Missing the mark
Employer perspectives on employment services and mature age jobseekers in Australia

Dina Bowman | Agathe Randrianarisoa
The Brotherhood of St Laurence is a non-government, community-based organisation concerned with social justice. Based in Melbourne, but with programs and services throughout Australia, the Brotherhood is working for a better deal for disadvantaged people. It undertakes research, service development and delivery, and advocacy, with the objective of addressing unmet needs and translating learning into new policies, programs and practices for implementation by government and others. For more information visit <www.bsl.org.au>.

Dina Bowman is a Principal Research Fellow and Agathe Randrianarisoa was a Research Fellow in the Work and Economic Security team in the Brotherhood’s Research and Policy Centre.

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A note about mature age

Definitions of ‘mature age’ vary considerably. In this study we consider jobseekers aged 45 or more to be mature age. This follows the Australian Human Rights Commission’s 2013 Final report of Access All Ages—Older Workers and Commonwealth Laws Inquiry, which referred to ‘older workers’ as individuals over the age of 45.

Where different age ranges are used in other data sources, that is specified in the text.
SUMMARY

Australia’s publicly funded employment services are not working particularly well for mature age jobseekers. The rate of long-term unemployment among those aged over 45 is relatively high. In a changed labour market and with an ageing population, understanding the attitudes and needs of employers is vital to assisting unemployed older Australians get and keep jobs.

Key findings

Some employers are cautious about employing mature age workers

While most of the employers we interviewed had age-diverse workforces, some were concerned about increased risk of injury among older workers and especially were reluctant to employ previously injured workers.

A common perception was that mature age workers are generally less competent and confident with information technology (IT) than younger workers. Employers also highlighted the need for training, including IT skills training that directly relates to job opportunities.

Some employers expressed frustration about mature age jobseekers who applied for jobs for which they were overqualified, believing that they would use the job as a stepping stone to a more senior position.

Key informants emphasised the importance of employment services assisting jobseekers to identify their transferable skills and tailor their CVs to different roles, for example when older candidates were moving out from declining industries into another sector.

Some employers have limited awareness of jobactive

The employers we interviewed had little awareness or understanding of jobactive as a particular version of public employment services.

To some degree, this might reflect the newness of the name, and confusion about the difference between Centrelink and employment services. The limited awareness also possibly reflects the low use of employment services, and especially public employment services, by employers generally. According to Department of Employment surveys, in 2015 just 4.7% of employers used public employment services compared with 8% in 2011 (KPMG 2016, p. 19). This highlights an inherent challenge in jobactive’s intermediated job placement method for low-skilled positions.

Employers are cautious about candidates referred by public employment services – especially mature age jobseekers

Few of the employers we interviewed currently used jobactive. Some said they were reluctant to use jobactive (if they knew about it at all) because of concern ‘about the type of candidate they’re going to get.’ These employers
were cautious about recruiting people who are currently unemployed, whatever their age. Wage subsidies such as Restart did not overcome these employer concerns.

Employers want well-matched candidates for vacancies

Employers emphasised the need for an efficient service that requires relatively little effort on their part. The few who used Jobactive said that they appreciated having a single point of contact who took time to understand their business needs and recommend well-matched candidates. Others reported being inundated with irrelevant applications and poor quality applicants referred by Jobactive.

There is a risk of over-promising and under-delivering

Some key informants suggested there is a mismatch between what the system promises—to both employers and jobseekers—and what it can feasibly deliver. They argued that web and TV promotion of employment services risks being counterproductive: if employers do not find the kind of service they need they will be even less likely to use it in future.

Implications

Inclusive employment requires effort on many fronts

Employment services face many challenges in promoting mature age jobseekers to employers who may be reluctant to take on staff they perceive as ‘rusty’ or ‘threatening’ (Bowman et al. 2016). Programs such as the now-defunct Corporate Champions can help to promote the benefits of age-diverse workforces among employers; however, they also run the risk of reinforcing age stereotypes (Taylor & Smith 2017). Other mechanisms such as requiring public tenders to have an age diversity clause could promote mature age recruitment. These measures should aim for age diversity rather than pit one age group against another. Furthermore, business case arguments about the benefits of employing mature age workers are unlikely to succeed unless employers’ concerns about mature age jobseekers’ real and perceived limitations are addressed. For example, targeted training in computer and digital skills could assist some mature age jobseekers.

Policy instruments can foster accountability for inclusive employment practices. For example, the Workplace Gender Equality Act 2012 was devised to respond to the persistent gender pay gap and low representation of women in senior positions) and encourage businesses to take responsibility for recruiting and promoting women (Gaze 2014). Australian businesses with 100 or more employees must report to the Workplace Gender Equality Agency (WGEA) their performance on a range of ‘gender equality indicators’, including their workforce composition and the distribution of men and women in full-time, part-time and casual work. The Act could be amended to include age, in recognition of the intersections of age and gender discrimination in workplaces. Then the WGEA reporting could include age data.

Reporting the employment characteristics of public sector organisations is also important (see, for example, the annual State of the public sector in Victoria, which provides data about age and gender of public sector employees).

