Australian Human Rights Commission

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

Submission of

Recruitment & Consulting Services Association (RCSA)

December 2015

Recruitment & Consulting Services Association Ltd
RCSA Head Office
PO Box 18028 Collins St. East
Melbourne Victoria 8003
T: 03 9663 0555
E: info@rcsa.com.au
W: www.rcsa.com.au
Introduction to RCSA

The Recruitment & Consulting Services Association Australia & New Zealand (RCSA) is the leading industry and professional body for the private employment services sector in Australia and New Zealand which includes recruitment, on-hire worker and HR services. It represents over 3,000 company and individual Members.

RCSA members assign (on-hire) and place employees and independent contractors with businesses, governments and not-for-profit organisations operating within every industry in Australia and provide workforce consulting services to improve the productive capacity of Australian business in an ever-changing global economy.

Members of RCSA provide advice, information, support and guidance in relation to recruitment, employment and workforce management matters to business and government from small and medium sized business through to multinationals and the Commonwealth Government.

The RCSA membership is focused on promoting positive outcomes for business, workers and governments across Australia. The RCSA sets the benchmark for recruitment and on-hire industry standards through representation, education, and research and business advisory support.

All RCSA member organisations and Accredited Professionals agree to abide by the ACCC authorised RCSA Code for Professional Conduct.

RCSA members, as professional employers and work facilitators, operate within the workplace relations framework with their clients and know it intimately. Their knowledge, understanding, interpretation and support of the aims of the framework are evident in dealings that they have with their clients, employees and independent contractors every day.

RCSA Code for Professional Conduct

RCSA has a Code for Professional Conduct (the Code) which is authorised by the ACCC. In conjunction with the RCSA Constitution and By Laws, the Code sets the standards for relationships between Members, best practice with clients and candidates and general good order with respect to business management, including compliance. Acceptance of, and adherence to the Code, is a pre-requisite of Membership. The Code is supported by a comprehensive resource and education program and the process is overseen by the Professional Practice Council, appointed by the RCSA Board. The Ethics Registrar manages the complaint process and procedures with the support of a volunteer Ethics panel mentored by RCSA’s Professional Practice barrister.

RCSA’s objective is to promote the utilisation of the Code to achieve self-regulation of the on-hire worker services sector, wherever possible and effective, rather than see the introduction of additional legislative regulation.
**RCSA Proposal for Employment Services Industry Code**

The RCSA has released for public consultation its proposal for a Prescribed Industry Code (PIC) which would for the first time provide a single national framework for the regulation of the employment services and on-hire marketplace. The proposed Employment Services Industry Code (ESIC) would regulate the conduct of users of employment services as well as the conduct of employment services providers at points of the supply-chain for labour. Further information about ESIC and to provide feedback as part of the consultation is available from the RCSA website at [www.rcsa.com.au](http://www.rcsa.com.au).

**RCSA Definitions and Service Categories**

The following definitions and service categories were developed by RCSA to promote a better informed marketplace and a more sophisticated understanding of the role and contribution of the employment services sector in a modern economy.
1. On-hire Employee Services
A commercial service where an organisation, in return for an hourly fee, assigns one or more of its employees to perform work for a third party (client) under their general management and instruction.

2. Contracting Services
A commercial service where an organisation, in return for a fee, completes a defined scope of work for a third party (client). Such services may be performed utilizing employees or sub-contractors engaged or engaged by the service provider.

3. Contractor Management Services
A commercial service where an organisation, in return for a fee, recruits independent contractors on behalf of a third party (client) and, following direct engagement of the independent contractors by the client, the organisation manages the ongoing supply of the independent contractors and their contract performance.

4. Permanent Placement Services
A commercial service where an organisation, in return for a fee, recruits on behalf of a third party (client) candidates that match a desired profile for employment or engagement by the client.

