



Brotherhood  
of St Laurence

Working for an Australia free of poverty

Submission to the Australian Human Rights Commission

# Willing to Work

National Inquiry into Employment Discrimination against  
Older Australians and Australians with Disability

Brotherhood of St Laurence

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## Summary of recommendations

The Brotherhood of St Laurence urges the Australian Human Rights Commission to make the following recommendations in its Report to the Australian Government on Employment Discrimination against Older Australians:

- 1 Introduce a supplementary payment for jobseekers aged 65 and over experiencing long term unemployment to coincide with upcoming increases to the pension eligibility age. This payment should bridge the gap between the rate of Newstart and the Age Pension in recognition of the challenges of securing employment so close to retirement age.
- 2 Design anti-discrimination campaigns and initiatives to counter the different experiences of employment discrimination against older adults, including:
  - the intersection of sexism and ageism often experienced by women on the basis of their perceived physical attractiveness
  - prejudging manual workers as ‘rusty’
  - the perception of older jobseekers as a threat to management and organisational change.
- 3 Review training qualifications for recruitment and employment services staff to include specific modules on effectively supporting mature-age jobseekers.
- 4 Support labour market intermediaries and *jobactive* providers to address the age gap between mature-age jobseekers and front line staff. Future tenders for employment services ought to require prospective providers to demonstrate how they will effectively work with mature-age jobseekers.
- 5 Work with Jobs Australia and the National Employment Services Association to introduce a comprehensive capabilities assessment for mature-age jobseekers that takes account of the transferable skills and knowledge acquired across a long working life. This would assist *jobactive* providers to undertake job matching that recognises the distinct capabilities and levels of experience of older jobseekers.
- 6 Reshape funding for *jobactive* providers to enable early and concerted employment assistance to jobseekers aged 45 and over to prevent long-term unemployment. This should include skills development and career transition support, tailored to the local employment market.

## The Brotherhood of St Laurence and older workers

The Brotherhood of St Laurence is an independent non-government organisation with strong community links that has been working to reduce poverty in Australia since the 1930s. Based in Melbourne, but with a national profile, BSL continues to fight for an Australia free of poverty. We undertake research, service development and delivery, and advocacy, with the objective of addressing unmet needs and translating the understandings gained into new policies, new programs and practices for implementation by government and others.

This submission is informed by BSL's established program of research on older Australians and employment, which includes the following studies:

### Sidelined! Workforce participation and non-participation among baby boomers

In 2011, Dr Bowman and Dr Kimberley from BSL's Research and Policy Centre undertook an exploratory study of baby boomers marginalised in employment. This study highlighted the risks associated with changed nature of work and increasingly fragmented transitions in-and-out of work for many mature-age Australians.

### Understanding and preventing workforce vulnerabilities in mid-life and beyond

Focusing on mature-age workers who are underemployed or involuntarily without work, BSL in partnership with Jobs Australia and researchers at Melbourne, Canberra and Curtin universities undertook an Australian Research Council funded study to understand:

- the circumstances that lead to marginalisation from employment in mature-age and how these differ between men and women and those of different ages
- the impact on people's wellbeing, personal and financial, and future aspirations
- how existing employment services can better assist mature-age people

The study involved statistical analysis of Australian Bureau of Statistics (ABS) and Household Income and Labour Force Dynamics in Australia (HILDA) data, as well as two waves of qualitative interviews with 80 mature-age men and women about their experiences of ageing, working and looking for work. It highlighted the pervasiveness of age-related employment discrimination against older Australians and the critical role of gender and class in shaping older workers' diverse experiences of ageing and discrimination.

The study also identified a number of structural barriers experienced by mature-age jobseekers within the employment services system, including the gap in age between these jobseekers and the employment services frontline staff and a service focus on supporting jobseekers into low-paid, low-skilled jobs that do not match the capabilities and experience of mature-age jobseekers.<sup>1</sup>

### Enhancing job services for older Australians

BSL's Research and Policy Centre has recently received an Innovation Grant from the Lord Mayor's Charitable Foundation to undertake research on frontline employment services staff working with mature-age jobseekers and to develop and pilot training resources.

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<sup>1</sup> This submission draws heavily on this study and articles that are due for publication in 2016. See the attached research summary *Too young to retire, too old to work*

## 1 Introduction

The Brotherhood of St Laurence (BSL) welcomes the Australian Human Rights Commission National Inquiry into Employment Discrimination against Older Australians and Australians with Disability and is pleased to make a submission to the Inquiry. Our submission focuses on mature-age workers and jobseekers.

The submission considers questions raised in the Issues Paper that most closely relate to the BSL's research and practical experience, specifically:

- 1 What policies, workplace practices, programs or incentives assist with increasing participation of older workers? How adequate are these policies, practices or incentives? What is the role of Government, peak business and employee groups, and individual employers?
- 3 What other data or information is available on employment discrimination against older workers?
- 7 What are the distinct challenges faced by certain groups of older Australians (e.g. women, Aboriginal and Torres Strait Islander peoples, people from culturally and linguistically diverse backgrounds or LGBTI people) in relation to employment discrimination?

The submission has the following structure:

- Part 2 provides an overview of the labour market situation of mature-age Australians, highlighting the rising number of mature-age jobseekers on Newstart Allowance, the high rates of long-term unemployment and underemployment and the associated consequences.
- Part 3 considers the nature and extent of employment discrimination against older Australians, and how ageism is experienced differently by different groups of older workers depending on their gender and occupation.
- Part 4 provides an analysis of the role of recruitment agencies and employment services as labour market intermediaries between employers and older workers.

The submission calls for Government policies on ageing and employment to be refocused on addressing the prevalence of long term unemployment among mature-age adults who are still many years from reaching the (current) pension eligibility age. This includes developing robust policy frameworks to combat the pervasiveness of ageism in the labour market and to address the systematic barriers to accessing recruitment and employment services experienced by older adults.

## 2 Mature-age adults and work

With an increasing policy emphasis on superannuation and a rising Age Pension eligibility age, the economic wellbeing of older Australians is becoming more closely tied to their histories of workforce participation.