Job-matching requires both time and knowledge

Strategies such as careful job-matching can help overcome some employer concerns about taking on long-term unemployed workers—at whatever age. Successful job-matching takes time and expertise and requires a good understanding of each jobseeker’s skills and experience and employers’ needs. Employer Liaison Officers were introduced in 2017 as part of the Department of Employment’s effort to work more effectively with employers in relation to youth unemployment. In the short term, this role should be expanded to include promotion of mature age jobseekers. More broadly such officers could facilitate collaboration between local providers to avoid overloading employers with unsuitable applications; however, this will require changes to the contract to encourage collaboration on a local level between providers.

To effectively tackle unemployment and discrimination, broader strategies are required

While responding to employer needs is important, this approach alone will not effectively tackle unemployment or discrimination—especially for mature age jobseekers. Active labour market policies need to recognise the changed nature of work and the labour market. What is required is a focus on job creation and economic development. Local economic development can be fostered through local, state and federal government cooperation within an overarching national economic development strategy.
1 INTRODUCTION AND POLICY CONTEXT

Mature age jobseekers face particular challenges in a competitive labour market. They may not have formal qualifications, their skills may not obviously match available opportunities, and they may experience age discrimination. While a great deal of attention has been paid to age discrimination, little attention has been paid to employers and their perceptions of mature age jobseekers who use publicly funded employment services.

To fill this gap, this component of the Enhancing employment services of mature age jobseekers study explores the perspectives of employers and key informants about recruiting mature age jobseekers through jobactive, the latest iteration of Australia’s outsourced employment services. Complementary reports present findings on the experience and perspectives of mature age jobseekers and jobactive staff.

Before discussing the findings from interviews with 11 employers and 11 other informants, we briefly consider age discrimination and active labour market policies.

An ageing workforce and age discrimination

There is increasing concern about Australia’s ageing population (The Treasury 2015) and the ‘disappearing taxpayer’. In response, the federal government has developed policies to encourage mature age people to keep working. Yet it is far from clear that the labour market is ready and able to provide them with suitable employment opportunities.

Some 56% of Australian employers surveyed in 2013 agreed that an ageing workforce would ‘have a large or very large impact on their own organisation’, yet only 20% had strategies in place to attract, engage or retain mature aged employees (Chandler McLeod 2013, p. 20). The size and nature of their business affected employer responses. Of those surveyed, 69% of employers in larger businesses (200+ employees), 44% in medium businesses (50–199 employees) and 34% in small businesses (fewer than 50 employees) considered an ageing workforce would have a very large or large impact. Employers in the health and community sector (64%) and mining (59%) were most likely to expect a large or very large impact.

Despite concerns about the impact of an ageing workforce, age discrimination persists (Australian Human Rights Commission 2008; 2010; 2012; 2015). Some 29% of the 1,655 human resource personnel who responded to a question about age discrimination in a 2015 survey reported that there is definitely (8%) or probably (21%) an age over which their workplace is reluctant to recruit workers (Australian Human Resources Institute 2015, p. 20). One in five respondents reported that ‘maybe’ it happens in their workplace. And most reported their workplace would be reluctant to recruit workers aged 50 or more (see AHRI 2015, Figures 21 and 22).

Anti-discrimination campaigns often adopt a ‘business case’ approach, highlighting the commercial benefits of employing older workers. But as Bowman and co-authors (2016) observe, these arguments can be counterproductive as they unintentionally reinforce stereotypes about age.

Between 2010 and 2013, the Australian Government invested in a range of initiatives for mature age workers, including a consultative forum on mature age participation, funding for retraining and skills recognition, intensive jobseeker assistance, wage subsidies, and the now-defunct Corporate Champions initiative to attract and equip employers to commit to better practice in recruiting and retaining mature age workers.

In 2014 the government introduced Restart, a wage subsidy designed to encourage employers to take on staff aged 50 or more (Australian Government 2014). More recently, the 2017–18 Budget has included new measures to support mature age jobseekers, including a Career Transition Assistance Program, the expansion of the National Work Experience Program and the establishment of Pathway to Work Pilots.

The latest initiatives—especially the Career Transition Assistance Program—show some promise in assisting mature age jobseekers, but they need to be understood in the context of broader active labour market policies and programs.

Active labour market policies and mutual obligation

Active labour market policies have been adopted enthusiastically by successive Australian governments. Reciprocal obligation was part of the Keating Labor Government’s Job Compact in 1994, which heralded a shift from ‘passive’ welfare to reciprocal/mutual obligation (Fowkes 2011). The Howard government then introduced...
mutual obligation and workfare; and this has remained a feature of active labour market policies since (Considine, O’Sullivan & Nguyen 2014).

The focus on activity tests and associated penalties has shaped the way the public interprets the causes of unemployment and in turn judges those who are unemployed, by reinforcing the notion that unemployment is an issue of behaviour, rather than opportunity (Waterford 2016).

**Focus on supply-side rather than demand-side issues**

Active labour market policies tend to focus on supply-side issues and rarely on demand-side issues (O’Neil & Neal 2008).

Supply-side elements in the labour market relate to jobseekers’ personal attributes, competencies, skills, qualifications and educational attainment, and history of labour market attachment (McQuaid 2006). Supply-focused interventions include approaches that are designed to prepare and incentivise jobseekers, through rapid movement into work placements, short-term job skills training, personal guidance and financial sanctions for non-compliance (van der Aa & Berkel 2015).