5. Workforce Consulting Services
A commercial service where an organisation, in return for a fee, identifies and responds to client workforce issues and implements strategies designed to assist clients to achieve business success.
RCSA Submission Overview

The Recruitment & Consulting Services Association (RCSA) is pleased to make this submission to the Willing to Work Inquiry. RCSA attended a number of public consultations which were held as part of this inquiry in order to hear first-hand the views and concerns of older Australians and workers with disability.

In addition, RCSA hosted an industry consultation with the Age and Disability Discrimination Commissioner, the Hon Susan Ryan AO and members of the RCSA. RCSA has also met regularly with the Commissioner, and the Human Rights Commission, during the past three years to exchange information.

The RCSA Board has also just approved an Industry Improvement Statement (IIS) that provides clear guidance and definitions for RCSA members about good practice for employment service providers in their dealings with older Australian’s. This is an industry lead initiative to further strengthen the response of the RCSA Code for Professional to stamp out discrimination and the mistreatment by RCSA members of older Australians or workers with disability. A copy of this IIS is attached to this submission as Appendix 1.

RCSA also conducted research into the attitudes of recruiters to older Australian’s. First conducted in 2002, this research of member recruitment companies was conducted using interviews with senior managers in recruitment companies and an online survey comprising small, medium and large companies from all states and territories.

The results of this research show that employment service providers have positive attitudes to working with older Australian’s, and in fact believe that age is not a predictor of ability or productivity.

This research also finds that recruiters believe they have an educative role to play with employees and employers, and one third of recruiters have had direct experience assisting clients in building capacity to support productive employment of older Australian and workers with disability.

The RCSA would welcome the opportunity to work with the Commission as a conduit to members and employers of outcomes and actions from this inquiry.

Please contact with any queries regarding this submission or the research:

Simon Schweigert
Manager Media and Government Relations
sschweigert@rcsa.com.au or tel: (03) 9663 0555
RCSA Submission

In reviewing the research findings and the current recruitment and employment marketplace, RCSA provides the following observations and inputs for the inquiry.

1. RCSA Members, in the provision of private employment services, provide work opportunities and improved working lives on a level which cannot be ignored.

2. RCSA members work directly with employers and the labour market and facilitate an efficient allocation of labour and management by sourcing, matching, placing, assigning and supporting the best individuals for the job at hand within the most effective engagement model for both worker and hirer.

3. Recruiters note that clients are often not seeking a scattering of workers, but are focused on finding a particular type of worker.

4. Australian’s are adapting to changing economic conditions, social preferences and looking to work differently to how our parents, and earlier generations, worked. It is critical that all Australian employers and workers embrace these social and workplace changes.

5. A number of myths and misinformation exist about the role and actions of employment service providers, and about recruiters discriminating against older Australians and workers with disability.

These are incorrect, and research (A Survey of Attitudes towards Older Australians RCSA, 2015) conducted by RCSA over a 10-year period shows that recruiters have positive attitudes to working with older Australian’s and workers with disability.

6. As an important conduit to employers and the labour market, RCSA members are in a unique position to advise and influence the attitudes and preconceived notions of employers and workers alike about employment.

7. The search for employment is today conducted differently and requires new techniques and skills to successfully participate in the employment and recruitment marketplace. These skills are required of employers, recruiters and workers alike.

8. Education and information that considers and reflects the desired outcomes of employers as well as employees is required to successfully create a more open and informed employment environment.
RCSA Survey of Attitudes towards Older Workers

This survey was first conducted by the RCSA in 2005 to explore the attitudes of recruiters and employers to working with older workers in the context of the unique relationship and influence that a recruitment company has in HR design and employment practices with clients to facilitate workplace participation of older workers.

The survey interviews and online survey was conducted between August and October 2015, to benchmark attitudes against those identified in the 2005 survey.

Research Methodology and Objectives: The research was conducted using two integrated methodologies:
- Telephone interview (45 minutes)
- Online survey and telephone interview (15 minutes).