The Age Pension age is gradually rising to 67 years by 2023 and, subject to legislation, 70 years by 2035. The assumption that a higher pension eligibility age will increase the proportion of their lives that Australians spend in the workforce overlooks the range of barriers to workforce participation experienced by older adults and the high rates of long-term unemployment among mature-age jobseekers.

## Mature-age underemployment and long-term unemployment are rising

The ABS Labour Force Australia Survey shows that the number of people aged 45–54 who are underemployed<sup>2</sup> rose from 112,000 in May 2008 to more than 180,000 in May 2015.<sup>3</sup> Over the same period, the number of underemployed people aged 55–64 almost doubled to just under 139,000 in May 2015.

There has been a similar increase in the number of mature-age Australians receiving Newstart Allowance. Data reported by the Department of Employment shows that 247,802 mature-age Australians received Newstart in June 2015<sup>4</sup> compared with just over 154,000 in June 2008.<sup>5</sup> This reflects an overall increase in unemployment and the fact that mature-age workers who lose their jobs remain unemployed and on income support for longer than younger jobseekers:

- Nearly 70 per cent of mature-age jobseekers receiving Newstart Allowance in June 2015 were **long-term jobseekers** who had been registered with Centrelink for a year or more.
- 5 in 10 mature-age jobseekers receiving Newstart in June 2015 were **very long-term** jobseekers who had been registered with Centrelink for two years or more.<sup>6</sup>

## Age discrimination pushes older jobseekers out of the labour market

Research by the Australian Human Rights Commission and National Seniors Australia shows that age-related discrimination is a major barrier experienced by older people looking for work (see Part 3). As Redman and Snape observe, it leads older jobseekers ‘to experience longer periods of unemployment as job searching lengthens with age and the number of interviews gained declines’.<sup>7</sup>

Many older jobseekers become discouraged and stop looking for work, believing that they are considered too old by employers.<sup>8</sup> As a result, many older people who are involuntarily without work are not counted in official estimates of mature-age unemployment. For example, in September 2013, there were 38,200 mature-age Australians outside the labour force who wanted to work but who had stopped looking because they perceived that they were ‘considered too old’.<sup>9</sup>

Many mature-age adults in our Workforce Vulnerabilities study saw themselves in a Catch-22 situation, caught between being considered ‘too old to work and too young to retire’ (Veronica, 60). Repeated unsuccessful attempts to find work gave rise to feelings of hopelessness and despair:

It’s not being left out, it’s being ignored ... [Applying] for 50 jobs and you don’t even get an answer. No-one will even talk to you ... So you feel like you are wasting your time (Les, 61).

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<sup>2</sup> Underemployed workers are people in part-time employment, whether temporary or ongoing, who are working fewer hours than they want and are available to work.

<sup>3</sup> ABS 2015, *Labour force Australia*, Cat. no. 6202.0. Table 22: Underutilised persons by age and sex, May 2008 to May 2015.

<sup>4</sup> Department of Employment 2015, *Job Services Australia data June 2015: Newstart customer population by age group*.

<sup>5</sup> Department of Social Services 2009, *Income support customers: a statistical overview 2008*.

<sup>6</sup> Department of Employment 2015, *Job services Australia data June 2015: mature age population by duration of registration*.

<sup>7</sup> Redman T. and Snape E. 2002, ‘Ageism in teaching: stereotypical beliefs and discriminatory attitudes towards the over-50s’, *Work, employment and society*, 16, 2, 355-71.

<sup>8</sup> AHRC 2015, *National prevalence survey of age discrimination in the workplace*. Sydney: Australian Human Rights Commission, p. 59.

<sup>9</sup> ABS 2014, *Persons not in the labour force: September 2013*. Canberra: Australian Bureau of Statistics.

## Age-based employment discrimination has a national economic cost

With Australians living longer, and to address a declining working age population, we cannot afford to have mature-age men and women locked out of work by employment discrimination. According to the Intergenerational Generational Report, ‘if mature age participation rates were to increase to around 67 per cent by 2049–50, real GDP per capita would be 2.4 per cent higher in 2049–50’.<sup>10</sup> Removing barriers to workforce participation such as employment discrimination would also help to reduce the financial costs associated with an ageing population.

## Unemployment in mature age can lead to ill health and poverty

Involuntary exit from the labour market through unemployment ‘can be very demoralising’ as individuals ‘face the end of their career with a sense of not having satisfactorily completed their work life ... of being denied a decent ending’.<sup>11</sup> This is reflected in the high levels of depression reported in empirical studies of older workers who experience involuntary exit from employment.<sup>12</sup>

Finnish research into coping with unemployment suggests that the corrosive effects of joblessness on the mental health of older adults are exacerbated by the ‘never-ending efforts to penetrate the labour market, which in turn [can] lead to exhaustion and deteriorating mental wellbeing’.<sup>13</sup> Many mature-age jobseekers described the emotional pain that accompanied unsuccessful attempts to find work. Many talked of developing depression, and several relayed stories of colleagues who had taken their lives:

I could understand the circumstances that a lot of those people found who actually took their own lives, and I wasn’t going to allow myself to go there ... The feeling of not feeling valued is an enormous one ... You can be as brave and have as much bravado as you like and go out there and continually challenge the job market ... But after you’ve been bashed around the head enough times ... you’re only human (Ed, 54).

The serious long-term financial effects associated with prolonged loss of earnings and reduced capacity to save for retirement can lead, as Ranzijn et al. observe in their research on unemployed baby boomers, to ‘intense anxiety’ among older unemployed adults ‘about their ability to manage financially for the rest of their lives’.<sup>14</sup> Moreover, with younger people spending longer in education and leaving home later, many unemployed and underemployed mature-age adults have continued parental and financial responsibilities.<sup>15</sup>

For mature-age Australians who become unemployed, disruptions to their work histories not only bring the obvious loss of immediate income. They also can ‘inflict a longer-term “scar” through the

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<sup>10</sup> Australian Treasury 2010, *Intergenerational report 2010*, Canberra: Australian Treasury, pp.29-30.

<sup>11</sup> Kohli M. and Rein M. 1991, ‘The changing balance of work and retirement’. In: Kohli M, Rein M, Guillemand a-M and Van Gunsteren H (eds.) *Time for retirement: comparative studies of early exit from the labour force*. Cambridge: Cambridge University Press, p.27.