This applies to government-funded employment services such as jobactive, which assess the circumstances of jobseekers and determine their eligibility for different levels of assistance (Department of Employment 2015b). Basic support focuses on résumé-writing and job search activities. People receiving income support payments may also be obliged to participate in ‘Work for the Dole’ activities, notionally to gain skills and experience. Jobseekers are also expected to invest in their non-technical ‘employability’ skills—from communication and organisational skills to reliability and adaptability (Department of Employment 2015a, p. 12).

By contrast, demand-side elements in the labour market relate to employers’ attitudes and expectations; workforce and skills requirements; and recruitment, retention and management strategies (Spoonley 2008). Demand is shaped by factors including local businesses and vacancies, and national and international macroeconomic conditions. Accordingly, demand-side interventions aim to influence the attitudes of employers towards the unemployed, the supply and quality of training and education, the availability of assistance for disadvantaged jobseekers, the functioning of the tax and transfer system, and the supply of appropriate jobs (McQuaid & Lindsay 2005).

Demand-side responses include wage subsidies to encourage employers to employ specific groups (such as the Restart subsidy) and job creation through investment of public funds. They also include policies that foster economic activity on a local, regional or national level and are broader than change to public employment services alone.

For groups such as mature age workers, especially those who have been long-term unemployed, demand-side interventions may be just as important as supply-side interventions.

“**For groups such as mature age workers, especially those who have been long-term unemployed, demand-side interventions may be just as important as supply-side interventions.**
Limited employer use of publicly funded employment services

Data from the Department of Employment indicates that only 4.7% of recruiting employers across Australia used public employment services in 2015 compared with 8% in 2011 (KPMG 2016, p. 19). This supports the comment from the Australian Chamber of Commerce and Industry that publicly funded employment services are ‘no longer mainstream to employer options for filling vacancies’ (ACCI 2013, p. 4).

Employers’ low level of engagement with publicly funded employment services is not unique to Australia. Studies in Europe show that public employment services are often ‘the last resort’ for employers looking to recruit (Larsen & Vesan 2011, p. 4). Researchers have also suggested that negative attitudes towards the long-term unemployed, and perceptions that they are in some way ‘deficient’ compared with other jobseekers, are the primary reason employers choose not to recruit from public employment services—the dominant ‘deficiency’ being a perceived lack of motivation (Bonoli & Hinrichs 2010; Larsen & Vesan 2011; Raikes & Davies 2015).

Improving engagement with employers

A 2012 review of good practice in Australian employment services highlighted proactive ‘employer engagement’ as a key characteristic of high-performing providers. In this review, employer engagement meant working to understand employers’ skills needs, referring or reverse marketing jobseekers to them, and providing effective post-placement support (DEEWR 2012).

Employer needs are a key focus of the current jobactive contract and this is reflected in the objectives, tender requirements, performance reporting and outcome payments.

Department of Employment research found that employers’ first contact with an employment service provider was a direct approach from the provider. If the employer returned to the service, the main reasons for returning were the quality of the relationship with the provider, and the fact that the jobseekers referred to them matched their needs (Neville 2016).

There is little recent data on employer satisfaction with jobactive employment services. Regional reports are available in relation to Job Services Australia, the predecessor of jobactive. As part of the evaluation of jobactive, a specific report will look at employer needs—timelines in the evaluation strategy indicate it was planned for completion around March 2018 (Department of Employment 2016, p. 9).

It is in this context of an ageing population, active labour market policy and employers’ limited use of public employment services, that our exploration of employers’ perspectives of employment services for mature age jobseekers took place.
2 RESEARCH METHOD

The Enhancing employment services for mature age jobseekers study as a whole examined the experiences and perspectives of mature age jobseekers, employment services staff and employers. Here we outline the research method relating to the component focused on employers’ perspectives on employment services and mature age jobseekers.

As for the other components of the study, a qualitative approach was adopted, using semi-structured interviews to draw out the attitudes, opinions, experiences and motivations of employers and representatives of employer peak bodies and related organisations. Interviews were conducted face to face or by phone.

Transcriptions of the interview audio recordings were de-identified and initially read by the researcher to note key themes. They were then read by other members of the research team to confirm or challenge the preliminary themes. A revised framework based on discussion of identified themes was used to guide the analysis.

Recruitment

The study focused on four employment regions in metropolitan Melbourne with high levels of mature age unemployment. We interviewed employers and other informants as explained below.

Employers

The research team planned to recruit employers from industries that broadly reflected the local labour markets. We aimed to include up to three employers per employment region, with a mix of small, medium and large organisations, and a balance between employers who used jobactive and those who did not.

Employers were recruited through a range of channels, including the Brotherhood of St Laurence’s existing networks (3 employers), contacting the local council (2 employers) and cold calling (4 employers).

Of the 60 employers that the research team approached, 11 accepted, 12 declined and 37 did not respond/follow up.

