

Inquiry into Technical and Further Education in Australia

Education in Australia

SUBMISSION TO THE SENATE EDUCATION AND EMPLOYMENT REFERENCES COMMITTEE

4 February 2014

ABN 47 996 232 602 Level 3, 175 Pitt Street, Sydney NSW 2000 GPO Box 5218, Sydney NSW 2001 General enquiries 1300 369 711 Complaints info line 1300 656 419 TTY 1800 620 241

Australian Human Rights Commission www.humanrights.gov.au

Australian Human Rights Commission

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1 Introduction

 The Australian Human Rights Commission makes this submission to the Senate Education and Employment References Committee in its Inquiry into Technical and Further Education in Australia. This submission is an updated version of the submission made to the previous, unfinished Inquiry into the role of Technical and Further Education, on 10 May 2013.

2 Summary

- 2. Technical and Further Education Institutions (TAFEs) have traditionally been the place for young people to obtain pre-service qualifications before they commence their working lives and the Commission considers TAFEs to be an essential component of the educational choices for young people.
- 3. However, as Australia experiences significant demographic change, many older people are seeking further qualifications and training to re-join or further contribute to the workforce. While TAFEs have always been open to mature age students, there is now scope to enhance TAFE service provision to this cohort, including the customisation of courses and services.
- 4. Many older people require training in order to obtain employment or maintain their employment. Given that older people are more likely to be long-term unemployed than any other age cohort, TAFEs have the potential to assist people in their 40s, 50s and older, to develop skills that match local employment opportunities. TAFEs should be leveraged and supported to play a larger role in this regard.
- 5. The linkages between older jobseekers, Job Services Australia providers (JSAs) and training organisations are not readily apparent. There is room for improved communication and connection between the service users and the service providers, especially in relation to courses suitable to older people.
- 6. Government initiatives which facilitate the up-skilling of existing older workers and job seekers prevent older workers becoming long-term unemployed. However, such initiatives need to be better promoted and linked to existing training institutions for greater take-up. Improving the flow of information about TAFE training options for older workers will assist employers, older job-seekers and existing workers.
- 7. Increased workforce participation by older Australians will have broad economic benefits; it will increase the productive capacity of the economy and counter some of the fiscal challenges of an ageing population.

3 Recommendations

8. In light of the particular challenges for older workers and jobseekers, the Australian Human Rights Commission makes the following recommendations:

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- **Recommendation 1:** TAFEs be tasked to provide training that is specific to the requirements of older job seekers or older workers who need to up-skill to remain in the workforce;
- **Recommendation 2:** TAFEs be encouraged to run open days and other promotional exercises to encourage older people to take up employment training pathways;
- **Recommendation 3:** TAFEs and JSAs formalise information sharing arrangements so that TAFE courses can be tailored to the training requirements of older job seekers and the particular employment opportunities in each region. Older jobseekers should be made aware through JSAs what training opportunities are available; and
- **Recommendation 4:** If current programs such as Experience+ are continued or replaced, better linkages and promotion through TAFEs could ensure older workers take advantage of the incentives and training opportunities offered to them.

4 Older workers as a growing part of the labour market

- 9. Currently, the high rates of insecure employment and prevailing discriminatory attitudes towards older workers mean that a large proportion of older jobseekers have difficulty obtaining work.
- 10. According to the ABS, the main difficulty in finding work for unemployed people aged 45 years and over (accounting for 18% of cases) was being 'considered too old by employers'.¹ In recent research commissioned by the Age Discrimination Commissioner, *Fact or fiction? Stereotypes of older Australians*, it was found one in ten business respondents have an age above which they will not recruit the average age is 50 years.²
- 11. The statistics show that people over 55 who are unemployed are more likely to be long-term unemployed than those in younger age groups. In 2010–11, 33% of unemployed people aged 55–64 years were long-term unemployed, compared with 22% of those aged 35–44 and 13% of those aged 15–24.³ In effect, one out of three unemployed people aged between 55 and 64 years was long-term unemployed in 2010–11.⁴
- 12. In the 2012-13 year, 57.5% of age discrimination complaints received by the Commission related to employment.⁵
- 13. There are particular impacts of long-term unemployment on older workers. Research shows that unemployment can lead to a major depressive episode. A national survey of depression in Australia found the following:

The strongest correlates for reported current major depression include <u>being</u> <u>unemployed</u>, smoking, having a medical condition, followed by <u>being in mid-life</u>, previously married, and female.⁶ (Emphasis added)

14. Given the trend for older people to be unemployed for longer periods, the risk of depressive episodes is real and may make job seeking even more difficult.

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Training opportunities and early job-seeking intervention are crucial resources for older people – many of whom have families and other financial responsibilities.

5 Retraining older workers for greater participation

- 15. According to the Treasury's *Intergenerational Report 2010*, retraining and up-skilling mature age workers are key public policy priorities for Australia. Minister for Employment, the Hon. Senator Eric Abetz stated in his opening address to the *A Future without Age Conference*, "...we need to celebrate and be thankful that we are living longer by harnessing the inherent talent of our ageing population by opening up opportunities in all areas especially employment".⁷
- 16. A significant number of long-term unemployed jobseekers require re-skilling or up-skilling in order to be competitive in the labour market. Intensive support should be provided in the early stages of unemployment and not when older jobseekers are long-term unemployed. Proactive, positive and intensive support for older jobseekers may prevent situations where older workers become long-term unemployed.
- 17. TAFEs can and should play a key role in providing this support to older workers by offering training which allows them to re-join or further contribute to the workforce.
- 18. TAFEs need to be marketed to older people as a potential site for re-skilling or up-skilling for employment.
- 19. On 23 May 2013, the South West Sydney Institute of TAFE (SWSi) held an all-day forum for over 50s jobseekers, Pathways Back to Work. There was no charge for participation, an important aspect in a region with many socially and economically disadvantaged residents.
- 20. SWSi consulted with the then Department of Education, Employment and Workplace Relations, the Department of Human Services, Job Services Australia, TAFE NSW Institutes, State Training Services and the Australian Human Rights Commission in carrying out this event.
- 21. As a result of substantial organisation and promotion, the forum attracted 201 guests. Participants could access an online "are you ready" tool to assess what level of learning would be suitable to them. Representatives from various learning areas met with participants for individualised consultations and provided advice on employment and career pathways. Post event feedback has identified that 81% of the surveyed participants who attended this event have since enrolled in study or gained employment.⁸
- 22. Comprehensive information was gathered after the forum and can assist other TAFEs in holding similar events to encourage older people to retrain for job readiness.

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6 Training older Newstart jobseekers to assist workforce re-entry

- 23. Many older jobseekers receive the Newstart Allowance. Recipients of Newstart receive assistance in job search through Job Services Australia (JSA). Study and training can be undertaken as a 'suitable activity' while a person is in receipt of Newstart, however there are some caveats: the training may not be more than 12 months and the training must be linked to a potential employment outcome.⁹ TAFE has a role in providing this training.
- 24. For the most part, JSA providers are private contractors who provide services to jobseekers on an individual basis, albeit within guidelines. This means that the services received by individuals can vary in quality.
- 25. When accessing JSA services, jobseekers are streamed according to their 'job readiness'. All jobseekers are eligible for Stream 1 support which includes access to resume services, help with job search and face-to-face progress meetings. Additional intensive support is offered through Streams 2, 3 and 4. These streams are available to people with particular requirements or specific barriers to work.
- 26. The Commission notes that older jobseekers may not fit the eligibility criteria for Streams 2, 3 and 4, and therefore miss out on intensive job search assistance and, potentially, training opportunities. This is of concern given that older workers are experiencing high levels of discrimination in recruitment processes.
- 27. Early access to training opportunities gives older jobseekers the best chance of avoiding long-term unemployment. The *Guide to the Social Security Law* states that "most job seekers... particularly during their first 3 months of income support are required to focus on job search. However participation in a... course of education or training may be appropriate in some circumstances".¹⁰ This presumption against early retraining could be detrimental to older people. Accordingly, JSA providers should be instructed to inform older jobseekers to seek and undertake training options as soon as possible where suitable.
- 28. Training opportunities should not be limited if people already have a level of qualification. The *Guide to the Social Security Law* states that 'Employment services providers should only approve a full-time education or training course... only if... there is little chance of the job seeker finding employment with their existing skills'.¹¹ This is a presumption against training for individuals who have particular skills or qualifications. However older people may need to retrain to develop skills in a different industry that suits their circumstances. For example, older people with caring responsibilities may wish to retrain in a separate field with more options for part-time work.