<sup>12</sup> For a review see Hershey D.A. and Henkens K. 2013, ‘Impact of different types of retirement transitions on perceived satisfaction with life’, *The Gerontologist*, 54, 2, 232-44.

<sup>13</sup> Raito P. and Lahelma E. (2015) ‘Coping with unemployment among journalists and managers’. *Work, Employment & Society*, p.14.

<sup>14</sup> Ranzijn R., Carson E., Winefield A.H. and Price D. 2006, ‘On the scrap-heap at 45: The human impact of mature-aged unemployment’, *Journal of Occupational & Organizational Psychology*, 79, 3, p. 474.

<sup>15</sup> Carson E. and Kerr L. 2003, “‘Stakeholder welfare” and the “pivot generation”: the challenge of policy shifts and intergeneration tendencies for Australian baby boomers’. *Just Policy* 29, April, 3-14.

increased future incidence of unemployment and lower subsequent earnings in employment'.<sup>16</sup> Chan and Stevens, using data from the US Health and Retirement Study, demonstrated the large and long-lasting employment effects of job loss in mature-age, with just 60 per cent of men and 55 per cent of women finding re-employment two years after a job loss in their mid-50s. Among those who return to work, post-displacement jobs are often short-lived, with reemployed workers 'facing significantly increased probabilities of exiting employment'.<sup>17</sup>

### Increasing the pension eligibility age will exacerbate these impacts

The scarring effects of unemployment accumulate over the life-course to exacerbate inequality and 'the threat of poverty and social exclusion' in old age.<sup>18</sup> The problem is compounded by policy responses to population ageing that mandate higher pension eligibility ages and greater financial self-reliance in retirement. Those without significant savings may be reliant on increasingly residual social security payments such as the Newstart Allowance, which is below the 50 per cent median income poverty line in Australia<sup>19</sup> and has been declining in value relative to the Age Pension for 20 years.<sup>20</sup> As COTA has observed in a submission to the Senate Community Affairs Legislation Committee, over 80 per cent of older Australians who go onto the full Age Pension at age 65 move across from another income support payment such as Newstart or the Disability Support Pension.<sup>21</sup>

Without a positive shift in mature-aged employment opportunities, higher pension eligibility ages will likely prolong the period spent by many older adults languishing in a netherworld between work and retirement, rather than increasing the proportion of their lives spent in work.

#### **Recommendation 1**

**Introduce a supplementary payment for jobseekers aged 65 and over experiencing long term unemployment to coincide with upcoming increases to the pension eligibility age. This payment should bridge the gap between the rate of Newstart and the Age Pension in recognition of the challenges of securing employment so close to retirement age.**

## 3 The complexity and diversity of ageism

Age discrimination is one of the main barriers to increased workforce participation by older adults, and a key reason why many older adults withdraw from the workforce prematurely. This is demonstrated in AHRC's (2015) National Prevalence Survey of Age Discrimination in the Workplace. A quarter of the more than 2,100 older Australians who participated in this survey

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<sup>16</sup> Arulampalam W., Gregg P. and Gregory M. 2001, 'Unemployment scarring', *The Economic Journal*, 111, p. F577.

<sup>17</sup> Chan, S. and Stevens A. 2001, 'Job loss and employment patterns of older workers', *Journal of Labour Economics*, 19, 2, p. 485.

<sup>18</sup> Arulampalam W., Gregg P. and Gregory M. 2001, 'Unemployment scarring', *The Economic Journal*, 111, p. F577.

<sup>19</sup> Australian Council of Social Services (ACOSS) 2014, *Poverty in Australia 2014*. Surry Hills, NSW: ACOSS.

<sup>20</sup> Martin, P. 2014, 'Newstart recipients falling behind as age pension nears \$20,000', *Sydney Morning Herald*, 24 March.

<sup>21</sup> COTA 2014, Submission to the Senate Community Affairs Legislation Committee Inquiry into Social Services and Other Legislation Amendment (2014 Budget Measures No. 1) Bill 2014 and the Social Services and Other Legislation Amendment (2014 Budget Measures No.2), July 2014. p. 9.



reported experiencing some form of work-related age discrimination over a two-year period, with reported rates higher among those looking for work.

Research by National Seniors Australia suggests that the incidence of discrimination against older workers during recruitment may be even higher, with more than a third of older jobseekers surveyed reporting age-related exclusion during job searching and recruitment.<sup>22</sup> These findings are consistent with international studies on employer attitudes towards older workers showing that age prejudice exists throughout the employment cycle, but especially during recruitment.<sup>23</sup>

BSL acknowledges the important work that the AHRC has done to reduce discrimination against older workers, including through community education and awareness campaigns such as the ‘Age Positive’ and ‘Power of Oldness’ campaigns. These initiatives expose prevailing negative stereotypes of older Australians and promote the business case for hiring and retaining older workers. However, these campaigns do not go far enough in addressing the gendered nature of ageism or older adults’ different experiences of age discrimination.

While the prevalence and extent of employment discrimination against older workers is well documented, the *nature* of ageism and the qualitative differences in older men and women’s experiences of employment discrimination are less well understood. This is partly because relatively little qualitative research has been carried out on ageism in Australia, and an in-depth understanding of older adults’ varied experiences of age discrimination is difficult to capture using large-scale survey research.

A further issue is that conventional approaches tend to represent age discrimination as a ‘gender-neutral’ or universal phenomenon that equally affects all older workers.<sup>24</sup> Ageism, for example, is often defined as ‘the systematic stereotyping of, and discrimination against people *simply because they are older*’.<sup>25</sup> It is thought to reflect societal acceptance of a deficit accumulation model of ageing, which manifests in negative stereotypes about older workers: that they ‘don’t like change ... are more likely to be forgetful, do not like being told what to do by someone younger, have difficulty learning new things or complex tasks, do not want to work long hours, [and] prefer not to use technology’.<sup>26</sup>

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<sup>22</sup> National Seniors Australia Productive Ageing Centre 2013, *Age discrimination in the labour market: Experiences and perceptions of mature age Australians*. Melbourne: National Seniors Australia Productive Ageing Centre.