Table 1: Selected characteristics of employers interviewed

<table>
<thead>
<tr>
<th>Selected characteristics</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business size</strong></td>
<td></td>
</tr>
<tr>
<td>Small</td>
<td>3</td>
</tr>
<tr>
<td>Medium</td>
<td>1</td>
</tr>
<tr>
<td>Large</td>
<td>7</td>
</tr>
<tr>
<td><strong>Employment region</strong></td>
<td></td>
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<tr>
<td>Inner Melbourne</td>
<td>1</td>
</tr>
<tr>
<td>North Eastern</td>
<td>2</td>
</tr>
<tr>
<td>Southern Melbourne and Peninsula</td>
<td>5</td>
</tr>
<tr>
<td>Western</td>
<td>3</td>
</tr>
<tr>
<td><strong>Industry</strong></td>
<td></td>
</tr>
<tr>
<td>Administrative and support services</td>
<td>2</td>
</tr>
<tr>
<td>Public administration and safety</td>
<td>1</td>
</tr>
<tr>
<td>Financial and insurance services</td>
<td>2</td>
</tr>
<tr>
<td>Health care and social assistance</td>
<td>3</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1</td>
</tr>
<tr>
<td>Construction</td>
<td>1</td>
</tr>
<tr>
<td>Labour hire</td>
<td>1</td>
</tr>
<tr>
<td><strong>Current user of jobactive employment services</strong></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>2</td>
</tr>
<tr>
<td>No</td>
<td>8</td>
</tr>
<tr>
<td>Unsure</td>
<td>1</td>
</tr>
</tbody>
</table>
Employer interviewees included owners, CEOs and managers, according to the size of each organisation. In smaller companies, CEOs were sufficiently involved in the recruitment process to participate in the study. By contrast, in large organisations, operational or HR managers were selected as they were directly involved in recruitment.

Selection and key characteristics of other informants

In addition to the 11 employers, 11 other informants were interviewed (Table 2). They were selected for their likely knowledge of employers’ practices in the four employment regions in the study.

<table>
<thead>
<tr>
<th>Informants from</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer peak bodies</td>
<td>3</td>
</tr>
<tr>
<td>Employment service provider peak bodies</td>
<td>2</td>
</tr>
<tr>
<td>Specialist recruitment agencies</td>
<td>2</td>
</tr>
<tr>
<td>Department of Employment</td>
<td>2</td>
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<tr>
<td>Advocacy or specialist interest organisations</td>
<td>2</td>
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</tbody>
</table>

Interviewees held senior roles such as Executive Director, Chief Executive Officer, Director and Manager.

Ethics

Ethics approval was granted by the Brotherhood of St Laurence’s Research and Policy Centre’s NHMRC accredited Human Ethics Committee.

Limitations

Due to time and resource restrictions, only 11 employers were interviewed. However, the careful selection of the interviewees enabled the research team to capture a wide spread of perspectives. Furthermore the views of others with knowledge of employment practices complemented the views of the employers interviewed.
Our findings suggest that many employers have little awareness or understanding of jobactive, which is not surprising given the low level of engagement of employers generally with publicly funded employment services. At the same time, jobactive providers face contractual obligations and constraints that limit how they can effectively engage with employers.

According to Department of Employment research with employers, in 2016 half of job vacancies were advertised directly through the internet, 17% were advertised in a newspaper and 18% were recruited through word of mouth/poaching. Only 12% of job vacancies were filled via jobactive or a recruitment agency (Department of Employment 2017?).

The recruitment methods used by the small sample of employers in our study correspond loosely to that wider pattern.

Most of the employers interviewed used online channels as their primary method of recruitment, with three preferring Seek, two relying on advertisements on their website, and one employer advertising through Ethical Jobs. A residential aged care service relied on walk-ins to fill vacancies for personal care roles. One small manufacturing business recruited almost exclusively via the local jobactive provider, and another relied on word of mouth and local jobseekers participating in Work for the Dole.

Four of the employers we interviewed sometimes used private recruitment agencies, either for more senior roles or short-term positions, and two employers (both in the health care and social assistance sector) used labour hire firms for their laundry and/or food services.

Employers’ preferred recruitment methods highlight the challenge inherent in the intermediated job placement method for low-skilled positions that jobactive offers to employers.

The promotion of jobactive on the web and in TV advertising as providing quality candidates at no cost is at odds with mutual obligation requirements, which oblige most jobseekers to apply for many positions each month. Several employers we interviewed reported being inundated with irrelevant applications and having poor quality applicants referred to them by jobactive. Instead, these employers wanted a single point of contact with someone who took the time to understand their business and provided quality candidates for vacancies.

We discuss each of these limitations of current public employment services in more detail below.

‘I don’t know what jobactive is, sorry’

Fewer than half the 11 employers we interviewed knew what jobactive was; two had used it to recruit staff, but only one other knew jobactive by name and demonstrated a good understanding of the service.

To some degree, their lack of awareness may reflect the unfamiliar name; but there was also some confusion between Centrelink and employment services. As one employer commented, there is ‘a lack of understanding of what they do’. He elaborated:

*I mean, in the good old days I think we used to call it ‘Centrelink’, didn’t we? And everyone knew that was people who needed to find work. (Employer, health care and social assistance)*

"The promotion of jobactive on the web and in TV advertising as providing quality candidates at no cost is at odds with mutual obligation requirements, which oblige most jobseekers to apply for many positions each month."
Employers might work with or be aware of a provider without recognising it as a jobactive provider, according to some interviewees. There was also some confusion about multiple agencies with different names. As one employer in landscaping services commented, ‘I have heard of jobactive and Job Prospects ... and I think there's another one? There are a few around’.

