

# TRANSCRIPT

## LEGISLATIVE ASSEMBLY ECONOMY AND INFRASTRUCTURE COMMITTEE

### **Inquiry into sustainable employment for disadvantaged jobseekers**

Melbourne—Wednesday, 4 September 2019

#### **MEMBERS**

Mr John Eren—Chair

Mr Gary Blackwood—Deputy Chair

Ms Juliana Addison

Ms Sarah Connolly

Mr Brad Rowswell

Ms Steph Ryan

Ms Kat Theophanous

#### **WITNESS**

Ms Tina Hogarth-Clarke, Chief Executive Officer, Council on the Ageing Victoria.

**The CHAIR:** Welcome to the public hearings for the Legislative Assembly Economy and Infrastructure Committee's Inquiry into sustainable employment for disadvantaged jobseekers. All evidence taken by this Committee is protected by parliamentary privilege, therefore you are protected against any action for what you say here today, but if you go outside and repeat the same things, including on social media, those comments may not be protected by this privilege. All evidence given today is being recorded by Hansard and is also broadcast live on the Parliament's website. Rebroadcasting of the hearing is only permitted in accordance with Legislative Assembly standing order 234. You will be provided with a proof version of the transcript to check. Verified transcripts, PowerPoint presentations and handouts will be placed on the Committee's website as soon as possible.

I understand you are going to give a 5-minute presentation, and then we will proceed to some questions after that.

**Ms HOGARTH-CLARKE:** Thank you. I am here today on behalf of Council on the Ageing Victoria, which is a consumer body that represents the interests of Victorians over the age of 50. Systematic age discrimination is still continuing to prevent Victorians from re-entering, obtaining and retaining meaningful employment, despite the working age population of Australia being forecast to fall below 50% in 2021. This will make the continued employment of older workers an increasing necessity for a strong economy as the pool of younger workers shrinks. This is in a time when two-thirds of employers say they are reluctant to employ workers over the age of 50, and so people in this age bracket on average spend twice as long looking for work. Taking steps to increase the workforce participation of older Victorians will undoubtedly lead to cost benefits for health and social services. Such steps will also become increasingly critical to the sustainability of the economy as the state's population continues to age.

I urge this Inquiry to consider addressing the barriers to employment for this age group, to consider tailored training and wraparound services, including financial capability, financial capability support and to ensure that our older Victorians not only remain in the workforce and thrive but are able to be re-employed successfully. It is clear that Victoria needs a new public framework to enable meaningful opportunities for workers as they age. The involvement of corporate Australia to actively support government initiatives will be critical in addressing the underemployment of older Victorians, which is having a major impact on the health and the welfare of older workers and their families. In many family and smaller businesses, older workers are valued, not only for their experience but they become mentors for the younger employees.

Council on the Ageing welcomes this Inquiry, and I now welcome some questions.

**Ms CONNOLLY:** I was just going to jump straight in. How do you think employers should be adjusting their recruitment practices to avoid discriminating against older workers?

**Ms HOGARTH-CLARKE:** There has been a lot of work done around unconscious bias and unconscious bias training within this space, but I think that that needs to also include unconscious bias for age, for older workers. We are still finding that during the recruitment process people are being asked for their age. It is also quite easy to sort of determine, too, when you are looking at somebody's CV and their experience et cetera. So that is one thing: unconscious bias training needs to include ageism and what that means. That is probably the main one. Also putting supports in and drawing attention to the fact of the value that older people bring to an organisation, their experience within a sector, within the company itself—if we are talking about a larger company—and sort of highlighting the benefits of older people.

**The CHAIR:** I was going to lead into that, the advantage of employing older people. What are the real advantages for an employer to employ somebody that is older?