<sup>23</sup> Duncan C. 2003 ‘Assessing anti-ageism routes to older worker re-engagement’, *Work, Employment & Society*, 17, 1, 101-20; Loretto W. and White P. 2006, ‘Employers’ attitudes, practices and policies towards older workers’, *Human Resource Management Journal*, 16, 3, 313-30; Taylor P. 2011, ‘Ageism and age discrimination in the labour market and employer responses’. In: Griffin T and Beddie F (eds.) *Older workers: research findings*. Adelaide: National Centre for Vocational Education Research.

<sup>24</sup> Duncan C. and Loretto W. 2004, ‘Never the right age? Gender and age-based discrimination in employment’. *Gender, Work & Organization* 11, no. 1, p.94.

<sup>25</sup> Australian Human Rights Commission 2010, *Age discrimination: exposing the hidden barrier for mature age workers*. Sydney: Australian Human Rights Commission, p.2 [emphasis added].

<sup>26</sup> Australian Human Rights Commission 2013, *Fact or fiction? Stereotypes of older Australians*. Sydney: Australian Human Rights Commission, p.38.

## There are different experiences of age-based employment discrimination

Not all older adults are seen as ‘old’ in the same way; nor are they discriminated against *simply* because they are older. While ‘age’ is undoubtedly a factor associated with the discrimination experienced by many older adults, their experiences of ageism are also heavily shaped by other factors such as their gender or their occupational field. For example, there is evidence that women and men experience ageism in different ways, with older women subject to the ‘double jeopardy’ of ageism and sexism.<sup>27</sup> Studies suggest that women are subject to negative age stereotypes—and are likely to be seen as ‘old’ in employment—from a younger age than men.<sup>28</sup> This is known as *gendered ageism*, a phenomenon that some have attributed to the heightened value that bodily appearance carries as a form of capital for women in the labour market.<sup>29</sup> Whereas grey hair and wrinkles can be read as marks of maturity and authority on men, ageing, it is argued that ageing undermines women’s traditional source of power—‘their sexual attractiveness seen to reside in youth’.<sup>30</sup>

The gendered and classed nature of older adults’ varied experiences of ageism is further highlighted by BSL research and the research of our project partners at Curtin University, who analysed HILDA data on perceptions of age discrimination among unemployed and marginally attached mature-age jobseekers over the period 2001–13. This analysis surprisingly found that, until recently, mature-age male jobseekers were more likely to report experiencing age discrimination in employment than mature-age women (see Figure 3.1). However, this does not necessarily mean that mature-age men are more likely to be discriminated against, as mature-age women may interpret the discrimination they experience as sexism rather than ageism.

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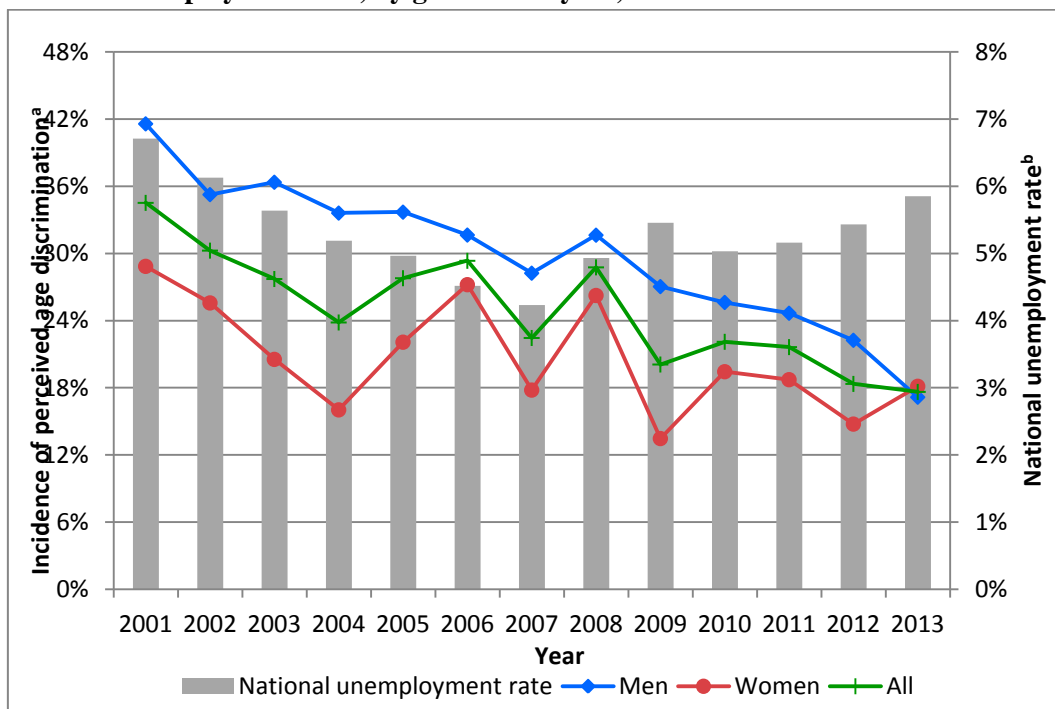
<sup>27</sup> Handy J. and Davy D. 2007, ‘Gendered ageism: older women’s experiences of employment agency practices’, *Asia Pacific Journal of Human Resources*, 45, 1, 85-99. p. 86.

<sup>28</sup> Itzin C. and Phillipson C. 1995, Gendered ageism. In: Itzin C and Newman J (eds.) *Gender, culture and organisation change*. London: Routledge, 81-90; Duncan C. and Loretto W. 2004, ‘Never the right age? Gender and age-based discrimination in employment’, *Gender, Work & Organization* 11, no. 1 p.94.

<sup>29</sup> Calasanti T. 2005, ‘Ageism, gravity, and gender: experiences of aging bodies’, *Generations*, Fall, 8-12.

<sup>30</sup> Twigg J. 2004, ‘The body, gender, and age: feminist insights in social gerontology’, *Journal of Aging Studies*, 18, 59-73.