Another employer reported that his office had recently hired two mature age women who had been out of the workforce for some time, and had received a subsidy—suggesting they might have been jobactive clients; however, he was unable to recall the name of the agency.

‘Don’t give me lemons when I want apples’

Employers were clear about what they do and do not want in employment services. A number emphasised the need for the service to provide quality over quantity of candidates, regardless of their age. For example, a local council employer expressed her frustration at being ‘inundated with hundreds of applications’. She commented: ‘If we were to use [a jobactive service] ... we’d like to know that we’re not going to get 300 applications’.

Similarly, while another employer had had a good experience working with his local provider, he suggested that, in general, jobactive performance incentives encourage a focus on speed and numbers rather than suitability. He explained:

I think maybe when the government gets involved in things numbers become more important than the quality, and [service providers] say okay, we’ve got 5000 people through the doors—but 4000 [are] square pegs in round holes. They get their numbers up, they have the right amount of people for interviews, regardless of how poorly they are [matched to the job]. (Employer, manufacturing)

He added: ‘That’s something I said to [my employment service provider], you know what we want, don’t give me lemons when I want apples’.

The importance of quality job-matching was echoed by a small business owner whose previous bad experiences had soured her view of employment agencies’ selection of applicants:

Don't give me 12 people that actually don't want to work. KPIs in that area don't work for employers. If they're not right, they're not right, so don't waste your time. That is annoying. I've had that. We stopped working with a [provider] because they were doing ... the KPI, tick-a-box thing and ... I can't do that again, sorry. (Employer, construction)

Employers ... emphasised the need for the service to provide quality over quantity of candidates, regardless of their age.
She pointed out the mismatch between the provider’s incentives and her focus on getting the right person for the job. As she put it, ‘I don’t want to bear the brunt of someone’s KPI’.

These comments were echoed by other employers who talked about the difficulty of sourcing appropriate candidates from jobactive providers, who adopted a ‘scattergun’ approach of putting forward large numbers of inappropriate candidates. As one person from an employer peak body put it:

Either employers don’t hear from [jobactive] at all or they report that they get inundated with providers who ‘have they got the employee for them’, even when they’re not recruiting. (Key informant, employer peak body)

Employers also talked about jobactive clients as ‘hard work’ and likely to be less motivated than other jobseekers. For some, this view stemmed from direct experience hiring people who had been long-term unemployed. An employer with a small construction business explained that she ‘would love the opportunity to give people a run’. In 2016, she had worked with an agency that managed long-term unemployed jobseekers. However, after three bad hiring experiences, she was not inclined to work with the agency again.

Similarly, an employers’ peak body informant recalled her unsatisfactory experience of taking on an employee via jobactive: ‘With all the great intentions in the world, we had to give up … because it was just too hard, it just completely disrupted the rest of the workplace’. After this single negative experience, the organisation has been reluctant to ‘give it another go’.

A few employers were happy with jobactive and the candidates they recommended. For example, one manufacturer talked about the value of having a consultant at a jobactive provider who understood his business and sorted suitable candidates from the ‘riff raff’.

However, most of the employers we interviewed were frustrated that they had jobs that needed to be done, but could not get people to stick at them. For these employers, age wasn’t the main issue; a desire and capacity to do the work was. What they wanted was carefully selected and matched candidates. As one employer put it, they want ‘a round peg in a round hole, not a square peg in a round hole’.

Successful job-matching takes time and expertise and requires a good understanding of both jobseekers’ skills and experience and employers’ needs. As an employer and peak body representative explained:

They say, ‘We’ll get you the right candidate at no cost’. Or the right fit. At no cost. Well I’m not sure, actually. Because you’ve got to have really good skills … to do the matching and the employer engagement. Because you’re not actually talking about the people that you’d be working with in a commercial recruitment [business] … Even the mature age jobseekers—the ones that might be saying ‘I’ve got all the qualifications, I’ve got this and I’ve got that’. But the reality is they’re not as competitive as [other candidates].

It seems that for many employers jobactive is missing the mark. In the words of an interviewee from an employers’ peak body: ‘Basically [employers] just don’t see them as providing a service they’re interested in taking up’.

**Making it work for employers**

Employers emphasised the need for an efficient service that requires much less effort on their part:

We’re too busy. We’re just too busy. You know, we take on about 600 new staff a year, and we don’t have the time to go in and hand enter something into somebody else’s website. (Employer, health service)

Interviewees wanted direct contact with someone who took the time to understand their staffing requirements and recommended suitable, qualified candidates. As one said:

I need to work one on one with a consultant. I don’t want to try and bring a whole bunch of people up to speed with what I need. I’d be happy to do a video or something like that so they can actually take that out to a broader group of people but generally I don’t want to deal with a bunch of individuals, I just want to work with one person because … it’s more manageable. (Employer, construction)

Speaking for her organisation’s employer members, one informant suggested that the jobactive system is not providing employers with the ‘simple connection point, a one-stop point of interaction’ that they need. She described the current registration and job listing process as ‘clunky’ and suggested that it needs to be much simpler and ‘more seamless … from an employer’s point of view’.
While some interviewees argued that there was a strong business case to develop a greater interest for an age-diverse workforce, all agreed that employers’ overriding priority in recruiting is to ‘get the right person for the job’. Employers focus on the ‘bottom line’; and the general opinion was that they do not have the time or resources to think about the needs of a particular group, such as mature age jobseekers. As the CEO of a small organisation explained:

“You should employ the best people for the job, I don’t care if they’re a woman or a man. I don’t care if they’re a Christian or a Muslim or a Hindu, I don’t care how old they are. I want to know about how good they are, and if they’re competent.”

