BALLINA EMPLOYMENT and TRAINING CENTRE

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Paul McMahon Committee Secretary House of Representatives Standing Committee on Employment, Education and Workplace Relations Suite RI 116 Parliament House Canberra ACT 2600

30 March 1999

RE: Inquiry Into Issues Specific to Workers Over 45 Years of Age Seeking Employment, or Establishing A Business, Following Unemployment

Ballina Employment and Training Centre has been providing employment services to approx 1000 clients pa. since 1989. A significant proportion of these clients have been over 45 years of age, in the following categories:

* Relocated to the North Coast (lifestyle change)

* Made redundant or lost employment due to: technological change, public service redundancies, industry closures eg mining, industry restructuring/ relocation.

* Women reentering the workforce after prolonged absences eg raising a family.

SOCIAL ISSUES

* reluctance of local employers to employ over 45 year olds, over 50 more reluctance. Perception that people over 50 not as productive, possible health problems. Exception: highly skilled professionals or trades people if demand is greater than supply.

* Lack of training: for retrenched workers, women reentering the workforce or loss of employment through technological change. limited (re)training available.

TAFE and private providers offering limited courses, restrictive course costs, lack of public transport, high cost of private transport.

For job seekers in job network Intensive Assistance training likely to be short and provided to job ready clients only

No mentoring/ job search assistance for non IA clients (limited IA places)

SOLLTION:

1 / Need for Mature Aged Workers program in Ballina similar to program run by NSW DET working specifically with mature aged workers to overcome their barriers to employment.

2 / Funds committed to retraining for accredited courses up to Certificate L1V

SOCIAL BARRIERS

- Low self esteem which deteriorates with length of unemployment
- Poor job search skills/ability, may not have applied for work in a long time
- Perception that there is no work available for mature aged people
- Poor health, often related to long term unemployment
- Family pressures, breadwinner losing employment

ECONOMIC

Wages for unskilled/semiskilled workers are low ie. rural sector \$7 - \$12/ hour. People are required to travel long distances incurring additional cost, public transport is almost non existent.

If job seekers have children (on allowances) they are likely to be better off not working.

SOLUTION: Welfare to work approach, tax credits for low paid workers a solution. It is unlikely that in our area that there will be a large increase in employment in the near future ie industries that will employ the target group. Employment growth is in retail, hospitality, service sector which have a preference for younger people.

SELF EMPLOYMENT

Business Start Up

- * Difficult to access finance (if on benefits) from traditional institutions.
- * Finding premises at affordable rates without committing to a long term lease.
- * Access to business advice and training.

Purchase Existing Business

- * This is common for people with a payout ie buy a job
- * Many people are unaware of the long hours and commitment required.
- * Poor research on purchase
- * Difficulty accessing finance
- * Lack on interest and access to training.
- The end result is high rate of failures in the first 5 years.

SOLUTION:

1 / Govt funding for business incubators - we are operating two, in Ballina and Byron, both are fully occupied and have successfully graduated a number of new businesses. Incubators are successful in growing new businesses

Additional incubators are required.

2./ Training for startups (limited NEIS places)

3 / Access to business advice and mentoring

4 / Access to finance, low cost flexible loans.

Carry Bargh General Manager