**Figure 3.1 Incidence of perceived age discrimination among mature-age jobseekers and national unemployment rate, by gender and year, 2001–2013**



As Figure 3.1 shows, although mature-age male jobseekers have historically reported higher levels of age discrimination in employment, reports of age discrimination among mature-age male jobseekers have steadily declined from 42 per cent in 2001 to below 20 per cent in 2013. The same decline has not been observed among mature-age women. Indeed, the level of perceived age discrimination among mature-age female jobseekers was broadly similar in 2013 to 2004, when the *Age Discrimination Act* was introduced.

Whether this is due to the introduction of age discrimination legislation and other policy responses, such as education and awareness campaigns exposing common negative stereotypes about older workers, is unclear. The policy responses, however, appear to have had limited success in reducing employment discrimination against mature-age women, who may be subject to a different set of age prejudices and forms of negative stereotyping than mature-age men.

The Workforce Vulnerabilities Study suggested three distinct narratives of discrimination that reflected important gender and occupational differences: ‘rusty’, ‘invisible’, and ‘threatening’ older workers.

### ‘Rusty’ older workers

This group tended to be men from traditional working class occupations such as machinery operators, labourers, and process workers. Their accounts highlighted how the technical job skills that they had acquired and developed earlier in their careers had been ‘made sort of obsolete’ through technological change and ‘what happened in manufacturing in Australia’. ‘Employability’ for these people was conditional upon appearing physically ‘fit and fast’, something that became more difficult as they got older:

You have got to be still fairly fit to work in a warehouse environment. You know a lot of the guys in the age group here might have been working in the job at the same pace for 20 years or something. So they are long-term employees and they might not be the quickest workers and ... and the employer might be a bit hesitant to that, can they work quick enough are they going to make a compensation claim in 6 months you know, that kind of thing. (Larry, mid-50s)

I went for a job as a stevedore ... and basically they took a photo of you, and then we played two games, and then from that they chose 30 people to move to the next step. And I found that a bit strange. I mean I thought, well, maybe they were taking a photo to say, because it is an industry, it's what they call lashing. So it can be demanding, you probably need to be a reasonable height, you know, fitness-wise and things like that. And look, I don't have proof of this, but to me I think it was a bit of a screening sort of exercise. You know, he's too short, he's too tall, he's too old, he's too fat, starting with all that, but you'll never know. (Connor, 50)

### 'Invisible' older workers

This group was mainly women from clerical, administrative or services occupations. These women's accounts of discrimination focused on negative stereotypes about older female appearance and the importance of *looking* 'young, fit and attractive' for customer service, retail, secretarial and front office jobs. The 'rusty' older workers emphasised the importance to employability of looking young and fit as well as *being* physically fit and fast whereas, for women, the value of looking young in the labour market was associated with *attractiveness*.

I remember even being told after interviews. One of the girls came back and said 'Oh, you know, you were the best-looking one that came for the interview' ... I know that, as a young person, I suppose when I look back now when my looks are not an issue I can look back and say 'Yeah, I mean I have my qualifications and I have my personality but the looks was very much a part of it'. (Lisa, 49)

I had to actually put an image of myself on the résumé [for a receptionist position at a hairdresser] ... I could have picked up some stunning bird and put [it] on my résumé ... But yeah, I think once they saw what I looked like ... because they probably want someone that's a lot younger, I would've thought, being a hairdressing company. (Jacinta, 46)

Signs of ageing such as grey hair were experienced as particularly problematic by older women during interviews.

They take one look at my grey hair, and just completely dismiss you. (Eileen, 53)

The biggest disadvantage is the way you look, even if I do look a bit younger than my actual age. I would prefer to look 25 ... Because just about every job I've applied for, I've got an interview but I'm always just pipped at the post. (Rita, 57)

### 'Threatening' older workers

The accounts of highly educated men and women from managerial and professional occupations with lengthy work histories, primarily focused on the perception they were 'overqualified' and seen as a threat to management authority. These older adults saw themselves as highly skilled workers who could 'still add a lot of value' to organisations. Their accounts suggested they were discriminated against not because they had low qualifications or out-dated skills—indeed many felt their knowledge and skills were probably 'more than people really want' (Dan, 53)—but because employers saw them as too 'rigid' and 'inflexible'. However, in contrast to conventional analyses

that depict stereotyping as a denial of older workers' agency, they interpreted the stereotypes they were subject to as signalling a fear that they might resist organisational change and management authority.

The knowledge and experience they had accumulated over their careers equipped them with a level of agency they saw as threatening to organisational cultures where workers were 'probably much more reliant on following the rules rather than being innovative or taking risks' (Sharon, 50).

'You're too experienced' ... 'This is a young and vibrant workplace' are all code for ... we just need people to turn the wheels ... There are lots of, I call them, 'hamsters on treadmills'. (Ed, 54)

In particular, these older workers emphasised the tendency of firms to hire 'fast-tracked university graduates' and '35-year-old managers'. This group of older workers felt that their presence threatened these younger managers because they 'might know more than they do and show them up for being perhaps incompetent'. This manifested in older professionals being told they were 'not a cultural fit', which they interpreted as 'just code' for age discrimination.

I'm working mostly with people a lot younger than I am, especially in the IT industry ...  
I'm absolutely convinced that you are seen as a threat to their position (Tim, 61).

These three narratives underscore how older men and women in different occupational contexts are subject to very different forms of stereotyping and discrimination. The narrative of the 'threatening' older worker, for example, suggests a lack of fit between older managers and professionals and contemporary approaches in human resource management such as the model of the flexible firm, which emphasises perpetual regeneration, flexibility and adaptability as core aspects of organisational commitment and competitiveness. In this model of organisational life, older workers are 'tainted by the length and diversity of their work histories'<sup>31</sup> since the older worker 'complicates the meaning of what he or she learns, judging its work in terms of his or her past'.<sup>32</sup> Conversely, younger inexperienced workers are seen as blank canvasses for engraining high commitment to organisational cultures. As several commentators have argued, business case approaches and awareness campaigns promoting positive images of older adults as 'experienced' and 'reliable' workers may prove counterproductive since these characteristics become disadvantages of older workers for 'flexible' firms.<sup>33</sup>

In contrast to 'threatening' workers, the narrative of the 'invisible' older worker draws attention to the increasing importance of 'aesthetic labour', or how employees look and sound, within an economy characterised by a growing service sector. Research on the recruitment practices of retailers and hospitality businesses in the UK, for example, shows how distinct worker embodiments such as height, weight, looks and voice are seen as 'skills' by businesses looking to produce 'a "style" of service encounter that appeals to the sense of the customer'.<sup>34</sup> Although an older appearance may be seen as an advantage within some retail and service sectors, often the

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<sup>31</sup> Lyon P., Hallier J. and Glover I. 1998, 'Divestment of investment? The contradictions of HRM in relation to older employees', *Human Resource Management Journal*, 8, 1, p.58.