This focus on the ‘right fit’ affects how employers recruit. Most that we interviewed were reluctant to use jobactive (if they knew about it at all) because of concern ‘about the type of candidate they’re going to get’ (Employer, disability services). For these employers, there was a stigma associated with public employment services. Employers were cautious about recruiting people who were currently unemployed, especially long-term unemployed. As one employer in household services explained: ‘If you look at someone’s résumé, if there’s a big gap, it’s an alarm. If a person’s long-term unemployed, there’s usually a reason for that’. Such concerns overrode considerations about age.

A wage subsidy for mature age recruits, such as Restart, did not overcome employers’ concerns about jobseekers who had been unemployed for a long time. Most of the employers we interviewed did not recognise the name Restart, but even those who did felt that the payment was not enough to offset the risks of taking on an unsuitable employee. For example, an employer in construction said:

“It’s nice to have a subsidy but it’s not like I’m going to hire them because I’m going to get $10,000. I’d be going, ‘What’s wrong with them?’”

A recruitment specialist agreed: ‘No-one will make a bad hiring decision for $10,000’.

Broader strategies are required to bridge gaps in people’s work history and address employer concerns.

Age and experience valued more in some sectors

On the whole, employers spoke positively about mature age workers, acknowledging the benefits that come with experience. However, much depended on the sector. For example, a residential aged care employer noted:

“Look, we do have a lot of older staff and staff that have been in the profession a long time—like in the same place for a long time—which is an advantage, I think.”

A disability services employer observed:

“I think their life experience, their ability to show greater empathy at that age. You don’t see many 18-year-olds ... with much understanding or empathy for anyone other than themselves.”

And an employer in financial services emphasised the value of a diverse workforce:

“It’s very much a retail role, you’re dealing with the public ... there’s a lot of diversity in our customer base and you have to have the patience to deal with customers and you have to be very good with people.”

Reflecting the reluctance to take on people who had been unemployed, some employers made a careful distinction between their existing staff and jobseekers.

On the other hand, employers expressed various hesitations about employing mature age applicants, because they were more likely to lack competence and confidence with IT; they might be overqualified and not really wanting the job that they have applied for; and they were more likely to be injured, unfit and less productive. We consider each of these concerns below.

Mature age jobseekers perceived as lacking competence and confidence with IT

A common perception was that mature age workers are generally less competent and confident with information technology than younger workers. While employers did not expect all employees to be ‘massively tech-savvy’, the ubiquity of IT means that a degree of familiarity and confidence with it is essential. As one employer reflected, even in service industries focused on looking after people, ‘you have to be able to report via technology’, which can be challenging ‘if you’re not good at systems, accessing them, knowing where to find something in the system, knowing how to log on, remembering the fiftieth password for yourself!’

At the same time, several interviewees cautioned against overemphasising IT skills. One employer in household services observed that while ‘some older people do lack IT skills, they might be good in other ways’. Another in financial services noted ‘equally important’ strengths that
mature age workers bring, emphasising their work experience, life experience and ability to build relationships.

Overall, most of the employers we interviewed felt that a jobseeker’s mindset and willingness to learn were more important than the specific skills that they brought to a job. As one employer explained:

*I think [employees] don’t need to come in with a particular skill set, like they don’t need to master using a particular app or anything. If you’re genuinely inquisitive and you’re happy to give things a go, that’s the required attitude … but if you’re afraid of technology then that can be really hard.* (Employer, financial services)

Some employers expressed a view that this resistance to change or learning new things (not just IT skills) was more common in older than in younger workers:

*The older workers, the ones we’ve come across so far, are already set in their ways.* (Employer, manufacturing)

Furthermore, several interviewees observed a difference in literacy skills between mature age jobseekers, especially blue-collar workers from non-English speaking backgrounds, and younger applicants. A specialist recruiter gave the example of workers from a chicken factory who were unable to pass English tests for new jobs, after being laid off:

*They … couldn’t get a foot in the door at any other factories, doing exactly the same work they were doing for 30 to 40 years.*

**Mature age jobseekers perceived as overqualified and ambitious**

The risk of appointing someone who had previously had a more senior role and thus appeared overqualified was also mentioned by interviewees. As one explained, this is a particular issue for white-collar workers:

*I think in relation to professional people, one of the issues is that if you disengage for any reason over the age of 50 often you end up reapplying for roles that are below where you’re at. Then the organisation [that is] recruiting may say, ‘This person is very senior, way overqualified for what our role is. How would we keep them? Or how does that impact on the existing workforce in that area?’*

