementing that at a local level in the Hunter region. My view is that it would be fantastic to implement that nationwide. What we do not want is a situation where everybody goes, 'Oh, things are happening in the Hunter; let's move to the Hunter,' so suddenly they have got another unemployment problem and where I have moved from does not—and they have done nothing.

That is the migration issue, which incidentally is the key point in Peter Botsman's paper on job zones. So there is a range of strategy things at that sort of level which I am particularly interested in. I think that as of yesterday my bent is—and I do not know how it is going to happen; I do not know what it is going to cost—that what I really want to spend the rest of my life doing is dealing with that issue. There are heaps of stuff there pointing to individual strategies even at a local level. I could do stuff there. I live in Forest Lake. I could do stuff at Forest Lake if it were not just me trying to act in isolation. If there were a group of people there and we had commitment within that group and there was some sort of funding to actually do it, we could. At that point we could do a local community development thing.

CHAIR—Have you approached your local area consultative committee?

Mr Brennan—I am a member of it. It has been a really hard uphill battle to get nitty-gritty dialogue happening about the things we are talking about. Most of the time seems to be taken up in dealing with one business plan or another. As part of my taking a sabbatical I have also withdrawn temporarily from the area consultative committee. I will probably pick that up again later in the year. I nominated Ron, a colleague of mine, to actually fill that position for me.

CHAIR—This morning we heard a great submission from Logan City Council. They are putting together a pilot program which involves the council, the area consultative committee, various departments, migrant organisations and employer groups to try and work on a strategy to improve employment outcomes in the area. So there are initiatives like that out there. We are running out of time, unfortunately. Thank you very much for your submission and for your evidence today. If we have any more questions, we will certainly get back to you.

Mr Brennan—I am delighted to be able to do that.

CHAIR—We do thank you for making your time available, and also for your extensive submission. We very much appreciate it.

[11.46 a.m.]

BARTLETT, Professor Helen Patricia, Director, Australasian Centre on Ageing, University of Queensland

CARTWRIGHT, Ms Colleen, Senior Research Fellow, Australasian Centre on Ageing, University of Queensland

CHAIR—Welcome. Thank you for meeting with us today. The proceedings here today are formal proceedings of the parliament. Although the committee does not require witnesses to give evidence under oath, you should understand these hearings are legal proceedings of parliament and warrant the same respect as proceedings of parliament itself. Giving false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. The committee prefers that all evidence be given in public but if, at any stage, you should wish to give evidence in private, please ask to do so and we will consider your request. I invite you to make some preliminary comments about the issues you think are important to this inquiry, before we move to questions and discussion, and also any comments you may wish to make about the capacity in which you appear today.

Ms Cartwright—I am also senior research fellow at the academic unit in geriatric medicine at the Princess Alexandra Hospital.

Prof. Bartlett—The Australasian Centre on Ageing is very pleased to have this opportunity to respond to this inquiry about work force participation. Our centre is concerned with undertaking research in policy and policy analysis on issues arising from the ageing of Australia's population, and work force participation is certainly a priority issue for research and policy development, as far as we are concerned. There is indeed a huge agenda ahead, as I am sure you are aware. It is worth pointing out here that, because we are located in a large university, we are already starting to see some interesting questions arising in terms of the proportion of people aged over 40 who are taking up education. This has increased enormously over the last few years. Many of these people are unemployed or looking for career changes. That has had an impact on our curriculum and educational strategies, and that is something we would like to come back to later.

A fundamental challenge is that, while health and longevity have improved significantly, this has not led to higher levels of work force participation or longer productive working lives. There is a strong positive rhetoric in government policies about older workers and questions about what can be done to increase their work force participation. This has, as you know, become very a much a focus of public academic and policy debate. The economic imperative is something that receives a lot of attention, with the realisation that tax concessions will be less, welfare benefits will be increased and savings for retirement will be insufficient. It is increasingly recognised and argued that the most feasible solution to the effects of an ageing work force is to focus on the existing human capital that we already have and to maximise the potential of our older workers. The National Strategy for an Ageing Australia sets out two goals in relation to this issue: the removal of barriers to continued work force participation and the importance of retraining mature age workers.

I would like to now give a very quick summary of some of the research trends that are evident on this issue. Labour force participation amongst those aged 55 to 64 is still only around 50 per cent. The majority of men under 65 and women under 60 would still prefer to be working, although there are signs that baby boomers do plan to continue working at least part time after the age of 65. I think that is a very important finding that is starting to emerge from some exploratory work. We know that health status, income level, education level and gender all influence the decision to stay in paid employment or to retire. So it is a complex issue we are talking about here.

We know that loss of employment has a very real impact on things like mental health and social isolation, and we want to talk more about that later. There is research into the influence of policy changes on retirement behaviour, but the impact of policies does vary considerably depending on the circumstances of the older worker, such as their education or income level. Research in other countries, such as Sweden and Finland, has shown positive results from certain policies particularly focused on those who have become unemployed before retirement and with special attention to pension entitlements.

That is just a quick overview of some of the pertinent research findings. There are others. It still remains a major challenge that the attitudes to older workers are very negative. We heard that from the previous speaker. There are persisting stereotypes of older workers as more costly or less willing or able to learn new skills. Age discrimination in recruitment is still widespread. The unpaid or volunteering experience of older workers is often ignored, overlooked or not valued when they seek employment. Older workers themselves may perpetuate negative views and attitudes about their age and their employability and this can clearly influence the attitudes of colleagues and employers.

The research indicates that older workers are, however, reliable and conscientious. They are better decision makers, they are good team workers, they produce higher quality work and they are more consistent in their jobs. There are areas, though, that do emerge as being more problematic, such as keeping up with computer technology and, to some extent, resistance to change.

In our submission we set out some of the strategies we believe need to be pursued based on the evidence that is available. Strategies to retain older workers or encourage a return to the work force include assistance and incentive schemes, considering the obligations of employers and employees, changing attitudes and motivation. Clearly in all of this the choice of the individual is very important. But changes to policy and practice need to be informed. There are initiatives in the public and the private sector but there is very little sharing of these initiatives and very little by way of research that demonstrates how effective these initiatives are. There is a guide from the Business Council of Australia for supporting older workers, which is very useful, and there are other guides and reports emerging, but it is still very new territory.