**Ms HOGARTH-CLARKE:** The first one is their experience, obviously. We could probably break that into two. This is continuing employment within the organisation or within the sector that you have always worked. So that is one issue, people being laid off. If there are redundancies that are available or are going to happen, it is usually the older worker that is laid off in preference to the younger worker. That is one issue, and then the other issue is those that are laid off are spending a lot longer trying to get work again. They may want to retrain or to go into another area. Dealing with the first group, the answer is almost obvious. They have the experience

of the company. They understand the company that they have been working for or the sector that they have been working in. Whether that is their network contacts or whether that is the information and skill, they are able to bring that to the table that a younger worker may not potentially have. They do act or could act as a mentor program, keeping and retaining the information and the skill that they have learned.

For those that are re-entering because they have been laid off or have chosen to start a different career and want to retrain, what we are finding is that those workers know what they want, generally. They have had experience within the workplace and they understand what a workplace is and how to operate and how to interact within a corporate environment or any sort of company organisational environment. They are more likely to be able to integrate themselves in, stay for longer, contribute and be up to speed a lot faster.

**Ms ADDISON:** My husband was 50 when he was made redundant as a fitter and turner, so he was certainly very concerned about his age and everything like that. I am very interested in incentives to hire older workers, and I note with interest the Restart mature age workers subsidy, which provided employers a \$10,000 incentive. It mentions that very few employers actually took up this subsidy, so I was wondering if you could provide some light on why that is the case, and how could a scheme such as this be better promoted to employers?

**Ms HOGARTH-CLARKE:** I think that is the key, the promotion to employers. We are probably not best placed to answer that because we are a consumer peak body as opposed to employers, but I think certainly it is exactly as you said with the promotion and the way that it was promoted. I do not think that employers quite understood what it was about—is the feedback that we are getting. It also does not really address ageism, so just saying, ‘We’ll give you \$10,000 if you will employ people over the age of 50’, does not give tools to that employer about what that is going to look like and what that is going to mean.

The reality is that in that age group, maybe not 50 but a bit older, they start to decline in health. Those sorts of things need to also be factored in for employers to understand what that is going to look like within their organisation. By that I mean people as they age generally do not want to continue working in a labourer’s kind of heavy lifting role, even if that is what they have been doing all of that time, so it is working with them to work out how that then fits in.

I think any future attempts that you are looking at in that space need to really address any of the underlying issues and barriers, which is the ageism and understanding why it is that employers say, ‘Well, we don’t want to employ people who are 50 years plus’. It is also just promoting awareness of the benefits, I guess, of employing older people.

**Mr BLACKWOOD:** Tina, we have heard a lot over the last day or so about mentoring on the job, especially for those with disadvantage to get them into the workforce and then help them stay there for the longer term. I see an opportunity here through the ageing workforce for especially large corporations to instead of considering redundancies to maybe consider a shift in priority to capture both ends of the workforce, to have new people coming on and being trained and mentored by the older worker. Can you suggest any ways that we as a government could actually facilitate that or make that happen? You mentioned incentives did not necessarily work.

**Ms HOGARTH-CLARKE:** Yes. I think it all comes back to the education and training of employers and ensuring that there are some supports around. So I said we can section it out into two ways: those that are continuing within the same organisation are one group of people and making sure that they are not forced out until they are ready to go, and then there are those that have been made redundant or have had to leave the workforce for whatever reason. In particular females are probably over-represented in that group as they leave the workforce to be carers for either their children, or in the older group it is usually their parents. Then they have to, once they are not in that caring role any more, enter back into the workforce again.

**The CHAIR:** Or looking after grandkids.

**Ms HOGARTH-CLARKE:** Or looking after grandkids is the other one that is quite common as well, yes. Just offering an incentive to employers if they are not understanding: ‘Well, you know, why have you taken three years off?’, having to explain, ‘Oh, because I was looking after my mum’, and then ‘Oh, well’. It is that sort of attitude, and I think that there is a lot of work to be done around that. I think that certainly what the State

Government could be contributing is just bringing awareness and shining a light on those sorts of attitudes and getting back to training around unconscious bias. So it is the unconscious bias of getting rid of older workers if you need to downsize, for whatever reason, but then also understanding that older workers have lived a life, have had a career and generally have had families and are keen to work again—just understanding what supports they may need in order to help them get over the fact that they are feeling a bit down because they cannot get a job.