7 Establishing links to training through TAFEs

29. The Commission understands that there are no mandated linkages between local JSAs and local TAFEs, although some TAFEs and JSA providers may work together in practice. An example of this was the links between SWSi TAFE and local JSAs for the Pathways Back to Work Forum. The Commission has been told anecdotally that JSAs may be affiliated to particular Registered

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Training Organisations (RTOs) or TAFEs, and, may prefer to refer job seekers to their affiliates. This could lead to missed opportunities if other local training Institutes, such as TAFEs, also have valuable training services on offer.

- 30. The Experience+ program attempted to link older workers and job seekers with training that would assist them retain and secure employment. Some parts of this program are being discontinued. However, due to the need to ensure older job seekers and workers have the skills they need to secure employment or stay in their jobs, a new approach to connecting older workers with training may be considered.
- 31. The *Investing in Experience* part of the Experience+ program commenced on 1 July 2012. The program was intended to span over two years and support up to 5,000 mature age workers (aged 50 years and over) to gain nationally recognised qualifications. As of the date this submission was made, no decision has been made about whether this initiative will be continued. Under the initiative, up to \$4400 is paid directly to an employer to assist their mature age employee to undertake a skills assessment and obtain gap training if the skills assessment identifies a need. This provides an opportunity for mature age employees to have their current capabilities recognised and to receive training to fill any knowledge or skills gaps.¹²
- 32. The *Work Ready* part of the Experience+ program ceases on 30 June 2014. The initiative gave eligible job seekers over 50 intensive job preparation assistance including training in using computers and new technology.¹³
- 33. Any replacement initiatives which have similar goals to the Experience+ program should be better promoted and linked closely with TAFEs and other training providers to ensure maximum take-up. Despite making enquiries, the Commission was unable to obtain information on how Experience+ linked specifically to TAFE courses. Linkages between training organisations, JSAs and relevant Government programs and initiatives need to be made explicit to assist older job seekers to navigate the employment and the training systems which can be complex and difficult to understand.

6 The rights of older jobseekers

- 34. Australia's ratification of the *International Covenant on Economic Social and Cultural Rights* (ICESCR) brings with it obligations to ensure that all citizens have rights to:
 - social security
 - work
 - technical and vocational guidance and training programmes.¹⁴

35. Australia has also indicated its support for the United Nations *Principles for Older Persons* which mirror the rights contained in ICESCR. They provide that:

• Older persons should have the opportunity to work or to have access to other income generating opportunities.

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- Older persons should be able to participate in determining when and at what pace withdrawal from the labour force takes place.
- Older persons should have access to appropriate educational and training programmes.¹⁵
- 36. Australia will be meeting its international human rights obligations by resourcing and assisting older people to up-skill or retrain in order to maintain employment for as long as they are willing and able.

http://abetz.com.au/speeches/harnessing-the-ageing-boom (viewed 7 January 2014).