<sup>32</sup> Sennett R. 2007, *The culture of the new capitalism*. Yale University Press, pp. 97-98.

<sup>33</sup> Riach K. 2009, 'Managing 'difference': understanding age diversity in practice', *Human Resource Management Journal*, 19, 3, 319-35; Brooke E., Taylor P., McLoughlin C. and Di Biase T. 2013, 'Managing the working body: active ageing and limits to the 'flexible' firm', *Ageing & Society*, 33, 1295-314.

<sup>34</sup> Witz A., Warhurst C. and Nickson D. 2003, 'The labour of aesthetics and the aesthetics of organisation', *Organisation*, 10, 1, 33-54, 37.

desired employee ‘look’ privileges those who are seen as young, middle-class and white.<sup>35</sup> Research about the image consultancy industry suggests that aesthetic labouring extends to professions such as accountancy and law, where employees are encouraged to become ‘made up’ to conform to client, employer and societal images of the professional body.<sup>36</sup>

The link between embodiment and employability, and the physical bases of the discrimination experienced by many older adults, is downplayed in policy discourses and responses to ageism in employment, which tend to address negative stereotypes about older workers’ productivity and human capital.

### **Recommendation 2**

#### **Design anti-discrimination campaigns and initiatives to counter the different experiences of employment discrimination against older adults, including:**

- **the intersection of sexism and ageism often experienced by women on the basis of their perceived physical attractiveness**
- **prejudging manual workers as ‘rusty’**
- **the perception of older jobseekers as a threat to management and organisational change.**

## **4 Recruitment agencies and employment services**

Mature-age adults not only face discrimination from employers. There is also substantial evidence that they encounter discrimination from private recruitment agencies and publicly funded employment services. These organisations perform a critical ‘gate-keeping’ function within the labour market as intermediaries between mature-age jobseekers and employers. This was highlighted in the Australian Law Reform Commission Inquiry into Older Workers and Commonwealth Laws, which heard evidence of a lack of awareness among some private recruiters of the benefits of employing mature-age jobseekers as well as limited understanding of their obligations under anti-discrimination law.<sup>37</sup>

### **Recruitment practices can discriminate against mature-age jobseekers**

One of the concerns about the increasing role played by private recruitment agencies is that these may facilitate age discrimination within the labour market ‘by applying discriminatory criteria on behalf of employers’ even if agency staff themselves do not hold negative views about older workers.<sup>38</sup> As Handy and Davy observe in their research on older New Zealand women’s experiences of agency practices, the incentive for agencies to discriminate on behalf of employers becomes even stronger when there is strong competition between agencies to supply staff: ‘Under

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<sup>35</sup> Witz A., Warhurst C. and Nickson D. 2003. ‘The labour of aesthetics and the aesthetics of organisation’, *Organisation*, 10, 1, 33-54: 37; Warhurst C. and Nickson D. 2007, ‘Employee experience of aesthetic labour in retail and hospitality’, *Work, Employment & Society*, 21, 1, 103-20; Williams C.L. and Connell C. 2010, ‘Looking good and sounding right: Aesthetic labour and social inequality in the retail industry’, *Work and Occupations*, 37, 3, 349-77.

<sup>36</sup> Wellington C. and Bryson J.R. 2001, ‘At face value? Image consultancy, emotional labour and professional work’, *Sociology*, 35, 4, 933-46.

<sup>37</sup> Australian Law Reform Commission 2013, *Access all ages: older workers and Commonwealth laws*. Canberra: Commonwealth of Australia, p. 77.

<sup>38</sup> Handy J. and Davy D. 2007, ‘Gendered ageism: older women’s experiences of employment agency practices’, *Asia Pacific Journal of Human Resources*, 45, 1, p. 87.

such circumstances, the requirement to gain regular or repeat business may enable discriminatory employers to more easily condition agencies into accepting covert age discrimination as a business norm'.<sup>39</sup>

## Recruiters can be biased against mature-age jobseekers

The *Access All Ages Inquiry* observed that there is also evidence 'that discriminatory practices and reluctance to engage mature-age workers may arise as a result of recruiters' "own view of older workers"'.<sup>40</sup> This is reflected in BSL's research on mature-age jobseekers, who repeatedly cited the young age of employment consultants in recruitment firms and human resources departments as a barrier to finding work:

The people doing the checking, my understanding is that they're in their 20s to mid-30s, they do a lot of filtering out. I think there's a perception in their mind that once you're over mid-40s, that really you're a bit too old for the role or that you're rigid and next flexible enough for the roles ... It's very hard trying to work out what their perceptions are and trying to overcome these perceptions. It is frustrating because it's something that you can't influence, and even though I know there's legislation against it, I think people just tend to find other reasons not to hire you. (Andrew, 64)

Everyone my age has been talking for years about how if you're over 45, you've got to get past the people in HR who are 25. They think they know everything. (Lynne, 69)

They are usually late 20s to early 30s ... So they're actually very typically seeing or interviewing people who are of their own age group which I think is where a lot of the bias starts. Where anyone over a certain age, they typically look as if it's their father, rather than anyone who might have something to offer their client. Each time I slap myself up to the point of 'Look, cut out the pre-conceived ideas, go in with an open mind, perhaps this recruiter might be, you know what, someone like you' ... And every time I reach the same and inevitable conclusion, and I jump on a bus on the way home with steam coming out [of] me ... But, it's just this constant beating, when all you're doing is putting yourself out in the market and saying 'Give me a go'. (Ed, 54)

The experiences of these mature-age jobseekers underscore how employment discrimination against older adults can be structurally embedded in the labour market. For example, Patrickson and Ranzijn highlight how the increased outsourcing of recruitment to third parties has also shifted the age profile of those making recruitment decisions, who have become younger.<sup>41</sup> This increases the potential for unconscious bias against older adults during recruitment, with social psychology theory suggesting that people are 'more inclined to attribute positive characteristics to members of their own group (in-group bias) and more negative characteristics to members of other groups (out-group bias)'.<sup>42</sup> This is supported by Henkens' research on the stereotyping of Dutch older workers, which found that younger managers were more likely to believe negative stereotypes about the productivity and performance of older workers than older managers within the same

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<sup>39</sup> *ibid.* p. 96.