I would like to finish by identifying some of the things we think need to inform the research agenda for the future, and it is a very huge one. They include things like exploring the work force choices and experiences of mature age workers; strategies to improve their opportunities; incentives and disincentives to remain in paid work after 65; what the impact of health, divorce, assets and income actually is on work force opportunities; whether age discrimination legislation will have an impact in the future or be ignored; and whether flexible working conditions—such

as flexitime, job sharing, phased retirement and part-time work—work. There is little research into how effective these sorts of strategies are.

Then there is how we challenge the myths and stereotypes about older workers and how we achieve cultural change in the workplace. There is no quick fix here; it is clear that a lifelong approach is needed. Finally, what are the best strategies for education and training? How can tertiary education in later life be better linked to improving work force opportunities? At the moment there is very little attention to this area. Colleen is going to say a few words about the issues for women who balance caring commitments with work and careers.

Ms Cartwright—I think there is a delicate balance. We should not think that there is a blanket solution; we should look at individuals. For example, we have done some work on social isolation and suicide prevention among older men. You often hear the suicide statistics about young men, but in Queensland in the 1996-98 period the highest rate of suicide was among men over 75. We evaluated a suicide prevention project for older men, and one of the things we found definitely there was that loss of the social contacts made through work—because a lot of men do not make contacts outside of their workplace—certainly impacted on that. There were some support groups set up to assist those older men.

If I could just give you one quick example, a man told me he actually was ready to commit suicide, had purchased what he needed and had gone out into the bush to use it. Talk about the born loser: he could not work out how to use what he had bought. It is black humour, but he felt a double failure—he could not even do that right. He was contacted by the coordinator of this group, who gradually worked with him over time. He now teaches ballroom dancing for U3A. He works voluntarily, doing remedial maths and basic engineering, in a school for young people who have been kicked out of schools. He lives in a seaside resort, so he teaches fishing for the council. There are many other things. The contribution that man is making to the community, after being at a point when he was ready to die, is wonderful. It did not take a great deal of funding to set up the support group which helped him become that person.

We know that poor health leads to unemployment, but the reverse is absolutely the case as well. Unemployment, particularly among the older men, leads to depression, social isolation and mental health problems. In fact, a study by Gilbert found that rates for diabetes, mental disorders, diseases of the nervous system, respiratory diseases and digestive disorders among unemployed men in Australia were between 95 per cent and 450 per cent higher than among the employed. That is why it is so important to keep the older people who want to be engaged engaged in the work force and society.

This is where the delicate balance comes in. Helen mentioned the carers. A great deal of my research is with carers. We have got women being encouraged to approximate men's working lives, to provide for their own retirement and to build up superannuation. That is a government policy now. At the same time as that we have another government policy which is encouraging people to age in place—and not only to age in place but to die in place. So we have got people being 'encouraged' to stay at home and to live in the community, even when they are old and frail. Who is supposed to care for them? The older women are being pressured from both sides. On one side they are to go to work, to stay in the work force and to build up their superannuation. On the other side they are to be available to care for the older parents, the

disabled people or in many cases their grandchildren. They cannot actually do both. They have to make choices.

Some years ago younger people were being made to feel like dole bludgers—and I think Kevin, the previous witness, made the point as well—and it would be tragic if we started to make our older people who choose not to work, for whatever reasons, feel guilty. We said in our submission there is the issue of mutual obligation. You can actually mount a pretty good argument for that with the young people. You have much less ground to stand on—

CHAIR—Could you just define for us what you mean by 'older people' in terms of the age range and in the context of what you just said?

Ms Cartwright—That is a really good question, because it depends on who you are talking to and what you mean by how someone defines 'older'. The generally accepted wisdom is that 'older' is 15 years older than the person asking the question. In research we say 'older people' when we are talking about people over 60. In terms of older people in the work force, in some of the studies we did on how old is an older worker the answer was 45. We were all ready to pack up and go home! So it is a very good question. What we are saying is that probably anywhere from about 55 onwards some people are going to be having these pressures. With the older men that I was talking about, the focus was on men over 65 in those support groups.

The point I guess I am making is that if you talk about mutual obligation and you say, 'Okay, if you are receiving support from the community then you need to give something back,' for a younger person you can probably make a good case about that. But if you have got someone who has actually worked for 45 or 50 years, paid taxes that whole time, maybe served in at last one if not two wars and raised children at a time when there probably was not a great deal of community support, then, yes, there is a mutual obligation: we owe them. We have got to be really careful that we do not turn these policies into making people feel guilty if they draw a pension.

Most people contribute to their communities enormously. Just to finish off on the point that I was making before about the carers, that is the other unintended side-effect—and I am just thinking again of the previous witness's presentation—that we could see. If you look around at a lot of our community organisations, at our hospitals, at our schools, even at our families, a lot of them survive as well as they do through the efforts of older volunteers. So, if the older volunteers are in the work force, who is providing Meals on Wheels, who is going to Red Cross, who is looking after the grandchildren? The balance is quite tight. We do not want to create a bigger problem in society, in the community, with no volunteers left because they are needed in the work force. If they are needed in the work force, funding will be required for the organisations they currently work for for free.

CHAIR—Thank you very much. I am sure there are lots of questions we have for you. I will kick off with one that follows from something we heard last week from Professor Peter Saunders in New South Wales. He drew our attention to some OECD data from research that had taken place across 20 countries and related to various labour market schemes to bring people back into the work force. Are you familiar with that research?

Ms Cartwright—Yes, but not in detail.

Prof. Bartlett—Not enough to quote from it.

CHAIR—Professor Saunders, from the Centre for Independent Studies, referred to OECD research which was an analysis across 20 countries of how worth while various labour market programs were. One of the conclusions that he came up with which has created a bit of controversy with us is that training mature age people to enter the work force has very low rates of return for the dollars spent, with the exception of females going back into the workplace. He was basically saying it was a waste of time and that the money could be better spent on other schemes rather than on retraining. He did not say there were no payoffs; he was referring to a rank order, saying that there was lower value for money. Do you have any thoughts about that? I know you are not familiar with that research but just as a general comment.

Ms Cartwright—I have thoughts on that. It would depend on what they measured as their outcomes. As researchers, the first thing we would look at is what the definitions are, what the variables are and what is being measured. If the outcome is return on productivity in the workplace to an employer, that would be one thing that would be reasonably measurable, I would think. If, however, they were also looking at continued involvement in the workplace of an older person—that is, an older man, because you said it was not so much about older women—the very first part of that is that, if the person is working, they are continuing to pay taxes, so they are not drawing a pension. But you would go on from that to, say, look at the absolutely clear links between health and employment. If that person is not then suffering from illness, mental health problems or so forth, the savings to the community in terms of the cost of their health care would have to be considered. I often find that that sort of research is limited in what it measures and how it value adds for other variables.