¹ Australian Bureau of Statistics, Long-term unemployment rises (media release: 24 January 2012), 6222.0 – Job Search Experience, Australia, July 2011. At:

http://www.abs.gov.au/ausstats/abs@.nsf/lookup/6222.0Mediapercent20Release1Julpercent202011 (viewed 2 May 2013)

² Australian Human Rights Commission and Urbis, *Fact or Fiction? Stereotypes of older Australians* (2013). At: <u>http://www.humanrights.gov.au/publications/fact-or-fiction-stereotypes-older-australians-research-report-2013/key-findings</u> (viewed 7 January 2014).

³ Australian Bureau of Statistics, 'Long-term Unemployment', *4102.0 – Australian Social Trends, Sept 2011* (September 2011). At

http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4102.0Main+Features20Sep+2011 (viewed 3 August 2012).

⁴ Australian Bureau of Statistics, 'Long-term Unemployment', *4102.0 – Australian Social Trends, Sept 2011* (September 2011). At

http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4102.0Main+Features20Sep+2011 (viewed 3 August 2012).

⁵ Australian Human Rights Commission, Annual Report 2012-2013, 2013, p 126, At:

http://www.humanrights.gov.au/publications/annual-report-2012-2013 (viewed on 7 January 2014). ⁶ K Wilhelm, P Mitchell, T Slade, S Brownhill and G Andrews, 'Prevalence and Correlates of DSM-IV Major Depression in an Australian National Survey' (2003) 75 *Journal of Affective Disorders* 155. At https://docs.google.com/viewer?a=v&q=cache:hJdhgYnDagYJ:www.stvincents.com.au/assets/files/pdf /C/c4%2520wilhelm%2520mitchell%2520andrews%25202003.pdf+unemployment+clinical+depressio n&hl=en&gl=au&pid=bl&srcid=ADGEESgFdfIct9I67C8UxqHSDmXGBeiP6zY3mtmERi82ZHMLUzX40 9KLd-

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⁷ The Hon. Eric Abetz, Harnessing the Ageing Boom, Opening Address to the A Future without Age Conference, NSW Parliament House, Sydney, 21 May 2013, At:

 ⁸ South Western Sydney Institute of TAFE, *Final Report Pathways Back to Work Forum*, 2013, p 3.
⁹ Australian Government, *Guide to Social Security Law: Version 1.194 – released 20 March 2013*, (3.2.9.100 Suitable Activity – Study and Training', 2013, At:

http://guidesacts.fahcsia.gov.au/guides_acts/ssg/ssguide-3/ssguide-3.2/ssguide-3.2.9/pc_13705.html (viewed 1 May 2013).

¹⁰ Australian Government, *Guide to Social Security Law: Version 1.194 – released 20 March 2013*, '3.2.9.100 Suitable Activity – Study and Training', 2013, At:

http://guidesacts.fahcsia.gov.au/guides_acts/ssg/ssguide-3/ssguide-3.2/ssguide-3.2.9/pc_13705.html (viewed 1 May 2013).

¹¹ Australian Government, *Guide to Social Security Law: Version 1.194 – released 20 March 2013*, '3.2.9.100 Suitable Activity – Study and Training', 2013, At:

http://guidesacts.fahcsia.gov.au/guides_acts/ssg/ssguide-3/ssguide-3.2/ssguide-3.2.9/pc_13705.html (viewed 1 May 2013).

¹²Australian Government, Department of Industry, Innovation, Climate Change, Science, Research and Teriary Education, About Investing in Experience (Skills Recognition & Training), 2013. At: <u>http://www.innovation.gov.au/Skills/SkillsTrainingAndWorkforceDevelopment/InvestingInExperienceSk</u> <u>illsRecognitionAndTraining/Pages/AboutTheIIESRT.aspx</u> (viewed 3 May 2013).

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¹³ Australian Government, Department of Education, Employment and Workplace Relations, Experience+, 'Experience+ Work Ready', 2013. At: http://deewr.gov.au/experience-work-ready

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¹⁴ International Covenant on Economic, Social and Cultural Rights, 1966, art 6(1)(2) and art 9.
¹⁵ United Nations Principles for Older Persons. Adopted by General Assembly resolution 46/91 of 16 December 1991, arts 2-4.