Some employers expressed frustration about overqualified mature age jobseekers who applied for junior roles, believing that they would use the job as a stepping stone to a more senior position. A health service employer explained:

*We’re not hiring somebody who only wants to be in this job for a few months, and then wants to be moved up. There is no job we’re going to move you up to. This is the job and we need somebody who is going to come and stay in the job. They need to understand that if they’re going to go for a lower position the employer is not obliged to give them a better job. If you don’t want to be in that job, then don’t apply for it.*

However, other interviewees recognised that there were different reasons why someone might apply for a less senior role and that it was important not to ‘second-guess’ mature age jobseekers’ motivations. As a financial services employer observed:

*My personal view is if someone’s applied for the role, then they know what it is … So as long as they understand what the role is and they’re happy with it, then I think that’s fine.*

**Concerns about physical demands and increased WorkCover claims**

Just as white-collar mature age workers face particular challenges, such as appearing overqualified, so too do blue-collar workers—a key challenge being their reduced capacity for physical labour. While employers emphasised that age was not necessarily a barrier to physical roles, they acknowledged the limitations that could be associated with age. For example, a construction business owner explained that it is ‘a dirty, dirty job. You come out exhausted at the end of the day’. Yet he observed:

*We’ve got people up into their 50s. If someone’s physically fit and want to get on with it, we’ll give anyone a run. We explain what we do, we show them pictures. We always have one of our lead installers at the interview, so they explain what happens.*

Similarly, an employer in landscape maintenance commented that while the work involved long days and trying conditions, ‘it depends on the individual’ and he thought that many mature age workers could handle the work better than ‘some young people who haven’t got the drive’. This employer reflected that providing varied tasks (e.g. whipper snipping one day, painting bollards the next) helps manage the physical load. Another small manufacturing business owner accommodates his older workers by identifying tasks that are less strenuous (for example, working with small car parts).
Despite the physical demands of some jobs, several employers—for example, two in manufacturing and construction—had employed mature age workers. Indeed, the construction business owner had previously hired someone in their 70s. Similarly, the employers in health care and social assistance reported diverse workforces, with a significant proportion of employees over 50 years.

Nevertheless, a history of injury was a red flag to some employers. For example, a small construction business owner commented that she would ‘totally avoid anyone who’s been on WorkCover’.

Furthermore, there was some concern about lower productivity of mature age workers. This could include concerns about increased leave due to ill-health or injury or reduced capacity to learn new tasks and get up to speed. As a local council employer put it: ‘There’s a bit of a perception around here that people who are older tend to take more time off “because they get unwell”’ (Employer, local council). And a health service employer observed:

[Among lower skilled roles] we’re not only worried about WorkCover claims, but productivity ... You know, is a 60-year-old able to take on the cleaning duties as well as a 30-year-old? Will they be able to work as efficiently? (Employer, health service)

These employer concerns reflect the ‘rusty’ and ‘threatening’ stereotypes identified by Bowman et al. (2016). Unless they are addressed, business case arguments about the benefits of employing mature age workers are unlikely to succeed.

“Just as white-collar mature age workers face particular challenges, such as appearing overqualified, so too do blue-collar workers—a key challenge being their reduced capacity for physical labour.”
Employers and recruiters that we interviewed spoke of several kinds of practical guidance that employment services needed to provide for mature age jobseekers.

**Learning how to prepare an appropriate CV**

Assistance to build a CV or résumé was an area where employers felt jobactive staff could most practically help mature age jobseekers. In the words of one employer:

*The most important thing is that they get support and help addressing the CV, the application, the selection criteria ... An application ... needs to ... have the information quick and upfront ... That's really the first hurdle.* (Employer, local council)

Given the changes in recruitment practices, CVs are now important even for blue-collar jobs. However, some jobseekers seem unaware of how to prepare a CV. A specialist recruiter recalled receiving a one-page handwritten letter and one-page handwritten résumé from a mature age applicant. He observed: ‘He had no idea how to present himself, and it’s fairly typical’.

In addition to the need to familiarise mature age jobseekers with current conventions, employers emphasised tailoring the CV to focus on recent, relevant experience. A number of employers suggested that mature age jobseekers should truncate their CV, instead of detailing their entire working life:

*If you’ve been around a long time and you’ve got a CV that stretches over 40 years, don’t put the whole 40 years on there. That sort of thing looks irrelevant.* (Employer, local council)

However, a specialist recruiter cautioned against mature age jobseekers ‘hiding’ their age, suggesting this approach could backfire if a jobseeker then presented to an interview as much older than the employer had expected.

Highlighting direct experience relevant to the specific role is vital when applying for jobs that are less senior than previous roles. An employer observed:

*I’ve seen this so many times where [a mature age jobseeker has] been in a management position before. They’re desperate for any job, so they apply for a job that is more junior. They have a set résumé that talks about how they managed others to do the work. [But I want to know] how are you going to do this role ... I don’t want to hear about how others you managed did it.* (Employer, health service)

Identifying skills that can be transferred to other contexts is key to a good CV, especially for those mature age jobseekers who are no longer able to work in their previous field due to technological or industrial change or physical limitations. As one employer commented:

*Careers are [now] much more about a series of skills that you acquire across a diverse number of roles. So what I would say to someone who’s seeing a mature age worker is not to think about it as, ‘I’ve been an accountant all my life, I’ve got to apply for an accounting role’ [but rather] ‘Well that’s great but what are the other skills you’ve got?’* (Employer, financial services)

This employer encouraged mature age workers to ‘think outside the box’ and draw on the breadth of skills gained across their personal and professional life. She suggested that older jobseekers were not as good as younger ones at recognising their transferable skills, placing them at a disadvantage in a changing job market.