Ms HALL—It particularly highlighted that it was basically a waste of time putting any effort into training males over 45, especially blue-collar worker males.

Ms Cartwright—If he was talking about training those blue-collar worker males to go back into the same sort of industry they were in, I would probably agree with him.

Ms HALL—It was any training.

Ms Cartwright—One of the difficulties we have when we are trying to encourage people to stay on in the workplace is that we have to look at what work they were doing. If they have been doing a fairly difficult, demanding, unrewarding job for 30 years they probably cannot wait to get out of it. So perhaps we need to be creative in looking at what our community needs that these people can supply. I told you a story before about the skills that an older man had to offer his community, which were possibly not the skills he had been using up till that time. It is an interesting issue. It has not been shown to be the case here in Australia so much. If you look at the Access Economics reports, companies like Westpac, McDonald's and Bosch are finding that they are taking in older workers or retaining their older workers very successfully and offering new training.

CHAIR—Just so that we do not do a disservice to Professor Saunders, I do not think he was necessarily saying that mature age workers do not add value in the workplace and that they should not be employed. It was more a question of the training dollars that are spent. I do not want to misquote him in anyway.

Ms Cartwright—But he is correct, perhaps, in that point—and I think we may have made it in our submission as well—about targeted training. Again, your previous discussant raised that issue. We need to make sure that the training that is there is not training that people do not need or that they already have. Do not replicate what is there; direct the training dollars.

Prof. Bartlett—I think an important point here is the type of training—that is, how it is delivered. There is some interesting research emerging around the need for new strategies on training, saying that we should not be dishing out the same sort of style of training that we have traditionally done. Mature people require different teaching and learning strategies. They respond much better to learning on the job, to a very applied approach, to a different pace than younger people and to more individual learning strategies. I do not think enough attention has been paid to that, and it is certainly something that we as educators and researchers have to pay increasing attention to in looking at the increasing number of older research students that we are enrolling. We can no longer use the same strategies that we have used with the younger ones.

Ms Cartwright—On that point, we have just had a 68-year-old man who was running one of the suicide prevention projects join us as a PhD student to complete his study into social isolation and suicide among older people. He had a problem, in that he had basic computer skills but needed others. When he went into a class where a lot of young people were all asking questions, he was totally lost. He organised for himself some one-on-one training with one of the people at the library, and he is going great guns. He could not do it in the old system, the way the young people were learning; he needed a different system, and it works.

CHAIR—You referred to the stereotype that people have of the mature age unemployed and the barriers. What work are you doing at the moment? We have heard of the UK Employers Forum on Age. Down in Victoria I think Swinburne University of Technology, together with a number of other organisations, have put on forums as well. What are you doing and do you have an involvement in some of these other Australian programs that have been taking place?

Prof. Bartlett—We are not involved in any particular projects on that at the moment but we are involved more generally in a number of initiatives locally and with government departments about stereotypes and attitudes, because you cannot separate out the work force issues. Those issues are located within a much broader context of how older people are viewed in society. There are a number of policy and local community initiatives that we work collaboratively on.

CHAIR—Tell us about that.

Ms Cartwright—One project that we are very involved in is working with a number of departments of the university on a community mental health project. Helen and I are both involved in the rural stream of that. One of the things we are doing there is looking at social isolation and mental health problems. The student we mentioned is looking at social isolation and mental health problems among older men in rural areas, and what has contributed to those problems. Of course employment is one of the things that he is going to be looking at. He will be looking at whether it was the loss of a job that contributed—loss of a job even when the farm went broke—and those sorts of things because, as you probably know, the rates of suicide are higher out in the rural areas.

We hold what we call a colloquium breakfast once a month at the Royal on the Park and we invite speakers to talk to the ageing industry and to other university departments. Helen has invited people to that colloquium to talk about older workers. Professor Margaret Steinberg was the most recent of the speakers. We take whatever opportunities there are to open up the topic.

Prof. Bartlett—There are a number of strategies at a community level that can be introduced, particularly in relation to the mental health project that Colleen referred to. We are looking at community development approaches through working with key leaders in the community, helping to increase their knowledge and understanding of ageing issues—in particular, mental health issues. We are doing this study in a number of communities throughout Queensland and we are measuring the community attitudes over time. The project will run for five years and we are going to monitor community change as we build up these various community interventions. But it is a long process, as I mentioned earlier, and you cannot expect change overnight.

CHAIR—How are you being funded? Is this just part of the university funding?

Prof. Bartlett—No, this is funded by the National Health and Medical Research Council.

CHAIR—Late last year we passed age discrimination legislation through parliament. It is early days in terms of assessing its impact, but what is your feeling about that legislation? Does it go far enough? What are your expectations of its success?

Prof. Bartlett—One has to say that as a policy initiative it cannot be objected to, but there have been experiences of this in other countries. I am thinking of some work that I read by Judith Davey on the impact of the New Zealand age discrimination legislation. Her view is that it has not been very effective and that it has largely been ignored so far. I think that is something that we will need to look at here. People will find ways to get around it. Just having legislation is not going to necessarily make a difference.

CHAIR—You cannot legislate for attitudes, can you?

Ms Cartwright—Exactly. One of the difficulties is that human resource management is a fairly young profession. If you look at the ages of the people in that profession you will see that, at most, the oldest are in their 40s. Some research that has been done in the university, by one of our colleagues, asked people whether they would be likely to employ anyone older than themselves. And they shuddered at the thought. So you might have legislation in place and they might not say that one of the reasons the person did not get the job was their age but it well may be.

On the other hand, we have spoken to a number of labour hire companies that supply labour to industry around the country about whether it is so that they do the culling—because they are often accused of that. The Business Council said that the labour hire companies will not even send people for interviews, but when we spoke to some of these companies they said, 'No, that's not actually the case. We have a brief from a client, and we send the people who fit the brief.' But I think we have education to do in both cases, and I have a standing invitation at the moment to address one of these labour hire companies very soon about older workers. It is just an ongoing education process.

CHAIR—Fantastic. The problem, though, is that a lot of those HR people then move into politics.