<sup>40</sup> Australian Law Reform Commission 2013, *Access all ages: older workers and Commonwealth laws*. Canberra: Commonwealth of Australia, p. 81.

<sup>41</sup> Patrickson M. and Ranzijn R. 2003, 'Employability of older workers', *Equal Opportunities International*, 22, 5, 50-63.

<sup>42</sup> Henkens K. 2005, 'Stereotyping older workers and retirement: the managers' point of view'. *Canadian Journal on Aging* 24, pp. 355-56.

organisations.<sup>43</sup> Similarly, AHRC research in Australia shows that younger business decision makers (e.g. managers and recruiters) are more likely than older business decision makers to subscribe to negative stereotypes about older workers, with 60 per cent of these aged 18–34 years holding predominantly negative attitudes.<sup>44</sup>

The ALRC Inquiry on Older Workers and Commonwealth Laws has recommended that industry bodies such as Australian Human Resources Institute and the Recruitment Consulting Services Association ‘provide recruitment consultants with ongoing training and guidance material about engaging constructively with and recruiting mature-age jobseekers’.

BSL supports this recommendation and also believes that intergenerational-awareness training needs to be incorporated in industry training packages delivered by Registered Training Organisations, such as the Certificate IV in Human Resources and the Certificates III and IV in Employment Services. For this reason, we are undertaking research to develop and pilot training with the support of the Lord Mayor’s Charitable Foundation and Jobs Australia.

## Employment services are not working well for mature-age jobseekers

Mature-age jobseekers who are clients of publicly funded employment services encounter many similar issues to older clients of recruitment agencies, in addition to facing other barriers related to the design of the employment services system and the assumption that unemployed jobseekers are necessarily low-skilled workers.

## The age profile of frontline staff is becoming younger

Research shows that frontline employment services staff are becoming younger, with over 43 per cent aged under 35 years in 2012 compared with 29 per cent in 1998.<sup>45</sup> The qualification levels of frontline workers have also declined over the past decade due to the increasing use of prescriptive IT-driven systems to structure interactions with jobseekers and the downward pressure on wages.

Mature-age jobseekers frequently identify the youth and relative inexperience of employment services staff as contributing to poor understanding of their needs and circumstances:

With a lot of these agencies, I’m talking about people who are 20 or 30 years younger than me. And I just can’t get through to them what it’s like, especially when you’re in your 50s, because I mean, they’re so young for the most part, they think they’ve got it all ... (Kevin, 51)

Quite often I found myself dealing with mid-20-year old, predominantly female, fast-tracked HR graduates, who had little or no life skills and work experience skills. They just regurgitated what they got taught at the university and/or the company’s policies and procedures with little understanding about [the] human condition. (Neil, 55)

While mature-age jobseekers’ views about young frontline workers may reflect their own unconscious bias against younger workers, the systematic assumption that employment consultants

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<sup>43</sup> *ibid.*

<sup>44</sup> Australian Human Rights Commission 2013, *Fact or fiction? Stereotypes of older Australians*. Sydney: Australian Human Rights Commission, p. 39.

<sup>45</sup> Considine M., O’Sullivan S., Nguyen P. and Toso F. 2013, *Increasing innovation and flexibility in social service delivery: Australian report back to industry partners*. Melbourne: School of Social and Political Sciences, University of Melbourne; Considine M. and Lewis J.M. 2010, ‘Front-line work in employment services after ten years of new public management reform: governance and activation in Australia, the Netherlands and the UK’, *European Journal of Social Security*, 12, 4, 357-70.



with few years' experience are qualified to advise mature-age jobseekers with long work histories on how to overcome labour market barriers amounts to systematic misrecognition of their experiences and capabilities.

He was older than I was ... And we talked about more of the issues that I experienced rather than how many boxes I had to tick. And that's the thing that a 24-year-old, in their first job out of the uni – I mean, what's she going to tell me? And it's quite insulting ... And she treats me with a degree of 'I'm talking to my father' as well, which isn't exactly encouraging. So I dread the appointment every three weeks. The last appointment, the thing that stuck me, she went ... 'Do you know at 55 ... you can go and get some volunteer work 15 hours a week, and then you don't have to do any of this. Might that be great?' And I said 'I need to work ... I can't survive like this'. And she just looked at me and goes 'You should be happy' ... And that's the naiveté as I looked at this young girl's eyes. (Ed, 54)

Given the gap in age between frontline workers and mature-age jobseekers, and the distinct skills-sets and experiences of mature-age jobseekers compared with other employment services clients, training is urgently needed for employment services staff on working with this group.

A range of toolkits have been designed to support the employment of mature-age workers, such as the Age Management Toolkit for employers, developed by National Seniors Australia Productive Ageing Centre, and the Investing in Experience toolkit developed by the Australian Industry Group with the support of the Australian Government. However, these toolkits are primarily aimed at employers and relate to strategies for attracting and retaining mature-age workers more broadly.<sup>46</sup>

There is a gap in existing policy responses in terms of training and resources for labour market intermediary workers such as employment services staff. Current industry training packages, such as the Certificates III and IV in Employment Services, include modules on understanding jobseekers with disability, mental health issues and from culturally diverse backgrounds. However, no specific training is presently available on understanding or working with mature-age jobseekers.

