

## **INQUIRY INTO SKILLS SHORTAGES IN RURAL AND REGIONAL NSW**

**Organisation:** COTA National Seniors Partnership  
**Name:** Ms Lucy Cheetham  
**Position:** NSW Manager - Policy and Programs  
**Telephone:** 02 9251 6088  
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**Theme:**

COTA National Seniors urges the inquiry to give attention to ways in which rural and regional skill shortage can be met by encouraging the employment of mature age and older workers. The submission proposes a series of recommendations.

**Summary**

COTA NATIONAL SENIORS  
WORKING IN PARTNERSHIP



5 August 2005

The Hon Tony Catanzariti, MLC  
Committee Chairperson  
Standing Committee on State Development  
Parliament House  
Sydney NSW 2000

Dear Mr Catansariti

**Inquiry into skills shortages in rural and regional NSW**

We would like to draw the inquiry's attention to the importance of considering the untapped potential mature age and older people in meeting skill shortage in rural and regional NSW. In doing so we propose primarily to address term of reference (e): Coordination between Local, State and Commonwealth Governments, to attract and retain skilled workers.

While structural ageing of the population and demographic trends in rural and regional NSW are only two of the many factors impacting on skill demand and skill shortage. We submit that a full understanding of what is happening in regional and rural NSW is incomplete without an understanding of the trends in demographic change.

Trends in different regions diverge. Some regions are experiencing an influx of 'sea-change' and 'tree-change' settlers. Other regions are declining in population. Those which are declining are also often experiencing a rapid ageing of the population as younger people leave. Some regions that are growing are receiving a disproportionate influx of older people, other regions are attracting both older people and younger people and families.

These patterns give rise to several issues:

- patterns of skill demand in response to changing needs in the population – for example increased demand for health, community care and aged care workers caused in part by growth in the relative numbers of older people and increases in life-expectancy

- changes in the available workforce in a given area
- changes in the types of work and working arrangements sought by that workforce – for example many older people express a desire for the opportunity to work part-time or casually.
- a potential mismatch between employer expectations and the expectations and capacity of the potential workforce, for example, a preference for younger employees.

In response to these issues we would urge the committee to consider how Commonwealth, State and Local governments can cooperate in order to address skill shortages by:

- encouraging the employment of mature age and older people, and
- encouraging the labour market participation of women thereby not only maximising the number of younger and prime age people in the workforce but also ensuring that women approach their later years with current skills and experience, increased likelihood of retirement savings and superannuation, and a greater opportunity to access the benefits of engagement in the workforce which include social engagement, stimulation and well-being.

A profound shift is needed in culture and mature age workforce policy from both employers and government if Australia is to maximise the positive aspects of our ageing population. Government at all levels must understand that the impacts of the ageing population are being felt now. It must be made easier and fairer for mature age workers to remain employed until they are at least 65 if they choose.

We do not know the extent to which mature age and older Australian currently outside the workforce might be attracted back in and thereby meet rural and regional skill shortages. It is likely that many potential employees have become discouraged and consequently do not register as unemployed. However, older Australians are now staying fitter and healthier, which means they have the potential to be more productive and more involved in work and the community.

Opportunities for older people to access employment benefit employers, communities and individuals. While stressful and unstable employment may undermine work-life balance, health and well-being, well designed and well-managed employment can enhance health and wellbeing by promoting stimulation, purpose and self-esteem<sup>1</sup>. Failure to recruit, retain and if necessary retrain people in their forties, fifties and sixties and to encourage people to remain in the workforce will exacerbate skill shortage.

We would recommend that the inquiry give consideration to the following proposals:

- Provide funds to conduct a campaign and workshops directed at businesses detailing the benefits of employment mature age workers and aimed at diminishing age discrimination in the workforce.

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<sup>1</sup> Penny Warner-Smith “*Who Knows when I can retire!*”: *Middle-aged women consider retirement* (Research Centre for Gender and Health, The University of Newcastle, 2005) a paper presented at the Australian Social Policy Conference 2005.

- Promote the recruitment of mature aged, unemployed workers into the New South Wales Public Service and in local government particularly to work in agencies which deal with mature age customers.
- Provide a reduction in payroll tax for organisations employing the mature age unemployed and provide funds to educate business to be more proactive and accountable in addressing the issue of mature age employment and retrenchment.
- Ensure business is more proactive and accountable in addressing the issue of mature age employment and retrenchment.
- Implement strategies for increasing labour market participation of women. The following initiatives could be considered: provision of paid maternity leave (and payment of superannuation guarantee contribution during absence); provision of adequate child care facilities at an affordable cost and encouragement of family friendly workplaces.
- Fund information and referral services, including careers advice centres, specifically to meet the needs of workers and potential workers aged 50 and over. Where necessary these services could be available to those over 45 years.
- Encourage transition to retirement programs to provide information and advice on income needs and lifestyle expectations in retirement and to provide assistance in moving away from full-time paid employment without necessarily leaving the workforce permanently – such programs might run in conjunction with programs aimed at attracting people to consider moving to a regional area.
- Provide additional financial support for training programs to assist the excessively high number of long term unemployed in the 50 plus age group to increase their skills and be better prepared for employment.
- Encourage public and private sector employers to rethink labour market policies that encourage early retirement.
- Encourage incentives such as flexible hours and a phased retirement model for people to work longer.

We note that the closure of the Mature Age Workers Program in NSW has resulted in a gap in service that has yet to be filled. We believe that this program contained many key ingredients of success that are worthy of reconsideration and that this program or a similar initiative should be reinstated to address the skill needs of rural and regional areas. Such initiatives are further supported by a recent report by the National Centre for Vocational Education Research which demonstrated that training for mature age people had a positive impact on their employment outcomes<sup>2</sup>.

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<sup>2</sup> Peter Thomson, Susan Dawe, Alison Anlezark and Kaye Bowman, The Mature Aged and Skill Development Activities: A Systematic Review of Research, (NCVER, 2005)

COTA National Seniors Partnership (CNSP) is the largest membership organisation representing the concerns and interests of Australians aged 50 and over, both nationally and in every State and Territory. CNSP develops policy based on membership input, including through Branches and member organisation forums. Policy Councils in each State and Territory, and our National Policy Council, determine CNSP policies and positions. The NSW Policy Council is co-chaired by Dr Susan Kurrle and Ms Sheila Rimmer AM.

With more than 270,000 individual seniors and over 800 organisations in membership, CNSP is the largest membership organisation representing the concerns and interests of Australians aged 50 and over, both nationally and in every State and Territory. In New South Wales we have more than 70,000 individual members.

With its combined individual and organisational membership representing all aspects of Australian seniors' interests, CNSP has a pre-eminent role in representing, advocating for and serving older Australians.

We would be happy to appear before the Committee to discuss the issues raised. Please do not hesitate to contact me by phone on 02 9251 6088 or email [l.cheetham@nationalseniors.com.au](mailto:l.cheetham@nationalseniors.com.au) for further information on this submission.

Yours sincerely

Lucy Cheetham  
NSW Manager – Policy and Programs

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