Mr DUTTON—Like you, Mr Barresi, not me. I want to see if there is a greater problem in one area than the other. There are two sides to this argument as I see it. One side is retaining people, as you quite rightly identified in your excellent submission. If people are going to stay in the work force—and I think there is greater opportunity for that, as you say, and we need to provide continued incentives to do so—and if they are going to remain in the same job and they are being upskilled as they go along, there seems to be less of a problem in that area than there was 10 or 20 years ago. But where people mature in the workplace and their job becomes redundant or where the pace becomes too quick for their lifestyle or where they have just decided that they want a change or whatever the case may be, it seems to me that there is more difficulty with trying to re-engage those people, particularly when you need to re-engage them in a different sector. In some cases, because of technological advances a person's job no longer exists and they have to go into a completely different line of work—it may even be more menial than what they had before. I think Professor Saunders was talking about retraining these people in an area particularly different to that which they were skilled in for all those years. I am keen to get your comments in relation to that. Is that where the real difficulty exists in trying to re-engage those people, either on a part-time or permanent basis?

Prof. Bartlett—That is certainly an issue. One point that comes to mind in relation to that is that there is no system of counselling and career planning in later life within many working environments, and that is part of the problem. Often people find that they receive very little notice about being made redundant or that a contract is not going to be renewed, and no attention has been given to helping that individual look at how their own performance is changing and the extent to which their performance is matching or is no longer matching the needs of the organisation that they are working in. So it comes as a great shock when they are finally retrenched or whatever. That certainly lends itself to a lot more attention within businesses and organisations.

Mr DUTTON—How do we overcome that practically?

Ms Cartwright—There is a window of opportunity that we want to be aware of and not miss. This is something that came out of our suicide research. We found that when people retire they go through a honeymoon period—it is all wonderful, they take their trip around Australia and do all sorts of things. However, they reach a point a little way down the track where suddenly they are starting to worry about whether they are going to have the money to do what they want to do. The men, in particular, are often terribly bored. That puts strains on relationships, because they are not used to being under one another's feet all day. But I think timing is part of it. You do not want to let people sink into depression, but if we are looking at encouraging people back into the work force some people might say, 'But I have worked all these years. I want to take a break.' Maybe a break is something that could be offered, with the option of returning and maybe returning not at the same level or pace as was there before. A lot of people do say, 'I'd really love not to finish my job but to go part time and maybe take a couple of months off if my grandchildren need to be looked after.' It is both the retaining and getting people back in—and getting people back in is the hardest.

Taking the university as a prime example, ever since I turned 55 the university has regularly been sending me notices about the preretirement seminars. I have absolutely no intention in the world of retiring until I am at least about 75, because I did not start until very late; I started my first degree when I was 42, and I am now 60. But the university is expecting me to retire. I did contact them and say, 'I don't want to come to your seminar, but I'm happy to present a session at it if you like.'

Mr DUTTON—It does seem stupid that we have built up all this intellectual capital in people such as you, and then employers seem satisfied to cast them aside or offer early redundancy or removal from the work force, or whatever the case may be. But that attitude has changed, hasn't it?

Ms Cartwright—It is changing. The seminars they offer are really only on financial planning, instead of on what you are going to do with the rest of your life. We are starting to get them to include some of that.

Mr DUTTON—What about an employer in, say, a blue-collar industry who says, 'I think it would be great to employ older people, either those coming back into the work force or our senior employees, but their productivity is not that of a 30-year-old or what it was when they were working 10 years ago.' If that can be assessed effectively—if it is a production line, for argument's sake, and their ability is only at 70 or 80 per cent—does the employer have an argument that there should be a difference in the pay rate for those older Australians who might want to engage in work but perhaps recognise that they are not as quick as their younger counterparts or as quick as they once were on the job? Is there an argument to have a differential pay scale?

Ms Cartwright—Only if it is evidence based, but not just because the person is older. Ann Kern did a study in Tesco stores in the United Kingdom. Tesco is a chain of stores. As an experiment, in one of their stores they only employed people over 50, and there was no upper age limit. They allowed people to decide whether they wanted full-time or part-time work and what time of the day they preferred—morning, afternoon or whatever. In a second store, for every young person they had an older mentor. At the end of the first year, the highest productivity came from the store with only older people, and the second highest came from the store where the mentoring occurred. So, yes, if the job is such that it requires physical strength and very fast reflexes, and that is evidence based, perhaps they could say the job is there but you will be paid for your level of productivity. A lot of companies work like that anyway. They have a baseline that people are expected to reach, and beyond that it is bonus work. That same process could happen.

Mr DUTTON—It depends on the industry.

Ms HALL—It is interesting that the federal age discrimination laws that were introduced are different from all other forms of antidiscrimination legislation in that age has to be the major form of discrimination. That is not included in any other antidiscrimination legislation. In New South Wales, the No. 1 reason that people contact the Anti-Discrimination Board is discrimination in the workplace. But that is by the by. You mentioned the correlation between healthy ageing and employment and the issues of mental health, physical health and isolation.

Has the impact on self-esteem also been measured? What is the correlation between self-esteem and the ability of an older worker to obtain and maintain employment?

Ms Cartwright—That has certainly been part of the studies that have been done on social isolation and social participation. It is not just about the loss of the role of paid work—sometimes loss of role occurs for older people who have lost their partner, and sometimes they have lost multiple roles—but the loss and grief that goes along with that, and society's attitude, as your previous speaker said, about someone who is unemployed being worthless, despite the fact that many of those people have already given, and continue to give, a great deal to their communities. So the links to self-esteem and depression are very clearly delineated in the research—loss of role is linked to depression, social isolation and mental health problems. It is circular; one reinforces the other.

Ms HALL—My final question is: what recommendations do you think this committee should make in relation to strategies, actions and policies that government should make to address this issue of discrimination against mature workers?

CHAIR—You have got 30 seconds.

Prof. Bartlett—I would set out a research agenda. Let us develop policies and strategies that are evidence based. That would be my one recommendation: to define a very clear research agenda.

Ms Cartwright—In fact Helen and one of our other colleagues has done precisely that work for Queensland, looking at how well Queensland government policy development on ageing is based on evidence. Certainly that is something that we would strongly recommend; also whatever policies are developed do not have them set in concrete. At least have within them the flexibility to take account of the differing needs of the people involved.

Ms HALL—Have you got any other research that we should be looking at, that you could send to the committee, other than your submission?

Prof. Bartlett—A lot of our research is under way at the moment.

Ms Cartwright—There might be some of interest.

CHAIR—Mr Dutton, just so I do not get accused of gagging you, do you have any other questions?