**Selecting training aligned with interests and the labour market**

Interviewees also emphasised the need to ensure that training was aligned with both jobseekers’ interests and current labour market opportunities. For example, a specialist recruiter observed:

*So often the truck drivers, the bricklayers will be boxed into their previous history: ‘Oh, you’re a bricklayer, sorry can’t help you. We’ve got no opportunities for you’. Whereas if we can provide them with business admin skills, they can go and work in an organisation that might sell bricks—they’ve got skills they can go and use elsewhere.*

Investment in appropriate training can build on the skills and experience of mature age jobseekers. What is important is to ensure that further training matches real opportunities.
6 POLICY IMPLICATIONS

This study suggests a number of steps that are required to enable employment services to deliver on their goal of getting more people into employment, and especially to improve engagement with employers and opportunities for mature age jobseekers.

Improving the identification of jobseeker skills and employer needs

Promoting public employment services to employers carries a considerable risk of being counterproductive if candidates prove unsatisfactory. Employers we interviewed emphasised the need for an efficient service that requires much less effort on their part. They wanted direct contact with someone who took the time to understand their staffing requirements and recommended suitable, qualified candidates. This requires caseloads that allow employment services staff enough time to get to know employers and understand their requirements. In the short term, the remit of Employer Liaison Officers should be expanded to include the promotion of mature age jobseekers—as well as young people—to employers. Local employment service providers need more incentives to collaborate effectively, to avoid overloading employers with unsuitable applications.

Fostering employment opportunities through local economic development

Active labour market policies need to recognise the changed nature of work and the labour market. What is required is a focus on job creation and economic development. Local development can be fostered through local, state and federal government cooperation within an overarching national economic development strategy.

Complementary strategies to foster local economic development and inclusive employment are also needed. For example, social procurement in the public sector can support social policy objectives (Barraket & Weissman 2009). Building social procurement objectives into local government planning in western Sydney has contributed to local economic diversification, employment creation for people experiencing disadvantage in the labour market, and environmental benefits (Dean 2013).

Building local collaboration with employers and community organisations

Recognising the multiple actors in the labour market, some approaches that seek positive change have focused on stakeholder collaboration and coordination. For example, the National Community of Practice approach to the delivery of Transitions to Work for young unemployed people could be adapted to the needs of older jobseekers. This approach emphasises collaboration between providers and fosters employment opportunities through Community Investment Committees which bring together employers, local government, community organisations and service providers. This would require a shift in jobactive funding from a strong focus on incentives for providers to compete for placements to serious incentives for collaborative solutions.

Promoting the value of diversity in workplaces

Policy instruments such as the Workplace Gender Equality Act 2012 can foster accountability for inclusive employment practices. The Act was devised to respond to the persistent gender pay gap and the low representation of women in senior positions and to encourage businesses to include women in selection and promotion processes (Gaze 2014). The Workplace Gender Equality Agency (WGEA) tracks progress—or lack of progress—in workplaces. Australian employers with 100 or more employees must report to WGEA their performance on indicators including workforce gender composition; men’s and women’s rates of pay; the distribution of men and women in full-time, part-time and casual work; the availability of flexible working conditions; and the numbers of women in management (Bowman & Maker 2015). The Act could be amended to include age, in recognition of the intersections of age and gender discrimination. Then the WGEA’s role could be expanded to include tracking workforce profiles and conditions by age.

Reporting the employment characteristics of public sector organisations is also important: for example, the Victorian Public Sector Commission’s annual State of the public sector in Victoria provides data about the age and gender of sector employees (Victorian Public Sector Commission 2018). Programs similar to the now-defunct Corporate Champions can also play an important role in promoting the benefits of age-diverse workforces. Other mechanisms such as requiring public tenders to include an age diversity clause could boost the employment of mature age workers. These measures should highlight age diversity rather than pit one age group against another. Furthermore, the promotion of the benefits of mature age workers is likely to fail unless employers’ concerns about mature age jobseekers’ low IT competency, ‘over-qualification’, and poor physical fitness or previous injury are addressed.
7 CONCLUSION

Features of the current employment services system work against effective engagement with employers by providers, with disappointing results for employers and for some groups of mature age jobseekers. The emphasis on quantity of job applications over quality can lead to lasting negative attitudes towards public employment services. Despite recent initiatives (such as Employment Liaison Officers) that seek to increase employer engagement and promote the use of jobactive, very few employers use jobactive when recruiting for staff. Developing good relationships with employers takes time and trust.

Tackling the challenges of mature age unemployment requires change in the employment services contract to enable providers to respond to the concerns of employers and the needs of jobseekers, and especially better matching of candidates with vacancies. It also requires broader policy change to foster local economic development and inclusive employment.
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