**Ms CONNOLLY:** Can I ask about re-education. We are offering free TAFE, and we are looking for TAFE teachers for all of the industries that are crying out for skilled labour. Do you think older Australians or older Victorians know about free TAFE? So they might come off the tools after decades of working as a tradie and retrain and go into the classroom. Do you think older Victorians know about these sorts of options and things like that?

**Ms HOGARTH-CLARKE:** I do not know if it is really a matter of them knowing about it, and I cannot answer as to whether they do know about it, but I think even if they did know about it, when you are retraining and going into a classroom that is full of young people it is very, very daunting, because they do have very different needs. What is needed in that age group is a little bit more thought around the wraparound services around TAFE. What I mean by that is the recruitment of them—making sure that they do know that this is available to them and is not just for school leavers is one thing, and reassuring them that it is a welcoming environment in which they can operate. The other is to have an understanding that many of these workers have families that they are providing for or were providing for, so the financial capability is really important. Understanding their financial capabilities and having some counselling around that is also very important because they are going to need to take time off, whether it is a couple of weeks or six months, to do the training course. So what is that going to look for life financially for them as opposed to just doing cash-in-hand jobs to see them through, particularly in the tradie space.

Then the other is acknowledging the fact that they are probably going to need a bit more support with employment at the end of that, because we do have an ageist society and the employers do have those ageist attitudes. So they are going to need a bit more confidence building and little bit more support in actually securing a job at the end of that. If they look at the beginning of a TAFE course and say, ‘Well, I’m going to do this TAFE course, but I probably still won’t get a job’, or if they have already been down that pathway and they did not get a job at the end of it, then their confidence is going to be one of the barriers that is going to prevent them from entering into that stream.

**Mr ROWSWELL:** As one of the younger members of the Committee, I just make the point: I was speaking to a group of young people yesterday and they were asking me, as one of the younger Members of Parliament, if I had ever experienced ageism. I expressed to them that I had but at the other end of the scale. My question, though, is, and Juliana will know this from her experience in education: when a principal retires they sometimes are offered the opportunity to come back into the profession as a principal consultant, for example, across sectors, and it is a great way of using their skills and their experience to then mentor and help others. We are about solutions here, so is there a best practice model around the world that you could point to that you could share an example of?

**Ms HOGARTH-CLARKE:** We actually have one in Australia, and that is the Westpac bank. Currently 20% of their employees are at the age of 50. They have a very active retention program for their employees and a recruitment program, because they recognise the value that older, more experienced people bring to their organisation. I just need to read through my notes about what exactly they are doing. They offer flexible working hours, which is important for older people. As we said, some of them are carers. Some of them are carers for grandchildren as well. So they like the flexible working hours. It is also recognising that that group may get some disabilities as they get older as well, so sitting at a desk with a sore back or strain injuries, eyesight and all of those sorts of things—so recognising those. They also ensure that their older employees receive exactly the same training opportunities and advancement opportunities as anyone else, which tends to be another barrier that we see in those larger corporations: ‘You don’t need training. You’re already really experienced. You have been here 20 years. What do you need training for?’—so allowing them to take up those training opportunities. The flexible working arrangements, part-time and grandparent leave is the other one that they have also included within their—

**Mr ROWSWELL:** Excellent.

**Ms HOGARTH-CLARKE:** They have also established a mature-age employee action group to progress the position of employees that are aged 50. I was listening a bit earlier when you were talking about consulting with the people that are actually experiencing this and consulting with people over the age of 50. Westpac actively do that within part of their process, and they listen to their employees in that age group—their concerns and the issues that they might have and incorporate those. And they have established a prime of life program, which is a suite of training options and support for mature-age workers and their managers, and this involves giving the 50-plus employees access to workshop sessions which assist them to plan for their future. Again we are talking about finance and health and their career. Do they want to stay, do they want to retrain, what happens after retirement—all those sorts of questions. Because they put those out there, that is how they are able to have 20%.