Mr DUTTON—No, I am happy to concede my time again to you, Mr Chair.

CHAIR—Have you read through some of the submissions that we have received?

Ms Cartwright—No, we have not seen them at all.

CHAIR—There was a submission that we received earlier today in evidence from East Coast Apprenticeships regarding a carers accreditation scheme. Could I just get you to have a look at

that. I would not mind you making a comment, because you have referred to carers in your evidence today.

Ms Cartwright—I have actually made a submission somewhere else about the need for carer training, not to a government body but to the Queensland Council of Carers at a conference.

CHAIR—This was specifically making use of the pool of volunteers out there who are caring for their loved ones. They have already started developing some of the basic skills, so let us convert that into something more formal through an accreditation scheme so that we can use them in an industry which is going to grow in importance. If you have got something to do with that, just send it through. I am not sure whether this is in your submission, and I apologise if it is and I have not noted it, but you did make the point that unpaid work and volunteer work of older workers is not valued by prospective employers. Do you have a strategy on how we can actually make an assessment of that value? I will give you a good example: one of my colleagues who lost his seat after two terms took two years to get a job. What he was told when he fronted up to employment service providers was that he had been out of the work force for too long. So there was no recognition of his skills—even as a member of parliament.

Prof. Bartlett—In that sort of situation it is really important for the individual to provide evidence of the nature of their volunteering work. If it is in a formal setting it is easier, of course, than if it is in an informal community setting. But I think there are ways to achieve this.

CHAIR—If there is some way that that can be done without it being an ad hoc process, that would be good.

Ms Cartwright—If you go to a private employment agency, one of the first things they will do—certainly if you go for secretarial skills or anything like that—is sit you down and assess you. So it could be part of Centrelink's work or other forums as well. But you could not, as you previously said, have that many assessors for all the different skills that people have. That recognition of prior learning is certainly something that needs attention.

CHAIR—Thank you very much for your submission.

Ms HALL—You are going to send us those papers?

Ms Cartwright—Yes.

Ms HALL—Thanks.

CHAIR—Thank you very much. It has been very worth while from our perspective and I know that we could have spent another half hour discussing these issues with you.

[12.38 p.m.]

SCHMUTTERMAIER, Dr John Richard, (Private capacity)

CHAIR—Welcome. Thank you for meeting with us today. The proceedings here today are formal proceedings of the parliament. Although the committee does not require witnesses to give evidence under oath, you should understand that these hearings are legal proceedings of parliament and warrant the same respect as proceedings of parliament itself. Giving false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. The committee prefers that all evidence be given in public. If at any stage you should wish to give evidence in private, please ask to do so and we will consider your request. I invite you to make some preliminary comments about the issues you think are important to this inquiry and then we will move to questions and general discussion.

Dr Schmuttermaier—My study is based on what happened in the Latrobe Valley, which was a major energy supply area in Victoria. It went through a radical restructuring, downsizing and privatisation process which devastated the local community. I was keen to have a look at the after-effects of that on those who stayed within the power industry under new ownership under old agreements, enterprise bargaining agreements and what have you. I explored the social dimension of that as well as analysing questionnaire data, which I did not submit in this report; that came after. I thought it was more important for me to take a grounded approach, with interviews I did with people at the time. It is also part of my PhD.

CHAIR—Would you like to talk to us a bit about your research and what you have come up with?

Dr Schmuttermaier—Most of it is covered in the report that I submitted. There are some key issues that I thought were important and worth exploring in terms of the social impacts of such a process that the community went through. I also think it is important to look at the obligations of employers to the community and, as well, the role of government in that process to regulate, which I felt had not been done in an adequate way. The roll-on effects of such a process were severely felt within that community. I do not know of any studies that actually assessed the impact of that after the event, some years down the track.

CHAIR—I will invite Jill Hall to kick off the questioning. Jill, perhaps the Latrobe Valley and the Hunter might have some similarities that you would want to pursue.

Ms HALL—Thank you, Chair. I went to the Latrobe Valley and looked at some of those issues within the electricity industry, including their impact there in relation to the impact they were having in New South Wales, in the Hunter, with all of the changes there. At the time the authorities were looking at privatising the electricity industry in New South Wales. There were some definite correlations, and it was very interesting. I would like to ask you some questions about your research paper, which you have here, so that you will expand on it a little bit. In your recommendations you have put forward:

A policy on best-practice for downsizing and restructuring be designed and incorporated into existing industrial relations policy documents.

What do you thing constitutes best practice? What things should be included in that?

Dr Schmuttermaier—There have been some interesting studies done on that, as there are good downsizings and bad downsizings. Australian companies in particular have a lot to learn from what is happening overseas, where they have been through that process a number of times and they have modified it to a point where there is a correct way of doing it that is beneficial to the employees and community. For some reason, in Australia most companies have not caught on as much to that process. They just think about the bottom line in terms of a quick fix, so they just slash and burn. There is change happening: there are companies that are moving towards a best practice model.

Ms HALL—What elements are included in that?

Dr Schmuttermaier—Finding viable employment beforehand is one of the key factors for these people, as is letting them know within a due time frame that it is going to happen, so there is plenty of preparedness by all parties concerned. So it is about taking on board a responsibility not just to the worker but to their families and the community at large.

Ms HALL—I know that the Latrobe Valley is a very good example of downsizing having a negative impact on the whole community.

Dr Schmuttermaier—I remember a poignant article that came out in the local paper at the time. There had been plans to build another power station, with so many hundreds of millions of dollars involved and 50 years of long-term progressive development in this area with X number of power stations to be built. The expectation was that it was in a growth mode. There was a picture of this power station and it had stamped across it: 'Cancelled'. That was the wake-up call.

Ms HALL—You also talk about valuing workers. Would you comment a little bit more on that as to the impact that valuing workers has and how that is involved in downsizing? I suppose you spoke a little bit about that when you were talking about looking at ongoing employment for them, the role of the employer and how downsizing impacts on individuals.

Dr Schmuttermaier—It is a key part of what I am doing at the moment. I am doing some research with Boeing Australia and I am looking at that particular issue. It is a very important issue. Most companies do not say it up front but they acknowledge that there are valued workers who are more valued than other workers. All workers are valued in a sense, otherwise they would not be employed. They are employed because they are valued. But there is a sense of a much more valued employee. They need to retain those employees who have specific skills and experience that they bring to the job that cannot be brought off the street or bought off the shelf and take years to train. They have this concept of this highly valued employee. The ones who are less valued are more expendable and their employment relationship is negotiated around that, so when times are tough they are the ones who go first.