### **Recommendation 3**

**Review training qualifications for recruitment and employment services staff to include specific modules on effectively supporting mature-age jobseekers.**

### **Recommendation 4**

**Support labour market intermediaries and jobactive providers to address the age gap between mature-age jobseekers and front line staff. Future tenders for employment services ought to require prospective providers to demonstrate how they will effectively work with mature-age jobseekers.**

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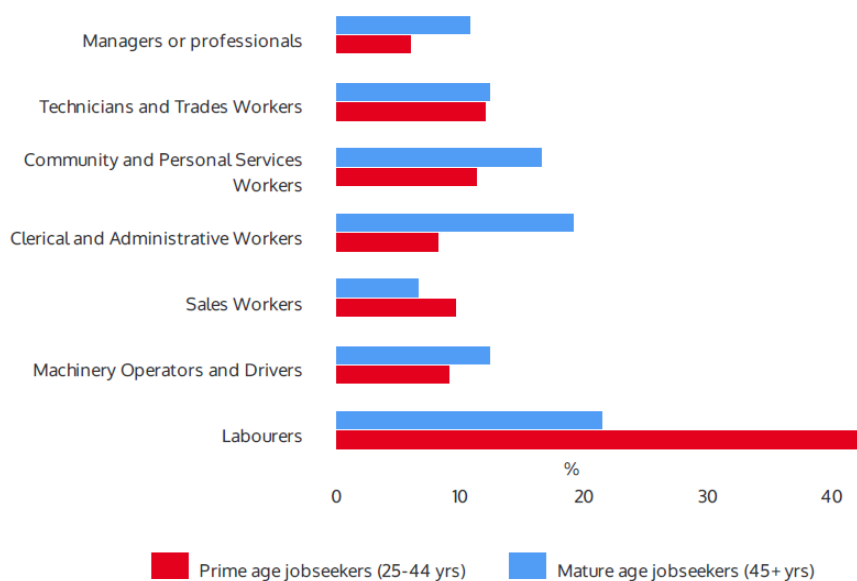
<sup>46</sup> van Kooy J. 2015, *Employer toolkits: towards inclusive employment?* Fitzroy: Brotherhood of St Laurence.

## The capabilities and experience of older jobseekers are often discounted

Mature-age jobseekers are a growing client cohort within the employment services system but the current system does not work well for this group.

Mature-age jobseekers on Newstart differ in important ways from others within the employment services system, and our research suggests that they experience a white collar support gap. For example, mature-age jobseekers are more likely to have worked in managerial, professional or clerical and administrative occupations than younger jobseekers. They are also more likely to have worked in public sector industries such as education and training, public administration and safety, and health care and social assistance.

**Figure 4.1 Newstart recipients by age and occupation, HILDA 2013.**



Contractual pressures to deliver quick employment outcomes coupled with funding models weighted towards payment upon results can orient providers towards steering jobseekers towards relatively low-skilled, low-paid and often short-term and insecure jobs that require little experience or formal training. Outcome-weighted payment models also discourage providers from supporting jobseekers through substantive education and training, with providers instead preferring short-term prevocational/job search training programs.<sup>47</sup>

Basically they'd say to me, **we've got blue collar jobs here.** We have [tonnes] of dishwashers and supermarket packers, we don't have anything for you. (50, office administrator)

They probably cater more to the younger crowd ... Those jobs are pretty plentiful, like retail and hospitality ... And that's the easiest path to take, whereas for us people who may have special needs, we kind of get put on a side rail. (Former IT professional, 55)

These quotes from the *Workforce Vulnerabilities* study illustrate the impacts of these contractual pressures on mature-age jobseekers. These pressures on providers are likely to intensify under the

<sup>47</sup> Marston G. and McDonald C. 2008, 'Feeling motivated yet? Long-term unemployed people's perspectives on the implementation of workfare in Australia', *Australian Journal of Social Issues*, 43, 2, 255-69.

new *jobactive* model, as providers can now receive outcome payments for placing jobseekers into employment lasting just four weeks.

Our research suggests that mature-aged jobseekers would benefit from individualised attention that allows providers to form an understanding of their experiences and capabilities and how this would be transferable to available jobs. Furthermore, a recognition process of informal learning could be implemented.

#### **Recommendation 5**

**Work with Jobs Australia and the National Employment Services Association to introduce a comprehensive capabilities assessment for mature-age jobseekers that takes account of the transferable skills and knowledge acquired across a long working life. This would assist *jobactive* providers to undertake job matching that recognises the distinct capabilities and levels of experience of older jobseekers.**

### Wage subsidies alone do not open up employment opportunities

The Australian Government has introduced the Restart wage subsidy in response to the growing number of mature-age jobseekers on Newstart and their high rates of long-term unemployment. Employers receive a payment of up to \$10,000 over twelve months if they employ people aged 50 and over who have been in receipt of Newstart or the Disability Support Pension for six months or more. However, Restart has had limited effect. Just 2,318 out of an anticipated 32,000 older jobseekers were assisted through Restart during the first 15 months of the scheme.<sup>48</sup>

While the Restart program is a welcome initiative intended to make mature-age jobseekers more competitive, for many the subsidy alone will not be sufficient to secure work. A 2012 report noted that the issues for mature-age jobseekers include out-of-date job search skills, age discrimination and skills mismatches in the present labour market.<sup>49</sup> The BSL experience of running a Mature-Aged Participation Program showed that some mature-age jobseekers need help with job search skills, confidence building and often digital literacy. Feedback from employers involved in that program was that their priority is securing stable, skilled employees, capable of delivering value to their business, rather than simply saving on wages.

Investment in supporting mature-age jobseekers is critical. Support should be extended to jobseekers in receipt of Newstart, as well as those voluntarily registered with *jobactive* providers, who at present attract minimal support.

#### **Recommendation 6**

**Reshape funding for *jobactive* providers to enable early and concerted employment assistance to jobseekers aged 45 and over to prevent long-term unemployment. This should include skills development and career transition support, tailored to the local employment market.**

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<sup>48</sup> <http://thenewdaily.com.au/money/2015/10/29/restarting-restart/>.

<sup>49</sup> Temple J. and Adair A. 2012, *Barriers to mature age employment: final report of the consultative forum on mature age participation*, Canberra: DEEWR.