**Mr ROWSWELL:** Fantastic. Is there a particular document that they have that you have access to that could be shared with the Committee that summarises that?

**Ms HOGARTH-CLARKE:** I can do that, yes, absolutely.

**The CHAIR:** If you can send that through, that would be great.

**Mr ROWSWELL:** That would be marvellous. Thank you.

**The CHAIR:** So when retrenchments occur and there is downsizing in the company, usually it affects the older workforce and they get a payment of some sort because they are retrenched. They have a lump of money that they have, whether they get financial guidance from counsellors in terms of how they expend that money. Some of them go into their own small business, I know particularly around the gardening area, Hire a Hubby and all that sort of—

**Ms ADDISON:** Grey Army.

**The CHAIR:** Yes, the Grey Army. So there are a raft of businesses that they could go into rather than transition to another workforce. They work for themselves. Is there something that the organisation does to assist, or is this something that the Government should assist with in that transition?

**Ms HOGARTH-CLARKE:** We actually found it quite difficult to get information around that exact topic, but in terms of what the Council on the Ageing are doing, we are always looking for any opportunities. We have a massive volunteer base, and we do employ obviously quite a few older workers, but I think not everybody wants to start their own business. But you are right, certainly in health and in aged care we are seeing a lot of particularly women in their 50s—the largest percentage of workers and personal care workers in that stream tend to be women in their 50s. Some of those are starting their own businesses and contributing in that way. To answer your question around what could government do, maybe that is where you need to be having incentives, and again it is training and being out there saying just because you've finished up—that cohort is particularly important for those that have been in a caring role and are now going back into the workforce again. We tend to find that group would particularly be interested in that.

It is a pretty scary prospect to start your own business, and again they are going to need financial counselling and to work out how to run their business, because if you are going to start a business there are business processes that need to be put in place before you actually do whatever it is you want to do. There is your accounting and software et cetera and registrations and insurance et cetera. So certainly having a program that encourages and trains people around if you want to start your own business, these are the things that you need to look for. I think in that particular cohort the advantage is that they have already worked generally in the area that they are wanting to go into, or if they have not, they have a passion for that and that is their life dream: 'I have always wanted to be a landscape architect', or what have you, and, 'I want to leave the rat-race and get out into the garden'. So you are having a really motivated group that would potentially be very successful in their own small businesses if they are given the capacity, the capabilities and the tools to run a business.

**Ms THEOPHANOUS:** Tina, do you see that as a particularly pertinent model for older women who may have those caring responsibilities both for grandkids and for perhaps their ageing parents where a nine-to-five

job might not suit them but they have got a bit of spare time now to start their own business, learn those new skills around business management and still be able to juggle those caring responsibilities—programs specifically targeted to women in that space?

**Ms HOGARTH-CLARKE:** I think so, yes. I think the flexibility is probably the biggest drawcard for running your own business, but also understanding that even though there is flexibility, there are still some must-dos. You must fill in your BAS, you must pay your tax and all those sorts of things. I think in any small business there are some that are successful and there are some that fail, and the ones that fail are those who do not take into account that financial management and that business management, and they do not have the business skills to be able to keep running the business. They are good at doing whatever skill or task they are doing, but they are not good on the back end. So certainly if they are given those skills, I think you would find a lot more would be successful, and that flexibility arrangement is really valuable.

**The CHAIR:** We have run out of time. Thank you so much for being here today. It has been very useful.

**Ms HOGARTH-CLARKE:** Thank you. My pleasure.

**Witness withdrew.**