Ms HALL—Do you think that if an employee feels valued they perform at a higher level than an employee who does not feel valued?

Dr Schmuttermaier—Most certainly. The problem that we are finding, though, is that in a climate where the employer is ready to dismiss these employees or to say, 'Your worth is within a specific time frame,' even those who are highly valued within that time frame know that their value is within a certain context. What happens to their less-valued colleagues reflects to them the idea that they, too, may eventually go down that path, and that has an impact on how they perform as well.

Ms HALL—You look at individual worker characteristics and the resilience factor et cetera.

Dr Schmuttermaier—That was an interesting finding. Some workers take on board the fact that things have changed radically since earlier days and people no longer believe that there is a job for life, that there is such a thing as job security. Many workers worry about that. They accept it, but they worry about their capacity to find gainful employment if something were to happen. Those people become more other-reliant; they are reliant on the employer. They will do what they can to shore up their viability to remain. That extends into the community in terms of how they contribute to the community. There is a whole set of scenarios there. For those who are more self-reliant, it is not really about whether they are valued or not; it is about their perceptions—how secure they feel within themselves about their ability to gain employment elsewhere. These more self-reliant people tend not to stay long with the organisation anyway; they are more transitional people. Professionals are a good example of that. In order to shore up their skill base they do not necessarily want to stay with one particular employer; they need to be on the move with other employers to augment their skill base so that they have more to bring.

Ms HALL—Was it your study that highlighted that the higher their level of skills the more they were like that?

Dr Schmuttermaier—Yes—the more self-reliant they were.

CHAIR—John, who commissioned your research?

Dr Schmuttermaier—Monash University. It was through my PhD.

CHAIR—What has been the response to your research from industries and various agencies in the Latrobe Valley itself? What have they done as a result; what changes have they implemented as a result of your research?

Dr Schmuttermaier—All of the organisations involved in my study got a feedback report, a very precise report on the findings, and were very keen to follow up. Of course they were still going through the process of privatisation. Hazelwood power station changed hands again to an overseas company, and I never touched base after that. They were prepared to go forward and implement these findings—in fact, they wanted to change their whole planning processes around this and implement some key strategies—but when they changed hands that all stopped. The Australian Securities and Investments Commission were involved. They had a similar process; they had a new person come in. They were prepared to go through and do that as well, but someone else came in who said that they had had all of these sorts of studies and reports done

before and that was really great but they never acted on them, and so they decided not to do it. That is a big problem I am finding with companies, even when I have taken my study to companies up here. Boeing Australia are implementing it—they have got me in to do that. I have looked at this with Thiess, and they were keen to come in as well. Thiess were very concerned. They thought they could save a lot of money with my research, and I am still in negotiation with them about that. But it does come back to 'How can we make money on this?' rather than the social implications.

Mr DUTTON—So it is about trying to provide a balance between the social obligations and companies trying to make money, is it?

Dr Schmuttermaier—I suppose that is the bottom line for all companies. They are in business to make money. The bigger the company and the more successful, the more obligation they feel to support the local community. Most big companies seem to do that.

Mr DUTTON—Do you think there has been a change in that corporate ethic over, say, the last decade?

Dr Schmuttermaier—There has been a change in terms of how they market themselves along those lines. They have to be seen to be doing that—and they do it up to a point. Whether or not the effects of that actually have a long-lasting impact on the community has yet to be seen.

Mr DUTTON—Is it your assessment that that mood, I suppose, will continue to improve, or has it hit a brick wall?

Dr Schmuttermaier—I think it depends on the number of variables in terms of the international impact of companies—the bigger companies who are international in their scope. The mother or father companies overseas dictate how they operate. If you have a company that fosters that sort of program, they will try and implement that. Boeing is trying to do that as well. It also depends on what I think is a bigger issue, government legislation and the role of legislation in being a part of that process. In this more recent climate I feel that the government is taking a more backward step and wanting to disengage from that process and leave it up to companies to sort it out for themselves. I guess that is fair: it is a free market economy—that is how we operate. But I wonder about it when looking at the long-term effects on communities and unemployment, which are big issues. For people that are going through that process it is like a cycle: yes, they are employed now but they will at some point be unemployed, and how will they get back into employment? That is all part and parcel of that. I think the government has to play a key role in that process.

Mr DUTTON—Has the government taken a step backwards because there is more public scrutiny of these downsizing exercises in this day and age? Every corporate body seems to be worried about what the headlines will be tomorrow. Has that worked towards self-regulation in some way? We have discussed it today: it is very difficult to legislate for attitude—for argument's sake, if you are talking about general community attitudes particularly towards mature aged workers. Is it just something that evolves naturally? How can you legislate for these moral outcomes?

Dr Schmuttermaier—You can put in place measures and use them as a benchmark. Once something is put in as a benchmark there is no pushing on that. There is no debate about that—that is the rule, that is the line, and you have to negotiate within those parameters.

CHAIR—Under whose authority would that benchmark be administered?

Dr Schmuttermaier—You could not just implement and impose that benchmark. You would have to do it in conjunction with organisations. Those companies would be involved in that process and could say, 'How is that benchmark going to affect us and our bottom line?' and, 'Yes, we agree that we have a greater obligation to the community.' You only have to look around the world where that sort of benchmark is not in place, and how things are detrimental to the local communities. I am just thinking of some of the bigger mining industries in some of these Third World countries.

CHAIR—You would not see it as perhaps coming under the ASIC umbrella or perhaps even the Australian Industrial Relations Commission?

Dr Schmuttermaier—They need to be involved, but these are bodies that have been around for a while and have implemented benchmark processes before. It has come to a stage where companies have sort of pushed on the edges and what have you and they are not as regulated as much as is possible, and so things have been moving and changing. I think it needs to be revisited.

CHAIR—Ms Hall asked the question about best practice. I am still a bit lost in terms of exactly what it is that a best practice organisation would do.

Dr Schmuttermaier—In terms of downsizing?

CHAIR—Yes. Perhaps you could give me a model of what a best practice organisation would look like.

Dr Schmuttermaier—One that plans for this, communicates the process to the people in the community, offers training in terms of further employment and actually helps to seek gainful employment for those people. They are the four key points I would put forward.

CHAIR—Who does it well in Australia?

Dr Schmuttermaier—That is a good question. I have not given it a lot of thought.

Ms HALL—What do you think of the closure of BHP in Newcastle—how it was planned?