The objectives of the consultations included the following:
- Gain an understanding of attitudes of older workers in the recruitment sector.
- Gain insight into employer attitudes to older workers.
- Identify perceived advantages of older workers.
- Identify any barriers to the employment of older workers.
- Identify any current programs on age management.
- Identify recruitment industry suggestions on future programs.
- Identify how the recruitment sector perceives its future role.

In addition, the survey included questions on the opportunities and barriers to hiring disabled workers:
- Identify any barriers to the employment of disabled workers
- Identify ways in which recruitment sector has assisted in the employment of disabled workers

The 2015 survey is included as Appendix 2 to this submission.
**Key Issues and Directions**

**Employment of Older Workers:** The findings of the survey indicate that skills and experience can make a significant difference in the capacity of an older worker to secure work. Recruiters believe that older workers tend to have more insulation in the workplace if the position was registration and skills based.

Perceived deficiency in IT skills remains a major barrier to the employment of older workers. Poor IT skills not only highlight the reluctance of clients to hire older workers, but also suggests limited ability for older workers to develop current job search techniques in order to find suitable employment. To advance their potential for job placement, the results suggest that older workers should actively acquire work and IT skills in a manner that is adapted for the learning style of older workers.

While there has been an overall increased awareness of the positive attributes of older workers, some industries remain structurally geared towards hiring younger employees. They include strong performance-based sectors such as finance and insurance, and sectors where a youthful and playful image is important. Developing a culture of life-long learning can help mitigate the perception that older workers do not fit within a modern workplace culture.

Meanwhile, industries that are most accessible to older workers are the ones where the role is not changing too much as a result of technological change, and where reliability and experience is put at the highest priority.

**Education of Employers:** Employers are becoming more receptive to hiring older workers. Some recognise that ageing may have differential effects on productivity across different industries. This has been driven by push factors such as skills shortage and an ageing population, as well as a greater awareness of positive qualities of older workers such as reliability, stability and maturity.

While positive characteristics of older workers stand in contrast to the difficulties associated with employing younger workers, challenges remain where employers already have a pre-existing idea of the ideal employee in order build a particular brand or workplace culture. Recruiters can take on an educative role by working with clients to remedy generalisations about what an older worker is like and is capable of. However, the challenges will remain if older Australians continue to be underrepresented and poorly portrayed in the media.

Physical characteristics associated with older workers are often generalized and could restrict older workers from undertaking heavy manual labour, long shifts, and roles that require good vision or dexterity. Recruiters can assist older workers in identifying their capacity for work to ensure that they are not unnecessarily excluded from jobs purely on the basis of generalised perceptions of their physical characteristics. This effort can be further enhanced by policies that have a lateral impact on removing impairment for older workers in the workplace.

---

1 One in ten business respondents have an age above which they will not recruit – the average age is 50 years. Australian Human Rights Commission (2013) Fact or fiction? Stereotypes of older Australians Report
For instance, workers compensation, income protection, superannuation and Occupational Health and Safety laws that optimise access to the workplace can enhance participation of older workers and workers with disability without isolating them as particularly burdensome demographics in the workplace.²

**Evolving Role of Recruiters:** Recruiters can play an educative role with employers to ensure that suitable applicants are identified based on skills. Recruiters can facilitate understanding and filter out generalisations during various stages of the recruitment process. However, candidates must be cognizant that the recruitment industry is relying evermore on IT infrastructure to identify and source candidates.

Older workers should be assisted in the development of basic IT skills to make themselves visible in the employment market. They should be made aware of the way in which contemporary recruitment methods and hold realistic expectations of current practice as to not be deterred or disappointed by the job search experience. Through developing greater awareness of contemporary recruitment practices, older job seekers can reassess the language and format of their self-representation as well as develop job search habits beyond that of a reactive engagement whereby they only seek new employment upon termination of the previous one.

Finally, recruiters can assist employers in building capacity to support the productive employment of older workers or workers with disability. This can occur during the interview and induction process as well as helping clients identify grants and financial subsidies available on a state and federal level.