Dr Schmuttermaier—That was a big organisation. A lot of people lost their jobs.

Ms HALL—And there was a pathway plan where people were put into training. Was that a good example of where people were involved?

Dr Schmuttermaier—I think it was a good start, yes. I would like to see the long-term result of that, though, and I do not think many studies have followed through with that part of it. A best

case has to follow through and see what the outcomes are. So, while I have suggested those four points, it needs to be researched to find what the outcome is of that, to follow through.

CHAIR—One of your recommendations is about government incentives designed to ensure quality recognition of employees across a skill base. What type of incentives are you talking about and how would that apply?

Dr Schmuttermaier—It is very difficult. I know I raised that as an issue, but I am not sure I can actually give you an answer. There have been some models put out there on reward based things to help motivation and what have you, but I am not sure they have worked. It is like training: if you have an older person in their late 50s or 60s heading for retirement and they still have another 10 or 15 years to go and you want to retrain these people, how are you going to retrain them? They are the ones that do the training. It is: 'Here's the training. You've got to do this.' They would go and do it because they might get pay rise out of it, but how has it really benefited them or the company? They have just given it lip-service, in a sense.

CHAIR—A number of your recommendations, of course, are about doing further research. Where are you at with that at the moment? Are you doing that further research?

Dr Schmuttermaier—Yes, I am doing part of that research with Boeing Australia, looking at the core and non-core values of employees and the long-term effects of that.

CHAIR—I know there will be some cases of major downsizing taking place—and we heard last week or the week before about Kodak probably downsizing considerably because of not being able to keep up with the technological changes—but I would have thought that the 80s and 90s saw the high point of downsizing taking place in this country. Have we reached that peak? What do you think the future is in Australian industry?

Dr Schmuttermaier—That it is going to become the norm. It is actually becoming the norm now. Most companies go through some process of restructuring and downsizing. It is becoming an accepted practice. It was highlighted in the 80s and 90s because it was unusual.

CHAIR—We are talking about the quantums, though. The banks went through it all and the large manufacturing companies went through it all as they shed businesses or went overseas. There were changes to the automotive industry and the textile industry. We saw a lot of downsizing taking place. What else is left in terms of huge quantums?

Dr Schmuttermaier—It will continue. Companies get to a point where they need to have that cost saving, which downsizing does give them in the short term. The long-term scenario seems to be: 'Once we do that, we become a much more marketable company and we can sell ourselves better,' so the people who come in and buy that company buy it on that proviso, and then they do not do so well. Many of the companies that bought into the power stations are not doing so well. The cost saving was done at the beginning when they did the huge downsizing and offloading. But it will continue. Bigger companies will continue to do that.

CHAIR—How do we instil in the companies the notion that being a good corporate citizen, which a lot of them aspire to be, is more than just about opening up your doors to the local sporting clubs to use your facilities or being environmentally friendly and having great waste

management practices; it is also about the post-employment life of your work force. How do you instil that?

Dr Schmuttermaier—You have to get them to take responsibility.

CHAIR—You use the words 'have to'. I am still troubled by that. You cannot regulate that, surely. You cannot introduce legislation to do that.

Dr Schmuttermaier—You have CEOs who do things in the company to save money and make a lot of money themselves out of it. How many of these CEOs are brought to account for illegal activities? What is their responsibility for their actions and how far does that extend? That is where the government's role comes in.

CHAIR—That still does not answer the question of downsizing. Illegality is one thing. My obligation to you as my employee ends when your walk out that door, surely. How does the government make sure that I become a good corporate citizen by taking on that extra responsibility and am concerned about what happens to you when you walk out that door? That is why I asked whether it should be under ASIC or under the AIRC.

Dr Schmuttermaier—They have to be made to show how it affects their bottom line. In terms of the initial short-term effects, it will increase their profits, not so much their productivity. In terms of the people buying into that, in regard to the long-term effects, it has to be shown that there are costs involved in that process and that it is down the track, and which governing body could do that?

Ms HALL—It is interesting looking at downsizing from a behavioural scientist's point of view. That is very good.

Dr Schmuttermaier—It is very unique, I think.

CHAIR—Are you working in a cooperative way with employer groups or employee organisations?

Dr Schmuttermaier—No, I am only working with Boeing at the moment, and I am looking around at others. I am actually presenting some papers on this research overseas.

CHAIR—Thank you very much for coming in and for your evidence and submission. We appreciate it.

[1.04 p.m.]

NOBLE, Ms Jan, Executive Officer, Australian Institute of Medical Scientists

CHAIR—Welcome. Thank you for meeting with us today. The proceedings here today are formal proceedings of parliament. Although the committee does not require witnesses to give evidence under oath, you should understand that these hearings are legal proceedings of parliament and warrant the same respect as proceedings of parliament itself. Giving false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. The committee prefers that all evidence be given in public. If at any stage you wish to give evidence in private please ask to do so and we will consider your request. I invite you to make some preliminary comments about the issues you think are important to this inquiry before we move to questions and discussion.

Ms Noble—Thank you. I represent the Australian Institute of Medical Scientists, which is a professional body, not an industrial body, but since these issues of employment are professional as well as industrial we felt that it was important to make a submission. As you will note, my submission is brief. I have just raised a couple of issues that I think are probably common to most health care professionals in Australia.

One of them is the difficulty of employment in rural areas—the fact that there are barriers to retaining and upskilling for a lot of people in the country. Another is the barriers for mature age people returning to the work force. Here I am particularly thinking of women, because women constitute a little over half of the work force up to the age of about 25 to 30, and then the numbers tail off comparatively, obviously as women leave the work force to devote more time to their family and to child rearing. When they then come to return to the work force there are many difficulties for them. The area of laboratory pathology is one that is expanding extremely quickly as far as technology advances are concerned, so someone who is out of the work force for only a very short period of time must undergo some retraining if they are to be of any value or to find any reasonable employment area. Particularly in country regions, the problem of upgrading skills is of importance.

I also mention in passing an area that is really only tangential to this inquiry. It is the fact that medical scientists are not generally considered under the health department definition to be an allied health professional, which means that they slip through the cracks when it comes to funding in a number of cases. This is an area that we have been making submissions to the health department about on a number of fronts.

CHAIR—Thank you very much. I have here a figure of 9,514 medical scientists in Australia in 1996. It has probably grown since then. How many of those would be your members?

Ms Noble—We have just over 2,000 members.

CHAIR—Would your organisation be the largest representative?

Ms Noble—Yes.

CHAIR—Is that across Australia, or is it mainly Queensland based?

Ms Noble—Across Australia. It is a national body.

CHAIR—Who else would they belong to?

Ms Noble—The Australasian Association of Clinical Biochemists and some to the Australian Society for Microbiology, but the microbiology society covers a lot of other areas as well as medical scientists. You will gather from that that membership of professional bodies is not very high on the priority list of most medical scientists. In other words, there are a large number of medical scientists who do not belong to professional bodies.

CHAIR—Is that because your organisation is mainly an industry organisation rather than an accreditation body?

Ms Noble—We are also an accreditation body, and we do this in a number of ways. We accredit university courses—nine in Australia and three in New Zealand. We are also the body that assesses on behalf of NOOSR the qualifications of people wishing to migrate to Australia. We are also called upon from time to time by either individuals or companies to assess the qualifications of people who are applying for employment and about whom the employer may be a little uncertain. But those people do not have to be members of our organisation for us to do that.

CHAIR—Are they the ones that work for pathology laboratories like Dorevitch?

Ms Noble—And the public laboratories in public hospitals right across Australia. Some of our members are in research, but for the most part they are employed in diagnostic pathology laboratories.

Mr DUTTON—I will just ask one question. You spoke about some difficulties in relation to rural and remote areas and anticipated that there should be some incentives for people to be located in those areas. I suppose you are talking about incentives along similar lines to those that are provided to doctors, for argument's sake, and other people within the health industry to practise within those areas. Is that the sort of recommendation that you are aiming toward?

Ms Noble—There was no specific recommendation at which I was aiming. Really we wanted to alert the committee to some of the issues that are faced. As I said in my opening statement, these issues are right across the spectrum of health care professionals. Medical scientists perhaps are a little different from some of the others in that they do not have direct face-to-face contact with the patient, they do not have a provider number and they are employed in a pathology laboratory. So it is not exactly parallel to many others; it is a little different from most.

Mr DUTTON—What about the industry's attitude to people rejoining the work force? Are employers flexible with work positions for, say, women coming back into the work force or for older people coming back on a part-time basis? Do they themselves provide adequate incentives for remote locations? Is it a flexible industry with good employers?

Ms Noble—I think it varies. When you have six state health departments, the territory health departments and a number of private providers, it varies quite considerably. But it is fairly generally recognised that attracting people to country areas is difficult, particularly for the private pathologists. Very often the health departments in large states like Queensland have staff they put on a relieving-rotation basis and send to the country for a time. But to attract somebody to a private laboratory or to stay permanently in smaller country laboratories is difficult. I am constantly asked about this by people in this area. One of the things we have on our web base as a free service is a job section where people can advertise for staff, and a lot of people from country labs have said to me how difficult it is to get people. So certainly those who are anxious to attract people to those small labs would be very flexible in welcoming people part time provided they have the skills—and that is the crucial thing. One thing you cannot compromise on is the skills and abilities of these people.

CHAIR—Just on your role with the National Office of Overseas Skills Recognition, recently we heard from a witness about how tough it is to get people from overseas recognised in this country and how, rather than putting them through the formal process of having an assessment, sometimes we just need to put them on the job, get them to work with someone currently doing the job and then assess whether or not they have the necessary skills to meet Australian conditions. Is that an option in this profession, or is it purely an academic 'tick the box; yes, you have your degree' situation and we recognise that?

Ms Noble—It is not purely an academic thing. The recognition of overseas people is document based, but it is based on both academic qualifications and experience. That is how the assessment is made. But the academic basis really has to be there.

CHAIR—With the migrants who are coming in and seeking accreditation, which particular nations are they coming from which cause you the greatest angst in terms of assessment?

Ms Noble—There are problems and difficulties through all countries in that the qualifications may be difficult to evaluate. I do not think I could say that there is a great deal of angst caused. Certainly some of them are more difficult in the assessment process than others. Also in many cases there are people who are on the borderline where it is difficult to determine on the basis of documentation.

CHAIR—In my electorate I often hear from migrants from India, for example, who complain about the procedures that they have to go through. Is that a source country that we can perhaps tap into in order to fill the vacancies out in rural and regional Australia?

Ms Noble—We certainly have a great number of applicants from India and in general from the Indian subcontinent. Many of those are well qualified and do in fact pass the assessment and come in and are subsequently, as I have heard, given permanent residency status.

CHAIR—So migration is a possible strategy to fill the gap?

Ms Noble—Yes, but the problem is that most of those who come to Australia want to stay where many of their countrymen are, which is usually in the capital cities. It is the same problem that comes with every profession.

CHAIR—Another piece of evidence that we have heard—and we have questioned one of the witnesses today on this—came from Professor Peter Saunders of the Centre for Independent Studies in Sydney last week. He talked about retraining, and you have referred to retraining here. Have you found the retraining of people within the industry meets your needs? There is some thought that perhaps retraining is a waste of money.

Ms Noble—I have read Professor Saunders's submission, as a matter of fact.

CHAIR—He did make the comment about the exception being women.

Ms Noble—He made the comment that this excepted post-family women, and they are the people that I was particularly referring to. I think this is the area, because very often these women are motivated and highly trained but cannot get into the work force in such a specialised area without retraining.

CHAIR—Are women your biggest cohort of people coming back into the work force?

Ms Noble—Yes.

CHAIR—Is there anything else you would like to emphasise to us, Ms Noble, that we may not have taken into account from your submission?

Ms Noble—I do not think so at this point.

CHAIR—The rural and regional angle is unique. I do not think we have had any other submissions that are so industry specific in regard to rural and regional Australia. We have had industry specific submissions, but not in regard to rural and regional Australia.

Ms Noble—There did not appear to have been a huge number of industry specific submissions—not as many as I would have expected.

CHAIR—For the rural and regional areas, that is.

Mr DUTTON—Or in general.

CHAIR—We have had the grocery and sugar industries and so on. I think we will leave it at that. I am sure that if there are other questions we need to ask we will get back to you.

Ms Noble—Please do.

CHAIR—We sincerely thank you for changing your schedule to meet with our time frame. We may want to get back to you.

Ms Noble—That would be my pleasure. Thank you for the opportunity of making that submission.

CHAIR—Thank you.

Resolved (on motion by **Mr Dutton**):

That this committee authorises publication of the transcript of the evidence given before it at public hearing this day.

Committee adjourned at 1.19 p.m.