By helping employers identify information, cost and risk, recruiters can be effective communicators and educators in facilitating the employment of older workers and workers with disability.

---

Survey of Attitudes towards Older Workers - 2015 Survey findings:

The role of the recruitment consultant is constantly changing. Overall, recruiters were positive about older workers and believed that they have an array of positive attributes to offer future employers including good skills, life experience and the capacity to mentor younger employees.

In general recruiters believed that employers are now becoming more receptive to hiring older workers, citing greater awareness of positive qualities of older workers such as reliability, stability and maturity.

Recruiters see themselves as having an educative role to play with employers and candidates, an advisory counselling role and feel strongly about the need to better utilise that role.

New technologies used in the recruitment process may become barriers for older workers and workers unfamiliar with these changing techniques. Skills and experience can make a significant difference in the capacity of an older worker to secure work and poor IT skills remain a major barrier to the employment of older workers.

The following is a summary of key findings from the survey:

Recruiters are positive about the prospects of older workers:
1. Overall, older workers are perceived to have positive attitudes, good life experience, and are more reliable compared to younger workers. Older workers are not more expensive to employ and do not want to work less hours.
2. Recruiters believe that age is not the strongest predictor of ability or productivity. In the context of an ageing population, clients (employers) are found to be more willing to adapt to the recruitment and employment of older workers in roles in which they have traditionally favoured younger workers. This has also been true in areas experiencing shortages of skills.
3. The recruitment sector has always been focused on sourcing the best candidate based on productivity and capability. Recruiters believe that many attributes relating to older workers should not be generalised and largely depends on the attributes and attitude on the part of the individual.

Technology: A Barrier or an Enabler?
Employers are generally more concerned than recruiters are about the currency of work skills of older workers, and employers are particularly troubled by older worker’s deficiency of IT skills.
1. Where industries are encountering rapid change, survey respondents noted that clients (employers) are inclined to hire on their perception of future potential and seek transferrable skills from younger candidates.
2. While employers are more concerned about the IT skills of older workers, recruiters saw it on the basis of an individual’s capability. Some recruiters saw younger worker as capable of having low IT literacy when certain older people can have high IT literacy.
3. On an individual firm level, where directors of companies are near retirement and are looking to sell their business, they have also tended to favour the recruitment of younger employees to train them in order to pass it on.
4. In other instances, recruiters note that start-ups and emerging sectors are also drawn to younger workers because the role often demands skills taught at a university-level and has only come into existence within the past five years.
   a. Even where the older worker has studied IT in their formative years, recruiters have noted that IT was very different in 1980s and 1990s than it is today. Start-ups will also tend to choose employees who have less financial outlay and are more receptive to risk.
5. The recruitment industry is no longer just business development and writing job advertisements, but also involves a heavy use of social media and other software technologies.

**Attitudes: Perception versus Reality.**

Recruiters indicated that clients (employers) generally found older workers to be more stable employees with a lower rate of job turnover.

1. Respondents did not believe older workers were more expensive.
2. Recruiters believe that older workers have a lower rate of job turnover.
3. Recruiters also did not believe older workers were more expensive to employ.
4. All respondents disagreed that older workers were not worth hiring because they planned to soon leave the workforce.
5. Clients (employers) indicate they believe older workers were slower.

**Individual assessment versus generalised assumptions:**

Age is not the strongest predictor of ability or productivity. Recruiters believe that many attributes relating to older workers should not be generalised and largely depends on the attributes and attitude of the individual.

1. While many recruiters believe that older workers could be good mentors for younger workers. Some recruiters noted that mentoring is a function of an individual’s profile and not necessarily dependent on age even though individual experience can affect that capability.
2. Recruiters believe that health concerns are a function of genetics and lifestyle, and should not be generalised. While employers had a view that older workers had more health concerns than younger workers:
   a. Risk of injury when performing manual labour remains one common concern for recruiters when considering older workers for physically-demanding positions.
   b. Anecdotally, older workers are seen as taking less sick days than younger workers as there are fewer distractions.
3. Most recruiters felt ambivalent about the statement that older workers are keen learn new skills, believing that skills should not be generalised.
4. Recruiters noted a generally held view is that Industries more accessible to older workers are those where the role is not changing too much as a result of technological change.
**Workforce Expectations and Barriers to Employment.**

Recruiters note that clients are often not seeking a scattering of workers, but are focused on finding a particular type of worker. Recruiters also noted that some industries are more prone to a younger demographic, presenting a challenge for placing older workers.

1. There has been a greater willingness to hire older workers in the recruitment sector.
2. Industries in the creative and technology sector tend to give preference to younger workers in order to align their workforce with their target market and audience.
3. Recruiters note that it is particularly difficult to convince employers to consider an older worker if the employer already has a pre-existing idea of the ideal employee in order build a particular brand or workplace culture.
4. Almost half of recruiters indicated their clients have at some time or often, commented that older workers do not fit into a modern workplace culture.
5. A third of recruiters currently experience barriers or hesitation in placing older workers, citing primarily employee-related barriers: characteristics such as physical attributes restricting their capacity to perform a job.

On the other hand, recruiters are aware that other industries favour older workers.

1. Recruiters noted that older workers tend to have more insulation in the workplace if a position is registration and skills based, as is the health and medical, engineering or technical sectors.
2. Early childhood education was identified one such sector in which parents like having an older worker because they are seen as being more reliable.
3. Executive placements also usually favours older workers as they need the necessary experience for senior management. This is particularly true in industries that are detail oriented and less tolerant to mistakes.
4. The construction industry in Australian Capital Territory (ACT) for example, where employers can be charged for manslaughter if an employee is killed on site, places a greater emphasis on the recruitment of workers with demonstrated skill, experience and reliability.

**Employee and Employer Related Barriers to the Search for Employment by Older Workers**

Recruitment is ongoing and recruiters seek to align the five basic variables of location, skills, opportunity, compensation and availability to all candidates available in the job market – including those in the ‘hidden’ job market.

Where is it common for the job search practices of older workers to be reactive, they are already in a sense one step behind when they begin seeking new work. e-recruitment techniques are cited as a potential barrier for older workers, as recruiters increasingly rely on technology tools to conduct an initial screening of candidates.

1. Some recruiters noted that new technologies used in the recruitment process can become barriers for older workers with low IT skills.
2. Recruiters commonly employ Boolean search, relying on key words as well as the frequency of the candidate’s online activity to detect a potential match from a large pool of candidates.
3. Candidates that do not configure their profiles to align with key competencies of present their applications in a proper electronic format compatible with the search software often do not make it past the screening stage.
Employee related barriers: As are barriers or hesitation in placing older workers due primarily to employee-related barriers. Employee-related barriers refer to the characteristics of a candidate that affects their work placement potential.

1. Their capacity to effectively perform a job, especially where it was related to the undertaking of heavy manual labour, requirements of good vision or dexterity and roles that involved long shifts.
   a. One respondent presented an instance of the difficulty if trying to place an older worker in a traffic control role if the worker would need to be standing up for 10 hours a day, jumping around traffic.

Employer related barriers: Refer to certain industries giving preference to younger workers in order to align their workforce with their target market and audience. This may occur through language used to describe the desired employee, or in preconceived ideas about the characteristics of an employee.

1. Recruiters noted it was particularly difficult to convince an employer to consider older workers if the employer already had a pre-existing idea of the ideal employee in order to build a particular workplace culture.

Job descriptions can also give rise to connotations associated with age, personality and physical capabilities. Examples include placing emphasis on social elements of the job that would be geared toward the interests of younger workers eg: ‘energetic environment’ and ‘funky office’. Others noted an emphasis on notions of ‘building a long term career’ or seeking ‘someone who can grow and develop’.
Appendix 1: RCSA Industry Improvement Statement
Appendix 2 – A Survey of Attitudes towards Older Workers, November 2015